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Senate

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

PRAYER

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

Gracious God, whose presence and power are revealed to the heart that longs for Your guidance, to the mind that humbly seeks Your truth, and to those who are united in oneness to serve You in a great cause, we ask that this time of prayer be an authentic experience of communion with You that issues forth into an authentic unity of purpose to glorify You in all that we do today.

We seek to receive Your presence continually, to think of You consistently, and to trust You constantly. We urgently need divine wisdom for our leadership of this Nation. We have discovered that this only comes in a reliant relationship with You. Prayer enlarges our minds and hearts until they are able to be channels for the flow of Your spirit. You are Yourself the answer to our prayers.

As we move through this day, may we see each problem, perplexity, or person as an opportunity to practice Your presence and accept Your perspective and patience. We do not want to forget You, Lord, but when we do, interrupt our thoughts and bring us back to an awareness that You are waiting to bless us and to equip us to lead with vision and courage. Thus, may our work be our worship this day. In the name of our Lord and Savior. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT, is recognized.

Mr. LOTT. I thank the Chair.

SCHEDULE

Mr. LOTT. Mr. President, yesterday I witnessed what I think was probably the best day of legislating on both sides of the aisle and on both sides of the Capitol that I have seen in many, many years. Beginning here in the Senate, we did complete action on the nuclear waste disposal legislation. It took a lot of effort, a lot of cooperation, and I think everybody deserves a lot of credit for the way it was handled.

Also, I want to commend the chairman of the Transportation Appropriations Committee and his ranking member. I think they put in an Olympic performance. Even though the hurdles were movable at times, they continued to persist and were able to complete the transportation appropriations bill, and we appreciate the chairman's efforts on that; also on a whole variety of conferences. Conferences were literally meeting all over the Capitol yesterday, on MilCon appropriations, on health insurance reform, small business relief package, minimum wage, on safe drinking water, on the terrorism task force. Everybody was working hard, and I really was very impressed with the effort that everybody put into the day yesterday. I hope we can replicate that again today.

This morning the Senate will immediately turn to the consideration of the reconciliation bill conference report regarding welfare reform. That conference report will be considered under the statutory debate time limitation of 10 hours equally divided. I hope it will not take the full 10 hours. I know a lot of Senators want to be heard, and certainly they have that right in this time limit. But I hope maybe we can yield back some of that time so that we can take up conference reports. We have a couple of them that we will probably have to vote on. The D.C. appropriations conference report and military construction conference report will probably both have to be voted on.

This conference report is not amendable. Therefore, a vote on the adoption of the report will occur on the expiration or yielding back of debate time. Following disposition of the reconciliation bill conference report, the Senate may be asked to turn to consideration of other available conference reports or appropriations bills.

After we have votes on the conference reports, it is my intention at this time to go to the HUD–VA appropriations bill. The chairman, the Senator from Missouri, Mr. BOND, and the ranking member, Ms. MIKULSKI, have been very patient and understanding; their bill has slipped so we could move other, supposedly less controversial bills, but I hope we can take up the HUD–VA appropriations bill late this afternoon or even tonight. Therefore, rollcall votes can be expected throughout today's session and probably into the night.

I yield the floor, Mr. President.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, let me say to the majority leader on behalf of the Democratic leader that we intend to cooperate with him as much as we can, but I might say to the majority leader, as he understood, the Democratic leader was quite upset last night when one of the judges had an objection. That level of cooperation kind of broke open last night.

So I just want to advise the majority leader that we will be attempting to continue to help him through the day, but it received a bump last evening.

Mr. LOTT. Mr. President, I understand that, and I understand that we will be in very close touch with the distinguished assistant minority leader, the whip, to make sure that when votes do occur today they are in coordination with the Democratic leader's

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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schedule, because we know he has some other things with which he is concerned.

We understand about the bumps in the road, but it is kind of like the hurdles on the Transportation appropriations bill the Senator from New Jersey helped work through. You just keep moving forward. You deal with them, and you find a way to handle these problems, and we will keep working with Senators to see that we can do that.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. DEWINE). Under the previous order, leadership time is reserved.

PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the conference report to accompanying H.R. 3734, which the clerk will report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the current resolution on the budget for fiscal year 1997 having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

(The conference report is printed in the House proceedings of the RECORD of July 30, 1996.)

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, as I understand it, there are 10 hours equally divided. I hope we do not use 10 hours, and I will not take very long. I will yield rather quickly to the chairman of the Finance Committee. If he would permit me to give just a quick oversight, I will yield on our side. But I do wish to announce there are a number of Senators who want to speak. I hope we do not have any lag time between speakers. The Senators who have asked to speak are HATCH, GRAMM, SPECTER, HUTCHISON, SIMPSON, COATS, and GORTON. Some have indicated they want to speak as much as 10 to 20 minutes. I am clearly going to have plenty of time to accommodate them. I hope they will be watching here so that we do not have big periods of time when we are in a quorum call.

Mr. President, we come to the end of a long journey today to reform our Federal-State welfare programs. We take this final step today to send to the President of the United States for his announced signature the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

As vice chairman of the welfare reconciliation conference, I wish to first thank the people who did the bulk of the work to bring this conference to a quick conclusion. On our side, I thank in particular Senator ROTH, the chairman of the Finance Committee, who sits here. Without his diligent work and that of his excellent staff, we would not be here. I also thank, Senator LUGAR, who chairs the Agriculture Committee. For some it is not quite understood why a welfare bill can include agriculture issues. Of all of the nutrition programs that are a part of this package, most of them come within the jurisdiction of the Agriculture Committee, from food stamps on down. Obviously Senator LUGAR and his very dedicated staff must be given very high praise on our side of the aisle for their work.

These two distinguished chairmen and their staffs, from what I understood, worked tirelessly this last week. I was with them some of the time. I know of no other budget reconciliation conference in our history that was completed as quickly as this—less than 1 week.

Now, obviously, the House and Senate have passed bills that were somewhat similar—we have been at this a number of times. In fact, we have heretofore sent to the President two bills that passed both the House and Senate and he vetoed them. So, completing the conference report in 1 week seemed to us to be an achievable goal. And, indeed, they have exceeded our expectation and finished in slightly less than a week.

I believe part of the reason why this conference was completed so quickly is because the work on this issue has been in progress since the beginning of the 104th Congress, which began almost a year and a half ago. Welfare reform was one of the top legislative agenda items of this Congress. The former Republican leader, Senator Bob Dole, our candidate for President, made welfare reform a centerpiece of our broader effort to reform the Federal Government and return power back to the States and communities. For that, I want to indicate my great praise for our candidate for President, and our former leader. He had a lot to do with us being here today.

In addition, the national Governors, both Republicans and Democrats, have worked over the last year, both with the Congress and the administration, to help us make as informed judgments as we can.

This legislation truly represents and reflects the beginning of an open partnership with the States. This openness will be critical to its long-term success. We finally have decided what we should have decided a long time ago, that the States should not be our junior partners: who we tell how to do everything, do not listen to, and do not let make any innovative changes or do anything different from State to State. For too long we have assumed that one shoe fits all and that the States better do as we say because we are paying some or most of the bill.

We have decided that the States and Governors and legislatures out there in America are as concerned about the poor as we are. They are concerned about their well-being and as concerned, if not more so, about the status of welfare in their States—a program that was built upon and built upon over the past 60 years, but never contained any elements which were truly an incentive to go to work, or to improve your own personal responsibility and take better care of yourselves, and thus of your children. It had become as if people were locked in poverty, kind of waiting around for the next minimal cash benefit check and whatever else went with it. The rewards were not great. The money was not very much. But of those who got on it, many of them stayed on it forever because there were no tools to help them get their educations and look for jobs. There were not job placement approaches.

All of that will change when this bill becomes law. The essence of the new welfare will be more like workfare. Welfare offices will turn into work placement offices, into job training offices, into places where people can go to find out how to improve their skills and what help they can have while they are doing that, such as enhanced child care. We put a great deal of resources in here, because we want many of the people who are single heads of households, who have a couple of children, to be able to become trained and educated. So we have provided about $14 billion over the next 6 years in this bill, in order to help parents who want to go find jobs with those things that they need to take care of their children in the interim.

The spirit of bipartisanship is here today also. The President's statement yesterday indicates he would sign this legislation, after having vetoed two previous attempts at welfare reform.

Our Senators may describe what we have done differently, but from my standpoint I describe it in five simple ways:

First, we want to encourage and make people work. We believe work is the best thing to make people feel more self-esteem. It builds personal responsibility—which is precisely the opposite of the ethic we have built into the welfare program heretofore. Able-bodied persons who seek assistance should seek work and employment, and only after failing to find employment should they turn to the taxpayer for assistance.

Second, simple as it sounds, we ask parents to take care of their children. We stress personal responsibility and create incentives for families to stay together. We reestablish one simple rule, parents should take care of their children first. Accordingly, we track down and punish deadbeat fathers and mothers. Third, we change the culture of welfare. This is a culture that has

dominated and poisoned our good intentions for the last 61 years. We do away with the concept of an entitlement to a cash benefit. Welfare will have a 5-year time limit for any recipients. No longer will welfare be a way of life. It will be a helping hand—and not a handout.

Fourth, we cut endless, unnecessary Federal regulations and bureaucracies and bureaucrats by turning power and flexibility over to the States and communities. That is where help for those in need can best be determined and best be delivered, and where innovation will flourish. Better ways to do things will be found.

Fifth, and finally, this is a budget reconciliation bill, and these reforms will slow the growth of Federal and State spending for these programs. Spending on the programs in this bill: the new temporary assistance for needy families block grant—temporary assistance for needy families block grant, I repeat that—this is a new program, and a new child care block grant program, and the reformed food stamp, SSI, child nutrition, foster care—all of these, along with the earned-income tax credit and other programs will increase from $100 billion this year to nearly $130 billion per year 6 years from now. Total spending over the next 6 years for these programs will exceed $700 billion.

For those who say we are not going to provide for those in need that were heretofore on welfare, let me repeat: The combined programs will increase from nearly $100 billion this year to $130 billion per year in 6 years, hardly a reduction in expenditures. Let me repeat, the total programs that I have just described, food stamps, SSI, child nutrition, foster care, the block grant program for child care, the new block grant to take the place of AFDC, which we will call temporary assistance for needy families—all of those programs will seek, from the taxpayers of America, $700 billion over the next 6 years.

Nevertheless, our taxpayers should know that we will save, we will save them, about $55 billion. This program in its reformed and more efficient mode will cost $55 billion less than it was assumed to cost if we had left everything alone and kept the entitlements wherever they were.

I believe much of these savings are going to be achieved because we are making the programs work better. We are going to be pushing people to do what they should have been doing all along—get off the rolls into work, off dependence into independence, off looking to somebody else for responsibility and looking to themselves. And everywhere we turn, in this bill, there are provisions for those who just cannot do it. There are emergency set-asides, emergency allowances, there are provisions, where it just cannot be done, to provide some of what must be provided in addition to the basic program.

I would like to quote one of our very distinguished Senators, Senator RICK SANTORUM—for whom I also extend my great appreciation for his help on the floor on many occasions during the debate on welfare. He stood here in my stead and he did a remarkable job. He came to the Senate well informed on this subject. He, at one point, said: ''Welfare reform has been and will continue to be a contentious issue. This legislation is tough love.''

I concur. And I do not believe there is anything wrong with that either. I have some concerns about provisions in this legislation. Other Members will have their particular concerns, and the President has expressed his. Unfortunately or fortunately, depending on your philosophy of governance, it is possible and probable that even with the President's signature we will not have seen the last of welfare reform. When he has signed it, we will probably see a completed law and we will carry it out. In due course, we will see there are some areas that need some repair, some fixing. But I believe, under any circumstance, with a bill that is as much on the right track as this—although perhaps imperfect in certain areas—we should proceed. We should let the reform move along.

For today, I believe, that the best hope we have to fulfill the promise we all made to the American public to change these programs as we have known them—is to pass this bill overwhelmingly.

Making such fundamental changes to programs, some of which are 60 years old, will surely require adjustments and additional tuning as we begin to see how this legislation unfolds. But for those who seem frightened of this change, and for those who want to find the areas where they have concern and that might need some repair in the future, I merely ask, is it possible that this welfare reform program can be worse than what we have?

I cannot believe that it is; because in a land of opportunity with untold chances for people to succeed on their own and move ahead with personal achievement and responsibility, in a land with plenty of that, one thing that stands out as a testimonial to failure on the part of our legislative bodies and the executive branch is the welfare program of this country. This program, for the most part, moves people in the opposite direction of mainstream opportunity in America, and for many it locks them there. We must unlock their opportunity potential.

For today, I believe this is our best opportunity to change the culture of welfare and, once again, I repeat, to provide in every way possible a hand up, an opportunity up, not a handout. I believe these Americans who are locked in welfare as we know it today are anxiously waiting in their minds and in their hearts for a better way of life. What we are saying, is we hope we are providing that for you. We hope we are giving many of you an opportunity to get out of welfare and get into something that is more like what most Americans have the opportunity to be a part of.

In short, I believe this legislation is the best hope we have today to provide some real hope for a future for those families and children in our society who, in many, many instances, are totally without hope. But we need to be honest and sober. I believe proponents and opponents may be overstating the results, but I believe the overwhelming consequences of this bill will be positive. The legislation represents a fundamental change in social policy. We elected officials should not assume that this legislation is perfect. The one thing the last 61 years should have taught us is that no one can be all-knowing.

So let us be proud of this significant accomplishment today. I believe it is the right legislation for the future. But let us also remain vigilant and sober. Many people's lives will be affected by this critical legislation, and we hope for most of the overwhelming percentage it is for the better.

Again, I congratulate the Members of the House and Senate who have worked to help bring this legislation before us today. I am hopeful that we will put an end shortly to welfare as it is.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER (Mr. FAIRCLOTH). Who yields time?

Mr. DOMENICI. Mr. President, I yield the floor.

Mr. LAUTENBERG. I thank the manager.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, let me start off by saying that I greatly respect my colleague on the other side of the aisle, the manager and the chairman of the Budget Committee. I listened to him carefully, and I know that he is a man of compassion and concern. I have seen it manifested in many ways: his interest in the mentally ill, his interest in the disabled. This is someone who cares about people. So when I talk about my difference in view, this is my personal perspective and, by no means do I intend to criticize the distinguished Senator from New Mexico.

Mr. President, I take this opportunity, acting as the minority manager on this conference report, to make my remarks, and they reflect my opinion. This is not a consensus view that I have mustered; this is the opinion of the Senator from New Jersey, who has been on the Budget Committee for some time and draws on some experience from my corporate world, as I discuss my perspective.

This is a historic and peculiar time for the U.S. Senate. The body is on the verge of ending a 60-year guarantee that poor children in this country might not go hungry. I salute the attempts to solve the problem. I am right with all the others, including the President of the United States, in wanting to solve the problem.

The question is not whether one wants to solve the problem; the question is, how do you solve it? This is going to be a test not only of our pocketbooks and our resources, but of our hearts as well. Though I have heard it described as bleeding hearts, I am willing to accept the nomenclature that has applied, because having had my life experience when in the Depression years my family was, to use the expression, dirt poor, and my father had to go to work on a WPA program, it was a humiliating experience for him to have to go to work on a Government program. But he buried his pride for a moment, and he did what he could to support his family.

I don't know many people who want to humiliate themselves standing in a line waiting for their welfare check. Yes, there are some cheats out there and there are druggies and there are drunks. They are out there, there is no question about it, but a lot of those people are simply people who have not yet discovered a way out of their misery and their poverty.

Women with children, many of them unwed—I do not approve of that condition, but that is life. The punishment should never exceed the deed, and that is what I fear, Mr. President, we are about to do in this body of ours, in our beloved country. For 60 years, we could rest easier at night and be sure American children had a minimum safety net. The bill before us takes away this peace of mind and throws up to 1,100,000 children into poverty, according to a study by the Urban Institute.

I agree, the welfare system is in need of repair, and I believe that it needs to promote work and self-sufficiency, pride and dignity. That is going to make the difference.

I think it should also, however, protect children and, unfortunately, I am not certain at all that this so-called welfare reform does it.

First, the Republican bill does not promote work. It asks for work. It demands work. I heard the distinguished chairman of the Budget Committee say we can make people work. That is a requirement for welfare recipients. But it does not require the resources to put people to work.

In fact, CBO said that most States would be unlikely to satisfy this work requirement for several reasons. One major reason is that this bill cuts funding for work programs by combining all welfare programs into a capped block grant.

Second, the Republican bill hurts children. It would make deep cuts in the Food Stamp Program, which millions of children rely on for their nutritional needs. It would also end the guarantee that children will always have the safety net. Under this bill, a State could adopt a 60-day time limit, and after that the children would be cut off from the safety net entirely.

The State would not even be required to provide a child with a voucher for food, clothing, or medical care. When you take all of these policies together, this bill will put an estimated approximately 1.1 million children into poverty. And this is a conservative estimate. It could be higher.

Mr. President, my conscience does not permit me to vote for a bill that will likely plunge children into poverty.

I had an experience some years ago when I was at the Earth summit in Brazil with the now Vice President of the United States and other Senators, Republican and Democrat. We were dining at a restaurant, facing a beautiful harbor in Rio. The restaurants were separated by rows of shrubs—beautiful places, a marvelous atmosphere. I saw a light brown hand reach through the bush and take food off the table. Children starving, thousands of them, sometimes chased by the police, sometimes shot at because they crowded the doors.

Mr. President, a child who is hungry will go to any means, as will an adult, to satisfy their hunger. I am worried about that. I cannot vote to leave our children unprotected. I was one of only 11 Democrats to vote against the original Senate welfare bill that would have put 1.2 million children into poverty. I voted against the conference report on this bill that would have doomed 1.5 million children to the same fate. I will vote against this bill for the same reason. We dare not abandon our children.

Mr. President, I hold a different vision of what the safety net in this country should be. I am concerned, frightened, that this bill will leave children hungry and homeless. I am afraid the streets of our Nation's cities might someday look like the streets of the cities of Brazil. Walk around there and you see children begging for money, begging for food, and even at 8 and 9 years old engaging in prostitution.

Tragically, that is what happens to societies that abandon their children. When we don't protect our kids, they resort to their own means to survive. I do not want to see that happen in this country. I want to see this country invest in children.

I think we should invest more in child care and health and nutrition so that our kids can become independent, productive citizens. I want to give them the opportunity to live the American dream like I and so many in this room had the good fortune to do. If we do not, we will create a permanent underclass in this country. We will have millions of children with no protection, and we are going to doom them to failure.

Mr. President, as a member of the Budget Committee, I also want to comment on the priorities that are reflected in this reconciliation bill. Despite the fact that this bill is only limited to safety net programs, it is still considered a reconciliation bill. The bill receives the same protections as a budget-balancing bill, but there is no balanced budget in it. This reconciliation bill seeks to cut the deficit only by attacking safety net programs for poor children, for legal immigrants.

There are no cuts in corporate loopholes or tax breaks, despite the fact that the tax expenditures cost the Federal Treasury over $400 billion a year. There are no such savings in this bill. There are no grazing fee increases, no mining royalties, no savings in the military budget or NASA's budget.

The only cuts in this bill come from women and children. This reconciliation bill gives new meaning to putting women and children first.

Mr. President, I realize that this bill is going to pass. I understand the President clearly has indicated that he is going to sign it. However, as the distinguished Senator from New Mexico mentioned, the President and many of us are determined to examine a package of changes next year to soften the blow of the harsh provisions in this bill.

Mr. President, we have seen the reaction of people regarding this bill. When you hear from the mayor of one of the world's most distinguished cities, New York City Mayor Giuliani, he is worried about where they get the money in the block grants to supply the job training, the child care support. He is concerned, as are many mayors across the country we have heard from.

Mr. President, I will, for a moment, just relate an experience that I had when I ran a corporation, a big corporation. When I left to come to the U.S. Senate, we had over 16,000 employees, a very successful company. We were a company, founded in New Jersey, that tried to work within our community. The company still has its headquarters in New Jersey and employs almost 30,000 people today.

I always tried, since I came from a poor background of hard-working, honest people who always wanted to keep their heads high and always wanted to do the right thing and not ask anybody for anything—but there were times when we needed help. If I did not have the GI bill, Mr. President, I doubt that I would be standing in front of the U.S. Senate and the American people today. So, we were very conscientious, my partners and I, about trying to understand what was happening around us. We began to hire people, or we attempted to hire people, who were literally unemployable with job after job, short-term employment, and then back on the streets.

We brought people into the computer room, not into the factory. We did not have a factory. I was in the computer business. We brought them into the computer room, and we had one startling success among several people that we worked with. The reason for that success was very interesting. The reasons for failure were obvious, because though we would give these people a job, and they would be enthusiastic about it for a couple days, as soon as they got back into their environment and as soon as they were faced with

poverty and despair and drugs and crime, they fell right back in the trap. They were useless as employees in very short order.

But the one person who succeeded so well, we got an apartment for her, and we moved her, helped her move from her ghetto area to a more middle-class area. The success was astounding. This woman, when we hired her, she was 25 years old. She had very limited education. She became a computer room supervisor—a good job—and went on to become a part of management in the company. It was a startling success, because it was not that we said, you have to go to work and have to show up on time. We said that to everybody. You say that to all of your employees. All of them do not do it. It needs training. It needs commitment.

Mr. President, I hope that this bill that is being considered today, this reconciliation bill, will not be the first step toward larger problems than we can understand today, toward the kind of situation where America turns its heart into stone and says, OK, we are here as accountants, we are here to cut the budget.

I want to cut the budget. I have programs to cut the budget to arrive at a balanced budget. I know what happens in the corporate world when your expenses get too high and your revenues too low. You make changes, make them selectively. We did not just cut every department if we had to reduce expenses. Maybe it was time to cut the marketing department or the production department or the products design department. But I always thought about the long term. We are abandoning the long term. What we are doing is giving a lot of people political satisfaction, those who work here and those who are outside who hear us on TV and the radio.

Mr. President, I make my remarks in the full context of the realization of where we are. This bill has lots of support. I am not, I promise you—not—attempting or trying to influence people to vote against it. I am stating the case as I see it. I hope it will in some way encourage others to think very deeply about their decision to vote. I thank you and yield the floor.

Mr. DOMENICI. Mr. President, how much time does the distinguished Senator from Delaware desire?

Mr. ROTH. Ten minutes.

Mr. DOMENICI. I yield up to 15 minutes to the Senator from Delaware, Senator ROTH.

Mr. ROTH. First of all, let me thank the distinguished Senator from New Mexico for his gracious remarks about me and my staff. I just point out that we would not have been able to complete the reconciliation within a week if it had not been for his leadership, for the assistance and help that he provided at any time when it became necessary in the difficult negotiations that had to take place. I want to publicly thank the Senator for his contribution.

Mr. President, this day is a remarkable turning point in the lives of millions of American families and generations to come. This is the day we will reorder our confused and confounding system of welfare. A world spinning out of control will be brought back into proper course. It will return to order not through the power of Washington but through personal responsibility and work opportunity, the very title of this important legislation.

I say to my distinguished friend from New Jersey that what we seek to do here is to provide the same kind of opportunity that was given to him, through help to go to college, but particularly as he tried to help that lady into the mainstream of life by giving her meaningful work. I think that is what we are all seeking to do together.

Mr. President, this is the third time welfare reform will have passed in the 104th Congress. The issue of welfare reform has been frequently and passionately debated over these past months, and rightly so. The effects and consequences of the welfare system in some way touches us all.

During this time, the Finance Committee has held 19 hearings and taken testimony from 90 witnesses. We have found that the current AFDC program, as it was designed in the 1930's, abandoned many families long ago as a statistic of long-term dependency in contemporary society. The current welfare system has failed the very families it was intended to serve.

If the present welfare system was working so well we would not be here today. I think that is a point well worth underscoring because the fact is, as the record shows, that this current system has not been good for children. For anyone who believes that it has, I recommend you read the findings section of this legislation. I have yet to hear anyone defend the present system as good for children.

I point out that in 1965 there were 3.3 million children on AFDC; by 1992, that had risen to over 9 million children. In 1992, 9 million children were on welfare, AFDC, despite the fact that the total number of children in this country has declined. Last year, the Department of Health and Human Services estimated if we do nothing, 12 million will be on AFDC in 10 years.

I reemphasize once again that the present system is not good for children. But the record clearly demonstrates the contrary—that instead of being good, we find more and more children being trapped in a system and into dependency on welfare.

As I said, to do nothing is absolutely unacceptable. Mr. President, 90 percent of the children on AFDC live without one of their parents. Only a fraction of welfare families are engaged in work. The current welfare system has cheated the children of what they need most—among these is hope, the necessary condition of liberation from dependency. The key to their success will not be found in Washington but in the timeless values of family and work.

Opponents of welfare believe that the States lack either the compassion or the capacity, or both, to serve needy families. They are wrong. We promised welfare reform and we have kept our promise. Our legislation is built upon the original principles from which we have never waivered. This is a bipartisan bill. Half of the Senate Democratic Members who served on the conference voted for the bill when it passed the Senate by an overwhelming margin. Yesterday, this conference report passed the House of Representatives by a vote of 328 to 101. Half of the Democrats in the House of Representatives voted for this bill. I believe that demonstrates the bipartisan spirit upon which we have approached welfare reform.

A number of people deserve our thanks and credit for giving us this opportunity today. First, let me give credit and thanks to Senator Bob Dole, our former majority leader. Even after welfare reform had been vetoed twice, Bob Dole insisted that we could and should remain steadfast in our fundamental principles and achieve welfare reform. Bob Dole introduced a welfare bill before he left the Senate which was, frankly, the benchmark of our conference report before us. His last advice to me was to make sure this job gets done this year. I have to say, Mr. President, today's action reflects his work, reflects his vision, reflects his leadership.

Our Nation's Governors, most especially the lead Governors on welfare and Medicaid reform, people like John Engler, Tommy Thompson, Mike Leavitt, Tom Carper, Bob Miller, Lawton Chiles, and Roy Romer deserve our thanks and credit for their work to make welfare reform a reality. I look forward to working with them again to face the challenge of Medicaid reform.

Even though Senator MOYNIHAN does not support our legislation, I want to thank him for his work and insights into this extremely complex world of welfare. Perhaps no one has done more over the past three decades than Senator MOYNIHAN to bring the alarming growth in welfare to the Nation's attention.

President Clinton has announced his support for this hard-won conference report and he is to be congratulated for that decision. It is the right thing to do.

Mr. President, while the present welfare system is full of excuses, the welfare reform legislation being presented to the American people today is indeed a bold challenge. And while the present system quietly accepts the dependency of more than 9 million children, our proposal speaks loudly to them and insists that they, too, must be among the heirs to the blessings of this great Nation.

Welfare reform is about helping families find the freedom and independence we take so much for granted.

Mr. President, this legislation clearly points the way to that independence.

But the road to independence does not begin or end in Washington. Independence begins with living up to one's responsibilities. This is echoed through the legislation with the provisions on work, time-limited benefits, limits on benefits for noncitizens, and strong child support enforcement reforms.

Mr. President, I urge adoption of the conference report.

I yield the floor.

Mr. WYDEN addressed the Chair.

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

Mr. WYDEN. Mr. President, I yield myself 15 minutes. Mr. President, there is a concrete reason for voting for this less-than-perfect bill. For millions of Americans, this legislation can be a tool for turning the welfare check into a trampoline for opportunity and independence. I know this because my home State of Oregon has achieved it.

Once more, the State of Oregon has marked a path for the Nation. By putting in place our welfare reform program, known as Jobs Plus, we have shown the Nation that it is possible to be both tough and compassionate. With our Jobs Plus Program, we have been able to have strong work requirements and critically needed child care and medical care for folks coming off of welfare. The plan is working for both taxpayers and those coming off of welfare. And as the President said yesterday, today's legislation can spark more States into going with the kind of approach we have at home.

Mr. President, a few years ago, an Oregonian approached me on the street and said, ''You know, for me, welfare is kind of like 'economic methadone.' You guys send me a check. The checks always come, but you people never let me do anything to break out, to get off welfare.''

This legislation provides the way to break out—a real key for unlocking the riddle of welfare dependency. I think it is an opportunity to remake this system that doesn't work for those who are in it and doesn't work for the taxpayers who pay for it.

Take child care, for example. Child care is an absolute prerequisite to changing welfare. I chaired hearings looking at the child care issue, and we heard heartbreaking accounts of how, again and again, women would get off of welfare, they would be doing well in the private sector, but their child care would fall apart just as they were getting back on their feet.

This bill provides $3.5 billion more than current law for that critically needed child care. That increase of $3.5 billion in child care is going to be absolutely critical to helping folks get off welfare.

In addition, as several of my colleagues have noted, child support is strengthened. I am also pleased that Medicaid is protected as a guarantee for all of our Nation's children.

Now, at the beginning of this Congress, there was a lot of talk about orphanages. A lot of us did not particularly think that all of these orphanages were exactly Boys Town, and nobody seemed to zero in on the question that if an orphanage was Boys Town, it would come with a big price tag for taxpayers. So a lot of us thought that we ought to do something better. I worked very hard to develop a new approach known as ''Kinship Care.'' What the Kinship Care amendment says is that the Nation's grandparents—the millions of loving grandparents—would get first preference when a youngster from a broken home needs help. Instead of sending the children away, the grandparents, if they met the child custody standards, would get first preference. Along with Congresswoman ELEANOR HOLMES NORTON, Congressman CLAY SHAW, and Senator DAN COATS, on a bipartisan basis, we all worked together on this kinship care amendment.

Now, as we look to the 21st century when, as a result of the population trends and demographics, there are going to be many more grandparents, we have an opportunity to keep families together, to use a new model known as kinship care to provide loving care for youngsters in a cost-effective way.

Mr. President, this legislation doesn't meet my definition of perfection. I will say that I, frankly, detest a couple of these provisions—particularly, what was done with the food stamp shelter deduction and the legal immigrant provisions. So this legislation doesn't meet my textbook standard of what would constitute perfection. I, like a number of our other Senators, am going to fight very hard to make changes in this area. As I think it is critical to do, we ought to be constructive and we ought to look at useful ways that Senators can work on a bipartisan basis for changes.

For example, there has been a lot of talk in this Congress about the idea of a lock box, the idea of special accounts so that when the spending is reduced, those funds are protected for deficit reduction. I have supported that concept. I think the lock box makes sense. Frankly, I think we ought to look at a new idea, and we can call it the lunch box. We could make sure that when you eliminate some of those tax loopholes, when you go after wasteful spending, some of those funds could be put in what I call the lunch box, and we could use these savings to try fresh approaches to ensure that all Americans have access to good nutrition. I think there are a number of new, innovative approaches that we ought to try and that are going to be needed, even after this bill is enacted and signed into law.

At the end of the day, Mr. President, the question, to me, is straightforward: Is this legislation better than the status quo? Is it better than the system that an Oregonian told me was like economic methadone? I think that when you look at the child care provisions, at the Medicaid guarantee, when you look at the opportunity for States to follow the path that Oregon has followed with our Jobs Plus Program, I believe you see the case for supporting this legislation. I intend to vote for it.

Mr. President, I yield the floor.

Mr. DOMENICI. Mr. President, as manager of the time on this side, I want to indicate that Senator GORTON will be recognized to take my place, and he will have up to 15 minutes, and then he will indicate thereafter the sequence until I arrive back on the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Washington State.

Mr. GORTON. Mr. President, I greatly admire those who, during the course of this debate over the last year and a half, expressed great confidence in the consequences of the passage of this bill or of its predecessors. I expressed that admiration both for those who are as confident that the bill will end a culture of dependency as for those who view with alarm what they believe will vastly increase poverty among the people of the United States. While I admire their certainty, I cannot join in it.

I must say, Mr. President, that I am not at all certain of what the consequences of the passage of this bill will be. I hope and I am inclined to believe that they will primarily be positive, but I cannot be certain. In that regard, Mr. President, I agree fully with the views expressed yesterday in the Washington Post by Robert Samuelson, and I will quote three sentences of his review:

> The exercise aims to promote self-reliance by making it harder for people to rely on government. Without the threat of extra suffering, people would have no reason to change. What can't be predicted is how the good and bad will balance.

Mr. President, I find that entire column to be so persuasive—and not at all, incidentally, to be so similar to my own views—that I ask unanimous consent that the entire column be printed in full at the end of my remarks.

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

(See exhibit 1.)

Mr. GORTON. Mr. President, on the other hand, what I do know and what I feel confident in stating is that our present welfare system is a tragic and destructive failure. At the very least, the present system has been accompanied by a massive increase in the very conditions that it was designed to alleviate: illegitimacy, family breakup, a negative attitude toward work, a culture of dependency. At most, our present system has been a contributing cause to those conditions.

I should also like to observe, Mr. President, that those who oppose this bill, by and large, are those who individually—or whose philosophy—have guided and managed the system that this bill in large part dismantles. These people, these ideas clearly represent the conventional wisdom, a conventional wisdom that has guided and produced every change in welfare policy in

this country, or almost every such change, for at least the past 30 years. Their present advice is to view with alarm these changes, to attempt to preserve the status quo, except to ask that we do a little bit more of what we have been doing with these last several decades.

Mr. President, that conventional wisdom is bankrupt and ought to be abandoned, not only for the sake of our society as a whole but for the sake of the supposed beneficiaries of these welfare policies.

Those of us who support this legislation, these changes, hope with some reason that this bill will increase incentives to work, some of those incentives being positive and some negative. We hope, with some reason, that it will result in strong disincentives for teenage pregnancy and illegitimacy. We are convinced that it will require greater male parental support for their children.

But the heart of this bill—not with total consistency, after all, with the compromises that have entered into it—but the heart of this proposal is consistent with my own uncertainties about specific consequences resulting from specific policies. That central feature is to end the absolute entitlement to welfare, to end the detailed Federal regulation of the way in which welfare policies are administered by the State, to end the massive bureaucratic interference with every detail of welfare policy, and to encourage—for that matter, to require—a wide range of experimentation in welfare policies among our 50 States.

I suppose that States which really want to pay for even more generous welfare systems than they have at the present time will be able to find a way to do so, and that there may be a handful of such States. Perhaps more significantly, those States that want to adopt tough work requirements will be able to do so. Those States that want to provide for greater training and child care will be able to do so. Those States that want to impose strong disincentives against dependency will be able to do so.

In fact, in a relatively short period of time after the passage of this bill, we will have 50 distinct and different systems of welfare in the United States. We will learn just how much private sector charities can and will do in the welfare field. We know that in certain areas they have been magnificently successful at much lower cost than any government-run program. How much that private sector effort can be increased we simply do not know at the present time, but we will learn as a result of this bill.

As a consequence, 5 years from now or 10 years from now, I believe that we will know far more about which welfare policies work and which do not. Perhaps we will even know enough to lead us wisely to a more centralized system of adopting those policies which seem to have worked well. I suspect, I hope, and I think this 50-State experimentation will probably be successful enough so that our successors will wish it to continue.

Mr. President, I am gratified but not at all surprised that a poll-driven President of the United States has agreed to sign this bill. That agreement means that we are talking here, debating here, something real—real changes in policy with a real impact on our society and on our citizens.

It would be very difficult to do worse than we have been doing over the course of the last several decades. We have a marvelous opportunity to do far better. The time has come to act. The day is at hand on which we will act.

I commend this magnificent new experiment to my colleagues.

EXHIBIT 1

[From the Washington Post, July 31, 1996]

FOR BETTER OR WORSE?

(By Robert J. Samuelson)

We are now hearing a lot about the promise and peril of ''welfare reform.'' To its champions, the legislation nearing congressional approval would destroy the ''culture of dependency.'' Critics see it as further impoverishing many poor families. Both are correct. The exercise aims to promote self-reliance by making it harder for people to rely on government. Without the threat of extra suffering, people would have no reason to change. What can't be predicted is how the good and bad will balance.

I have put ''welfare reform'' in quotes, precisely because ''reform'' is a term of art. It is automatically attached to any scheme for social change, from ''campaign finance reform'' to ''school reform.'' In debates about these proposals, the protagonists act as if they can easily foretell the effects, for good or ill. As often as not, this convenient fiction spawns ''reforms'' with many unintended consequences. The process is now in full swing with ''welfare reform.''

The combatants regularly issue confident predictions and shrill denunciations that depict a fixed future. Last week, for example, the Urban Institute, a research group, released a study estimating that the House-passed welfare bill would increase the number of people in poverty by 2.6 million people, including 1.1 million children. Naturally, opponents of the legislation seized upon this to emphasize how bad it is. But a close look at the study shows that its conclusions ought to be highly qualified.

The House and Senate bills would give states great flexibility to run their welfare programs within broad federal guidelines. Total lifetime federal benefits would be limited to five years, though states could exempt 20 percent of their caseloads. States would be pressured through complex regulations to move most mothers into some type of ''work'' within two years. After making some assumptions about state programs, the Urban Institute study estimates that the loss of benefits would outweigh the increase in earnings from jobs.

This could happen. The study's assumptions aren't implausible. But uncertainties abound. First, the full rise of people in poverty would occur only in 2002 after all the bill's provisions took effect. Between now and then, Congress (or the states) could make changes if things went badly. This is especially true of one of the bill's worst provisions: the denial of many benefits, including food stamps, to legal immigrants. That alone accounts for about two-fifths of the bills' benefit cuts.

Second, the increase in the poor would be much less—only 800,000 and not 2.6 million—if the Urban Institute had used the government's official definition of poverty. I cite this difference not because I think the Urban Institute deliberately inflated the impact of ''welfare reform'' but because it shows how perceptions can be shaped by somewhat arbitrary statistics.

(For numbers freaks, the difference arises because the government definition counts only cash income to determine who falls below the poverty line: $15,141 for a family of four in 1994. Excluded are benefits such as food stamps that substitute for cash. The Urban Institute counts many of these benefits. As a result, the Urban Institute finds many fewer poor people; but if welfare reform cuts non-cash benefits, the impact on recorded poverty is greater. Still, the number of poor by the Urban Institute's count—even after adding 2.6 million—would be almost 25 percent lower than under the government count).

Statistics aside, what matters are people. Would more be made better or worse off by ''welfare reform''? Unfortunately, we can't answer that, because we can't predict all of ''reform's'' effects. The Urban Institute examines one aspect of change: the shift from welfare to work. The study assumes that two-thirds of mothers who lost welfare would get jobs—many part-time—paying about $6 an hour. That wouldn't offset all the lost benefits. But this may miss some other favorable effects. Stingy welfare would discourage some out-of-wedlock births and prompt some parents to marry. ''The main route off welfare for good is marriage,'' says Douglas Besharov of the American Enterprise Institute.

How large might these changes be? Neither Besharov nor anyone else knows. But the social climate is shifting, and ''welfare reform'' is simply a part of the change. Harsher welfare may reinforce the message that many teens are hearing elsewhere; and the impact may be amplified by tougher enforcement of child support payments and more prosecution for statutory rape of older men who prey on young girls. Teens account for 29 percent of out-of-wedlock births; the worst aspects of the ''welfare problem'' would diminish if, somehow, these pregnancies would drop.

The case for the present ''welfare reform'' is that, despite many flaws, it would disrupt the existing system. As Mickey Kaus argues in Newsweek, we may discover what works and what doesn't. Some states would emphasize job training and child care for welfare mothers; others would impose harsh time limits. All could be forced to examine how charities, churches and self-help groups can best aid vulnerable families. This process is already occurring through ''waivers'' granted to states to modify existing federal rules; the legislation would give change further impetus.

We ought to be sober about the possibilities. We are dealing with the most stubborn problems of poverty—family breakdown, low skills and human relationships. Changing how people behave isn't easy. Indeed, new government figures show that out-of-wedlock births continue to rise, as Charles Murray notes in the Weekly Standard. In 1994, they were 32.6 percent of all births, up from 23 percent in 1990. These numbers are an argument for assaulting the status quo and a reminder of how hard it will be to change.

The remaining drama over the welfare bill is mostly political: Will President Clinton sign it? And who then—a Republican Congress or a Democratic president—will get the credit or blame for enacting or killing ''reform''? However the drama ends, the welfare dilemma will endure. It is this: How can a

decent society protect those who can't protect themselves without being so generous that it subverts personal responsibility? No one on either side of this bitter debate has an obvious answer.

Mr. WELLSTONE addressed the Chair.

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

Mr. WELLSTONE. I thank the Chair.

Mr. President, I am here to speak, but out of deference to Senator MOYNIHAN, who is ranking member of the Finance Committee and, more importantly, who has shown an intellectual and personal public policy commitment, probably unlike anyone in the Senate, I will suggest the absence of a quorum so we can see whether or not Senator MOYNIHAN wants to speak now. If not, I will speak.

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. WELLSTONE. 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. WELLSTONE. Mr. President, while we are waiting, I wish to insert into the RECORD an op-ed piece today by Frances Fox Piven in the New York Times called ''From Workhouse to Workfare.''

This is a very powerful piece. It concludes with the statement that the ''facts don't seem to matter'' in the debate over this welfare bill. ''We may have to relive the misery and moral disintegration of England in the 19th century to learn what happens when society deserts its most vulnerable members.''

That is the conclusion of this article.

I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

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

[From the New York Times]

FROM WORKHOUSE TO WORKFARE

(By Frances Fox Piven)

If Bill Clinton, as an Oxford student, had studied the history of the poor in early 19th century England, he might not have decided to sign the welfare reform bill.

Eminent English social thinkers developed a justification for an 1834 law that eliminated relief for the poor. Learned arguments showed that giving them even meager quantities of bread and coal harmed both the larger society and the poor themselves.

Never mind the rapid enclosure by the rich of commonly used agricultural land; never mind the displacement of hand-loom weavers by mechanized factories; never mind the decline in the earnings of rural workers. The real causes of poverty and demoralization were not to be found in these large economic changes, the thinkers said, but rather in the too-generous relief for the poor. The solution was to stop giving relief to people in their own homes; instead, survival for the family meant entering prison-like workhouses.

The misery and reduced life spans that ensued were well-documented not only by historians but ultimately by Parliament, which investigated the workhouses and the riots against them. England came to learn that the theory that relief itself caused poverty was wrong, and replaced the Poor Law with a modern system of social assistance.

No matter what England learned, the United States Government is eagerly following the 1834 script by ending Federal responsibility for welfare and turning it over to the states. The arguments are the same: welfare encourages young women to quit school or work and have out-of-wedlock babies. Once on the doll these women become trapped in dependency, unable to summon the initiative to get a job or to raise their children property. Welfare, in short is responsible for the spread of moral rot in society.

Never mind low wages and irregular work; never mind the spreading social disorganization to which they lead; never mind changes in family and sexual norms occurring among all classes and in all Western countries. The solution is to slash welfare. ''Tough love,'' it is said, will deter young women from having babies and force those already raising children to go to work.

But slashing welfare does not create stable jobs or raise wages. It will have the opposite effect. By crowding the low-wage labor market with hundreds of thousands of desperate mothers, it will drive wages down.

The basic economic realities of high unemployment levels and falling wages for less-educated workers; guarantee a clamaity in the making—and not only for welfare mothers

It is true that the United States has a higher proportion of single-parent families than other Western countries. But since other rich countries provide far more generous assistance to single mothers, this very fact suggests that welfare has little to do with it.

Other facts also argue against the welfare-causes-illegitimacy argument. Most obvious, welfare benefits set by the states have declined sharply since 1975, while the out-of-wedlock birth rate has risen nationwide. In addition, there is no discernible relationship between the widely varying levels of benefits provided by the states and the out-of-wedlock birth rates in the states.

But fact don't seem to matter. We may have to relive the misery and moral distintegration of England in the 19th century to learn with happens when a society deserts its most vulnerable members.

Mr. WELLSTONE. I thank the Chair. 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.

Mr. MOYNIHAN. Mr. President, yesterday, after the President announced he would sign this legislation, I said: ''The President has made his decision. Let us hope that it is for the best.''

Today, I continue to hope for the best, even if I fear the worst.

As I have stated on this floor many times, this legislation does not reform aid to families with dependent children; it simply abolishes it. It terminates the basic Federal commitment of support for dependent children in hopes of altering the behavior of their mothers. We are putting those children at risk with absolutely no evidence that this radical idea has even the slightest chance of success.

In our haste to enact this bill—any bill—before the November elections, we have chosen to ignore what little we do know about the subject of poverty. Just 2 days ago, on July 30, 11 of the Nation's leading researchers in this field issued a statement urging us not to do this. Among them were seven current and former directors of the Institute for Research on Poverty at the University of Wisconsin established in the aftermath of the Economic Opportunity Act of 1964. Scholars of the stature of Sheldon Danziger of the University of Michigan; Irwin Garfinkel of Columbia University; Eugene Smolensky of the University of California at Berkeley; and Edward Gramlich of the University of Michigan. They write:

As researchers who have dedicated years to the study of poverty, the labor market, and public assistance, we oppose the welfare reform legislation under consideration by Congress. The best available evidence is that this legislation would substantially increase poverty and destitution while doing too little to change the welfare system to one that provides greater opportunity for families in return for demanding greater responsibility.

Real welfare reform would not impose deep food stamp cuts on poor families with children, the working poor, the elderly, the disabled, and the unemployed. It would not eliminate the safety net for most poor legal immigrants, including the very old and the infirm. It would not place at risk poor children whose parents are willing to work but are unable to find unsubsidized employment. It would not back up work requirements with the resources needed to make them effective.

We strongly support an overhaul of the nation's welfare system. But the pending legislation will make a troubled welfare system worse. It is not meaningful welfare reform. It should not become law.

I repeat what these social scientists have concluded: ''The best available evidence is that this legislation would substantially increase poverty and destitution.''

What is the evidence? Dr. Paul Offner, the distinguished Commissioner of Health Care Finance for the District of Columbia, summarized it nicely last week. Respected research organizations such as the Urban Institute here in Washington, and the Manpower Demonstration Research Corporation in New York have, over the years, undertaken careful evaluations of various welfare reform demonstration projects. As Offner recounts, they found that welfare caseloads were reduced in only 4 of the 23 welfare demonstrations they studied.

Dr. Offner points out that even the program in Riverside, CA, which is regarded by many experts as the most successful ever, has achieved caseload reductions of less than 10 percent.

This should not surprise us; it is not easy to change human behavior. Notwithstanding this fact, the premise of this legislation is that the behavior of certain adults can be changed by making the lives of their children as

wretched as possible. This is a fearsome assumption. In my view. It is certainly not a conservative one.

If we acknowledge the difficulty in bringing about the transition from welfare to work, we must recognize that putting people to work on a large scale would require a large-scale public jobs program, and that would require a great deal of money.

Let me say that Democrats were the first to fail in this regard. In the company of Sargent Shriver and Adam Yarmolinsky, I attended the Cabinet meeting in the spring of 1964 where we presented the plans for a war on poverty. Our principal proposal, backed by Secretary of Labor Willard Wirtz, was a massive jobs program, along Works Progress Administration lines, to be financed by a cigarette tax. President Johnson listened for a moment or two; announced that in that election year we were cutting taxes, not raising them. He thereupon picked up the telephone attached to the Cabinet table, called someone, somewhere, about something else, and the war on poverty was lost before it began.

This legislation is even worse.

In fact, this legislation provides some $55 billion less over the next 6 years. There are work requirements in the bill, but we seem tacitly willing to admit they will never be met. Dr. June O'Neill, Director of the Congressional Budget Office, has been most forthcoming on this subject. The CBO report on this bill bluntly states that

> Given the costs and administrative complexities involved, CBO assumes that most states would simply accept penalties rather than implement the [work] requirements.

What else does the evidence show? It shows quite clearly that the central feature of this legislation, the time limit, will affect millions of children. CBO estimates that ''under current demographic assumptions, this provision could reduce cash assistance rolls by 30 to 40 percent'' within the decade. I should say that again: 30 to 40 percent of the caseload will be cut off in less than 10 years' time.

Let me put that in terms of how many children will be cut off. According to the Urban Institute, 3,500,000 children will be dropped from the rolls in 2001. By 2005, 4,896,000 children will be cut off.

The Urban Institute has also estimated, in a report released just last Friday, July 26, that this bill will cause 2.6 million persons to fall below the poverty line; 1.1 million of those impoverished will be children. To say nothing of those persons already living in poverty. They will be pushed even further below the poverty line; The average loss in income for families already below the poverty line will be $1,040 per year. I note that the Urban Institute's estimates are based on quite conservative assumptions, so the actual impact could well be even worse than predicted.

I cite this evidence because it is important that we cast our votes with full knowledge of the consequences. This information has been widely available, and I have made these arguments on the floor previously, so I believe we are all on notice of the implications for children.

The implications of this legislation for our State and local governments are another matter. These are not widely known, but they will be very real indeed. On Thursday of last week, 2 days after the Senate passed its version of this legislation, I received in the mail a four-page letter from the Honorable Rudolph W. Giuliani, mayor of the city of New York. He wrote of his concern that the major provisions of the bill would impose huge new costs on New York City totaling some $900 million per year. The mayor listed the added costs to New York City as follows: $380 million for child care for welfare recipients; $290 million for aid to legal immigrants; $100 million to support persons dropped from Federal rolls due to time limits; $100 million for work programs.

Mayor Giuliani wrote that the bill's ban on Federal assistance for legal immigrants was of particular concern to New York City, where 30 percent of the population is foreign-born.

The sum of $900 million a year is a lot of money. New York City's total annual budget is $33 billion. And other, smaller local governments will also be hit hard.

The total additional cost to New York State will be in the neighborhood of $1.3 billion per year. We estimate the loss of Federal funds to some of our larger counties as follows: Albany County $15 million; Erie County $75 million; Monroe County $60 million; Onondaga County $30 million; Westchester County $45 million.

These are sums that New York State and New York City simply cannot afford. It will be ruinous for us. In March of this year, the New York State Financial Control Board reported that ''the city's finances continue to deteriorate.'' The board said that over the next 4 years, the growth in New York City's spending will be more than double the growth in its income. Spending will grow by approximately 2 percent per year, while revenues will grow by less than 1 percent. In the absence of this welfare legislation, the gap between the city's outlays and revenues will increase by $400 million annually. With the new additional costs imposed by this bill, the annual increase in the shortfall will more than triple.

New York will not be alone in this, of course. Senator FEINSTEIN said on the floor last week that the bill will cost California $17 billion over 6 years, or about $3 billion annually. Other States—Illinois, Texas, Florida—will also bear immense new burdens. I wonder if they are ready for what is coming.

More importantly, I wonder if the Nation is ready for the social change this legislation will set in motion. There are great issues of principle at stake here, as leaders of the religious community have said with such clarity and force. Bishop Anthony M. Pilla, president of the National Conference of Catholic Bishops, wrote to the President on Friday to urge that this bill be vetoed. Quoting St. Matthew's Gospel, Bishop Pilla wrote that ''the moral measure of our society is how we treat 'the least among us.'''

I know what the outcome will be today, but before we cast our votes, I hope Senators will ask themselves how this legislation will treat the least among us.

I began these remarks with a comment on language. The conference report before us is not welfare reform, it is welfare repeal. It is the first step in dismantling the social contract that has been in place in the United States since at least the 1930's. Do not doubt that Social Security itself, which is to say insured retirement benefits, will be next. The bill will be called the Individual Retirement Account Insurance Act. Something such. John Westergaard points out that this legislation breaks the social contract of the 1930's. We would care for the elderly, the unemployed, the dependent children. Drop the latter; watch the others fall.

Fred C. Ikle has coined the fine term ''semantic infiltration'' to describe the technique in international relations whereby one party persuades another to use its terms to discuss the issues being negotiated. We now have its domestic counterpart in egregious display. Recalling George Orwell's essay, ''Politics and the English Language,'' we would do well to be wary. Henry Friedlander has reminded us recently of the stages by which genocide evolved from the soothing and supportive notion of euthanasia.

And so to one other matter of language. We are told that this legislation is a defeat for liberals. We are assured in private, and it is hinted at in print, that many of the President's most liberal advisers opposed this legislation. Liberals are said to have lost.

This is nonsense. It is conservatives who have lost.

For the best part of 2 years now, I have pointed out that the principal—and most principled—opponents of this legislation were conservative social scientists who for years have argued against liberal nostrums for changing society with the argument that no one knows enough to mechanistically change society. Typically liberals think otherwise; to the extent that liberals can be said to think at all. The current batch in the White House, now busily assuring us they were against this all along, are simply lying, albeit they probably don't know when they are lying. They have only the flimsiest grasp of social reality; thinking all things doable and equally undoable. As, for example, the horror of this legislation. By contrast, the conservative social scientists—James Q. Wilson, Lawrence Mead, John DeIulio, William

Bennett—have warned over and over that this is radical legislation, with altogether unforeseeable consequences, many of which will surely be loathsome.

All honor to them. They have kept to their principles. Honor on high as well to the Catholic bishops, who admittedly have an easier task with matters of this sort. When principles are at issue, they simply look them up. Too many liberals, alas, simply make them up.

Mr. President, I thank the Senate for its courteous attention. I thank my friend from Minnesota for reserving this time for me, seeing to it I was able to speak, and I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, under the assumed rotation, I now yield 10 minutes to Senator ASHCROFT of Missouri, and then I assume we will go back to the other side.

Mr. MOYNIHAN. Mr. President, I am not sure that I am managing the time. I am ranking member of finance here. I yield, in sequence, the Senator from Minnesota as much time as he requires.

Mr. DOMENICI. Mr. President, before the Senator proceeds, might I just say to Republican Senators, we have a very long list of those who would like to speak. It seems now that you can kind of judge that in 25 minutes or so we will need another Senator. I hope you can contact us and see if we can arrange it so there are no big lulls on the floor and we can get our work done as soon as possible.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Thank you, Mr. President. I thank the Senator from New Mexico for yielding me the time.

Our responsibility in acting on a failed welfare system is as profound a responsibility in responding to the people of this country as we have ever had. The fundamental role and responsibility of Government is to call people to their highest and best, not trap them at their lowest and least.

In spite of the good intentions of the welfare program, which we have poured billions of dollars into, hundreds of billions of dollars, we have ended up trapping people at their lowest and least rather than calling people or prompting people to their highest and best.

The real objective of our legislation here ought to be to change the character of welfare. We need to change it from a system which has provided careers and conditions that lasted a lifetime to a system that instead of providing a condition provides a transition, that moves people from poverty into opportunity, that moves people from indolence into industry, that moves people from welfare into work. No longer can we afford a system that not only provides people a condition or a career, but goes beyond trapping individuals and goes to trapping generations.

One of the real problems of our welfare system is that we have children who are trapped in welfare and they become welfare careerists themselves, and their children are then trapped in welfare. The truth of the matter is that the prisoners of war in the war on poverty have been the children of America. There are more children in poverty today than there were when we started the war on poverty, and it is a clear indication that the system is a tragic failure as it relates to human beings—children who have lost their lives, children who have lost their opportunity, children who have lost their spirit, children who fall into a net which was designed to save them, but instead becomes a net to ensnare them.

A good industrialist friend of mine says that your system is perfectly designed to give you what you are getting. I do not know anyone in America who believes that what we are getting is the right thing. We are getting higher rates of illegitimacy. We are getting higher rates of dependency. We are finding ourselves with individuals staying on welfare longer and longer periods of time. Is that what we want? Is what we are getting what we need? Absolutely not.

The system may not have been intended to give us what we are getting, but the design of the system is what causes us to get what we are getting, and it is our responsibility, it is a sacred charge of ours given to us by the American people, and they have made it fundamentally and unmistakably clear that they want different outcomes, they want different results. They do not want more dependency, they do not want more illegitimacy, they do not want more careers and generations on welfare.

They want less, because they want people to be free. They want children to have an opportunity to look toward the U.S. Senate or toward the Presidency or toward being a captain of industry or developing their own business. They do not want people trapped in an intergenerational net of ensnarement, rather than a net of safety.

So it is incumbent upon us to make fundamental changes, fundamental changes in the way this system treats people.

We can no longer allow Government to be the instrument of ensnarement, of entrapment. We must make Government an instrument of liberation, of opportunity, of industry and development. That is why it is so important that we end this one-size-fits-all Washington approach which says that everybody will respond the same and all the systems are to be uniform, and move welfare programs back to the States and allow them to experiment and do what works.

I often laugh when I think of the one-size-fits-all term. We have almost come to believe it. Can you imagine if we were to send off for a catalog and get a catalog that said, ''One size of pajamas fits all for your family''? I know what would happen in my family. We would get five pairs of pajamas. They would be one size but they would fit none because we are pretty different.

The great family of America is different. States and communities have different characteristics and attributes, and they need to be able to shape, to tailor, to fashion what they do from a block grant that gives them broad discretion and authority. Yes, they need for the block grant to be limited. They need to have the energy of limited resources to drive the creativity of solving the problem.

No one ever solved a problem when the supply was infinite. No one ever works to conserve energy as long as it is free. You start to pay the heating bill and you learn to close the door, you learn to shut the windows, you learn to caulk the cracks. And when we put limits on the amount of money we are going to spend on welfare, we will start caulking the cracks and start stopping up the places where we have leakage. And it is not a leakage financially. We are talking about leakage of the great human resource of America.

We are looking at the Olympics. Boy, they are inspiring. But how much chance would we have in basketball or volleyball or baseball if we did not send our full team onto the field, if we told some of them, ''You're to sit over there on the side and not to be productive. We'll call you the welfare reserves''? We would not win. And we will not win as a Nation if we do not get all of our players into the operation of being what this Nation is all about. That is being capable of helping yourselves and helping others and being so good at what you are doing that the world beats a path to your door.

That is why we need these block grants where States will tailor their programs to meet the needs in their own States and do what is necessary to move people out of conditions, lifelong conditions of welfare, to signal that this is a transition, not a condition. You are to be moving out of here. And fundamental, one of the acts of genius in this bill, in addition to the block grant, is the fact that there is a 5-year limit.

We say to people, it is an insurance policy, so that when you have trouble you can fall into the welfare net but you cannot live there, you cannot stay there. It is not a place for you to be forever because, once 5 years is used up, that is a lifetime limit. We really should be saying to people, do not ever be on there for more than 2 consecutive years, ever. Frankly, our welfare system should never be a place where you are not preparing for the next stage of your life. Welfare becomes a transition instead of a condition, a fundamental characteristic. The block grant is important about that.

The senior Senator from Missouri, KIT BOND, is a personal friend of mine.

He has a phrase, ''experience is what you get when you expected something else.'' Over the last 30 years, I think we expected something else from this so-called War on Poverty and Great Society program, but we got something different from what we expected. We got children without fathers and we got homes without discipline and we got streets without safety and we got generations locked—locked—out of opportunity, without education.

We expected something different. But our experience is what we got. And our experience has not been very positive. But I want you to know that there have been a few bright lights over the last 30 years that signal to us how we could make changes, how we could actually change the behavior of people, how we could help them move from being dependent to being independent, the glorious state of liberty and freedom, what America is all about.

Those bright lights have been in the nongovernmental sector primarily. They have been the Salvation Army, the Boys and Girls Clubs, the missions, and homeless shelters that have been run by the nongovernmental entities who are energized by a calling which is beyond the calling of duty that comes from government. It is a calling of humanity that God stirs in our hearts.

One of the primary features of this bill is that States will be allowed to contract with organizations like the Boys and Girls Clubs and the Salvation Army and charitable organizations that specialize in hope and opportunity and who care, who care for the people trapped on welfare, not just as welfare statistics, but care for them after they leave the condition of welfare. These groups have a lifelong interest in helping people make it all the way to the top, not just over the threshold.

I have to say that our experience tells us that not everyone in the welfare system has wanted to see everyone leave the system. Sometimes we have had too much interest in how many people we could have on welfare instead of how many people we could move off welfare. Significantly, the provisions of this bill would allow charitable and even faith-based operations to compete for contracts or to participate in voucher programs to help people. It does it with safeguards, so that if a person is offended by virtue of being involved with a faith-based organization, they would be free to get their assistance from some other provider.

These faith-based organizations have in the past—many times the smaller ones who did not have large legal departments—have been afraid of accepting governmental funds in order to help the poor. They have been afraid of being sued. I know the Salvation Army, in one setting, was sued and had to settle for a quarter of a million dollars, a matter which absolutely undermined and eroded the capacity of the Salvation Army to help the poor. We know they do as good a job as any.

I just want to say that this bill is the kind of change that America has been asking for. Is it perfect? No. At least the way I was raised, in order to get perfection you had to die and go to Heaven. I want to go to Heaven. But I had not planned on going today. And since we ought to do what we can while we are here, let us take as good as we can get and shape it and fashion it, but not assume we have all the answers in Washington. Send it back to the States, give States the opportunity to tailor it in ways that will help people simply move from dependence to independence, from careers of welfare and the condition of welfare, the intergenerational things of welfare, to a transition of welfare that moves from welfare to work.

I believe that it is fundamentally important that we carry through and pass this measure. And I thank the President of the United States for his willingness to sign this measure. I believe this measure will help save the lives of children and it will help save the lives of individuals for generations to come.

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

Mr. ASHCROFT. I thank the Chair. I observe the absence of a quorum.

The bill clerk proceeded to call the roll.

Mr. WELLSTONE. 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. BOND. Mr. President, may I ask of my colleague if he would consent that after he finishes I be recognized?

Mr. WELLSTONE. Mr. President, that would be fine.

The PRESIDING OFFICER. The Chair advises the Senator from Missouri that arrangement has been made, and the Senator from Minnesota is recognized.

Mr. BOND. I thank the Chair.

Mr. WELLSTONE. Mr. President, first of all, I ask unanimous consent that a representative sample of editorials on this subject be printed in the RECORD.

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

[From the Star Tribune, July 31, 1996]

WELFARE BILL—IT DESERVES A FORTHRIGHT VETO

For most of his presidency, Bill Clinton has tried to have it both ways on welfare. He's curried favor with both welfare's tough-talking reformers and its defenders. He's argued both for changes, such as work requirements and time limits, and for preservation of welfare's protections for poor children.

It's understandable that congressional Republicans would want their final-offer, election-year welfare bill to force the president to show his true stripes. They've crafted a bill that ought to do just that.

The bill that's moving toward the House and Senate floors is one Clinton might be tempted to sign for political reasons. But he should veto it, for moral reasons. If he doesn't, he will have put the lie to all his claims of concern for the well-being of the nation's most vulnerable children.

For all its reformist window-dressing, the bill that emerged from conference committee Monday is too hard on America's poor. It doesn't spend enough money to hold the line against hunger, or to make workable the requirement that a job take the place of welfare within two years after benefits start.

The bill's goal of quickly replacing welfare checks with paychecks is something most Americans support. But making that happen in a way that gives poor families lasting self-sufficiency takes more than the hammer of a time limit. It takes job training, counseling, public-works jobs where private employment is unavailable, child care and transportation. Those tools cost money. This bill doesn't provide it.

As a result, in the name of overcoming poverty, this bill would likely push some of America's least employable adults and their children into more desperate circumstances.

And, because of the bill's big cuts in food-stamp spending, that desperation could well include hunger. Admittedly, the food-stamp provisions in the final bill aren't as extreme as earlier versions. A guarantee of food-stamp eligibility—though not of food-stamp amounts—was preserved for families with children. No so for unemployed adults without dependents. They'd be cut off from the government's food lifeline after six months.

The welfare bill is especially punitive toward legal immigrants. Under this legislation, the nation's official message to its legitimate newcomers would be, ''You are welcome only as long as you remain gainfully employed.'' A down-on-his-luck immigrant could get no cash assistance whatsoever from his new country.

Had Clinton more boldly taken sides in the nation's welfare debate earlier in his presidency, a bill this harsh might not be heading toward his desk a few months before an election. He should have been calling all along for more realistic and compassionate reform, the kind that spends more in the short term in order to redeem lives in the long term.

Here's hoping Clinton has learned that presidential equivocation carries a high price—and that his equivocation on welfare ends with a forthright veto of the bill Congress is about to send him.

[From the Philadelphia Inquirer, July 22, 1996]

REFORM ON THE CHEAP

Who'll blink on this latest shot at changing welfare? And, in the long run, who'll wind up paying for it?

Voters liked Bill Clinton's promise to ''end welfare as we know it.'' So Republicans are aching to show he didn't mean it. The result is a game of political chicken that's far more likely to hurt poor Americans than to uplift them.

The Republican Congress is about to dare the President to veto a wrong-headed bill that would cut welfare spending, toughen the rules, and shift a lot of decision-making to the states. Since this would be his third straight veto of a so-called welfare reform bill, Mr. Clinton may blink. It's possible he'll sign a bill that pretends the feds can turn welfare into a helpful, job-oriented network even as they squeeze about $10 billion a year in savings from the system. That's a pipe dream.

Unfortunately, if he does veto it and a better, bipartisan plan doesn't emerge, Mr. Clinton will have to follow through on a promise that he made last week to give himself political cover on this emotional issue. Absent a bill, he vowed to issue an executive order letting states cut off benefits after two years.

The terms of this order are still in the works. But it could let penny-pinching states give welfare recipients far too little help toward employment and self-sufficiency.

That's the basic problem with what Congress is cooking up. It pretends that helping poor people become self-sufficient doesn't cost more money in the short term. But it does cost more, for child care, for training, for government-created jobs for those who can't find work in the private sector. Committed reformers such as Gov. Tommy Thompson, the Wisconsin Republican, are up-front about this.

Chances are, the public will respond positively to major parts of the GOP package, such as a two-year limit on benefits before work is required, and a lifetime limit of five years. But work requirements are meaningless if there aren't enough low-skilled jobs available. If politicians are serious about breaking the cycle of dependency, government has to be an employer of last resort.

By promising to act on his own, Mr. Clinton was trying to show Republicans that—politically—they need a welfare bill more than he does. He was trying to coax Republicans toward compromise.

The House did consider a bipartisan plan sponsored by Reps. Mike Castle (R., Del.) and John Tanner (D., Tenn.)—a plan whose spending cuts weren't so extreme. But it died when only eight House Republicans were willing to buck their leaders and line up with Mr. Castle.

Since Republicans seem uninterested in a sensible, bipartisan reform, Mr. Clinton should get his veto pen ready. As for the executive order he promised—every bit the political gimmick that Republicans charged—it should be loaded with conditions to protect poor families from politicians peddling welfare reform on a dime.

[From the Washington Post, July 25, 1996]

A CHILDREN'S VETO

''I just don't want to do anything that hurts kids,'' President Clinton said as the Senate passed its supposed reform of welfare the other day. Why did the sentence strike us as yet another cynical manipulation of the welfare issue for political purposes? Because if Mr. Clinton were determined not to hurt children, he would have indicated days ago that he intended to veto this legislation or any bill remotely like it.

Instead, he, the Senate's Democrats and moderate Republicans continued to try to prettify the bill around the edges. A couple of the amendments that they succeeded in making were consequential, and they may yet make more in conference. But mainly these are marginal and cosmetic changes. They are sops to conscience meant to justify a regressive vote that for political reasons these politicians are afraid not to cast. They are determined to vote in this selection year in favor of a bill that bears the label ''welfare reform''; it doesn't matter that the label is not deserved.

The president and his followers are the prisoners of four years of sloganeering on the subject that he himself set off. It was he who, in an effort to preempt the welfare issue and show himself to be a different kind of Democrat, famously promised in the 1992 campaign to end the system as we know it. He set off a process that he could not control, in part because he has been unwilling to take the tough and unpopular positions necessary to control it.

No one—or very few, anyway—would argue that the current welfare system is a good one. Mr. Clinton was and remains right to try to change it. But his original position also was right—that the change should involve equal amounts of added pressure on welfare mothers to go to work and additional resources to help them make the move successfully. The current bills fail to provide the resources; they walk away from the second half of the strategy. They would dismantle the federal welfare program, limit future federal aid and shift to the states a financial burden that many states will find hard to meet. An eighth of the children in the country now are on welfare. No one can know for sure how many would be affected adversely by the legislation, but the best guess seems to be that at least a million more children would end up living below the poverty line. A fifth of the children in the country already are there.

The bills would disestablish or greatly weaken the food stamp program as well, while basically cutting off federal benefits to legal immigrants—people who are legitimately here and theoretically welcome but have not become U.S. citizens. Technically, this is budget-balancing legislation, a reconciliation bill. The noble-sounding legislation, a reconciliation bill. The noble-sounding budget-balancing process of a year ago has come down to a bill that would cut only programs for the poor, and programs on which people who are black and brown particularly depend.

This legislation can't be fixed. Senate Minority Leader Tom Daschle, who opposed it the other day, said that even though there were only 25 votes against, he was sure that a veto, if it were cast, would be sustained. We have no doubt that's so. It is another way of saying that if only the president would take the lead and provide the political cover, instead of joining in stripping it away, he could—and should—defend to the voters. If instead he signs the bill, he no doubt will claim it as a triumph, but in moral and policy terms it will be the low point of his presidency.

[From the Buffalo, NY News, July 23, 1996]

DON'T LET RUSH TO WELFARE 'REFORM' LEAVE SOME OF NEEDY WITHOUT HELP

What if time limit is reached and there's no job to get?

In his eagerness to outflank Republicans on the welfare issue and sign almost anything billed as ''reform,'' President Clinton should resist the urge to abandon the long-established concept that there is a national interest in helping the poor become self-sufficient.

That is the chief danger now as Washington's warring factions undertake a mad scramble to produce some sort of welfare legislation before taking time off to go into full campaign mode.

The Republican-led Congress made sensible welfare legislation a little more possible last week by dropping plans to attach Medicaid reform to the welfare bill and to turn Medicaid into a block-grant program controlled by the states.

Ending the guarantee of medical care for the poor never made any sense because the impoverished deserve health care as much as they deserve help with life's other basic necessities.

But it also doesn't make any sense to end the federal guarantee of food and other aid for those who play by the rules and whose only offense is that they're impoverished.

Nor does imposing time limits on welfare recipients make sense except in cases where they refuse to work even though a job is available. The poor—and their children—should not be blamed for economic cycles that may well make finding a job impossible at any given time.

Those are bedrock principles that the nation—and the president—should not forsake amid an understandable distaste for the small percentage of welfare recipients who are slackers.

Unfortunately, the House the other day cast aside those principles by passing a reform plan that ends welfare as a federal entitlement program that takes care of all who deserve help. Instead, the House bill would slash funding and turn the reduced money over to states in block grants.

The states could then structure programs largely as they please, ending the national safety net and competing with one another in a ''race to the bottom'' as they cut benefits and drive out the poor.

That's no way for an enlightened nation to lift its most vulnerable people. But the final bill that emerges from House-Senate negotiations seems sure now to take that tack.

The other failure of the GOP approach is its time limits regardless of job availability. Clinton, too, recently endorsed time limits, saying the White House will administratively impose a two-year limit but that his action would be unnecessary if Congress could produce an acceptable reform plan.

Details of the new White House initiative—such as how to protect children whose parents get cut off—have yet to be worked out. But in addition to safeguarding kids, the new rule should safeguard those who simply can't find work through no fault of their own.

These basic safeguards should be part of whatever reform bill ultimately reaches the president's desk. If they are not, he should use the same veto pen he's waved at other times—regardless of what the calender says about the election season.

[From the Atlanta Constitution, July 28, 1996]

WELFARE BILLS SUFFER FROM POLITICS

The welfare system must be reformed, and the goal of that reform must be twofold:

It must reinforce a work ethic that has faltered among some welfare recipients;

It must protect the children of poor Americans from hunger and deprivation in an increasingly fickle economy.

Unfortunately, the reform effort making its way through Congress focuses too much on the first goal and too little on the second.

That's not surprising. From the life experience of prosperous, middle-aged, college-educated white males—which describes most of the members of Congress—the rewards of the work ethic seem obvious. It gives you a six-figure salary, a taxpayer-provided staff and free parking, among other things.

But from the perspective of an unemployed mother trying to raise two kids on welfare, the case can seem a little cloudier.

Usually, the family lives in an inner city or isolated rural area, where jobs are scarce and transportation difficult. If the mother overcomes those obstacles and gets a job, and if she works 40 hours per week, every week of the year at $5.10 an hour—which is 20 percent above the minimum wage—she stands to make a grand total of $10,608 a year. In the process, she may also lose health insurance for her family, because most low-wage jobs do not include a benefits package.

Imagine trying to raise two children on $10,000 a year in today's economy. Child care alone would take a huge chunk of her pay. She has the option, of course, of choosing not to pay for child care, to leave her children on their own while she's working. Given our problems with juvenile crime, that's not a choice to encourage.

If welfare reform is to work, it has to make work a viable option. It must subsidize child care for that working mother. It must extend health insurance coverage for the working poor. And it must offer training and education, so that she has at least the hope of rising out of that $5.10-an-hour job into something better.

Some of those steps cost money, at least in the short term. In the long term, such reform will benefit the mother; benefit her

children, to whom she is a role model; and benefit society, which is currently losing the value of her labor and incurring the expense of supporting her and her children.

The House and Senate have passed separate but similar welfare bills, and are trying to resolve their differences and send a measure to President Clinton for his signature. Their effort is fatally flawed, however, because in addition to the goals listed above, Congress is using the legislation to pursue two less admirable goals.

It is trying to balance the budget on the backs of the poor. Even though true welfare reform will cost more money in the short term, and even though entitlement programs for the middle class are far more expensive than welfare programs, deficit cutters have focused on the poor, cutting $60 billion from food stamps and other programs over the next six years.

The bill is calculated as an election-year dare to Clinton. He has made clear his uneasiness with the bill's impact on poor children, but has nonetheless indicated a willingness to consider signing the Senate's more reasonable approach. But Republicans seem intent on forcing him to veto the legislation. As Bob Dole grumbled on the campaign trail, ''He's not going to get that bill. He's going to get a tougher bill.''

And as House Speaker Newt Gingrich put it, ''I believe we win from this point on no matter what happens.''

Welfare reform is important, but apparently less important than election-year politicking.

[From the Chicago Tribune, July 21, 1996]

PLAYING 'GOTCHA!' ON WELFARE REFORM

The House passed a new welfare bill Thursday, and the talk afterward was not of what the bill would mean for the children and adults who depend on the kindness of the taxpayers, but of a political calculus.

''In the end,'' said House Majority Leader Dick Armey, ''the president is going to have to make a determination whether or not he's going to sign this bill and satisfy the American people while he alienates his left-wing political base, or if he's going to veto the bill in order to satisfy the left wing of the Democrat Party and thereby alienate the American people.''

In other words, ''Gotcha!''

And that pretty much captures what's been wrong from the beginning with the effort to legislate welfare reform. Clinton has exploited the issue to establish his bona fides as a ''new Democrat.'' The Republicans, suspecting insincerity on Clinton's part, have used it to bash him and back him into a corner.

Suffusing the entire debate have been two notions, one simply wrongheaded and the other both wrongheaded and pernicious.

The first is that reforming welfare is a way to save money. It is not, at least initially. Done properly—that is, with the purpose of getting welfare parents into the work force—reform will actually cost more money, for job training, child care and so forth. (And whatever else the 9 million children on welfare suffer from, it is not from having too much money spent on them.)

The second notion, which partisans on neither side have done enough to counter, is that welfare reform is about getting black layabouts off the public dole. In fact, most welfare recipients are not black. But that continues to be the accepted stereotype and, one suspects, a substantial motivator of the welfare-reform push.

In its broad outlines, the newly passed House bill differs little from the measure that Clinton vetoed earlier this year. It ends welfare as a federal entitlement and converts it into a program of block grants to the states, which would be free, within very broad limits, to devise their own programs of poor support.

This devolution is a good idea. Clinton has acknowledged that implicitly by granting numerous waivers for state welfare experiments over the last 3½ years. Perhaps the most promising such experiment, Wisconsin's W–2 program, which substitutes private and public jobs for cash assistance and ought to be the paradigm for all welfare, is awaiting waiver approval even now.

But eliminating welfare's entitlement status is a grievous error of historic proportions. Indeed, Sen. Carol Mosely-Braum (D-Ill.) did not exaggerate when she called it an ''abomination.''

That the world's richest nation would not guarantee help for poor children—and Aid to Families With Dependent Children is nothing except a vast childcare program—is outrageous. It represents not progress but regression. And while Dick Armey may be convinced that that's what the American people want, we are not.

Mr. WELLSTONE. Mr. President, I do want to talk about this piece of legislation. I have heard some discussion about doing good. Let me start out with what is a very important framework to me as a Senator from Minnesota. It is a question. Will this legislation, if passed, signed into law by the President, create more poverty and more hunger among children in America? And if the answer to that question is yes, then my vote is no.

Mr. President, we were discussing welfare reform several years ago, and we said that we should move from welfare to work, that that would include job training, education training, making sure the jobs were available that single parents—mostly mothers—could support their children on, and a commitment to child care.

Just about every single scholar in the United States of America has said that this is what reform is all about. You have to invest some additional resources. Then, in the long run, not only are the mothers and children better off, but we are all better off. That is real welfare reform. Slashing close to $60 billion in low-income assistance is not reform, colleagues. It is punitive, it is harsh, and it is extreme.

Mr. President, we have been focusing in this Congress on the budget deficit. I think, today, what we see in the U.S. Senate is a spiritual deficit because, Mr. President, I know some of my colleagues do not want to look at this. They push their gaze away from unpleasant facts and an unpleasant reality. Sometimes people do not want to know what they do not want to know.

Mr. President, the evidence is irrefutable and irreducible: This legislation, once enacted into law, will create more poverty and hunger among children in America. That is not reform.

Mr. President, we have here about $28 billion of cuts in nutrition assistance. I believe when the President spoke yesterday he was trying to say that does not have anything to do with reform, and he intends to fix that next Congress. But I worry about what will happen now. Mr. President, 70 percent of the citizens that will be affected by these cuts in food nutrition programs are children, 50 percent of the families have incomes of under $6,300 a year. Our incomes are $130,000 a year.

Mr. President, there will be a $3 billion cut over the next 6 years in food assistance, nutrition assistance, even for families who pay over 50 percent of their monthly income for housing costs. So now we put families in our country—poor families, poor children—in the situation of ''eat or heat,'' but they do not get both. At the same time, my colleagues keep wanting to cut low-income energy assistance programs. This is goodness? This is goodness?

Mr. President, I was involved in the anti-hunger struggles in the South. I saw it in North Carolina, and I remind my colleagues, maybe they want to go back and look at the exposés, look at the Field Foundation report, look at the CBS report, ''Hunger USA.'' Where are the national media? Why are we not seeing documentaries right now about poverty in America?

Mr. President, the Food Stamp Program, which we dramatically expanded in the late 1960's and early 1970's, with Richard Nixon, a Republican, leading the way, has been the most effective and important safety-net practice in this country. As a result of expanding that program, we dramatically reduce hunger and malnutrition among children in America.

Now we are turning the clock back, and some of my colleagues are calling this reform. Mr. President, how did it get to be reform, to cut by 20 percent food nutrition assistance for a poor, 80-year-old woman? How dare you call it reform. That is not reform. How did it get to be reform to slash nutrition programs that are so important in making sure that children have an adequate diet? How dare you call it reform. That is not reform. How did it get to be reform to essentially eliminate all of the assistance for legal immigrants, people who pay taxes and work? How dare you call that reform. That has not a thing to do with reform.

The Urban Institute came out with a report several weeks ago. Isabel Sawhill, one of the very best, said this legislation will impoverish an additional 1.1 million children. We have had these analyses before. The Office of Management and Budget had a similar analysis. So did the Department of Health and Human Services. How dare you call a piece of legislation that will lead to more poverty among children in America reform?

Marian Wright Edelman of the Children's Defense Fund is right: To call this piece of legislation reform is like calling catsup a vegetable. Except this time it is more serious, because many more children, many more elderly, many more children with disabilities will be affected.

Mr. President, the evidence is really irreducible and irrefutable. Bob Greenstein, who has won the MacArthur Genius Award for his work, crunched the numbers about what it means in personal terms, real terms for the most vulnerable citizens in America, but my colleagues are too worried about polls. They are too worried about the politics of it, and they turn their gaze away from all this.

Mr. President, I do not particularly care about words like ''entitlement.'' But I do think as a nation we are a community, and up until the passage of this legislation, if signed into law, we as a nation said, as a community we will make sure there is a floor beneath which no child can fall in America. Now we have eliminated that floor. We are now saying as a Senate that there will no longer be any floor beneath which no child can fall. And you call that reform?

Mr. President, we had a proposal out here on the floor of the Senate that said, if you are going to cut people off from work, if you are going to cut people off from welfare, at least require the States to provide vouchers. The CBO tells us we do not have the money for the job training slots, and people will not necessarily find work, and then you will cut the adult off work. So we added an amendment that said, ''For God's sake, at least make sure there are vouchers for Pampers, for health care, for food for the children.'' That amendment was rejected.

So we have no requirement that at the very minimum, even if you are going to cut a parent off of welfare, at least make sure the law of the land says that every State from Mississippi to Missouri to Minnesota to California to Georgia, that at least there will be vouchers for Pampers, for food, for medical assistance, and you vote ''no'' and you say there will be no vouchers. And you call that reform?

Mr. President, in the Senate, I introduced an amendment, and it was accepted. It said in all too many cases, too many of these women have been victims of domestic violence, they have been battered, and welfare is the only alternative for too many women to a very abusive and dangerous situation at home. So every State will be required to have services for these women and not force people off the rolls if, in fact, there needs to be additional support.

It took Monica Seles 2 years to play tennis again after she was attacked. Imagine what it would be like to be beaten up over and over again. That amendment was knocked out in the conference—no national requirement, no protection. Maybe it will be done in the States and maybe it won't.

Mr. President, I had a safety valve amendment. It was defeated. Senator KERRY from Massachusetts had another one which was watered down, but important. It was knocked out in conference committee. It said, why don't we at least look at what we have done, and if in fact there is more poverty and hunger, then we will take corrective action in 2 years. That was knocked out in conference committee. You call that reform?

Mr. President, let me be crystal clear. You focus on work, you focus on job training, you focus on education, you focus on making sure that families can make a transition from welfare to work, and that is great. Eliminating services for legal immigrants, draconian cuts in food nutrition programs for children and the elderly, deep cuts in assistance for children with disabilities—none of this has anything to do with reform. This is done in the name of deficit reduction.

When I had an amendment on the floor that dealt with all of the breaks that go to some of the oil companies, or tobacco companies, or pharmaceutical companies, that was defeated. When we had a budget that called for $12 billion more than the Pentagon wanted and we tried to eliminate that, that was defeated. But now when it comes to poor children in America, who clearly are invisible here in Washington, DC—at least in the Congress—faceless and voiceless, how generous we are with their suffering. And you dare to call that reform? You dare to say that, in the name of children, when you are passing a piece of legislation that every single study says will increase poverty and hunger among children. Vote for it for political reasons, but you can't get away with calling it reform. It is reverse reform. It is reformatory, it is punitive, it is harsh, it is extreme. It targets the most vulnerable citizens in America—poor children.

Mr. President, in this insurance reform bill we are going to be dealing with, late last night someone inserted a 2-year monopoly patent extension for an anti-arthritis drug, a special interest gift to one drug company, because then you don't have the generic drugs. Late last night, someone put this into the insurance reform bill. There you go. There is some welfare for a pharmaceutical company. But they are the heavy hitters. They have the lobbyists. They are well-connected. We do just fine by them. But for these poor children, who very few Members of the Senate even know, we are all too generous with their suffering.

Mr. President, I had an amendment that was passed by a 99-to-0 vote that said the Senate shall not take any action that shall create more hunger or homelessness among children. Now we are slashing $28 billion in food nutrition programs with the harshest effect being on children in America. Can my colleagues reconcile that for me? I would love to debate someone on this. I doubt whether there will be debate on it, because the evidence is clear.

Mr. President, President Clinton said yesterday that he will sign the bill, and he said that he will work hard, I presume next Congress, to correct what he thinks is wrong. He pointed out that these draconian cuts in food nutrition programs and in assistance to legal immigrants are wrong, they have nothing to do with reform. He is absolutely right.

Personally, it is difficult for me to say, well, with the exception of these draconian cuts in food assistance programs for children and the elderly, with the exception of these draconian cuts for children with disabilities, and draconian cuts for legal immigrants, this is a pretty good bill otherwise. I can't make that argument. But I will work with the President because, clearly, this is going to pass, and, quite clearly, corrective action is going to have to be taken next Congress.

But, for myself, Mr. President, I am a Senator from the great State of Minnesota. As Senator Hubert Humphrey said, the test case for a society or government is how we treat people in the twilight of their lives—the elderly; how we treat people at the dawn of their lives—the children; and how we treat people in the shadow of their lives—the poor, and those that are struggling with disabilities. We have failed that test miserably with this piece of legislation.

Mr. President, I come from a State that I think leads the Nation in its commitment to children and its commitment to fairness and its commitment to opportunity. As a Senator from Minnesota that is up for reelection this year, there can be one zillion attack ads—and there already have been many, and there will be many more—and I will not vote for legislation that impoverishes more children in America. That is not the right thing to do. That is not a Minnesota vote.

Mr. President, in my next term as a U.S. Senator from Minnesota, I am going to embark on a poverty tour in our country. I am going to bring television with me, and I am going to bring media with me, and I am going to visit these children. I am going to visit some of these poor, elderly people. I am going to visit these families. I am going to visit these legal immigrants. I am going to have my Nation focus its attention, and I am going to have my colleagues, Republicans and Democrats alike, focus their attention on these vulnerable citizens. And, if in fact we see the harshness, the additional poverty, and the additional malnutrition, which is exactly what is going to happen, I am going to bring all those pictures and all of those voices and all of those faces and all of those children and all of those elderly people back to the floor of the U.S. Senate, and we will correct the terrible mistake we are making in this legislation.

Mr. President, I yield the floor.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997 CONFERENCE REPORT

The PRESIDING OFFICER. The conference report will be stated.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3603) a bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

(The conference report is printed in the House proceedings of the RECORD of July 30, 1996.)

Mr. COCHRAN. Mr. President, I present for the Senate's approval today the conference report on H.R. 3603, the fiscal year 1997 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act.

The conference agreement provides total appropriations of $53.3 billion. This is $10 billion less than the fiscal year 1996 enacted level and $5 billion less than the level requested by the President. It is $1 billion less than the total appropriations recommended by the Senate-passed bill and $228 million more than the level recommended by the House bill.

Including congressional budget scorekeeping adjustments and prior-year spending actions, this conference agreement provides total discretionary spending for fiscal year 1997 of $12.96 billion in budget authority and $13.34 billion in outlays. These amounts are within the subcommittee's discretionary spending allocations.

The committee of conference on this bill considered 147 amendments in disagreement between the two Houses. I believe it is a credit to the all members of this subcommittee who served as conferees on the part of the Senate and to the House Members who served on the conference committee that we were able to resolve our differences and reach a conference agreement 6 days after the Senate passed the bill. I would like to thank the ranking member of the subcommittee, the Senator from Arkansas, Mr. BUMPERS; the chairman of the House subcommittee who chaired the conference, the Congressman from New Mexico, Mr. SKEEN; the ranking member of the House subcommittee, the Congressman from Illinois, Mr. DURBIN; as well as all House and Senate members of the conference committee for their support and cooperation in this regard.

It is with a great deal of pride that I can say this Appropriations Subcommittee has done its work, completing action on this appropriations bill to assure that funding for those agencies it covers is in place before the start of the new fiscal year. Senate adoption of this conference report today is the final step necessary to allow this measure to be sent to the President for signature into law. We have every indication that the bill will be signed by the President.

Approximately $40.4 billion, close to 76 percent of the total new budget authority provided, is provided for domestic food programs administered by the U.S. Department of Agriculture. These include food stamps; commodity assistance; the special supplemental nutrition program for women, infants, and children; and the school lunch and breakfast programs. This is $58 million below the House bill level and $906 million below the Senate level. The difference from the Senate recommended level is principally due to the fact that the Senate receded to the House on the amount for the Food Stamp Program contingency reserve which was $900 million below the Senate bill level.

For agriculture programs, the conference report recommends a total of $7.5 billion, $104 million more than the House-recommended level and $19 million more than the Senate bill level. This amount includes $1.1 billion for agricultural research and education, $426 million for extension activities, $438 million for the Animal Plant Health and Inspection Service, $574 million—the full budget request level—for the Food Safety and Inspection Service, $746 million for the Farm Service Agency, and $64 million for the Office of Risk Assessment.

For conservation programs, the conference report recommends $770 million, $2 million more than the House bill level and $20 million less than the level recommended by the Senate.

For rural economic and community development programs, the bill recommends $2 billion, $136 million more than the House level and $108 million less than the Senate bill level. Included in this amount is $556.9 million for the Rural Utilities Assistance Program, which combines funding for rural water and waste disposal loans and grants and solid waste management grants. This represents an increase of $79 million over the 1996 level. The bill also provides a total loan level of $3.5 billion for rural housing loan programs, the same as the level approved by the House and Senate, and $519 million over the 1996 level.

For foreign assistance and related programs of the Department of Agriculture, the bill recommends $131 million for the Foreign Agricultural Service, including $27.5 million for the Cooperator Program; a total program level of $1.1 billion for the Public Law 480 Food for Peace Program, including a program level of $240.8 million for title I, $837 million for title II, and $29.5 million for title III.

Mr. President, this bill provides funding for many essential programs, programs which enhance and support the productivity of our agricultural sector, which provide essential services to the small and rural communities of this Nation, which conserve and protect our natural resources, and which provide needed food assistance, not only to those abroad but to assure no American goes hungry. Many of these programs are worthy of additional funding. However, we are also working to reduce the overall costs of Government and to assure efficiencies in the operation of Government programs. This bill is consistent with our overall budgetary and policy goals.

Mr. President, the conference report we present to the Senate today reflects a mutually satisfactory resolution of the differences between the two Houses. It does so in a manner which reflects the funding requirements of the many programs and activities covered by the bill within the limited resources available.

I recommend its adoption by my colleagues.

REGARDING THE CENTER FOR APPLIED AQUACULTURE IN HAWAII

Mr. INOUYE. Mr. President, over the years, the Congress has been supportive of utilizing Hawaii's unique environment to develop important science-based aquaculture technology and to demonstrate and provide that technology to the U.S. aquaculture industry. With initial construction funding for Hawaii's Center for Applied Aquaculture in 1988 and subsequent installments in 1994 and 1995, enough money has been appropriated in the Cooperative State Research, Education and Extension Service's buildings and facilities account to complete construction of a full-fledged aquaculture research and precommercialization facility in the Hawaiian Islands.

The dynamic proposal for the Center for Applied Aquaculture has grown to demonstrate the importance of a core research facility together with satellite facilities, including grow-out ponds to demonstrate new technology on a larger than laboratory precommercialization scale, protected quarantine facilities to ensure the all-important maintenance of disease free fish stock, and a hatchery to supply fry to the research and demonstration components.

Hawaii's island geography and the physical limitations of the core research facility dictate the establishment of the essential satellite demonstration, quarantine and hatchery facilities on neighboring islands. There would be no question about building these integral components if the core research site could accommodate them properly. However, with no further appropriation and with the support of the Agriculture Department for the satellite components, all of this can still be accomplished in Hawaii. I would hope that my colleagues, Chairman COCHRAN and Senator BUMPERS, could support this vision of Hawaii's Center for Applied Aquaculture, which will not only provide for a total package of groundbreaking aquaculture technology that can be demonstrated at a level to make it viable for private commercial investment, but will also give the Federal Government the highest and best use of its investment over the last 8 years.

Mr. COCHRAN. I agree with my colleague from Hawaii and recommend that the Department favorably consider the Center for Applied Aquaculture's plans to establish a complete

aquaculture research and precommercialization facility in Hawaii.

Mr. BUMPERS. I would like to associate myself with Senator COCHRAN's comments on this matter and urge the Department to respond positively to the Center for Applied Aquaculture's proposal for a core aquaculture technology development facility together with integral satellite facilities to demonstrate those technologies for the benefit of U.S. aquaculture industry.

Mr. INOUYE. I very much appreciate my colleagues' interest and support for enhancing the U.S. aquaculture industry by developing, testing, and transferring science-based technology to the commercial aquaculture sector.

HORTICULTURAL AND WATER MANAGEMENT RESEARCH LABORATORY

Mrs. BOXER. Mr. President, I would like to ask the ranking member of the Senate Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies about a facility important to U.S. agricultural research and the State of California. The President's budget request included $22 million for construction of a Horticultural and Water Management Research Laboratory at Palier, CA. This facility will be operated by the Agricultural Research Service [ARS], the research arm of the Department of Agriculture.

This facility will contribute greatly to solutions for many of the problems facing our farmers and others reliant on proper management of our natural resources. The facility will conduct critically important research on water management, postharvest quality, insect control and quarantine operations. All these functions are becoming increasingly important as we all try to balance the needs of water users, environmental protection, and the maintenance of a safe and abundant food supply. Currently, this research is housed in inadequate and inappropriate space, with many researchers using parked trailers as office and laboratory facilities. I agree with the President that this facility must be completed as soon as possible in order to upgrade our Nation's research capabilities and continue to make our farmers competitive in growing world markets.

I would like to know if the Senator can share with me the views of the conferees of the pending appropriations bill regarding this important project.

Mr. BUMPERS. I would like to respond to the Senator from California by stating that I and the other conferees are very aware of this budget item and agree that construction should commence at the earliest possible date.

I am happy to report that the Senate bill included $11 million for this facility. I wish we could have provided the full amount requested by the Senator from California, but our allocation, being severely reduced from the previous year, prevented us from meeting her full request. Unfortunately, the House provided no funding for this project.

As the Senator knows, once construction begins, any delays in project completion eventually result in greater cost. There were a number of ARS facility projects nearing completion that could be completed in fiscal year 1997. Accordingly, the conferees decided to complete those projects before allocating funds for new facilities in order to better manage our limited resources.

There was discussion about the merits of the Palier laboratory during House and Senate conference negotiations. It is intended that by completing ongoing projects, which will be no longer the subject of future appropriations, we will be able to provide higher levels of funding for other priority needs. If we can provide full funding for the Palier facility next year, it will serve the double benefits of assisting the U.S. agricultural industry and helping us use our fiscal resources more efficiently.

Although it is impossible now to know what our allocation will be for fiscal year 1998, it is clear that if provided adequate resources, it would be to everyone's advantage to provide full funding for the Palier laboratory in the fiscal year 1998 appropriations bill.

Mrs. BOXER. I thank the Senator for his explanation and I look forward to working with him again next year on this important project.

Mr. DOMENICI. Mr. President, the Senate is considering the conference report accompanying H.R. 3603, the agriculture, rural development and related agencies appropriations bill for fiscal year 1997.

The conference agreement provides $52.3 billion in new budget authority [BA] and $44.9 billion in new outlays to fund most of the programs of the Department of Agriculture and other related agencies. All of the funding in this bill is for nondefense purposes.

When outlays from prior-year appropriations and other adjustments are taken into account, the final bill totals $55.3 billion in BA and $54.2 billion in outlays for fiscal year 1997. Including mandatory savings, the subcommittee is $158 million in BA and $71 million in outlays below its 602(b) allocation.

The final conference agreement includes legislative changes in mandatory programs totaling $505 million and $484 million in outlays. The savings from these provisions are then used to pay for discretionary spending in the bill.

The majority of these mandatory savings come from provisions limiting the standard deduction under the Food Stamp Program. CBO scores these savings at $345 million in both BA and outlays for fiscal year 1997.

The Senate will soon take up the conference report on the Personal Responsibility and Work Opportunity Reconciliation Act of 1996—the long-awaited welfare reform bill—that has gained bipartisan support and a commitment from the President to sign this bill into law.

This historic measure includes identical savings from freezing the food stamp standard deduction. By counting these savings in both bills, which are expected to be signed by the President, we give up additional deficit reduction by the amount of the duplicate mandatory savings.

These mandatory savings assist the subcommittee in completing the appropriations bill well within its current 602(b) allocation. For discretionary spending, the final bill is $991 million in BA and $774 million in outlays below the President's budget request. The final bill is $159 million in BA above the House-passed bill, and $9 million in outlays below the House-passed bill. The conference agreement is $884 million in BA and $694 million in outlays below the 1996 level.

I am pleased that the conferees retained the language I requested requiring competitive bidding for WIC infant formula. This provision will ensure that in these times of tight budgets we maximize the benefits we get from the dollars we spend on this important program.

It is estimated that up to one quarter of the WIC caseload—1.5 million children and pregnant women—is served as a result of the $1 billion in savings generated from competitive bidding for infant formula.

I thank the distinguished subcommittee chairman for including this provision in the bill and retaining the language in conference.

Mr. President, I ask unanimous consent that a table displaying the Senate Budget Committee scoring of the final bill be printed in the RECORD.

AGRICULTURE SUBCOMMITTEE: SPENDING TOTALS—CONFERENCE REPORT

[Fiscal year 1997, dollars in millions]

	Budget authority	Outlays
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	.....	$3,853
H.R. 3603, conference report	$12,960	9,487
Scorekeeping adjustment	.....	.....
Subtotal nondefense discretionary	12,960	13,340
Mandatory:		
Outlays from prior-year BA and other actions completed	497	3,533
H.R. 3603, conference report	39,385	35,435
Adjustment to conform mandatory programs with Budget	.....	.....
Resolution assumptions	2,418	1,845
Subtotal mandatory	42,300	40,813
Adjusted bill total	55,260	54,153
Senate Subcommittee 602(b) allocation:		
Defense discretionary	.....	.....
Nondefense discretionary	13,118	13,411
Violent crime reduction trust fund	.....	.....
Mandatory	42,300	40,813
Total allocation	55,418	54,224
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary	.....	.....
Nondefense discretionary	−158	−71
Violent crime reduction trust fund	.....	.....
Mandatory	.....	.....
Total allocation	−158	−71

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions. Prepared by SBC Majority Staff, July 31, 1996, 06:50 p.m.

MEDGUIDE

Mr. COATS. Mr. President, I want to engage the Senator from Mississippi, Senator COCHRAN, the chairman of the

Senate Appropriations Subcommittee on Agriculture, about his understanding of the provision included in the conference report of the fiscal year 1997 Agriculture appropriations bill relating to the FDA's proposed medguide regulation.

Am I correct in saying that the conferees retained the language in the conference report that was adopted by the full Senate last week?

Mr. COCHRAN. Yes, Senator. This conference report retains the language, as adopted by the Senate, that prevents further finalization or implementation of the medguide regulation.

Mr. COATS. At this point, I would like to make sure I understand that this provision does not preclude the FDA from using its existing authority to require, on a drug-by-drug basis, the provision of written information prepared by the manufacturer to consumers about prescription drugs that pose a serious risk.

We have been informed by the FDA that it will only be required to use its existing authority to require patient information for a very limited number of products.

Mr. COCHRAN. That is the committee's understanding, as well. The committee believes that the FDA's current authority to require written patient information is essential for certain prescription drugs, on a drug-by-drug basis, in cases where they pose a serious risk to the patient if used inappropriately.

Mr. COATS. I thank the Chairman for clarifying this and appreciate his leadership and assistance in helping us craft a compromise that is acceptable to the committee and to the FDA.

MEDICATION GUIDES

Mr. KENNEDY. The provision we are enacting on medication guides places certain limitations on the FDA regarding its pending medication guide regulation as it pertains to voluntary information provided by pharmacists. However, as you know, there was another part of the pending FDA regulation that was not intended to be affected by this provision. That was the FDA's intention to require FDA-approved patient leaflets for drugs that pose a serious and significant public health risk. Those would be drugs that cannot be used appropriately without specific written information provided to the patient. Although the instances in which such leaflets would be required would be very small—no more than three or four per year—it is critical that FDA have the flexibility to use regulations to ensure that these drugs can be safely used, as was specifically provided for in the House language of H.R. 3603 as well as in the Senate report accompanying H.R. 3603 which stated ''this provision is not to be construed as prohibiting the FDA from using its existing authority or regulatory authority to require as part of the manufacturers' approved product labeling the dispensing of written information inserts to consumers on a case-by-case basis with select prescription drugs to meet certain patient safety requirements.''

Mr. BUMPERS. Your understanding is correct. As we noted in the Senate report accompanying H.R. 3603 at the time, the provision covering the voluntary medication leaflet program was not to be construed as applying in any way to the FDA's use of its existing authority to require patient leaflets for drugs that can cause severe birth defects, have serious adverse reactions when used with other drugs, and similar instances that pose a serious and significant public health risk.

The PRESIDING OFFICER. Under the order of yesterday, the 31st of July, 1996, the Senate having received the conference report on H.R. 3603, the agriculture appropriations bill, the conference report is agreed to, and the motion to reconsider is laid on the table.

The conference report was agreed to.

PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, at the request of the minority, they desire one block of time, instead of rotation, between 12 and 1. I checked with our side. We are willing to do that provided that, for instance, they go from 12 to 1 and then from 1:15 to 2:15 we have a block of time. We assume that while this is the welfare bill that the minority intends to speak on a related subject—the economy and the current economic news. And we would like from 1:15 to 2:15 to speak to that same subject. I will control that 1 hour and be here myself with other Senators.

I ask unanimous consent that we proceed now to Senator BOND, 10 minutes; Senator KOHL, 3 minutes; if Senator HUTCHISON arrives, she takes 7; if not, we rotate and have a Democrat; then at the hour of 12 o'clock the Democrats have 1 hour under the control of whomever they designate for discussion on the floor of the Senate; and, then at 1:15 the Republicans have 1 hour until 2:15. That means there are 15 minutes in between. Let us just say we will fill that in with Senators who desire to speak. I propose that as a consent request.

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

Mr. DOMENICI. I thank the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the Chair.

I begin by expressing my sincere thanks and appreciation to the managers of the bill, particularly to my good friend, the Budget Committee chairman, the Senator from New Mexico, Senator DOMENICI. The fact that we have this measure before us today reflects not only all the practice we have had in passing welfare bills but reflects the great skill, the compassion, and the wisdom that he has exercised throughout this process. I think all of us are deeply indebted to the tremendous skill he has shown in keeping us on track to bring us to this day.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. BOND. I am happy to yield.

Mr. DOMENICI. I ask whatever time I use be added to his time.

Does the Senator recall the hours spent in the Budget Committee putting together the first balanced budget resolution in 30 years, and then the floor debate which lasted for the entire time allowed, and then all of the amendments at the end? We did them all with 1 minute intervening, and then a reconciliation bill. We did all that was required to get a balanced budget.

Mr. BOND. I recall it as it if were yesterday.

Mr. DOMENICI. I also managed them both, and I spent more hours on the floor of the Senate and more votes occurred than any period in modern history of the Senate. I might say from time to time—you would agree, would you not—that we had thought perhaps that work was all in vain, at least for this year, but, as a matter of fact, in only a year, we have welfare reform doing away with the 60 years when people have been imprisoned by this system. It was all worthwhile.

Mr. BOND. Mr. President, I say that I well remember that. It only heightened my admiration for the Senator from New Mexico. It was a wonderful experience which I hope not to have to go through again but it was only because of his skill, good humor, wisdom, and kind judgment that we were able to accomplish that work. And it is truly a credit to his ability and his leadership.

Mr. President, today the Senate will take another historic step in trying to curb the size of Government and provide for new approaches to help families in poverty. I am enthusiastic about this welfare reform legislation which we will pass today because it will basically take control from the impersonal inefficient Washington welfare bureaucracies and the dead hand of Congress and return that to State and local governments who are closer to the people, giving them the freedom to implement new ways to fight poverty.

There can be no doubt that the current system is a failure. That should be the one thing that is agreed upon by Republicans, Democrats, liberals, conservatives, and anyone else who is concerned about their fellow man today. It is cruel to adults who are treated like numbers when they need public assistance. It is even crueler to the children because it encourages a lifetime of dependency and they are raised in an atmosphere without hope. The current system discourages work but it encourages illegitimacy. The current welfare

system does not punish poor behavior—even behavior which threatens children, like not sending them to school, or not seeing that they receive their immunizations. The current welfare system does not even punish drug abuse among parents who may be welfare recipients.

I am pleased that this conference report contains a provision which I authored that deals with an outrageous problem that came to my attention as a result of some efforts by the good folks in my home State of Sedalia, MO. In Sedalia, a private employer was trying to hire workers at a $6.50 per hour wage to process food. The employer worked with the local Family Services Division office and had some welfare recipients come out and get jobs. That was a win-win for those folks who got jobs, and for all of us in Missouri as taxpayers. Some of the recipients were interviewed and then hired. They now have good paying jobs. They are paying taxes. They are not living off the Government. They are contributing members of society. They can take pride in what they are doing for themselves and their families.

However, a few folks did not get a job because they failed a mandatory drug test. They were not hired, unbelievably and terribly unfortunately, because of Federal rules and regulations. The State of Missouri cannot sanction those welfare recipients even though they were known to abuse drugs. They simply met their obligation by showing up for the work interview with drugs in their systems, and as a result of the Federal requirements they were sent back to get their food stamps without having to take a job.

Mr. President, what kind of perverse incentive is that? That is the incentive we have seen too many times in the welfare system today. The people of Missouri are fed up with it. They know it is not working. It is costing money, and not helping the people that it should help. This is an absurd result. It harms the recipients because no one forces them to be responsible for their actions. It certainly harms the children of the drug users because their parents have no incentive. They need not get off drugs to continue to get their assistance. Of course, I would say on a much broader scale it is unfair to all of us as taxpayers who have to finance those habits and provide support for those who are using drugs.

I think this is just one example that shows clearly that the Washington bureaucracy, the congressionally mandated and controlled scheme, cannot serve the needs of the millions of poor people in this country. The fact is in States like Massachusetts, Indiana, Wisconsin, and Utah where Governors have been able to take a tougher approach, welfare rolls have dropped, recipients have found jobs, and deadbeat dads have been forced to take responsibility for their children. Those are the results that we hope to duplicate throughout the country in this reform of welfare.

I am pleased that President Clinton has decided to join us, and I think the overwhelming number of Americans who really want to end welfare as we know it. Countless Americans and I have been terribly disappointed. I felt cheated—not just once but on two previous occasions—when we worked very hard in this body and with overwhelming bipartisan support passed meaningful welfare reform. Those measures were vetoed, protecting the welfare system and its bureaucrats as it exists. Apparently the President has decided to give the American people what they want—real welfare reform.

For some reason, an old story just came into my mind about a politician back home who had held a position for some time. When the clamor of the people got too great, he changed his position. A friend of mine went up to him and said, ''Congratulations. I see you finally have seen the light.'' He shook his head sadly, and said, ''No. I just felt the heat.'' But for whatever reason, the change was welcome in that situation.

It has been said on this floor to those of us who support this welfare reform, ''How can you dare call it welfare reform?'' How can we dare call it reform? And they contend it would lead to more poverty. It was said that the evidence is irrefutable.

Yes, Mr. President, the evidence is irrefutable. What the current system has done is to force more and more families and more and more children into welfare dependency. It has deprived the children and the families of the responsibility that each and every American citizen has the right to enjoy and the obligation to use. Those who oppose change in the current system must explain and defend the system that has forced so many more families and their children into poverty.

With this great federally controlled, congressionally mandated, Washington-bureaucracy-run poverty system, we have seen the number of families and children in poverty skyrocket. Those who take a poverty tour and want to go out and look at the faces of the welfare recipients, I tell them I have seen those faces, and I have felt the shame that the current system we have is not getting them off welfare.

When you go out and look at the people who are trapped in the system today, remember, it is the current system that has trapped them. Their plight is the direct responsibility of the system that we are here today to change, to give them an opportunity, to give them an incentive, to give them some encouragement to get off welfare, to help them reestablish themselves as responsible, contributing members of the community, able and willing to take care of their children.

To say, as has been said on this floor, that we are abandoning children because we are turning back to the States the opportunity to devise, revise, improve and implement a welfare system is to ignore reality.

I had the opportunity to serve on the other side of this intergovernmental program for 8 years as Governor of Missouri. As we tried to implement the Federal programs handed down from Washington, we found time and time again that what may have been well-intentioned and what sounded like a good idea when it was expounded upon in this body and in the other body, when great ideas from Washington came down as to how we were going to improve the system, what they did was hamstring our ability to shape a system that would serve our people and help them get off welfare.

Too often we have been tied up in red tape and bureaucracy. This now is an opportunity to let the States that do care and that are concerned about those in poverty develop means of getting them off welfare and into work.

I urge my colleagues to support this measure, and I thank those who have worked so hard for its passage.

I yield the floor.

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

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank the Chair.

Mr. President, today, the Senate will take what is perhaps its most significant action in my years in this body. Today, we will send to the President a bill that abolishes the failed Federal welfare program. We will send to the President a bill that gives hope to more than 12 million mothers and children who have too long been left alone in a culture of despair and poverty.

I want to make clear a point that may have been lost in the partisan politics that has surrounded this legislation. This bill is not about punishing welfare recipients. This bill is not about turning our backs on families that have been broken and impoverished for too long. This bill is about hope. It is about giving hope to mothers who want to provide a better life for their children. It is about giving hope to children who do not deserve to be imprisoned in a life of crime, hunger and despair. It is about giving hope to communities that want to see their tax dollars go to build their neighborhoods up and not to tear local families down.

As a result of bipartisan input, there are many positive changes in this bill that improve upon previous welfare bills. Child care funding is increased by $4 billion, while health and safety standards for child care facilities are preserved. The School Lunch Program is maintained. The Food Stamp Program remains a guarantee. Programs to prevent child abuse and neglect are continued, and, perhaps most importantly, basic Medicaid health coverage is retained.

There are also provisions in this legislation that I cannot support and I will work to change. We will not turn our backs on the people in communities this legislation is meant to help. As the States submit their plans and as the provisions in this bill take effect, we will continue to monitor them. We

will make sure that our new welfare system pulls people and communities up, gives them hope, gives them opportunity and makes them strong.

Yes, today is the beginning of the end of welfare as we know it, and it is good news for the families who have been trapped too long by hopelessness. Today begins a new commitment to bringing the poorest members of communities a new beginning, a chance to build their families, an opportunity for their children's future. This legislation is not about hate. This legislation is about hope. And so I urge my colleagues to support the conference report.

I thank the Chair.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. I understand there is unanimous consent for Senator HUTCHISON, who is not here, to speak. I ask unanimous consent to be allowed to speak for 10 minutes.

The PRESIDING OFFICER (Mr. ASHCROFT). Is there objection? Without objection, it is so ordered.

Mr. KERREY. Mr. President, many good and honorable Senators will vote for this bill today, and their votes and the signature of the President, in my judgment, in no way takes away from their good intentions to make this welfare system better. I do not intend to say or suggest that they are mean-spirited or they are heading in the wrong direction, or anything of the sort.

I come to the floor intending to vote against this bill and would like to explain why. I think this piece of legislation in the context of our budget and the context of our economy will not make things better. Those who believe this new law will make life better for poor Americans who depend upon Government payments for family support, for food stamps, for supplemental security income, the earned-income tax credit, child nutrition, foster care, and the social service block grant, have offered at least three, as I have heard them, three principal arguments with which I strongly agree.

First, I agree that our current welfare system has failed because it penalizes work and rewards behavior which is contrary to the core American values of family, personal responsibility and self-discipline.

I agree that States need far more flexibility and authority in designing systems which are appropriate for their varying needs and circumstances.

And I agree that deficit reduction will help low-income Americans by promoting growth and job creation.

My decision to vote no on this piece of legislation is based upon disagreements, strong disagreements with some of the ideas I have heard promoted in favor of this legislation.

First, I do not agree that income support all by itself promotes self-destructive dependency, lazy behavior, out-of-wedlock births, and many other things that I have heard offered on this floor.

I have been dependent on a generous Government check from the taxpayers of this country for 27 years since I was injured in the war in Vietnam. That check has not made me lazy. I have not had one child out of wedlock. I am not dependent upon the Government. I am grateful to my country and willing to give it back in kind.

My motivation predated the decision by a generous nation to say that if you are disabled in the war, we are going to provide you with monthly income support, and we are not going to torment you and constantly challenge you and require you to come in and justify your existence to a Government bureaucrat every single time we think that maybe we do not like what you are doing.

I do not agree that increased welfare spending has caused many of the societal problems we face, nor do I agree with the corollary argument that is oftentimes made that we spend a disproportionate amount of our GDP on the poor.

First, as to welfare causing problems, Mr. President, I would like to read just a few of the economic changes that have occurred in the last 30 years and ask my colleagues to consider what their impact could have been.

Thirty years ago, most communities had laws that said that you could not open your business on Sunday. But as a consequence of a desire to do more business on Sunday, that seventh day that was reserved for the Sabbath, we now have in every community not only stores open on Sunday but open 24 hours a day. Guess who is working in those stores? Not those of us who make over $100,000 a year. We are shopping. We are playing golf. But it is those lower income families who are out there working.

You could make a much better case, Mr. President, that that change in the law has been destructive of families, has been hurtful of communities. I do not make this argument, by the way, but there is no question there have been significant changes in this country as a result of changing our Sunday closing laws.

And consider these economic facts. In 1945, 75 percent of the world's GNP was in the United States; in 1970, it was 50 percent; in 1992, it was 25 percent; in 1995, it was down to a fifth. In 1969, 9 of the 10 largest banks in the world were in the United States. Today, the top U.S. bank is No. 30. In the auto market, the U.S. share was 90 percent, today it is 55 percent. For manufacturing wages versus the rest of the world, we were No. 1 in 1969. In 1994 we are No. 5, after Japan, Germany, France, and Italy.

We have shifted from a manufacturing to a service economy over the last 30 years, and a worker out there, who is not protected as a consequence of being a Member of Congress, a worker out there has to compete against all of those people in the world. He has to compete against people in India who are willing to work for 40 cents an hour, against people in China who are willing to work for 36 cents an hour, against many nations who are willing to pay their people who work 50 cents to a dollar an hour. This has put a tremendous pressure upon people who have lower wages. Mr. President, nearly 30 million people in the work force earn less than $7 an hour.

Rather than merely focusing our attention on how to get people off of welfare, it is far more important for us to ask ourselves the question: In an age when we have an international economy, where we have that kind of pressure upon wages, where we have that kind of pressure on skills—and by the way, I would likely vote for this proposal if it had more money in there for education. We have title 1 students today who are not being taken care of. In Nebraska we have 30,000 students who qualify based upon their income, another 30,000 who qualify based upon math and science skills. We have 12,000 black students in the Omaha Public School System. Only 25 percent of those who graduate have a proficiency in mathematics. We are not fully funding Head Start. We do not say to all Americans, ''Don't worry about it, you will be able to go to college.'' In Nebraska, working families take out a second mortgage on their homes in order to be able to send their kids to the land grant college—a college that was supposed to make it possible for everybody to be able to go to school.

If we had money for education in this legislation, if it was said we are going to do those things we know work—we know Head Start works, particularly title 1—at a cost of $800 per child per year. And to half of the people who need it, based upon their performance in math and reading, we say we do not have the money for you.

When it comes time to build the next generation of attack fighter, we have the money for that. We have another $30 or $40 billion to build the Harrier, because we are afraid of God knows what. Actually, we are afraid of countries to whom we have sold F–16's. All of a sudden we are building a great fear of a new threat out there. We are not afraid, but we ought to be afraid, of what happens when our graduates from high school, in an international economy, cannot read, cannot write, cannot do multistat mathematics, cannot do the things that all of us know in an international economy they have to be able to do if they expect to earn the living that we would like to see all Americans be able to, in fact, earn.

Another presumption I hear is we are spending too much on the poor. These programs we are addressing—I understand we have Medicaid and it is about $25 billion just for acute care for the poor. And we have some housing programs, some are low and moderate, some just for the poor. But just for these programs themselves we are going to spend 1.4 percent of the GDP. We have a $7 trillion GDP right now. These programs represent about $102 billion.

We are not going to address Social Security, Medicare, or benefits that go to people like me who have substantial income but still receive a Government check. We are not going to do any of that. We are going to go after people who have low incomes and we are going to say: You are really the problem. We have to take our deficit toll upon you. Mr. President, 1.42 percent, going to 1.5 percent of the Nation's economy.

By the way, for my colleagues, I believe there is a relationship between our economy and what we can afford. I am an advocate of economic growth, I want our tax, regulatory, and spending policies to promote growth. Our wealth does determine how much we are able to give to those who are less fortunate, whose lives have been affected by some disaster or another, who are struggling to compete in this economy of ours. But, for gosh shakes, 1.5 percent is hardly what I would call an excessive tithe. Indeed, under this proposal instead of going from 1.42 and adding 8 hundredths of a percent, we are going to go from 1.42 to 1.38.

You have not heard me come and say I think these cuts are draconian and people are going to be foraging in the street for food. But I do not think a generous Nation that has our children in the classroom saying we are ''one Nation, under God, indivisible, with liberty and justice for all,'' can look at this and say 1.4 percent of our GDP going to poor Americans is excessive and it is something we are not able to afford.

In addition, I make over $100,000 a year. I have not heard anybody come down and say, ''Bob, this is what we think your contribution ought to be for deficit reduction.'' I have not heard anybody come to me and say, ''We think you ought to give up a little bit, too.'' I think concerns about equity when we are doing deficit reduction are legitimate and need to be surfaced.

I hope, in the aftermath of this bill's passage and signing, we are able, in 1997, as we look at our budget, to adjust not just our entitlement programs, and those entitlement programs that are going to upper-income American, and say we are going to try to provide additional discretionary money for education and for low-income people so we can deal with many of the underlying problems that both the supporters and opponents of this legislation have addressed. I do not believe we can have a liberal democracy and a free enterprise system of capitalism, I do not believe we can say to our people you have to compete in a global society and we are going to try to keep the trade barriers as low as possible, I do not believe that any of that works unless we are willing to do those things that we know work. We are not doing them today. We are saying we are short for Titler 1, we are short for Head Start, we are short for college loans, short for all these other things. I think it will, indeed, come back to haunt us.

We do know what we can do as a follow-on to this legislation. As I indicated, if there were more resources here for education, for training, for those things that would actually provide what I would consider to be a reasonable safety net in an international economy, I would likely support it.

Let me give one final example. The previous occupant of the chair, Senator INHOFE, introduced a piece of legislation dealing with limbs for low-income working families. He identified a very important problem.

The problem is this. We spent $1 billion for all prostheses in America, arms and legs. That is about a fourth of what we spend on antacids to cure our stress, half of what we spend to feed our dogs and cats—hardly what I call an excessive expenditure. But if you are a working family that does not have health insurance and have an income of $15,000 a year and your 10-year-old daughter loses her leg above the knee and you go to your prosthesist and find out the prosthese will cost $12,000, what do you do? You cannot afford it. So you consider trying to do the same sorts of things that are being done for Third World nations. Can we use used parts to try to assemble a limb and an arm for this 10-year-old child to be able to make life better?

I mention this only because all the arguments about wanting to provide an incentive for work are not going to be effective unless we, as a follow-up to this legislation, not only provide in the appropriations process the money needed to educate our people, but also as a follow-up, we consider this fundamental question: What kind of safety net do we want to provide for the citizens of the world's strongest economy and the world's most successful democracy?

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I inquire of the Chair, what is the order of business?

The PRESIDING OFFICER. Democrats control the time between now and 1 o'clock.

Mr. BREAUX. Mr. President, under that agreement, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BREAUX. Let me start by acknowledging that following my good friend from Nebraska, who is indeed a close friend, I have a great deal of respect for his opinions, even though we disagree on the merits of the welfare legislation that will pass the Senate today as it passed the House yesterday.

There is a great deal of second-guessing about the President's decision yesterday to sign the welfare bill. We have had statements by various Members as to whether it was a good idea or a bad idea. I think his decision was the correct decision, and it also, at the same time, is a very courageous decision. I know it was tough, but I think, ultimately, in signing the bill, the President will be doing the right thing.

I think one thing that is clear, certainly when you get outside of Washington, is that the American people know that the current welfare system does not serve very well the people who are on it, who it was intended to help, nor does it serve very well the people who are paying for it: the American taxpayer.

It simply is not working when you see generation after generation of families who have been on welfare assistance continue to be on welfare assistance. The goal of any welfare reform is to end welfare, not to continue it, not to perpetuate it.

Since 1935, we have seen families really who have been locked in a prison of welfare dependency and have been shackled by the concepts that have continued generation after generation and decade after decade. The question is not should we change the system but how we change it. I think the President was absolutely correct in setting out the priorities. Welfare reform should be tough on work but good for kids. While that is a simple and catchy phrase, it also is the basis for the legislation that we are going to adopt.

This bill is tough on work, but it says welfare is not going to be permanent, that it should be temporary, that it is a maximum of 5 years in a person's lifetime, and States can come up with a shorter period if they want.

The goal of making work part of welfare reform is that we should be turning welfare offices, that for too long have only been an office giving out a check, into an office that helps people find a job. It was interesting this morning, a local TV station was interviewing a number of people who were actually on welfare, mothers with small children, who said they agreed with this legislation. They did not want to be on welfare for the rest of their lives. They wanted the welfare office to be a workfare office. They wanted the welfare office to be a job placement office. They wanted the welfare office to help them get off welfare. I think this legislation will do exactly that.

The bill, I think, is very important in some of the things it does do, such as child care. This legislation provides about $14 billion for child care, particularly for mothers with small children, so that child care will be available so they can go to work. That is about $5 billion more than under the current law and $4 billion more than in the bill that the President was forced to veto because it was not good for children. This bill, in fact, is good for children.

I was interested in some who have said, ''Well, after 5 years, we're just going to abandon families.'' There is nothing further from the truth. We were looking over the various programs that would still be available after the 5-year period is reached. There are some 49 Federal programs that are available for families and would continue to be available for families after they have reached their time limit of 5 years.

This country, as strong as we are, is not going to be deserting families, is not going to be deserting children of families who have exceeded the time limit. There will still be a large number of programs that will provide direct assistance to these families after they have reached their time limit.

This bill, I think, goes a long ways to correcting problems that the President addressed when he first vetoed the welfare bill. For instance, we maintain health care coverage through Medicaid for all those families who are eligible today, even though a State may change their welfare program. We clearly say that families that are on AFDC today will continue to be eligible for health care, and this, indeed, is very important.

In addition to the child care, the President had very strong concerns about just arbitrarily block granting the Food Stamp Program, which is a Federal program, to the States. This bill guarantees that additional benefits will be available when need increases, such as during a recession. The program would still essentially be a Federal program. It would not be block granted to the States.

I think, on balance, the President of the United States was absolutely correct and being courageous in saying, ''Yes, we are going to change the system; yes, we are going to try something different. And, yes, we are going to be tough on work for people who can work and, yet, at the same time, do good for children of those families.'' I think that is incredibly important.

GOOD ECONOMIC NEWS

Mr. BREAUX. Mr. President, let me take a couple of minutes to comment on something else, and that is the economic news that was announced today, which I personally am very proud of, as I think every Member of this Congress can be, and this administration can be proud of the news.

I know when I look at my own State of Louisiana, Louisiana's unemployment in 1992 was 8.2 percent; 8.2 percent of the people in my State did not have a job. Today, the unemployment rate is 6.9 percent, a substantial drop.

In 1992, the growth rate in this country was 2.7 percent, and the deficit stood at $290 billion. Today's growth rate figures of 4.2 percent is incredible progress, and we should be proud of it. Hopefully, we are moving in the right direction with regard to the Federal deficit.

In 1992, we looked at a Federal deficit that had staggered up to $290 billion. Today's figures we are estimating are somewhere between $115 billion and $130 billion—still too high, but real progress.

I was interested in just this week—and these are not just figures that apply in Washington. A lot of people back home say, ''Well, some Department in Washington issued figures I don't really understand.'' The hometown paper in New Orleans has a special report just this week on the economy in my State of Louisiana. It shows what we are talking about on the floor today, about this good economic news in Washington is good economic news throughout the United States of America.

This is a special in the Times-Picayune in New Orleans. It says in comparison:

> A decade ago, the economic world as New Orleans knew it seemed over. The oil boom that had turned into the oil slowdown was now the oil bust.
>
> Almost before anyone knew what had happened, tens of thousands of jobs had disappeared from the local economy. . .
>
> Fast forward to 1996. Traffic is bustling—
>
> On all of our roads and highways:
>
> Houses in prime neighborhoods seemingly sell in seconds. Banks are cheerfully advertising their services or rates. The oil and gas business looks pretty good.
>
> Residential building contracts in New Orleans, Baton Rouge and statewide are up through June from a year ago 11 percent for this area, 29 percent for the State.
>
> Get the picture?
>
> ''Fundamentally, the State's economy is in great shape,'' said Hibernia Corp. President Stephen Hansell.

What I am trying to point out is that this is good news in my State and, I daresay, in the other 49 States as well.

I was interested in how the article concluded:

> The Federal Government didn't manufacture it.

And they talk about other things that didn't have anything to do with it. I want to make the point that I think the actions here in Washington did, in fact, have something to do with it. I think the 1993 Deficit Reduction Act had something to do with this.

Many of my colleagues said this is going to destroy the economy of America; this Deficit Reduction Act is a terrible thing. The news today is that the results are in and the news is good news. The tough things that we had to do in 1993 to get this country back on a course of economic recovery have worked, and there should be celebration in the Congress for recognizing that something that was very difficult to do, in fact, was done.

The deficit went from $290 billion to $115 billion to $130 billion. I say to the writers of this editorial that that had something to do with that economic boom.

That meant that there was more money for private citizens, more money for the private economy to be able to borrow, to invest, to expand their businesses and to create jobs. That had a direct effect on the news today in my State and other States that things are on the right track, the economy is strong, that more jobs are being created. And it just cannot happen by accident.

Some of the tough things we had to face when we voted for the 1993 Deficit Reduction Act in fact was very much a part of the economic recovery that we are seeing in Louisiana and the other 49 States. So I think we can all be proud to say that Government does sometimes do the right thing, even though at the time we do it there may be a great deal of questioning whether it is the right thing. Today the results are in and it was the right thing to do. And we will continue to do that.

I think that we, as Democrats, can be proud of our activity in that area. I feel very strongly that we, as Democrats, can still promote economic growth by tax cuts that are paid for, the bipartisan group Chafee-Breaux, so-called, promoted a capital gains tax cut that was paid for. I think that is very important. We should continue to consider tax cuts for the economic growth. But we ought to make sure they are paid for, that they do not increase the deficit. A tax cut that merely increases the deficit may be easy to pass but it is bad economic policy.

So I think that we should move forward with tax cuts of which I do support. The President has supported tax cuts. The $10,000 tuition tax deduction is one. The penalty-free withdrawals from individual retirement accounts for educational expenses is another good economic policy that will be paid for. There is the HOPE scholarship tax cut, $1,500, again, which is a move in the right direction. So I think that we as Democrats can be proud of the results that are in today, and continue to look at new ideas in terms of tax cuts that are paid for to promote economic growth and development in this country. Mr. President, I join with my colleagues on both sides of the aisle to continue to do what is necessary to promote the economic growth that we now see in the United States. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, per a previous agreement that I understand has been entered into, at this time I would like to set aside 1 hour of the 5 hours allowed to this side of the aisle on the debate on the welfare conference report to talk about some other economic matters that several Members on this side of the aisle, including this Senator, would like to address. So if it is convenient and agreeable to those on that side of the aisle, we would like to proceed in that fashion at this point.

The PRESIDING OFFICER. The Chair would inform the Senator that the Democrats are in control of time between 12 and 1 o'clock under the current order that is under discussion.

Mr. EXON. How much time has been consumed on the economic debate up until now?

Mr. CONRAD. None.

Mr. EXON. How much of the 1 hour has been used?

The PRESIDING OFFICER. Twenty-two minutes.

Mr. EXON. Twenty-two minutes. Then I would like to ask that the remainder of that time proceed, and if

necessary, although we hope it will not be necessary, to accommodate those who wish to speak on this subject, I may ask unanimous consent for a few additional minutes after the time expires. I would like to advise those on that side of that fact.

I believe the Senator from North Dakota was seeking recognition.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the Chair.

This morning the Commerce Department delivered extremely good news on the Nation's economy. The Commerce Department reports that the economy grew at a rate of 4.2 percent in the second quarter.

Mr. President, these figures confirm that the economy under President Clinton is strong, it is growing, and it is creating jobs. We all recall what the economy was like before this administration came into office. In 1991 the economy was in recession. By 1992 the budget deficit had ballooned to $290 billion. America was in trouble.

Then President Clinton came into office. He offered a bold plan of deficit reduction to strengthen the Nation's economy. That plan passed by the Democratic Congress has delivered superb results. And today we can report on what has happened.

In August 1993, a Democratic Congress and a Democratic President enacted into law a historic deficit-reduction plan. That plan was designed to reduce the deficit by $500 billion over 5 years. Unlike any other deficit-reduction plan that we have seen since I have been here, that plan delivered on its promise.

Mr. President, we recall very well what our friends on the other side of the aisle said during that historic debate. They said that the economic plan passed by the Democratic Congress and supported by the Democratic President would crater the economy.

I can remember so well the Republican majority leader standing at his desk telling us that if we enacted that plan there would be economic ruination. He was wrong. But he was not alone in being wrong. Virtually every Member on the other side asserted that if we passed this bold economic plan to reduce the deficit and strengthen the economy it would do just the reverse. They said—and they said repeatedly—if we passed that plan the deficit would go up, not down, that economic growth would be reduced, not increased, that joblessness would multiply.

Mr. President, they were wrong. They were dead wrong. And now we can look at the record to see precisely what has happened.

Former Senator Dole said, ''President Clinton knows * * * the American people know that the plan does not tackle the deficit head-on.'' Mr. Dole was wrong.

Representative ARMEY, now the majority leader in the House of Representatives said, ''The impact on job creation is going to be devastating.'' Mr. ARMEY was wrong. He was dead wrong.

Senator GRAMM of Texas said this: ''I want to predict here tonight if we adopt this bill, the American economy is going to get weaker, not stronger. The deficit 4 years from today will be higher than it is today, and not lower.'' Senator GRAMM of Texas was wrong. He was dead wrong.

Mr. President, all we have to do is look at the record. Let us start with the testimony of the head of the Federal Reserve, Mr. Greenspan, before the Senate Banking Committee about the economic plan to reduce the deficit. It was supported by the President and passed by Democrats in Congress.

Mr. Greenspan said about the deficit reduction in President Clinton's 1993 economic plan—and I quote—''an unquestioned factor in contributing to the improvement in economic activity that occurred thereafter.''

That is not a spokesman for the Democratic party. That is the Chairman of the Federal Reserve Board, Alan Greenspan, talking about what the Clinton economic plan has meant to this country.

Just to be certain no one forgets what has happened, with respect to the record on deficit reduction, let's look at this chart, which shows the Reagan record, the Bush record, and the Clinton record on deficit reduction.

President Reagan came into office in 1981. The deficit stood at just under $80 billion. Under his economic plan that passed the Congress—we recall the Republicans controlled the Senate from 1981 to 1987—he got his economic plan passed, and what happened? The deficit skyrocketed. It just about tripled under President Reagan's economic plan. Then we saw some reduction as steps were taken to rein in the increasing budget deficit.

Then President Bush took over. President Bush saw the deficit go, on his watch, from $153 billion a year to $290 billion in 1992. The deficit was out of control.

President Clinton came in, in 1993. And each year of his administration the deficit has been reduced, and reduced significantly, from $290 billion in the last year of the Bush administration to $130 billion estimated this year.

In fact, the deficit may come in at less than $120 billion this year. The deficit has been cut more than half during the Clinton administration. It is directly attributable to the plan that we passed, the economic plan that we passed, in 1993.

The President also, when he was running for President, promised he would produce with his economic plan 8 million new jobs in the 4 years of his first term. We can now look at the record. The President has done better than he promised. Instead of 8 million new jobs, the economy under his economic plan, a plan passed by the Democratic Congress, has produced 10 million new jobs. The President has done a superb job of running this Nation's economy.

Not only has the job creation record of this administration been outstanding, the economic growth we now see has also been much better than previous administrations. Mr. President, if we look at private sector economic growth in the Clinton years, we see it is averaging over 3.1 percent. In fact, with the news this morning, we now know it has averaged 3.2 percent. That is in comparison to private sector economic growth in the Bush years of 1.3 percent—a dramatic improvement in economic growth in the private sector in this country under the Clinton economic plan.

It does not stop there. There is more good news. The misery index—that is something we have talked a lot about in the past. That is a calculation of the unemployment rate and the rate of inflation. The misery index is at its lowest level since 1968. What a remarkable economic record this administration has to take to the American people.

It does not stop there. There is more good news. The unemployment rate in December of 1992 was 7.3 percent. In June 1996, the unemployment rate has declined to 5.3 percent. The unemployment rate has been below 6 percent for 22 consecutive months. This chart shows what we have seen in terms of the reduction in unemployed people in America from a rate of 7.3 percent when President Clinton came into office to 5.3 percent today—about a 30-percent reduction in unemployment.

Mr. President, it is clear, the economic game plan that President Clinton put before this Congress, that was passed without any help from Republican Members, has led to a superb result, a dramatic reduction in the deficit, a dramatic increase in jobs, a dramatic increase in economic growth, a significant reduction in the misery index, the lowest level since 1968.

Mr. President, the good news does not stop there, either. If we look at real business fixed investment, again we see the record from 1985 to 1996, and we see the real business fixed investment, as a result of the Clinton economic plan, has taken off like a scalded cat, the largest increase in business fixed investment in over 30 years. This is truly a remarkable economic record.

I have to remind our friends on the other side of the aisle, when we put this plan into place, they predicted it would be nothing but bad news. They said it would crater the economy, it would increase the deficit. They said it would reduce all of the things that we want to see increase, and increase all the things we want to see reduced. They were wrong. They were dead wrong.

This economic plan, a plan that was passed without a single Republican vote, has produced remarkable results—by some measures, the strongest economy in 30 years. This is a record of economic success that should not be interrupted.

Mr. President, I think the record is clear. The Clinton administration has

delivered on its economic promises. In fact, it has exceeded its promises on economic performance. That is one significant reason this President ought to be continued in office.

I thank the Chair. I yield the floor.

Mr. EXON. Mr. President, how much time does the Senator have left on the 1 hour?

The PRESIDING OFFICER. Twenty-five minutes.

Mr. DODD. Mr. President, I need about 10 minutes, but we may end up in a discussion, so we may take a couple of Members' time and combine it, and we may not need quite as much.

Mr. EXON. Since I have several other requests, I yield 7 minutes to the Senator from Connecticut. I have to do that or we will run right out of time.

Mr. DODD. I understand. Maybe because we used more time on the welfare debate and we did not start this discussion until about 12:20, we might be able to get an extension.

Mr. EXON. I suggested that.

Mr. DODD. Let me commend my colleague from North Dakota for his comments and observations—I see both my colleagues from North Dakota here—in talking about this news this morning.

This is great news. Obviously, when you have the gross domestic product growing at an annual rate of 4.2 percent, the strongest growth rate in 2 years, that is very, very good news for jobs, security, and opportunity for virtually every person in this country.

Certainly all of us, regardless of party, I presume, would be celebrating this magnificent news that portends well for this country as we, in the remaining years of this decade, get ready to enter the new century.

My colleague from North Dakota points out what the situation was like 3½ years ago. There are many people here who will count on the American people having a short memory, that they will forget how things were 36 months ago, what we were living under in this country, where we had unemployment rates of 7 percent. Those were the identifiable rates. I argue it was much higher than 7 percent in many parts of the country. The job growth rate, 36 months ago or a little more than that, was at its lowest level since the Great Depression. The Federal deficit was hovering around $300 billion a year, $290 to $300 billion. The dollar was at the highest level in American history. That was the situation a little more than 36 months ago.

Where are we today? A gross domestic product growth rate of 4.2 percent, unemployment a little above 5 percent across the country, 10 million new jobs created in a little over 36 months, the deficit at its lowest level in almost a generation. Back in 1992, the President said, ''I will cut it in half in 4 years.'' Even the President was wrong. It has been a 60 percent reduction in the deficit rate in the last little more than 36 months. Private sector job growth has soared, soared in the last number of months.

I point out, if I can, the deficit reduction numbers on this chart, which highlight a major issue. We have made a herculean effort over the last several years to reduce this deficit.

As my colleague from North Dakota points out, we did not have a single vote on the other side in the deficit reduction plan, not a single vote in either body—the House of Representatives or the Senate—in support of our deficit reduction plan in 1993. Yet we now see what has happened. In 1980, the annual deficit was at $74 billion; between 1981 and 1992, the annual deficit rate climbed to almost $300 billion. In around 36 months we have taken that $290 billion figure and reduced it to $117 billion. In fact, this very number of $117 billion would be zero were it not for just the deficit that we accumulated between 1981 and 1992.

And let me say this. We would be in balance today, were it not for the debt run up by the previous two Presidents. Just the interest payments on the debt accumulated in those 12 years has created this $117 billion figure. For the first time in many years, we now find ourselves where receipts of the Federal Government exceed our expenditures but for interest on the debt that was accumulated in those years. It is a tremendous accomplishment, a tremendous accomplishment. It is really the linchpin, I think, in what has occurred in other economic areas, how the markets are reacting, how Main Street is reacting, the fact we have been able to create the kind of growth we have seen.

We have had 4 years of deficit reduction. You have to go back to 1840, more than a century ago, a century and a half ago, when we had four consecutive years of deficit reduction. Miraculously, it has happened because a lot of people cast some courageous votes.

In fact, the opposition, the Republicans, tried to shut down the Government twice over deficit reduction. I raise all of that because, next week, I am told, we are going to have a proposal made by the other side—presumably by the presumptive candidate for the Republican nomination—that will call for tax cuts of roughly $600 billion. I suspect most of them are going to benefit the more affluent in our country and are going to blow a $600 billion hole in the progress we've made on deficit reduction.

What was all the talk about in this previous Congress if not deficit reduction? With 10 weeks to go before election day, all of a sudden we get this suggestion of a $600 billion tax cut coming along, and many people are warning the candidate and others that you would create real havoc in the economy if that were adopted. It is certainly going to make it almost impossible for us to reach the goals that I believed we were all committed to achieving here over the next several years. Of course, where is the savings going to come from in this $600 billion tax cut that will be proposed?

It is almost as if we are treating the public like they are fools. Does anybody believe, with 10 or 11 weeks to go before election day, with a $600 billion tax proposal, that it isn't totally motivated by trying to bring some life to a moribund campaign and do so by jeopardizing the economic gains we have made? I think most people are going to see through that. What is tragic about it is that we have Candidate Bob Dole contrasted with Senator and Chairman Bob Dole. If Bob Dole were sitting in the U.S. Senate or were chairman of the Finance Committee, he would ridicule the idea. He would rightly see it as unraveling agreements that we have already achieved to try to balance the budget in 7 years. In fact, all the proposals on constitutional amendments to achieve a balanced budget would appear to be nothing more than a lot of rhetoric.

We are being told how these tax breaks may be paid for. One report says that, of the $600 billion in tax cuts, $240 billion would be coming from offsets in increased tax revenues resulting from increased growth—$240 billion is coming from increased revenues from increased growth. Boy, that is a rosy scenario, if I ever heard one. The same people who proposed this insisted a year or so ago that we use conservative economic growth numbers when we start trying to make up for this. Where does the other $360 billion come from if you are going to pay for this tax cut you are talking about? Well, stop me if this sounds familiar to you, but if last year is any indication, it is going to come from Medicaid, education, Medicare, and the environment. That is what they tried last time around. One analysis has a $313 billion cut coming in the Medicare program.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DODD. I ask unanimous consent for an additional 3 minutes.

Mr. DORGAN. I yield the Senator 3 additional minutes.

Mr. DODD. Mr. President, I will ask my colleague to engage on this point. I am very concerned. I hope that cooler heads will prevail in this campaign season and that suggestions like this will be put in the trash bin where they belong, at a time when we are moving forward and achieving deficit reduction numbers, the economy is growing, the gross domestic product numbers and the unemployment levels are moving in the right direction.

This is a time to come together. Nobody expects perfection here. Our Republican friends made a huge mistake in their predictions about the 1993 budget reduction efforts. All of us have made mistakes. So why not admit you made a mistake? It was a bad vote. You should have supported it, and you did not. Collectively, we have come together and the country is moving in the right direction.

I hope we won't destroy what has been a very significant effort over the last number of months to move the country in the proper direction by reducing this deficit, resulting, I believe,

in the kind of gross domestic product growth numbers that we are seeing here today, the unemployment numbers that are moving us in the right direction. This is not a time to try to pander to the American public with the suggestion of massive tax cuts for the affluent, paid for by rosy economic figures that are unrealistic and cuts in the very programs we have fought to defend.

Mr. President, I would love to be proven wrong. I would be delighted if next week came and went and all the talk about these wild schemes—wild schemes—to try to breathe life into a campaign by jeopardizing the American economy and the direction we are going, was shelved and we got back to a more rational, thoughtful approach on how to continue the kind of economic growth numbers we have seen here this morning and offer some real promise to the American people.

With that, Mr. President, I will yield whatever time remains to my colleagues from Nebraska or North Dakota.

Mr. EXON. How much time does the Senator from Nebraska have remaining?

The PRESIDING OFFICER. The Senator has 14 minutes.

Mr. EXON. Mr. President, I yield 5 minutes to my friend from North Dakota, followed by 5 minutes for this Senator from Nebraska and 4 minutes to the Senator from Massachusetts, in that order.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Does the Senator from Nebraska intend to try to get additional time? We had talked about an hour, and we were not able to start because they were talking about welfare reform.

Mr. EXON. Mr. President, I do not see the Republican leader on the floor at this time. I will try to get that time. If people want more time, I will be glad to yield. We are trying to be very fair with the time. Everybody would like to have lots of time, but I only have 14 minutes remaining as of now. I am conserving that as best I can.

Mr. DORGAN. Mr. President, we had talked about trying to have a block of time to talk about the economy. The reason we wanted to do that is because this is very important. This is the question that most people in this country ask themselves, and families reflect on this: Is this country moving in the right direction or the wrong direction? Are we on the right track, or are we on the wrong road? Those are the questions people ask.

We are not here suggesting that everything is wonderful in America. We have a country that faces a lot of challenges. There is no question about that. But we have a country that has gone through an immediate past period causing significant problems, requiring significant remedies, but a country that has begun to address those things head-on.

I want to take us back just a bit to a new President that came to town, who said, ''I have a new idea. I have consulted with a man named Laffer, an economist, who has a new graph and curve, the Laffer curve.'' The Laffer curve says that, if you give folks at the upper end of the income brackets big tax cuts, you actually collect more money because it will filter down and everybody at the bottom will get damp. That is trickle-down economics. So there were big, big tax cuts given, especially to the people at the top. The result was that we ran into massive deficits, unparalleled in the history of this country—massive budget deficits. The rich got richer, the people at the top, during that period. The top 1 percent of Americans had a 66-percent increase in their financial wealth just from 1983 to 1989. The bottom 80 percent lost 3 percent of their wealth. So some people did very well—just the top 1 percent. But almost all the rest of the people did not do well at all under this circumstance.

Well, we had a new President come to town again in 1992. He started in January 1993. He recognized immediately that we faced an enormously serious problem. This country was not going to grow and was not going to realize its potential unless we dealt head-on with this deficit problem. We had a vote here in the U.S. Senate on a deficit reduction plan. I voted for it. I told the people I represented why I voted for it, why I thought it was important for this country. I have never apologized for voting for it. I felt it was the right thing to do. Was it a good political thing to do? No, not at all.

There were some people who sat in these chairs who lost their seats in the Senate over that vote. They had the courage to stand up and say, ''Count me in. I want to address this deficit. I want to suggest that we take the medicine necessary to do this.''

So the deficit began to come down. We did not get one vote on the other side of the aisle. We got a lot of claims on the other side of the aisle. I see the Senator from Texas is here to visit with us today. I recall his claim. His claim was it is going to lead directly to a recession. But it was not just him. Many others did the same thing. ''The sky is going to fall in. There is going to be a big recession.'' What happened was the deficit fell.

This is what happened to the deficit under President Reagan, under President Bush, and why he did not win reelection, by the way. That line was still going up; and the deficit under President Clinton. He understood that, unless we tackled this problem, this country could not realize its economic potential.

Are we done tackling this problem? No. But this has been a success because we had more jobs and more economic growth.

What was the news this morning? The news was in the last quarter this country grew at 4.2 percent of economic growth, a very robust rate. The fact is this economy is still growing. Why? Because we are doing the right things. We are not perfect, but we are at least doing the right things.

I want to mention one additional point. It is important. We have another plan by a guy who wants to be President next January. He has a new plan—across-the-board massive tax cuts, which, of course, will benefit the high-income people and cause a hemorrhaging of a new Federal deficit. That is the new plan. At least it has a new title.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator's time has expired.

Mr. DORGAN. May I have 1 more minute?

Mr. EXON. Mr. President, how much time does the Senator have remaining?

The PRESIDING OFFICER. The Senator has remaining the time between now and 1 o'clock.

Mr. EXON. I yield 1 more minute to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I appreciate the Senator's generosity.

The plan for across-the-board tax reductions that they would implement next January, which would increase the deficit, is augmented by what they are doing with the midnight oil right now. For the last couple of nights they were in the back room and are going to bring a bill to the floor of the Senate in a matter of hours, I assume, that has this in it: opening another tax loophole, several hundred millions of dollars. Amway has been asking for it. So they get it.

Who is going to get the brandnew tax loophole of $300 million? That is the solution coming from the other side of the aisle. How do you fix what is wrong in America? Increase the deficits by cutting taxes for upper income folks and do secret deals in the back room to bring to the floor of the Senate something that exports American jobs and gives new tax breaks to big corporations that do not need it.

I yield the remainder of my time.

PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996—CONFERENCE REPORT.

The Senate continued with the consideration of the conference report.

Mr. EXON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes 44 seconds.

Mr. EXON. Mr. President, the Senator from Nebraska will save his remarks that have to be said to the U.S. Senate for a later time.

I ask unanimous consent that the remainder of my time of 3½ minutes be yielded to the Senator from Massachusetts and that, at the time of the 1 o'clock time period, an additional 15 minutes off the bill to discuss the conference report before us be yielded to the Senator from Massachusetts.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMM. Reserving the right to object, could I hear it again?

Mr. EXON. I am simply saying that the Senator has 3½ minutes remaining. I want to yield that time to the Senator from Massachusetts. Following that, the Senator from Massachusetts would be recognized for an additional 15 minutes off the bill for the remarks that he has to make.

Mr. GRAMM. Mr. President, I was scheduled by our prior agreement to begin speaking at 1, and the time was to revert over to our side. I am here, having rearranged my schedule on the basis of this.

So, while I always like to accommodate the Senator, we had an agreement. Our colleagues have had an opportunity now for an extended period of time to present their views to the world, which were very interesting and very enlightening. But our turn comes at 1 o'clock.

So I feel constrained to object.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. I have only asked that he be recognized at 1 o'clock. We did not know of the agreement.

The PRESIDING OFFICER. The Chair will clarify. The time for the Democratic side is between 12 and 1. At 1 o'clock there is to be 15 minutes of time available for either side, presumably to be shared.

Mr. GRAMM. To come back to our side.

Mr. EXON. Mr. President, I yield the time remaining between now and 1 o'clock plus 15 minutes off the bill to the Senator from Massachusetts.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, it is my understanding, I say to the Senator from Texas, that we had the time going up to 1:15. That is what I was notified. That is why I am over here, and I arranged my schedule accordingly.

The honorable and widely shared goal of welfare reform is to end welfare as a way of life and make it a way station to work.

If we accept that indisputable proposition, then the two most important principles of welfare reform should be to move able-bodied adults on welfare into the work force, while protecting their children from hunger and want.

This legislation tragically fails on both counts. It fails to provide what is necessary to move people from welfare to work. But it will push over 1 million more children into poverty. People on welfare will get a lecture, but they won't get a job, and their children will suffer.

To call this bill welfare reform is nonsense. It's welfare retreat. Reform means improvement—solving the problem. This bill will bring damage to countless families across America. To label this legislation reform is no more accurate than to call the demolition of a house remodeling.

It is also wrong to describe this bill as affecting only families on welfare. Its provisions will harm working families as well. More than a fifth of all American families with children—8.2 million households—will see a substantial decline in their family income if this bill becomes law; 1.1 million children will be pushed below the poverty line by this bill. The majority of these children live in families headed by a working parent.

What's in a label? For families, this is an abandon-hope-bill, a back-to-poverty-bill, a you-don't-count-bill, a deny-the-American-dream-bill.

The average annual income loss will be significant—$1,300 per family. This bill is supposed to encourage work. It makes no sense to reduce support for low-income working families. Cruelly, and intentionally, the authors of this legislation have chosen to do just that. Their real goal is not welfare reform. They are Robin Hoods in reverse—robbing the poor to pay for undeserved tax breaks for the rich.

If this legislation honestly intended to move people from welfare to work, we would focus on steps to make them employable. Of the parents whose families will be denied assistance after the time limits, only a third have a high school degree. Yet three-quarters of the available jobs in today's economy require a high school diploma. Sixty percent of those jobs require at least some job experience. Yet this legislation does little about helping recipients obtain the education and job training they need in order to get real jobs in the real world. In this Republican Congress, even the existing meager level of Federal support for such programs is in jeopardy.

According to the Congressional Budget Office, Federal funding in the coming years is approximately $10 billion less than the amount needed to meet the work requirements in the bill. Without adequate job training, a congressional command that people on welfare go to work is no more enforceable than the mythical king's command to the tide not to roll in to the shore.

Proponents of this bill cannot credibly claim that it is about fiscal responsibility. It is about misguided priorities, for which America will pay an enormous cost in years to come.

Some $28 billion of the savings from this legislation will come from reductions in food stamps. Approximately 70 percent of the food stamps being eliminated go to families with children. As a result, 14 million children will have their food stamp benefits reduced or cut off. Whether Republicans admit it or not, passage of this legislation clearly demonstrates that this Senate does not consider nutrition and health a priority for children. The Republican majority obviously considers billion dollar tax breaks for the wealthy to be a much higher priority.

All we have to do is look at the most recent Carnegie Commission study on children and nutrition. Children that do not receive adequate nutrition from 18 months to 3 years fail to develop the kind of brain development that is essential and necessary for academic achievement and for social adjustment. Numerous studies have shown that children who do not receive balanced meals in the early stages of their lives are much less likely to succeed in high school, much more likely to drop out, much more likely to be involved in crime, and much more likely to be on welfare in future years. Yet, this bill includes harsh cuts in nutrition programs.

Almost half of the $60 billion in cuts are in nutrition programs. Who are the beneficiaries of those nutrition programs? By and large they are children. The children are the ones who are paying the price of this so-called welfare reform bill so that there can be tax benefits and tax breaks for the wealthiest individuals in this country.

In all, Republicans are proposing to take the $60 billion over the next 6 years from programs supporting poor children and families. Their votes betray their true priorities. As President Kennedy warned in his Inaugural Address, ''If a free society cannot help the many who are poor, it cannot save the few who are rich.''

Our Republican friends claim that they are not abandoning poor families. They say they are giving States more flexibility to provide for their needs. But that flexibility is a mirage. Substantial restrictions are being placed on State discretion. This bill will actually prevent States from using Federal funds to assist large numbers of children who now have support.

No funds contained in the welfare block grant can be used to assist children whose families reached the 5-year time limit. This harsh bill even prohibits Federal welfare funds from being used to provide vouchers for the most basic needs of these children. This will be no small problem for the States. Close to 4 million children will be in this category when the bill is fully implemented.

In addition, in another shockingly cruel breach of trust, Federal funds can no longer be used to provide for children who are legal immigrants, who lawfully reside within our communities. Their need for food, clothing, shelter and medical care is being dumped entirely on the States.

All the studies that have been done with regard to legal immigrant children show that they use the AFDC program less than Native Americans and they pay their fair share of Federal, State, and local taxes.

We are not talking about illegal immigrants. For the first time in history, Congress will ban legal immigrants from most assistance programs.

This Republican bill permanently bans legal immigrants from SSI and food stamps. It bans them for 5 years from Medicaid, AFDC, and other programs. It gives States the option of

going even further and permanently banning them from Medicaid, AFDC, and the social service block grants.

While we are debating this bill, the Olympics are going on in Atlanta. Forty-seven members of the American Olympic team are immigrants—47 of them are representing and competing for the United States of America. But under this legislation, these 47 Americans would have been denied nutrition programs, help, and assistance if they had needed them as children.

Hundreds of thousands of legal immigrant children will be robbed of a safety net by this bill. Hopefully, they have sponsors who can care for them when they need help because otherwise this bill leaves them out in the cold. But half of all legal immigrants do not have sponsors. What happens to those children when their families fall on hard times?

In our recent immigration bill, we permit 140,000 individuals to come into the United States on special skills programs. They are not sponsored. They do not have someone to deem to.

Now, what happens to them? What happens to them if they fall on hard times? They do not have a sponsor. They and their children are effectively cut off from any kind of help and assistance—even in an emergency.

These are individuals and families who come here legally. By and large, they are family members—sons, daughters, and parents—of American citizens. These are people who play our the rules, pay their taxes, and serve in the Armed Forces. They can be drafted. They can volunteer. We have hundreds of them in Bosnia today. But they would not, as children, have been eligible for nutrition programs or even temporary benefits if their parents fell on hard times.

They are future citizens trying to make it in this country. When they grow up, they become American citizens. Yet this bill repays them by banning them from assistance if they need any help.

Perhaps the cruelest provision in this bill is the ban on assistance under Medicaid for legal immigrants giving birth. Their children being born are American citizens. This outrageous provision means that these American citizen babies will not get the care, attention, and healthy start in life that other American children receive. These babies are doomed to unsupervised home deliveries, substandard care, and a lifetime of potential handicaps if they fail to get adequate medical care during birth. If Congress will not strike that shameful provision down, perhaps the Supreme Court will.

The prohibition on assistance to older children also makes no sense. Many children will be affected and harmed, but many others will not. It depends entirely on where they are born. Children born in the United States are U.S. citizens and will be eligible for assistance, even if their parents are legal immigrants. But children born overseas will be caught by the ban. This is a wonderful anomaly. So the children in the same family will be treated differently, depending on where they were born. The older brother will be able to get assistance and the younger sister will not. That is the wonderful logic of this so-called welfare reform. This result is fundamentally unfair.

These children are future citizens. Like all other children in America, they need and deserve good health and nutrition. If the Federal Government abandons them, communities will suffer.

When immigrant children get sick, they infect other children. I assume that our good friends on the Ways and Means and Finance Committees understand what happens in every schoolroom in America. When children get sick, they still communicate. Anybody who has children understands that when a bug gets into second, third, or fourth grade kids—most of his or her classmates will also get sick. By banning immigrant children from Medicaid we are also banning them from school-based care, which is part of Medicaid in most States.

These children will not be able to go down to the nurse's office, get some attention, and perhaps be sent home to avoid serious illness and to avoid infecting other children in the class. They will not even be able to get in the door. If they try to see the nurse, the nurse cannot treat them because they are immigrants. They have no private insurance, and they are banned from Medicaid. If the illness gets worse, their parents may take them to the local emergency room—a very expensive alternative and not likely to be pursued unless the illness seems severe—which will add to the costs of our health care system. This is welfare reform under this bill.

The Republican bill also bans legal immigrant children from SSI, which provides assistance to the blind and disabled. Nine thousand legal immigrant children suffer from those conditions. They have some of the most complex and life-threatening needs of all. As a practical matter, such cases often involve tragic accidents, where expensive, long-term care is needed to deal with their debilitating conditions. If SSI is not available, children literally will die.

Nutrition is vital to the development of a child. Immigrant children are no exception. Without access to food stamps, some immigrant children will suffer a lifetime of anemia, stunted growth, and even permanent brain damage. This bill is not welfare reform for legal immigrants. It is cruelty written large into law. It will push families deeper into poverty with no chance of escape, and the victims will be innocent children. Shame on the Republican majority in Congress for washing its hands of their plight.

This legislation also contains financial penalties for States unable to move children on welfare into employment as quickly as the bill mandates. Yet the bill refuses to provide the necessary level of job training support and child care assistance. It is better in child care assistance than previous bills, but still short of what is necessary to meet those employment targets.

In fact, many of the strongest advocates of this legislation want to reduce Federal funding for job training. The Congressional Budget Office estimates that only 10 to 15 of the 50 States will be able to meet the work requirements in the legislation. So, in reality, we are setting up the States to fail, rather than giving them the tools they need to succeed.

Another aspect of this legislation which will seriously hurt the States. The funding which each State will receive is not adjusted for population growth or for the impact of recessions. If the number of families legitimately seeking assistance in a State expands, the State will receive no proportional increase in funds. The small contingency fund does not even begin to meet the potential need. The State alone will be responsible for meeting the need, often at a time when that State is least able to respond.

The inevitable result of this legislation on the States will not be sensible new flexibility, but enormous new financial pressures. This bill can only encourage a race to the bottom, in which States compete to have the harshest climate for low income families. Inevitably, States bow to such pressures. They cannot control the national economy. Congress is supposed to represent the national interest. We should not be creating an irresponsible system that punishes States which try to meet the needs of their citizens while rewarding those which do not.

Americans want genuine welfare reform. But that does not mean they will support this legislation once they look behind the Republican bumper sticker slogan. Genuine welfare reform means moving welfare recipients into jobs, while assuring that the basic needs of their children are met during the transition. This legislation will not achieve either of these goals. It will leave many welfare recipients unemployable in the real world. It will leave their children ill-fed, ill-clothed, and ill-housed. This Republican Congress has nothing to be proud of for forcing this bill into law.

By the votes we cast today, we are not improving the quality of life in America. The gap between rich and poor will be wider, the bonds which tie families together will be weaker, and the dreams of millions of children will be farther from reach.

The best that can be said about this bad bill is that the day it is signed into law must be the day we roll up our sleeves and start working together to clean up the mess it will bear. I intend to do all I can to persuade Congress to act this year to eliminate at least some

of the most damaging and least responsible provisions in this bill.

I yield the floor.

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

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

Under a previous order, the hour between 1:15 and 2:15 will be under the control of the majority. The Senator from New Mexico [Mr. DOMENICI] is recognized.

THE ECONOMY

Mr. DOMENICI. Mr. President, I want to say to Senators who want to speak on the welfare bill, clearly we do not have to use our whole hour in rebuttal of the Democrats. If there are a few Senators who want to come down and engage in that, fine. If not, we will move to Senators like Senator SMITH, who wants to speak on the subject matter before us.

Mr. President, to me it is very interesting that, on a bill dealing with welfare and the most fundamental reform of social policy in 60 years, that Democrats want to change the subject. They want to talk about the economy, so let us talk about the economy for awhile.

We are all heartened today to hear that the economy grew by 4.2 percent in the second quarter. The administration has certainly taken an opportunity to champion today's growth. Let me say, however, that before we get too exhilarated about today's announcement, I think we should look at some of the less rosy economic facts that the administration is not talking about. These are the major reasons why Americans feel insecure about their future.

To start with, we have had the weakest recovery of this century during the early 1990's, with growth averaging only 2.5 percent. In contrast, the 1980's recovery recorded average yearly growth of 4.1 percent over the same time period. I guarantee, that while this appears to be a small difference, it is enormous. It is enormous. The reason why growth has been comparatively weak is that President Clinton has had the second weakest productivity growth of any President in the last 50 years, second only to President Carter. Let me repeat, the second-lowest productivity growth in 50 years.

What that means is that, clearly, those who worry about inflation and are fearful of too much growth find some reason to be worried when they find that productivity increases have been so meager during this administration. Without productivity increases, a increase in noninflationary, trend growth is virtually impossible in today's demographic environment.

In keeping with weak productivity growth, there has been virtually no gain in real wages, virtually no gain in real wages. Real average hourly earnings in 1992 were $7.42. Today, they are $7.43, a very big gain of 1 cent. No wonder Americans are worried. No wonder we are finding anxiety about the future. No wonder they are saying that we do not think we are on the right path, because they see taxes going up and average real wages being stagnant. Clearly, the gain in real average hourly earnings, from 1992's $7.42 to today's $7.43, is nothing. With this backdrop, you can see how today's impressive headline growth doesn't mean anything to ordinary citizens, since the benefits of growth are not filtering back to them. They just continue to work hard and wonder why they are not getting ahead.

Wage stagnancy can be seen in another, equally troubling way as well. Family income is stagnating. Despite the ongoing economic recovery, average annual growth in real median family income has been only 0.2 percent under President Clinton. Under Ronald Reagan, the growth in real family income was four times as fast.

Low productivity, stagnant real wages, and lackluster family income growth strike a louder chord with the American people than does today's announcement. They are wondering what is happening to their economy as it applies to their paycheck and their families, and they are not impressed with announcements that say things are getting better and that this growth is phenomenal, when they are feeling the reality of what I just described: virtually no gain in real wages and stagnating family incomes.

Another point is being missed, and it is very relevant—rising tax burdens. This is one of the main reasons for poor productivity growth, no gain in real wages, stagnating family incomes. In 1992, the ratio of Federal tax revenues to GDP was 18.4 percent; by 1995, this had climbed to 19.3 percent.

That means that the portion of GDP going to taxes, went up almost 1 percent. Those who think the tax increases of the last 3 years are good because of who they impact and who they do not, still have to answer the questions: What happened to productivity growth? What happened to real wages, that is real average hourly wages? What happened to family incomes? By diverting resources from the private sector toward the less efficient public sector, there are fewer funds available for household saving and investment. This leads to lower productivity, lower wages and lower standards of living for the average citizen.

Let's go on to yet another item that ought to temper the enthusiasm about the announcement of a 4.2 percent GDP growth in the last quarter: the lowest personal savings rate in 50 years. As mentioned above, we believe that the Clinton tax hikes have played a large role in this dubious milestone. Everybody believes that for America to increase its productivity, to get the wages up, to get the family incomes up that we must increase our savings so that American business, large and small, have resources to grow with. And yet, we have the lowest personal savings rate in 50 years. This is unsurprising when much of what is saved is taxed away and, thus, personal savings are reduced.

Let's look at another one of President Clinton's economic legacies. We now have the worst income inequality in 50 years. So for those who think they solved the problem of income inequality—the highs and the lows—by raising taxes and saying we are only raising taxes on the higher brackets, they are in for a great surprise. It does not generate more equality between the low earners and the high earners in America. Inequality got worse with the tax increase, the largest in American history, that apparently prides itself in saying it didn't tax moderate-income people, it only taxed the high brackets.

What is the purpose of it? The purpose of it, if we have one, is to lower the deficit and make us grow more and perhaps bridge the inequality gap by letting the wage-earner part of this go up, none of which happened. The idea is to use a constructive strategy of boosting growth for the lower and middle income families and not use a destructive strategy of socking it to the rich. I'll say it again, the latter strategy just doesn't fix the grave problem of inequality.

Let's also look at soaring trade deficits—this is something not even mentioned these days. It goes right along with the bad news that is being kind of overshadowed by one fact: That for one quarter, the gross domestic product went up some 4.2 percent.

The Clinton trade deficit is three times as large as under President Bush, despite postwar lows in the dollar versus the German mark and the Japanese yen that should have created smaller trade deficits. Instead, we got larger deficits. However, given meager levels of U.S. saving, this worsening external position should not surprise us.

A byproduct of accumulated trade and current deficits is soaring foreign indebtedness. In 1995, foreigners owned $815 billion more of our securities than we owned of theirs. This is a 40-percent increase since 1994. This is not a fear today, but over the long run, we are placing our future in the hands of foreign banks. It is even more of a worry when we realize that foreign debt service is a net loss to U.S. incomes and constitutes a steady mortgaging away of our children's future living standards.

Lastly, I want to turn to jobs. The administration has been particularly proud of their job growth figures. However, the breakdown of these jobs is far less encouraging than they suggest. Do you realize that 10 percent of the jobs created under Clinton have been temporary jobs. These are not good jobs.

Studies have shown that temporary workers are paid as much as 34 percent below their occupational counterparts. This is a way to get lower wages, not higher. I even more troubled when I see the type of jobs that these temporary positions are displacing. Since 1995, 252,000 well-paying manufacturing jobs have been lost. This is why real average hourly earnings have been so stagnant under President Clinton. At day's end, I have a hard time understanding why the administration is so pleased with generating jobs that do not generate rising wages.

So those who came to the floor bragging about the performance of this economy did not seek to share with the American people the facts about this economy that cause most Americans to say we are not moving in the right direction. You can give all the song and dance about what it means to have an increase in the gross domestic product in the second quarter, but if the American people are feeling what I have just described—stagnation in real wages; family income extremely stagnant and very, very low; increase in general taxes; lowest personal savings rate in 50 years—than this growth means nothing to them. It's time to be honest with the American people about these underlying weaknesses in the economy—if we won't admit to them, how can we set out legislation to improve them.

I submit that the tax increases imposed under President Clinton, for all they can talk about the increases in revenues, I submit that that is most responsible for all of these negatives that I have stated here. I have begun to believe that it is imperative that we understand we cannot have increased productivity, real wage gains, family income, average family income going up if we have higher tax rates. We must have lower tax rates if we expect that to occur. We cannot lose sight of things we must be doing. But what I have just been describing seems to me, having been briefed by many economists, to be the absolute crux of why there is such lack of stability and such anxiety among Americans because of stagnation in their pocketbooks, in their checkbooks.

I will yield the floor to any Senator who wants to speak on this subject. I yield as much time as Senator MACK desires.

The PRESIDING OFFICER. The Senator from Florida, [Mr. MACK], is recognized for such time as he desires.

Mr. DOMENICI. Mr. President, I say to Senator MACK, we have five or six Senators who want to speak along with us. We have assigned 10 minutes. Is that satisfactory?

Mr. MACK. That will be wonderful.

Mr. DOMENICI. I yield 10 minutes.

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

Mr. MACK. Thank you, Mr. President. I thank the Senator for yielding me this time.

I do believe that the issue we are discussing is an important one, even though I must admit many folks, when you start talking about economics and the statistics related to that, have a tendency for their eyes to glaze over. But we are really talking about the engine that provides the hope and opportunity for the future. The engine of growth is what will allow for the formation of new businesses and the creation of new jobs in America. So the subject is an extremely important one. I appreciate the opportunity to address it.

Earlier today, a report came out on the growth rate of the economy. That growth rate for the second quarter of the year was stated at 4.2 percent, which is good growth, and I think we ought to be pleased with what has happened.

But what the administration is trying to create, or why they are so extremely excited about this growth number, really kind of belies the other things that they have been saying. Let me try to put that in perspective.

Earlier this year the President, during his State of the Union Message to a joint session of the Congress, said that this economy is the strongest economy in three decades. Well, if it is the strongest economy in three decades, then there is no reason to be excited about 4.2 percent growth. We should have been expecting that kind of growth each quarter, quarter after each quarter. But that is simply not the case.

In fact, I think the numbers will show that for the four previous quarters the economic growth was less than 2 percent. That is nothing to get excited about. In fact, the effect on the American families is significant. I will get back to that point in a few minutes.

I want to try to put into context what has happened to the economy, picking up on the point of 4.2 percent growth. There is a lot of excitement down at the White House about that. But if we look at the rate of growth that the economy has experienced since President Clinton took office, it is 2.4 percent, and that is including this new quarter, 2.4 percent. Keep that figure in mind. I will continue to mention that number.

I will first compare it to the growth the economy was experiencing the year before President Clinton became President. The growth rate of the economy at that time was 3.7 percent. For the last 3½ years the growth rate in the economy has been 2.4 percent under President Clinton.

You might say that is not a fair reflection to just pick one year and compare the growth in the economy to that one year. Well, let us take the 10 preceding years, the 10 years prior to President Clinton taking office. The growth in the economy was 3.2 percent.

President Clinton wants us to believe that he has created the strongest economy in three decades. I believe he is now using the words the ''strongest economy in a generation.'' I remind you again, the growth under President Clinton is 2.4 percent.

Again, somebody might say that that period of time is not a fair reflection of what has happened over a period of time. So I will just again focus in on the last five expansions. If you take the last five periods of growth that the country has experienced, we know that that growth averaged 4.4 percent. Compare that again to the growth of the Clinton years of 2.4 percent.

To go back even further, since World War II the country's growth rate has averaged 3.3 percent. The President of the United States during his joint session speech told the American people that this is the strongest economy in 3 decades.

But, Mr. President, I really do not have to worry about those numbers in really trying to get that message out because I have listened to the American people. I have listened to the people in my State. I have listened to the families who are struggling, who are working harder today and have less to show for it. We all hear it. We hear it in the sense of the anxiety that they express. We hear it in the fears they have about the future. We hear it in their concern about their children, what their opportunity will be as their children grow up.

There is a lot of insecurity in America today. I am not sure that a lot of Americans have at this point been able to articulate what that is. But they know that there is something wrong. They know that they have not reaped the benefits of the ''strongest economy in three decades.'' All my point there is to say that President Clinton may be saying one thing about the economy, but the people in this country understand that this is just not right. He is not accurate.

I have one additional chart, which is the first time I have seen this. It is the first time I have used it. It is a chart that has gone back to 1870—not 1970—1870. We have charted out every single expansionary period in the U.S. economy since 1870.

We have added the growth during the Clinton years. That is this last bar. As we look from now all the way back to 1870, this chart indicates that this is not the fastest growing economy, not the strongest economy in three decades. It shows it as being the weakest economy in over 100 years. Let me say that again. This is the weakest economy in over 100 years.

So, Mr. President, I am making the point that while we should be pleased that we have experienced some growth in the economy in this last quarter, people should put it in context. There could be some reason for excitement if there was a sense that the number that we heard this morning would continue into the third quarter and into the fourth quarter and into the next year.

But that is not what economists are telling us. They are telling us that the second half of this year is in fact going to be weak. It is going to be somewhere

in the 2 to 2.5 percent growth range. That is not coming from just one economist. This is coming from a number of different groups of economists. The so-called blue chip forecasts are in the 2.5 percent range. Wall Street Journal, somewhere in the 2 to 2.5 percent range. CBO forecasted I believe about 2.5 percent growth through the balance of this year.

So while there is excitement, I am telling you, Mr. President, this is a short-lived excitement. We are going to hear a lot about it from the Clinton administration. But I suggest that the people in this country understand from their own experiences that this economy is not providing them with the opportunities that they hope for themselves and for their children.

I will use one additional graph here. It compares real median household income for the period of time from 1983 to 1992. Real median household income, $33,119. The Clinton average, 1993, 1994, $32,153, almost $1,000 less. And, yes, these are figures that have taken inflation into consideration. On average $1,000 less.

We have also calculated out, for example, what would have happened if the growth rate in the economy had been, say, similar to the 10 years prior to President Clinton taking office. How would that have affected the average family in America? And do you know what the number is? It is $260 a month in loss of income because we are growing at this rate versus this rate.

That is why the American people are concerned about the future. That is why they are worried about their opportunities. You cannot, Mr. President, layer on American business and American families a whole new layer of more Government, higher taxes, more spending, more Washington intrusions, more Washington involvement. You cannot layer all of that additional Washington interference and not expect the economy to slow down.

So in conclusion, I say, Mr. President, that the economic policies of the Clinton administration are robbing America of its economic potential. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I want to thank Senator MACK, not only for what he said today, but his constant vigilance with regard to what is really important for the average family.

I think it is pretty clear, would you not agree, that whatever the good news that is being announced on that side of the aisle, that it is the working people and the average families in America that are asking: If that is true, how come nothing is happening to my paycheck? How come nothing is happening to my family income, which is in stagnation? Those are the issues causing the anxiety out there. Am I correct in that?

Mr. MACK. I say to the Senator, I think you are absolutely correct. If you will give me just a moment to tell one little story.

Mr. DOMENICI. Please.

Mr. MACK. I think it reflects on the feelings of lots of Americans. I think about the family where both the husband and wife work and get up way before dawn, and in our large cities in America, commuting for a long period of time to get to work, working all day, both of them, getting back home after dark. The only time that they have off, the weekends, if things go right. And they see all of their resources being taxed by every level of government.

Mr. DOMENICI. You got it.

Mr. MACK. For programs and services they believe have failed and do not work. And they are tired of it. And they are not feeling what one would expect would be the results of the fastest growing economy in 3 decades.

Mr. DOMENICI. Before the Senator arrived we spoke of stagnant family income. That is what is causing the anxiety.

Real median family income was virtually motionless from 1992 to 1994. That is the last year for which we have data available. Under President Clinton, it has risen only two-tenths of a percent per year on average. Family income is below the level that it was in 1991 under President Bush. During the Reagan tenure, yearly family income growth was four times as fast. That might account for a poll back then saying people thought we were on the right track and a poll today saying they think we are on the wrong track.

Does that seem to be a correct analysis?

Mr. MACK. Absolutely. What concerns me is that most people do not know or have not been told that during the Reagan years, in which we tried to reduce the size and scope of Government to reduce the tax burden, providing incentives for business creation and capital incentive, that during those years family incomes went up. They went up consistently.

I can remember our former colleague, Senator Wirth, teaming up with now-Vice President GORE, coming to the floor and talking about this tragedy that has occurred in America from roughly 1973 to 1992, just talking about from one point to the next point, how incomes had gone down, but refused to tell people that during the Reagan years, those 7 years of growth, that American families were better off and American workers were better off.

Mr. DOMENICI. Senator BENNETT, I believe, was next, and we have reserved 5 minutes.

The PRESIDING OFFICER. The Senator from Utah, Senator BENNETT, is recognized for 5 minutes.

Mr. BENNETT. Thank you, Mr. President. I do not want to repeat some of the arguments that have been made, but I want to talk about one aspect of the numbers that have been discussed today so glowingly described by the President.

They look upon the last quarter and say, ''Isn't this magnificent? We are growing at over 4 percent a year.'' And I agree that a quarter in that atmosphere is a wonderful thing.

What were they saying just two quarters ago when they were growing at 0.3 percent a year? One quarter does not control what happens in a year. It can be a seasonable circumstance. It can respond to any one of the series of one-time events. You need to look at things over time.

I would like to look at one number over time that we have been hearing about in the Clinton administration crowing about the tremendous economic performance, and that is taxes. We all know that President Clinton made raising taxes the centerpiece of his economic program. He promised when he ran in 1992 that he would cut taxes. But he said when he got into office: I have suddenly discovered that things are far worse than I ever recognized, much worse than I realized. I not only cannot deliver on my promise to cut tax rates, I must give you increased tax rates, or the economy is going to be destroyed. So we had increased tax rates in the United States. He is now saying: Well, you see, because I had the wisdom and the courage to raise tax rates, we are getting all this tremendous revenue, and now I am responsible for the fact the deficit is coming down.

I point out a few things. If we go back to the last year in which the Reagan tax structure was in place, which was 1989, taxes from individuals were producing revenue to the Government at the rate of 8.6 percent of our gross domestic product. Then President Bush broke his tax pledge, and we had the tax increase in rates from President Bush. Then Mr. Clinton broke his tax pledge, and we had the increase in rates. What happened to revenue? Revenue as a percentage of gross domestic product went down, Mr. President—not up, down—from 8.6, where it had been in 1989, down to 8 percent. It started to come back up in 1995. It was 8.4—still not as good as we had during the Reagan years, but coming back a little.

How is it possible, people say to me, that when you raise rates you see revenue go down? Stop and think about what happens in the real world all the time. I use the example of Ford Motor. They introduced what they thought was a marvelous new car, the Ford Taurus. They thought there would be so much demand for it they could raise rates. They call them ''prices,'' but since we are talking about Government we will use ''rates.'' They will raise the rates on the new car. It hit the marketplace. The marketplace reacted by not buying Tauruses. What did Ford do? They lowered the rates and increased their sales and thereby increased the revenue that they were getting from the sale of the introduction of that new model.

Around here we do not understand that principle. But every businessman in the United States understands it and uses it every day. You raise your

prices, you lower your prices, depending on what the market tells you. Here we just feed the numbers into the computer, and whatever the computer tells us, we say that is automatically the way it is going to be.

So President Bush, and then President Clinton, raised tax rates only to see revenue as a percentage of the economy go down, and even now in this wonderful report the President gives us, the tax revenue has not yet gotten back to the level that it was prior to the time when they told us that increased taxes were good for us.

Mr. President, I do not believe that increased tax rates are good for us. I think what we should focus on in the Government is tax revenue, how much money we get in from the economy in order to pay our bills and deal with the deficit. I recommend we go back to the revenue levels that we were getting in the days of the Ronald Reagan circumstance when we were getting 8.6 percent of the gross domestic product coming from individual taxpayers, rather than the anemic 8 percent we hit in the Clinton administration.

Referring to the charts quoted by my friend from Florida, Senator MACK, the increase has been the lowest of any expansion we have had. Just think, Mr. President, what we would have in terms of revenue for the Government and relief from the budget deficit if we had had a historic rate of growth in this expansion and 8.6 percent of that coming in in the form of revenue. We would be better off than the Clintons are claiming we are today.

Do not get carried away with a single order or with rhetoric in an election year. Keep our understanding on the historic pattern that tells us the best way to see growth in our economy is when we have tax rates that allow Americans to earn more and then to keep more so they can do more in their own lives, instead of having Government make all of the decisions. I yield the floor.

Mr. ROTH. Mr. President, I yield myself 5 minutes.

First, let me address the good news. Yes, the good news that we received this morning from the Commerce Department is that the GDP for the second quarter of this year is a strong 4.2 percent. This is up from the anemic growth rate of 0.3 percent in the last quarter 1995, and the first quarter 1996 growth rate of 2 percent.

However, Mr. President, let me remind my colleagues that the average growth rate since 1990 is a weak 1.9 percent. This is, in my opinion, unacceptable.

Let me refer my colleagues to a Business Week cover story in their July 8, 1996, edition. The cover reads ''Economic Growth—Don't be fooled by today's strong statistics. And don't be suckered by the political rhetoric. America needs faster growth.''

While the Business Week feature story goes on to outline their proposals for stronger growth, they highlight critical issues that we must address; namely, increasing savings and investment, balancing the budget, and reforming the Tax Code. Mr. President, it is the Republicans in Congress who have addressed these issues and will continue to fight for real tax reform in the coming years.

Also, a few weeks ago the Office of Management and Budget's new estimates of the deficit for fiscal year 1996 is $117 billion, down from the $211 billion target that Bill Clinton called for in his budget. The deficit is down because a Republican Congress forced the President to control spending. Despite five Presidential vetoes—remember those vetoes—congressional Republicans successfully managed to rescind nearly $40 billion in domestic discretionary spending from this administration's top-heavy budget.

This represents a good start, but it is only a start. Had Bill Clinton not been so wild with the veto pen—had he not vetoed the balanced budget amendment—we'd be even farther down the road. The deficit reduction we're celebrating is for the short term.

Long-term trends show increasing deficits. They show an upward trend, and Congress—along with the President—have a responsibility to reverse deficit growth.

Toward this end, our objective must go beyond controlling the spending side of the equation. Excessive taxation is as dangerous to the welfare of American families as is excessive spending, perhaps even more so.

These dangerous trends must be reversed. We are moving in the right direction to control Federal spending, now we must also push for tax reform to strengthen the economy.

Make no mistake about my feelings on this debate. I'm on record as a proponent of meaningful tax cuts, and this will be the direction I intend to move.

Holding the line on spending and stimulating optimal economic growth through responsible tax reform are the only ways that we will effectively find the resources and means necessary to meet the challenges and the enjoy the opportunities the future has to offer.

Mr. President, I yield 5 minutes to Senator KYL.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I thank the Senator from Delaware for making this time available to talk about this important matter this afternoon. I was reminded of the fabler, Stephen Leacock, who wrote the story about the fleas riding on the back of a chariot. They looked back and said, ''My, what a fine cloud of dust we have made.'' It seems to me that Bill Clinton's crowing about the latest GDP figures is analogous. If it were not for the Republican Congress, as Senator ROTH just pointed out, ensuring that the budget deficit went down to the extent it did, we would not have these GDP figures that begin to show some promise. As Senator ROTH pointed out, if the President had not vetoed the balanced budget we sent up, the figures would be even better. So I don't think this is the time for the President to be crowing.

There is another point here, too, Mr. President. We should be very leery of these preliminary statistics. It has been pointed out that the first-quarter GDP figures this year were actually overrated by 21 percent. The correct number was 2.2 percent growth. But they were originally estimated at 2.8 percent. So we need to be a little cautious about bragging too much about the figures before they are verified.

Third, as has been pointed out before in this debate, the overall economic performance during the Clinton administration is very poor. It is an annual growth rate of 2.3 percent, compared, for example, with 3.7 percent growth the year before the President took office. If you take the entire decade before he took office, it was 3.2 percent. So the President has very little to crow about with respect to the overall performance of the economy.

There is a final and most important point here, though, that I think needs to be addressed. The Senator from Utah, Senator BENNETT, made the point a moment ago. It has to do with the plight of the average American. We can quote these GDP statistics all we want. But what about the average American family? How does all of this affect them? The fact of the matter is that the average American family is not doing so good. The news there is not good. Households have lost, not gained, $2,100 in take-home pay during the 1990's. That is a 5-percent decline. If you look at the 1980's, families increased their income by 11 percent, or $4,100. That was the increase in median family income during the 1980's, mostly the Reagan decade, but the first part of the Bush administration as well.

If you look at the Clinton decade, the 1990's, median household income has actually dropped $2,100. So it is fine for the GDP to be finally showing some strength, but in terms of the average American family, it has not yet translated into a benefit to them.

In the 1990's, by the way, it is the rich who have been gaining, to the extent that there is any gain, and not the middle- and lower-income workers. Consumer debt has hit an all-time high of just over $1 trillion—a 44-percent increase during the Clinton years.

Personal bankruptcies were at an all-time high last year. Why is this? Because of the Clinton crunch, Mr. President, and the historically high tax rates. Americans today are paying the highest percentage of taxes in the peacetime history of the Nation—38.2 percent. I think it bears repeating that this is the highest percentage of their income that Americans have paid in taxes during peacetime in this country's history.

That is the Clinton crunch. That is why the GDP statistics, as good as they may be, are not being translated into benefit for the average American

family. The stagnation of wages and incomes and the economic anxiety people feel is the result of three things—the weak performance of the economy under President Clinton, high taxes, and the burdensome regulation of the Clinton administration. These are what have hindered people's ability to get ahead.

Just a month ago, on July 4, we celebrated Independence Day in this country. I would note that July 3 is also ''independence day'' for the people in this country, because, until July 3, Americans literally had been working for the Government. In other words, if they had applied all of their income to taxes, it would not have been until July 3 that they would have fulfilled all of their tax obligations. From then on, they began working for themselves.

So it is really the Clinton crunch that has caused so many problems for American families. Until we can (a) get the economy moving again, and (b) reduce this burden of regulation and taxation on the American people, these generalized statistics are not going to translate into any real benefit for the average American family.

Mr. D'AMATO. Mr. President, I yield Senator ABRAHAM 5 minutes.

Mr. ABRAHAM. Mr. President, I, too, would like to put into perspective the statements made earlier today on the other side of the aisle relating to the economy. While it may be true that in this one quarter, growth statistics are up; the fact is, for this Presidency, as was clearly documented by the Senator from Florida earlier, growth has been anemic, 2.3 percent, the lowest economic growth for any recovery in this country, literally, in this century.

What is also important, as was pointed out, is the fact that the median family income of America's working families has stayed stagnant. What has not stayed stagnant is the rate of taxes paid by those average families. That has been going up, as the Senator just indicated, to an all-time record high of over 20 percent. That is why American families are feeling a squeeze. They are working harder, their incomes are not going up, but their Federal taxes are going up. We need to address that, Mr. President.

Now, earlier today, we heard from the other side of the aisle several critics of letting Americans keep more of what they earn. Tax cuts were criticized. It is not surprising that it came from the other side of the aisle; it is the other side of this aisle that voted in 1993 for the largest tax increase in the history of this country.

Let us talk about the kind of tax cuts that can help America's families, like those we saw in the 1960's under a Democratic Presidency and in the 1980's under a Republican Presidency. Those tax cuts stimulated economic growth and created millions of jobs for working Americans. Those tax cuts also stimulated the chance for this economy to grow, and grow at record rates.

In the 1980's we saw economic growth that greatly eclipsed what we are seeing this year. It is interesting. Notwithstanding the criticism that was leveled earlier at those tax cuts, and notwithstanding the myths that have been created about those tax cuts, the truth is those tax cuts did stimulate far greater revenue to the Federal Government from taxpaying Americans, because the economy did grow, and it grew at record levels, especially during the 1980's.

It is interesting also as to who paid those increased taxes. It was people at the highest ends of the income spectrum who, freed from the high-tax burdens, decided to invest and risk their dollars in creating new jobs and economic growth. That is what we had. We had economic growth. We had more jobs, and we had higher tax revenues to the Federal Government.

Interestingly, in the 1990's when tax rates were raised, upper income groups are paying less and lower and middle-income groups are paying more because the upper income groups have found ways to shelter their income to avoid taxation. In the 1980's they did not do it. They used their moneys to create jobs and opportunity, and paid more taxes.

The other myth that I think needs to be exploded here today is the myth that somehow cutting taxes created the deficits that we had in the 1980's. The fact is, revenues increased during the 1980's after the tax cuts by approximately 56 percent. What increased faster was Federal spending in virtually every dimension by almost 70 percent. That differential, Mr. President, is the reason we saw deficits increase—deficits increase—under a Democratic-controlled House of Representatives.

So, Mr. President, let us put this in perspective. Under this Presidency, median family income has remained stagnant while taxes have gone up. Under this Presidency, the growth rate has been the most anemic in any recovery of the Nation's history over the past century. That is not a track record of great accomplishment no matter how much it is sugar-coated.

What we need to do is to give the working families of this country a chance to really keep up with the needs that they have by being allowed to keep more of what they earn, and a chance for the people who create jobs and opportunity to have the incentives to invest, to risk and to create entrepreneurial activity that will give us the jobs we need for the balance of this century and the next.

Thank you very much.

Mr. D'AMATO. Mr. President, I yield 5 minutes to the Senator from Georgia, Mr. COVERDELL.

The PRESIDING OFFICER. The Senator from Georgia has 5 minutes.

Mr. COVERDELL. Mr. President, as everyone has said here this morning, we have had a trail of good news from the other side on the economy. I go back to a quote:

> We have the most solid American economy in a generation.

That was President Clinton's remark on July 6 of 1996. But perhaps of equal standing, perhaps even more, are these quotes. I have heard so much on this side of the aisle about what the real status of the economy is, but I have been taken with the remarks on the economy from the other side of the aisle:

> We have an anemic rate of economic growth.

I repeat:

> We have an anemic rate of economic growth.

Senator BYRON DORGAN on June 20, 1996, in the CONGRESSIONAL RECORD. Or how about this one:

> When I go home, I hear a lot of anxiety from farmers, small business people and families just trying to make a living wage. In fact, wages have stagnated. For many middle class working families, every year it seems harder and harder to make ends meet.

Mr. President, that is the statement of Senator TOM DASCHLE, the minority leader, and that statement was made on June 20, 1996.

Here is another:

> Even though some Clinton administration economic advisers have begun to highlight certain positive economic news, it is still true that for many, especially low and moderate income working people, the economic recovery is spotty, partial and has failed to increase their real take home pay.

That is Senator PAUL WELLSTONE of Minnesota, May 2, 1996.

Here is another one:

> We all know that the American people are anxious about their economic future. They are worried about the security of their jobs and their ability to take care of their families.

That is Senator JOE LIEBERMAN, the colleague of Senator DODD, who is on the floor. That was a statement made on May 17, 1996.

DASCHLE, WELLSTONE, LIEBERMAN, DORGAN, all contemporary statements reflecting anxiousness and anxiety among the average working families in America, and they are right. In a recent article in the Washington Times, we read that last month 63 percent of the American people said the country was on the wrong track compared with only 24 percent who thought it was on the right track. It says:

> A lot of people say their income is not keeping them ahead of the cost of living. Only 10 to 15 percent say they are doing better.

So the remarks by DORGAN, DASCHLE, LIEBERMAN, and WELLSTONE are right on the mark. The middle class, the average working family does not feel very good today. Why would that be? I can tell you one reason, Mr. President. It is because their checking account has $2,000 to $3,000 less since President Clinton came to office than they had in that account before he came to office.

I might add, that is about a 7 percent reduction in their disposable income. The average Georgia family today has to forfeit over half its wages to one

government or another now, over half. If Thomas Jefferson were here today, he would roll into his grave that it would ever come to the point that over half a family's income is being consumed by the Federal, State, or local government. And here we are, with this administration having taken another $2,000 to $3,000 out of a family who only has about $25,000 of disposable income. That is like a 10 percent reduction in their disposable income in just 36 months. So it does not take a rocket scientist to figure out why there is so much anxiety in the working family. They have less to work with. The median household income has declined from $33,119 to $32,000.

Job lock: Anemic economic growth has frozen many workers into jobs they would like to leave for better employment, but they are afraid those jobs will not be there if they try to go someplace else.

Or how about credit cards? The delinquent payments on credit cards, which is a real consumer-connected device across our country, are the worst they have ever been in 50 years. Why? Because we have, by Federal policy, pushed the average family to the wall. And the policies of this administration have created the anemic economy, just as Senator DASCHLE has alluded to. Those policies have reduced the disposable income in that family's checking account and they have made middle America very worried.

Mr. GRASSLEY. Mr. President, but for the strength, determination and leadership of the Republicans in the Congress—and I am referring to this and past Congresses—we would not today have a better budget situation or have an article like the one which was printed in the Wall Street Journal this morning.

But for the economic wisdom of the Federal Reserve and the steady guiding hand of its chairman, Alan Greenspan, we would not today have the economic footing that we need to be closer to a balanced budget than we have been in recent years.

There are two facts of economic life. One is that Republicans have been more steadfast and committed to balancing the budget than has the President. I remind my colleagues of the vetoes he issued on our attempts to balance the budget last year. But for our steadfastness and commitment to this goal, but for Republican leadership, this President would be no where near to working on a balanced budget.

The second is a fact that this Senator addressed during Chairman Greenspan's confirmation. The Federal Reserve has played, and continues to play, a crucial role in stabilizing the economy and maintaining investor confidence in the face of big spending Congresses. This confidence has lead to increased participation by some Americans in the stock market. This increased capital investment is what has led to new jobs, and expansion.

The President has raised taxes, though. The Clinton tax increases have taken away from all Americans' ability to take care of their families. The Clinton tax increases have decreased the amount of money which mothers and fathers have to buy necessities for their children. This is wrong.

Several of my colleagues have very accurately described the reality of the so-called Clinton economic growth rate. I wish to associate myself with their remarks. The charts which they have shown the Senate depict an economy which is not growing as fast as past economic expansions. In fact one of the charts show that this is the weakest economy in 100 years.

Another of the charts clearly shows what has happened to real medium household income. It has decreased. As the Senator from Florida pointed out, real medium household income in the years between 1983–1992 was $33,119. During the Clinton years of 1993–1994 real median household income dropped to $32,153.

No wonder American workers are concerned about their future. This drop in income hurts hard working Americans.

Let us continue to reform Government programs, as we are with this welfare reform legislation. And let us continue our efforts in Congress to balance the budget. This is true economic stimulation. This will lead to real economic growth. This will put more money into the pockets of Americans.

Mr. D'AMATO. Mr. President, I yield 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Excuse me, I thought I had 10 minutes on welfare.

Mr. D'AMATO. We are running a little behind. We would appreciate it if you could keep it—

Mr. GRAMM. Mr. President, let me just reschedule time to talk about welfare.

Mr. D'AMATO. If the Senator would like to be yielded 10 minutes, why don't we start, instead of just talking about it.

Mr. GRAMM. All right.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, it is an incredible paradox that while today we celebrate one of the most dramatic legislative victories certainly in this Congress and in the last decade, we are here responding to our Democratic colleagues who came over to give us a lesson in perverted economics this morning. They tell us how things are great because they had the courage to raise taxes, and if only we had raised taxes more and spent more, things would even be better. I personally do not believe the American people are going to adopt that brand of economics.

I would simply like to say that if we had not raised taxes in 1993, but rather had cut spending and adopted the balanced budget amendment to the Constitution, the economy would be stronger, and we would not be having an economic recovery, which happens to be one of the weakest economic recoveries in any postwar period.

PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. GRAMM. Mr. President, let me now talk about welfare. We are going to pass here in the Senate tonight a welfare reform bill that has the promise of dramatically changing a system which has failed in America. Let me begin by talking about the failure.

In the past 30 years, we have spent $5.4 trillion on welfare programs; programs where we were trying to help poor people. Nobody in America knows what a trillion dollars is. So let me try to put that number in perspective.

If you take the total value of all buildings, all plants and equipment, and all productive tools in American industry and agriculture combined, they are worth about $5 trillion.

So if you want to know how much we have invested in the old welfare program over the past 30 years, it is roughly the equivalent of the value of all buildings, all plants and equipment, and all of the tools of all the workers in the United States of America. No society in history has ever invested more money trying to help needy people than the United States of America has invested.

Yet, what has been the result of all of those good intentions? What has been the result of that investment? The result of that investment, 30 years later, is that we have as many poor people today as we had 30 years ago. They are poorer today, they are more dependent on the Government today, and by any definition of quality of life, fulfillment, or happiness, people are worse off today than they were when we started the current welfare system.

When we started the War on Poverty in the mid-1960s, two-parent families were the norm in poor families in America. Today, two-parent families are the exception. Since 1965, the illegitimacy rate has tripled.

I know that we have colleagues on the other side of the aisle who are going to lament the passage of this new welfare reform bill. But I do not see how anybody with a straight face, or a clear conscience, can defend the status quo in welfare. Our current welfare program has failed. It has driven fathers out of the household. It has made mothers dependent. It has taken away people's dignity. It has bred child abuse and neglect, and filled the streets of our cities with crime. And we are here today to change it.

Let me outline what our program does. I think if each of us looks back to a period when our ancestors first came to America, or back to a time when those who have gone before us found themselves poor, we are going to find that there are two things that get individuals and nations out of poverty.

Those two things are work and family. I think it is instructive to note that those are the two things that we have never applied to the current welfare program of the United States of America.

The bill before us asks people to work. It says that able-bodied men and women will be required to work in order to receive benefits. It sets a time limit so that people cannot make welfare a way of life. It seeks to change the incentives within the welfare system. And I believe the time has come to change those incentives within the welfare system.

So what we have done in adopting this bill is make some very simple changes. No. 1, we have said that unless you are disabled, welfare is not a permanent program. It is a temporary program. We are going to help you for up to 5 years. We are going to train you. But at the end of 5 years, you are going to have to work.

We have also in this program given the States the ability to run their own programs. We believe that the Federal Government does not have all the wisdom in the world, and that States should run welfare. What we have done is we have taken a federally-run program, we have taken the funds that we have spent on that program, and we have given that money to the States so that, rather than have one program, each State in the Union can tailor its program to meet its individual needs.

I believe that we have put together a positive program. It is a program that asks people to work. It is a program that tries to make Americans independent. It is a program that for the first time uses work and family to help families in America escape welfare and to escape poverty. I think this is a major achievement. I am very proud of this bill, and I hope we can get a sound vote for it.

I know there will be those who say that the President, in committing to sign this bill, is going to end up taking credit for it. I do not believe the American people care who gets credit for this bill. We know that had there been no Republican majority in both Houses of Congress, we would never have passed this bill. We know that without a Republican majority in both Houses of Congress, we would not have a mandatory work requirement. We would not be changing welfare as we know it. But it seems to me that the return we are going to get for adopting this bill is worth letting the President take a substantial amount of credit for it.

I think this is a major step in the right direction. I am very proud of this bill. I commend it to my colleagues.

I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York has 5 minutes.

Mr. D'AMATO. Mr. President, let me reflect, if I might, not only on the economy but more particularly as to the impact, the adverse impact that the brutal welfare program—brutal, one that entraps people—has had on this country. It has not been beneficial. We have seen welfare spending move from approximately $29 billion in 1980 to something in the area of $128 billion today. Incredible. This is a program that was intended to help people temporarily, those people who were disabled, those people who, through no fault of their own, found themselves without a job.

> The lessons of history, confirmed by the 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. It is in violation of the traditions of America.

Mr. President, those were the words spoken by Franklin Delano Roosevelt when President Roosevelt gave his second annual message to the people on January 4, 1935. Indeed, how prophetic; 60 years later we see his admonition that where welfare becomes a long-term program, it is fundamentally destructive to the national fiber, and that it is a narcotic to the human spirit, and it is a violation of the traditions of America.

That is exactly what the welfare programs have done to this country. And let me say, as difficult as is the political process of campaigns and elections, thank God it is an election year; there is one good thing that has come about, and that is welfare reform.

Let me also suggest that without there having been a Republican Congress pushing, working, challenging, there is no way that we would have had any opportunity to pass a bill. And to those who are critical of the reform, let me say that no bill is perfect, but to continue business as usual, as if all is well, would have been a kind of conspiracy, a conspiracy to continue to keep our people on that narcotic. Absolutely not acceptable.

I have to tell you, if you want to get this economy going, then we have to give educational opportunity a helping hand and move people who have become dependent, dependent upon that welfare narcotic, that drug, that drug that President Roosevelt warned us about, off of the welfare rolls into a system of work.

To those of my colleagues who have legitimate concerns that there may be some imperfections, we will deal with those. We have the ability to fix them. We have the ability to make the bill a better bill. But to do nothing, to sit back, to languish in the bureaucracy of entrapping people, keeping people from meeting the opportunities that this country has of freedom, real freedom, freedom to participate, freedom to undertake a challenge, is morally destructive and is wrong. This change is long overdue.

So if there this is anything good that comes from those elections and the partisanship back and forth and the bickering, I say this welfare reform, in my mind, would never have taken place—never, never have taken place were it not for this election.

Mr. President, I am pleased to have worked for this program. Workfare, not welfare, is long overdue.

Mr. President, I yield to the Senator from New Hampshire for 5 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Mr. President, I wonder if the Senator from New York could make that 10 minutes?

Mr. D'AMATO. I yield 10 minutes to the Senator from New Hampshire.

Mr. SMITH. Mr. President, I rise in very strong support of the welfare reform bill, H.R. 3734, that is before the Senate at this time. This is historic legislation that the Senate later will be passing by an overwhelming majority—a bipartisan majority, I might add. There will be some who will be voting for this today because they are caught up in the wave of welfare reform and there will be others of us who will be voting for it because we caused the wave. But it really does not matter because the result will be the same. This Republican Congress has gotten it done. After all the years and years of talk, we have finally gotten it done. We sent the President two bills. He vetoed both of them. This is the third attempt. He now says he will sign it.

The Senator from New York has already quoted President Franklin Roosevelt who, in 1935, talked about what welfare, or in those days they called it relief, does to a society and does to a family. It does destroy the human spirit and it is a violation of the traditions of America, as Franklin Roosevelt correctly said in 1935.

Mr. President, in terms of welfare, we did declare a war on poverty, and poverty won. That is the problem. This program has not worked. When something does not work, we have to try something new. It does not mean we say we have all the answers, but it does mean we have to try.

In 1965, per capita welfare spending was $197. By 1993, per capita welfare spending was $1,255. That is a 600-percent increase. For all this increased spending, have we seen a corresponding drop in poverty? No, we have not. In 1965, 17 percent of Americans lived in poverty. In 1993 it is a little over 15 percent, barely a change. So we need to try something new, which is why this Republican Party has fought so hard to make these changes.

This is historic because it ends a 60-year status of welfare as a Federal cash entitlement. As a result, once this bill becomes law, no person will be able to choose welfare as a way of life. And no person will be entitled to cash benefits from the Federal Government simply because he or she chooses not to work.

It is amazing some of my colleagues can defend this failed system, where people who make $18,000 or $19,000 a year, working hard with their bare

hands to make just enough money to put food on their tables and pay taxes, we should ask those people to continue paying forever for somebody who won't work. Won't—not can't, won't. Because that is what welfare is all about.

Yes, there are some who cannot and they are not going to slip through the net. It is the ones who won't work. Yet, time after time after time, speaker after speaker after speaker in this body has defended this system, saying people who work hard for a living, trying to put food on the table, trying to pay their mortgages, trying to get their kids through college, working hard, paying their taxes—honest, hard-working Americans—should continue to pay for people who won't work.

We are changing it. That is why this is historic. The President, in announcing he was going to sign this bill, kind of apologized for signing it, if you listen to his remarks. But again, the result is the same. He is going to sign it. We will get the results. So I give him credit for signing it. It took him a little while to get there, but he is there.

As the Senator from Texas said a few moments ago, ask yourself this question. Would we have welfare reform, would we have workfare today, were it not for people in a Republican Congress who pushed and pushed and pushed to get it through this Congress and into the White House where the President can sign it? I think the answer is: Obviously, no, we would not have. By dramatically cutting the Federal welfare bureaucracy and replacing it with block grants to the States, this bill recognizes the best hope for making welfare programs successful lies in shifting major responsibilities for their administration to a level of government where innovation and experimentation can flourish. This is a giant step toward reinvigorating federalism in our system of Government.

I heard the Senator from Massachusetts, Senator KENNEDY, earlier in the debate, talking as if somehow all these people were going to slip through the safety nets because the Federal Government no longer is assuming responsibility. We all know that we have 50 Governors out there, frankly, Democrats and Republicans—I have confidence in those people. I do not think any Governor in any State in the Union is going to put a starving child on the street. I will believe that when I see it. That is not going to happen and we all know it. It is an outrage to define this welfare reform in those kinds of terms.

Governor Steve Merrill, the Governor of New Hampshire, using my State as an example, is a compassionate, decent man and a good Governor. He is not going to let that happen. I want him to have this program. I want him to be able to administer this program, this block grant, because in the State of New Hampshire, Governor Merrill and the legislature and the others who work every day in these welfare programs, know who the needy people are. They also know how to help them find work. That is compassion and it is compassion at the local level, where it should be. Because people in Washington, DC, do not know all the answers, in case you have not figured that out yet.

No Governor is going to let a child starve and it is an outrage and an insult for anybody to even insinuate it rather than say it. Our Governors have been leading the way, from both parties. President Clinton, when he was Governor, talked about welfare reform and as a Presidential candidate said he would end welfare as we know it. He knew then as a Governor it was not working, which is why he spoke out about it. This is landmark legislation. This is dramatic. This is the kind of thing that I have been working on for all the years that I have been in Congress, and I am so happy just to see it come to fruition.

I am going to be pleased and proud to work with Governor Merrill and see that this program is administered properly to help the people in the State who need help.

This is a huge accomplishment just to get this bill through this Senate and the House and on the President's desk.

Mr. President, this bill transforms welfare from a handout that fosters dependency into a temporary helping hand for those who fall on hard times. It places a 5-year lifetime limit on receiving welfare benefits and requires able-bodied adults to work after 2 years.

Surely after 5 years, an able-bodied individual can find a job. Of course, they can find a job, if you want to find a job. But you are not going to want to find a job if somebody is taking care of you all the time.

When I was a kid, I had a favorite uncle, Uncle George. He used to sell toys, and I used to look forward to Uncle George coming around with toys. My family at sometime would say, ''If Uncle George keeps coming around, we won't have to buy toys for little Bobby,'' because they expected it.

Where is the respect for the people who are paying the bills? It is not the Federal Government paying these bills for people who will not work. It is the taxpayers. It is the hard-working men and women across America who work hard for a living. There is no reason why this is an entitlement for somebody who does not work.

There is not a person out in America today who does not have the compassion in their heart to help somebody who needs help. We see it every time there is a tragedy. Whether it is the TWA bombing, a flood, earthquake, American people are always stepping forward in a compassionate, helpful way to help their fellow man. It happens every day. It is happening now, and it is not going to stop because we pass a bill that says people who will not work cannot get benefits for the rest of their lives.

Mr. President, another very important point here is that this bill cracks down on the so-called deadbeat dad by requiring that father to pay child support, and it mandates that welfare applicants must assist in establishing the paternity of their children in order to qualify for their benefits.

What is wrong with that? That is responsibility, Mr. President.

I am also pleased that this bill takes a number of steps toward ending the abuse of the welfare system by those legal immigrants who come to America, not to go to work but to go on welfare. That is not true with every person who comes to America, it is not true with most people who come to America, but it is true with some, and they ought not to be getting welfare benefits if they are not an American citizen while Americans who are working hard, trying to pay their bills are providing it. That is simply wrong. It ought to stop, and this bill does stop it. But it also provides when you are sponsored, the sponsor can assume some responsibility for you. If they want to bring you to America, they can assume some responsibility. That is what built this country—responsibility, not running away from it.

Deeming is a good policy. Noncitizens, after all, remain, by definition, citizens of other countries. They should not, in all fairness, expect to be supported by Americans who are not their fellow citizens.

Finally, Mr. President, H.R. 3734 provides a total of $22 billion to help the States provide child care for parents who are participating in work and job training programs. It also provides additional grants for States that experience high unemployment or surges in their welfare populations.

Mr. President, I commend those among my colleagues in the Senate who have worked long and hard to make this such a strong, landmark welfare reform bill. I also commend a former colleague—Senator Bob Dole—for working tirelessly since the beginning of this historic 104th Congress to deliver landmark welfare reform for the American people.

Thank you, Mr. President. I yield the floor.

Mr. EXON. Mr. President, I yield 7 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I thank the distinguished Senator from Nebraska.

Mr. President, a number of my colleagues have talked about their very deep concerns about various aspects of this legislation, including the estimates that go as high as 1 million more children being thrown into poverty, the very harsh cut in food stamps that is contained in this legislation, the limitation on the time period for receiving food stamps, which will hit workers who have been laid off and their families very hard in the years to come, the extreme cuts in benefits for disabled children and the treatment of legal—not illegal, but legal, and I stress

that—legal immigrants coming into the country. These are people who, under our laws, are legitimately in the country, and yet, if they encounter personal disaster financially, we are not going to provide any help to them. All of these factors constitute a valid basis for voting against this bill.

I am not going to go back over those issues. They have been discussed at some length by others. There is another matter I wish to discuss, another dimension to this legislation which I think is another strong reason to oppose this legislation which I intend to do. And that dimension is the situation we will confront in times of economic downturn and recession. All of the discussion here is about the limitations and constraints that are being placed upon existing programs in the context of current economic circumstances.

Current economic circumstances are a 5.3-percent unemployment rate across the country. But we must consider the question of what is going to happen when we have a downturn in the business cycle. People are discussing this legislation almost as though the business cycle has been repealed and is not going to happen again.

This legislation provides block grants to the States. The size of those grants does not vary with such factors as unemployment or the poverty rate, and, therefore, in recessions, States will face rising caseloads and corresponding large gaps in funding for assistance programs.

The bill has a contingency fund of $2 billion, but it is completely inadequate—completely inadequate—it fails to address this issue. Let me just give you an example. In our Nation's most recent recession during the Bush administration in the period from 1989 to 1992, the Federal share of welfare spending increased 36 percent—an additional amount of $7.2 billion over the four years—that is, almost four times the contingency fund.

There was a 35-percent increase in the number of children in poverty over those years. This was a period when the unemployment rate rose from 5.3 percent to a high of 7.7 percent.

What are the States going to do under this legislation when a recession hits and more and more people slip into poverty, people lose their jobs, they are out of work? Under the current system, the Federal Government assures to the States additional money for each of the additional persons who are placed into dire circumstances by a worsening economy. Under this bill, no such support. This bill essentially gives the State a block grant based on 1994 figures, and that's it.

Much of the discussion has been about the difficulty of handling the situation under current economic circumstances and the problems are very real and severe. What happens when you get an economic downturn and the number of people showing up in the poverty category on the unemployment rolls is on the increase, rising very substantially? Are the States then going to come up with more money in order to handle this problem?

Our experience to date is every time a recession strikes the States come in and say, ''We need help. We're constrained. We can't deal with this recession. Look what this recession has done to our sources of revenue. Our sources of revenue are down. We can't handle the situation.''

That is what they say today when the Federal assistance is automatically adjusted. What are they going to say next year or the year after and the year after that when a recession comes along, when people are added to the unemployment rolls, out of a job, families go into poverty? Where are the resources then going to come from?

Under the current system, the Federal Government, since President Roosevelt, assumed an obligation to provide help to the States to help them work through this situation. Now the Federal Government automatically steps in when a recession hits. That will not be the case in the future under this legislation.

It is true there is a contingency fund. But as I said, it is totally inadequate for any recession of any consequence, let alone a very deep recession as we experienced under President Reagan in the early 1980's, or just the recession we experienced in the early 1990's during the Bush administration when the unemployment rate went from 5.3 to 7.7 percent. That was its peak, 7.7 percent, contrasted with the Reagan recession where it went just shy of 11 percent unemployment.

In the Bush recession in the 1990's, the fact of the matter is that there was about a 40-percent increase in the Federal expenditure on welfare during that recession period. This bill fails to address the consequences of such an economic downturn.

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

Mr. SARBANES. Will the Senator yield me 1 more minute?

Mr. EXON. I am glad to.

Mr. SARBANES. Mr. President, this bill does not do that. The Federal Government is out of it in terms of assuring the States that the full burden of recession will not fall upon them. In the last recession, when the unemployment rate went close to 8 percent, millions of Americans lost their jobs and had a difficult time finding new jobs.

What is going to happen in the next recession? Does anyone realistically believe that the States will step in and pick up the burden? Even now with additional Federal assistance the States come in during a recession and say, ''We can't handle our situation because our revenues have been impacted by the recession.'' What is going to happen is you will have literally millions of people affected by the economic downturn and without any support. No additional Federal assistance as now, because of the block grant provision. We will pay dearly for failing to provide a fail-safe mechanism against an economic downturn. The consequences will be such that we will rue this day.

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

Mr. SARBANES. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Will the Chair kindly advise the Senator when I have used 15 minutes? I yield such time as is necessary to myself.

Mr. DOMENICI. I think we rotate.

Mr. EXON. Before the chairman came in, we had three Republicans in a row. I thought that we would proceed——

Mr. DOMENICI. They were part of the 1 hour where you had 1 hour and——

Mr. EXON. No, they were not. They were after that. I yield the floor.

Mr. DOMENICI. I ask Senator NICKLES, do you need 15 minutes?

Mr. NICKLES. Yes.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, first, I wish to congratulate and compliment our colleague from New Mexico for his leadership on this bill. In addition, I compliment Senator ROTH, Chairman ARCHER in the House, and Chairman CLAY SHAW for putting this bill together, as well as Chairman KASICH in the House. I would like to go back a little farther and also compliment Senator Dole and Speaker GINGRICH for laying the groundwork for fundamental welfare reform, fundamental welfare reform that is long overdue, fundamental welfare reform that today will have bipartisan support. I am very pleased with that and I am pleased the President said he would sign this bill.

He is correct in making that decision. I know he agonized over it. He was not sure what he was going to do. That is evidenced by the fact he vetoed two similar bills earlier. He actually vetoed a bill in January, a bill that passed the Senate with 87 votes. I thought that veto was a mistake. I thought that veto was a repudiation of his campaign statement when he said we need to end welfare as we know it.

When candidate Bill Clinton made the statement, ''We need to end welfare as we know it,'' I applauded it. I thought he was exactly right. Unfortunately, I think welfare had become a way of life for far too many families. Maybe that was their fault, maybe it was Congress' fault. I think most of the welfare programs that we have were well-intentioned, but many have had very suspect results.

In addressing the issue of welfare, on January 4, 1935 Franklin D. Roosevelt said that:

> The lessons of history, confirmed by the 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. It is inimicable to the dictates of sound policy. It is a violation of the traditions of America.

That was in his second annual message to the country. He was right. Maybe he was a little bit prophetic because, if you look at what has happened in our welfare system, we now have under the Federal Government 334 federally controlled welfare programs.

The Federal Government determines who is eligible, for how long, and for how much they will receive. We have 156 job training programs stacked on top of each other, all with good intentions but a lot with results that are not very desirable, results that in many cases have not helped a lot of the intended beneficiaries and certainly have not helped taxpayers.

This Congress has done several historic things. I have been around here now for 16 years. This Congress, for the first time, has actually passed some reform and some curtailment of the growth of entitlement programs.

We passed it in the Balanced Budget Act, but the President vetoed it so that did not become law. We passed it in the welfare bill, but the President vetoed that and it did not become law. We passed entitlement reform in the farm bill, a historic rewrite of decades of farm policy. That was a good bill. The President signed it. I compliment him for signing it.

Now we are passing welfare reform. Is the bill perfect? No. But it is a good, giant step in the right direction. I am pleased the President will sign it.

Mr. President, this bill does change the way we do welfare. The so-called AFDC, aid to families with dependent children, will no longer be a cash entitlement. We are reforming its entitlement status. The current program says that if you meet eligibility standards—in other words, if you are poor—you can receive this benefit for the rest of your life. There is no real incentive to get off. There is no real incentive to go to work. We are really falling into exactly what Franklin Delano Roosevelt said. We are destroying human spirit. So now we have a chance to fix that in this bill today. This is a giant leap.

Again, I mentioned that I am pleased President Clinton is signing this bill. But if you look at the bill he introduced, his bill was a continuation of the entitlement of aid to families with dependent children. They would go on continually. It was a continuation of an entitlement.

Today we are breaking that continuation. We are going to say that we trust the States. I have heard some of my colleagues say, ''Wait a minute. What about the kids?'' What we are doing is taking this money and we are going to give this cash welfare program to the States and let them determine eligibility. I happen to think that the States are just as concerned, maybe even more concerned than we are about kids in their own territory.

What makes people think that the source of all wisdom comes from Washington, DC, that Washington, DC, should determine who is eligible and who is not? Who can make the best determination of those requirements? I believe the individual States can.

In this bill we have work requirements. We have time limits. We have a 5-year lifetime limit. I think we have taken some big steps in the right direction.

So I want to compliment Senator ROTH and Senator DOMENICI, Senator Dole, and others.

Also, I would like to make a couple of other comments. I have heard the President say we have cut too much in food stamps. In this bill we require able-bodied adults age 18 to 50 with no dependents, no kids, to work 20 hours a week, with the exception that they have 3 months in a 3-year period when they can receive food stamps. Other than that they are going to have to work at least 20 hours a week. That is real reform. I know my colleague from North Carolina thinks that is right.

Under current law you can receive food stamps forever. Eligibility is pretty easy. If you meet these income requirements, you can receive food stamps. There is not a time limit. Under this bill we are telling able-bodied people, now you are going to have to get a job.

There are now going to be work requirements in order to receive welfare. You are going to have to get a job. We turn the money over to the States, yes, but it is a transition. We call it temporary assistance for needy families. It is temporary assistance; it is not a way of life. It is not a system that we are setting up where people can receive this income forever, as many families do under the current system.

There was an investigation in areas of my State that had drug problems and crime problems, and I learned a little bit about the drugs and the crime. But I probably learned a little bit more about welfare. This area had a very high incidence of crime and drug problems but had an even higher incidence of welfare dependency.

As a matter of fact, I talked to a young person who had a couple of kids and found out that, yes, she had been on welfare for a few years and her mother had also been on welfare for several years. I was thinking, we have to break this cycle. What about the kids? I looked at her kids, and I really felt sorry for them, and they were growing up, now the third generation of a welfare family. We have to break that trap of welfare dependency.

This bill will help give people a hand up and not just a hand out; to where they will be able to go to work; where we provide job training; where we have child care; where we have an opportunity for people to climb up out of this welfare dependency cycle. This is a giant step in the right direction.

With the old system, if they met the income standards, then they kept getting the cash. There is no limit whatsoever. So this bill is, again, a very positive step in the right direction toward rewarding work, encouraging work, encouraging people to become independent, and not dependent on taxpayers. I compliment Senator Dole and others who are responsible.

I want to correct some misstatements that have been made by the President and other people. The President stated yesterday that the reason why he is signing the bill is that it allows States to use Federal money for vouchers for children and for parents who cannot find work after the time limit has expired. The President says he lobbied for this. To clarify, we did not put money in specifically under the welfare bill, but we have said they can use money under title XX, the Social Services Block Grant, for those purposes. That is the same policy we had in the bill H.R. 4, that unfortunately the President vetoed. There was not really a change in that area.

President Clinton made a statement saying the congressional leadership insisted on attaching to this extraordinarily important bill a provision that will hurt legal immigrants in America, people working hard for their families, paying taxes and serving in our military. Well, the President is wrong. Just to state the facts, noncitizens who work for their families, pay taxes, can become eligible for welfare in two ways under this bill. First, they can become citizens. If they become citizens, they can qualify for any benefits any other American can. Second, even if they decide not to become citizens, they can become eligible for welfare by working and paying Social Security payroll taxes for 40 quarters, basically 10 years.

Third, and this is most important, noncitizens who serve in our military are eligible for welfare under this bill. The bill explicitly exempts them from the bans on welfare to non-Americans. It is in the bill.

I was surprised by the President's statement. His statement was this: ''You can serve in our military, you may get killed for defending America, but if somebody mugs you on a street corner or you get cancer or get hit by a car, or the same thing happens to your children, we are not going to give you assistance anymore.''

Mr. President, President Clinton is wrong. As I mentioned, people who serve in our military, veterans and their dependents all continue to be eligible for assistance under this bill, this is title 4, page 5. So are refugee and asylees and people who pay Social Security taxes for 40 quarters, title 4, page 5. People mugged on a street corner or hit by a car, whether or not they are citizens and whether or not they work and whether or not they are in the country legally or illegally, qualify for emergency medical assistance under this bill.

I think it is important we stay with the facts. President Clinton also said yesterday, ''I challenge every State to adopt the reforms that Wisconsin, Oregon, Missouri, and other States are proposing to do.'' Fact: On May 18, President Clinton spoke favorably of

the welfare waiver application submitted by the State of Wisconsin: ''Wisconsin is making a solid welfare reform plan. I pledge my administration will work with Wisconsin to make an effective transition to a new vision of welfare. States can keep on sending me these strong welfare proposals, and I will keep on signing them.'' That was May 18. Guess what? Wisconsin's waiver was proposed on May 26, over 2 months ago, and he has not signed it yet.

President Clinton, before a speech of National Governors' Association in 1995, told the Governors he would act on their waiver application within 30 days, some of which have taken well over a year, some almost 2 years. It has been 60 days since the Wisconsin waiver. We tried to put the Wisconsin waiver into the bill to make it applicable. We get a message, according to Speaker GINGRICH, that if it is in the bill, the President will veto it. At the same time he was bragging on Wisconsin's waiver and their new approach yesterday on national TV, he was telling us if we put it in the bill, he would veto the bill.

Mr. President, I could go on. I think it is important we not try to scare people, that we stay with the facts, that we do try to do what is right.

Let me make a couple of other comments. I heard the President and other people saying this bill is too hard on noncitizens, on legal aliens. We eliminate benefits for illegals; what about noncitizens who are legally here? We make some changes. The President and others say we went too far.

Let's look at what we did. Our legislation has a priority that says fundamentally we should take care of Americans. When aliens come to this country, their sponsors pledge to support them and they sign a statement that says they will not become a public charge. People come to this country voluntarily. If noncitizens want to stay in this country, they sign a statement saying they will not become a public charge. We will start holding them to that statement and hold their sponsors who also signed the statement saying, ''We will make sure they do not become a public charge; we will make sure they do what they committed to do.'' I think that is very important.

I might mention a couple things about taxpayers. If you look at the number of noncitizens currently receiving SSI, Social Security supplemental income, in 1982 there were almost 128,000 noncitizens receiving SSI; in 1994 that number had increased by almost sixfold, and there were 738,000 noncitizens receiving SSI. The program has exploded since 1982—almost six times as many.

What happens is a whole lot of people determine they can come to the United States not asking for a land of opportunity to grow and build and expand, they come to the United States for a handout. What did they do? They received SSI and Medicaid. They received a lot of Government assistance. Thank you very much, taxpayer, and the sponsors who signed statements saying, ''We will take care of them and make sure they do not become a charge to the Federal Government.'' But who have not done their share, they have not held up their side of the bargain when they said they would not become a charge to the American taxpayers, and they did.

We are saying they have a couple of choices. If they want to become citizens, they will be eligible for benefits. If they do not become citizens, that is certainly their option, but they do not have the option to say, ''Yes, take care of us, taxpayers.'' If they pay taxes for 40 quarters then they could become eligible for benefits.

A couple of other comments. We deny noncitizens from receiving food stamps until they become citizens or pay taxes for 10 years. We did the same thing with food stamps. Why should someone come to the United States as a noncitizen and say, ''Give me food stamps''? Some people have criticized this by saying, ''Wait, cuts in food stamps are draconian.'' We spent $26.2 billion this year in food stamps. In the year 2002, if you listen to some of the rhetoric, you would think we cut that in half. That is not the case. In the year 2002, 6 years from now, we will spend over $30 billion in food stamps. So we are spending more money in food stamps every year, but we are saying to the people who are noncitizens who come to the United States, they are not automatically entitled to continue receiving benefits forever.

Mr. President, I have several charts to be printed in the RECORD, and I compliment my friend and colleague from New Mexico for his leadership. I mentioned food stamps, and I will mention SSI, the growth rates in SSI.

In 1980, SSI cost the taxpayers $6 billion; in 1996, it costs $24 billion, four times as much. This program is exploding. The growth rates in SSI for the last 5 years are 10 percent, 14 percent, 21 percent, 18 percent, and 20 percent. The program has exploded in many, many cases because noncitizens have said this is a good way to get on a gravy train. We need to close that abuse. We do that under this bill. I think that is positive reform.

I ask unanimous consent to have printed in the RECORD charts to substantiate these facts.

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

FEDERAL SPENDING ON MAJOR WELFARE PROGRAMS

[Current law in billions of dollars]

Year	Outlays	Growth (dollars)	Growth (percent)
FOOD STAMPS			
1980	9		
1981	11	2	24
1982	11	(0)	−3
1983	12	1	7
1984	12	(0)	−2
1985	12	0	1
1986	12	(0)	−1
1987	12	0	0

FEDERAL SPENDING ON MAJOR WELFARE PROGRAMS—Continued

[Current law in billions of dollars]

Year	Outlays	Growth (dollars)	Growth (percent)
1988	12	1	6
1989	13	1	4
1990	15	2	17
1991	19	4	25
1992	23	4	21
1993	25	2	11
1994	25	0	0
1995	26	1	4
1996	26	0	1
1997	28	2	7
1998	30	2	6
1999	31	1	5
2000	32	1	4
2001	34	1	4
2002	35	1	4
FAMILY SUPPORT*			
1980	7		
1981	8	1	12
1982	8	(0)	−2
1983	8	0	5
1984	9	1	6
1985	9	0	3
1986	10	1	8
1987	11	1	6
1988	11	0	3
1989	11	0	4
1990	12	1	9
1991	14	1	11
1992	16	2	16
1993	16	0	3
1994	17	1	6
1995	18	1	6
1996	18	0	2
1997	19	0	2
1998	19	1	3
1999	20	1	3
2000	21	1	3
2001	21	1	3
2002	22	1	3
SSI			
1980	6		
1981	7	1	11
1982	7	0	6
1983	7	1	7
1984	8	1	12
1985	9	0	6
1986	9	1	8
1987	10	1	6
1988	11	1	13
1989	11	0	0
1990	13	1	10
1991	14	2	14
1992	17	3	21
1993	20	3	18
1994	24	4	20
1995	25	1	2
1996	24	(1)	−4
1997	28	4	16
1998	30	2	8
1999	33	2	8
2000	38	5	17
2001	35	(3)	−9
2002	40	6	17
CHILD NUTRITION			
1980	4		
1981	4	0	0
1982	3	(1)	−14
1983	3	0	10
1984	4	0	9
1985	4	0	3
1986	4	0	3
1987	4	0	5
1988	4	0	8
1989	5	0	7
1990	5	0	9
1991	6	1	12
1992	6	0	7
1993	7	1	10
1994	7	0	6
1995	8	1	13
1996	8	1	7
1997	9	0	6
1998	9	1	6
1999	10	1	6
2000	11	1	6
2001	11	1	6
2002	12	1	5
EARNED INCOME CREDIT			
1980	1		
1981	1	0	0
1982	1	(0)	−8
1983	1	0	0
1984	1	0	0
1985	2	0	38
1986	2	0	25
1987	2	0	1
1988	4	2	91
1989	6	2	47
1990	7	1	11
1991	7	0	8
1992	11	4	51
1993	13	2	23
1994	16	3	20
1995	19	4	22
1996	23	3	18

FEDERAL SPENDING ON MAJOR WELFARE PROGRAMS—Continued

[Current law in billions of dollars]

Year	Outlays	Growth (dollars)	Growth (percent)
1997	24	2	8
1998	25	1	3
1999	26	1	4
2000	27	1	4
2001	28	1	4
2002	29	1	3
TOTAL			
1980	27		
1981	31	4	14
1982	30	(1)	−2
1983	32	2	7
1984	34	1	5
1985	35	1	4
1986	37	2	5
1987	38	1	4
1988	43	5	12
1989	46	3	7
1990	51	5	12
1991	59	8	15
1992	72	13	22
1993	81	9	12
1994	89	8	10
1995	96	7	8
1996	100	4	4
1997	108	8	8
1998	114	6	5
1999	120	6	5
2000	129	9	8
2001	129	0	0
2002	139	10	7

*Family Support includes AFDC, child care, child support enforcement, and JOBS.

Sources: CBO & OMB.
Prepared by the Office of Senator Don Nickles.

Mr. NICKLES. I thank my colleague from New Mexico and my colleague from Nebraska for yielding.

Mr. DOMENICI. First, I am not sure everyone that has sent the message down that they want to speak will speak, but without wrap-up by our leader and without any wrap-up by me, there are 14 Senators on our side who have requested some time to speak.

I ask the Parliamentarian, how much time remains on the Republican side under the 5 hours?

The PRESIDING OFFICER. Approximately 2 hours and 15 minutes.

Mr. DOMENICI. That still means with 14 Senators, we clearly will not be able to give 20 or 25 minutes to everyone. We hope we can keep everyone to somewhere around 10 minutes or less.

Having said that, Senator EXON has not even spoken today. He is next, and he will choose as much time as he wants, obviously. Following him, my understanding is that Senator SPECTER of Pennsylvania will speak on our side. Who will speak on your side?

Mr. EXON. Senator MOSELEY-BRAUN, who was here at 9:30 this morning trying to speak, will follow me.

Mr. DOMENICI. Senator FAIRCLOTH will be next.

Mr. EXON. Following Senator MOSELEY-BRAUN, Senator BRADLEY.

Mr. DOMENICI. All right. We know that many other Senators on this side want to speak. Since Senator GRASSLEY is here, I am going to say that, on our side, he will follow Senator FAIRCLOTH. Senator CHAFEE wants to speak, also. Where would the Senator go next on the Democratic side?

Mr. EXON. Mr. President, may I inquire from the Chair, are there 2 hours left on the Republican side? I thought when I inquired a half an hour ago, at that time there were 2 hours on the Republican side and 2 hours 20 minutes on our side. Now I understand that the Chair said the Republicans had 2 hours 15 minutes left.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Republicans have approximately 2 hours 15 minutes remaining. The reason is that there was an inadvertent addition that was made on the time allowed.

Mr. EXON. How much time do I have remaining?

The PRESIDING OFFICER. Two hours twenty-one minutes.

Mr. EXON. I thank the Chair.

Mr. DOMENICI. Can we go beyond that and get a couple more sequenced in? Who was the last one?

Mr. EXON. Senator BRADLEY. I have 8 or 10 other speakers. I do not have a scenario beyond Senator BRADLEY.

Mr. DOMENICI. On our side, when the time arrives, the next Senator would be Senator CHAFEE, and then Senator GREGG is after the Senators I had previously announced. If any other Senators have difficult times, call us and we will try to put them in sooner. As soon as we can schedule you in, we will. Come down and tell us.

So the order on our side is Senators SPECTER, FAIRCLOTH, GRASSLEY, CHAFEE, and GREGG.

Mr. EXON. Mr. President, many of my colleagues have given very thoughtful and rigorous descriptions of the economic growth of our Nation under the dedicated leadership of President Clinton. Much of that growth is due to the deficit reduction in the President's 1993 budget that we passed with strictly Democratic votes, and not a single Republican vote in either the House or the Senate. The Federal Reserve Chairman, Alan Greenspan, agrees. He said, earlier this year, that President Clinton's budget was ''an unquestioned factor in contributing to the improvement in economic activity that occurred thereafter.''

Mr. President, we have been on the right course since we passed the 1993 deficit reduction plan. At that time, dire predictions were made on that side of the aisle. If anybody is interested in those, I would be glad to supply the doomsday forecast if that became law—which it did—from that side of the aisle.

In 1992, the deficit was $290 billion, the highest dollar level in history. Today, thanks to the President's budget, it has been cut more than in half, to $117 billion. That is living up to both your promises and the promises that have been emphasized so often in debate here.

I don't customarily use charts, but I want to put up a chart that may have been used before, which drives this point home. I suggest, Mr. President, that this may be the best kept secret in America.

In 1980, when President Carter was President of the United States, we had a deficit of $74 billion for that year. That was an awful lot of money. I remember how concerned we were about that. Several years later, after 1980, in the intervening 12 years of Republican Presidents—first Ronald Reagan and then George Bush—and supply side economics, that deficit loomed from a high $74 billion, we thought, to $290 billion. When President Bill Clinton became President of the United States, look what has happened since then under his leadership. That deficit has been more than cut in half, to the 1996 projection of $117 billion.

I don't know what tells the history of success in this particular area more than a chart like this, which is factual. I ask anyone to challenge it. The Republicans like to carp a lot about the President's 1993 budget. A distinguished Republican said that President Clinton's taking credit for deficit reduction is like a rooster crowing very loudly at sunrise. I say to my Republican friend that the President has every right to crow, if you want to use that word. He has every right to lay claim to reducing the deficit, because that he has done.

That enormous fiscal egg laid by the previous two Republican administrations had to be attacked by someone, and President Bill Clinton did the job. Facts are facts. He has cut it more than in half.

As much as I am gratified by the economic and fiscal performance of the current administration, I am deeply concerned with what is being said by the Republican campaign to challenge this administration. The same folks who were part of the fiscal wrecking crew in the 1980's, and who voted against the only real deficit reduction plan in the 1990's, are now ready to sabotage the 21st century with billions of dollars in new tax cuts, which they don't pay for. That is more of the supply-side economics that got us into this mess in the first place.

Mr. President, I ask my colleagues here, and I ask the people of the United States, why on Earth would Bob Dole change his mind from a strict and sound fiscal conservative and become the Willy Loman of supply-side economics and perhaps destroy the economy by going back on this track?

Mr. President, the lessons learned in the 1980's through the 1992 period are very clear: You can't grow your way out of tax breaks of this magnitude. That is why President Clinton came into office, saddled with a $290 billion deficit. Supply-side economics, or so-called dynamic scoring are, at best, a toss of the dice.

To gamble the fiscal integrity of our Nation on such speculation is totally irresponsible. It is shameless. It is truly shameless. Only it is a way of disguising the true costs of tax cuts.

How did they make up for them with the supply-side economics, or voodoo economics, to use a Republican phrase, from the period 1980 to 1992 that caused this?

Fed Chairman Alan Greenspan said, ''We must avoid resting key legislative decisions on controversial estimates of

revenues and outlays.'' We sure did that from the period 1980 to 1992.

I find it curious, Mr. President, that the advocates of supply-side Dole tax cuts seem to be trying to cash two fiscal dividends at the same time. And it will not work. On the one hand, they want to take credit for the fiscal dividend that the Congressional Budget Office said we will get from the conservative fiscal policies needed to balance the budget. On the other hand, they want to simultaneously take credit for a fiscal dividend that would come from the stimulative fiscal policies of a tax cut. We have a record to show what happens when you go down that road.

I hope the American voters will find out quickly what the Dole medicine show is really trying to sell. It is pure poison, and it hurts. The American people reject out of hand the heartless reductions, indeed, in the latest Republican 7-year budget plan. I tell my fellow Americans that these needs pale in comparison to what may lie ahead if we follow their lead to supply-side economics once more. Those reductions from real need will be twice as bad if we have to pay for the total tax breaks that are about to come.

That is right, Mr. President. That is right, and all should understand that President Clinton cut the deficit in half, as evidenced by this chart. Bob Dole wants to double the amount that the Republicans are taking from ordinary Americans to pay for his $600 billion or so in tax breaks for the wealthy. The American people know and the American people understand who is heading in the right direction, and it is President Bill Clinton.

Mr. President, an important part of all of this—to keep the promises that were made during the campaign—is the matter of the welfare reform bill that is presently before the body.

Mr. President, the conference report that is before us in the Senate today is not the best possible welfare bill, but it may be the best welfare bill that this divided and weary Congress can pass.

I salute my good friend, the chairman of the Budget Committee, for doing his able best, and he did a lot to smooth over the rough edges of the House measure, and there were many.

I also want to compliment the tenacious and effective work of the Senator from Rhode Island, Senator CHAFEE, in the conference committee. This is a better bill for their efforts.

Throughout the consideration of this bill, my primary concern has been with our Nation's children. A hungry child should be an affront to all men and women of good will.

I am at a loss to understand why the Republican leadership felt it necessary to force their caucus to vote against allowing States to provide noncash vouchers for children's food and clothing under the State's block grant. The conference report allows States to use another program for that purpose, but provides no additional funds, and has even reduced that program by 15 percent below the baseline.

It is certainly not the intention of this Senator to throw more children into poverty, or to create more want in our land of plenty. Should this legislation become law, I would hope that we monitor its effects very carefully. We are giving the States more powers and flexibility; with that will come new responsibilities. A midcourse correction may be needed 2 or 3 years hence, if the critics are right and the number of children living in poverty swells.

I am heartened, however, that the conference moderated some of the very worst of the welfare bill and retained many of the improvements added by the Senate. For example, there was the Kasich food stamp amendment that was cruel and heartless in the extreme. It limited unemployed people without kids to only 3 months of food stamps in their adult lifetime. Thank goodness cooler heads prevailed. Eligibility has now been modified to 3 months for any 3-year period, with an additional 3 months if one is laid off.

I was also most gratified that the conference retained the Chafee amendment maintaining current eligibility standards for Medicaid, as well as the Conrad amendment eliminating the food stamp block grant. These two amendments were critical to this Senator's support of the conference report. Removing them would have been tantamount to pulling the keystone from an arch. Bipartisan support for this bill would have collapsed.

I and many of my Democratic colleagues will vote for this conference report today. We do so with some misgivings, but also with the sincere hope and desire that we are helping our fellow citizens to reclaim the dignity and pride that comes from work and providing for one's family—no matter how humble the calling. I hope our efforts prove worthy of both those we are trying to help and the American people who have asked for reform.

I hear a great deal these days about ending welfare as we know it. But to this Senator, that does not mean ending our responsibility to our fellow man. It does not mean just cutting off the welfare check, and then cutting and running on our poor.

Mr. President, our responsibilities do not end with this bill. Quite the contrary. As we ask those who have been in welfare's rut to become breadwinners, it is our responsibility to provide them with a living wage through an increase in the minimum wage.

Since few minimum-wage jobs offer it, we must also help them find affordable, available, and accessible health care, especially for their children. We must assist too with education and job training to help them get and hold better jobs.

Mr. President, one final observation. I believe that this will be the sole reconciliation bill of the three promised by the Republican majority to make it to the President's desk.

Their grotesque Medicare and Medicaid bills are being locked up in the attic, out of sight of the electorate. The tax breaks may, however, be a different story. We hear rumors that, if Bob Dole's numbers plummet any further, we may see some tax breaks shoot up to the front of the legislative agenda. I am deeply concerned that the Republican majority may try to use the welfare savings we achieve today to justify their tax breaks. Some things never change.

Other things certainly have changed. Senator Bob Dole once scorned supply-siders, but Candidate Dole is now a fellow traveler. He has jettisoned the hard, dirty work of cutting spending, and now peddles comforting tales about tax cuts that pay for themselves.

They did not pay for themselves in the 1980 to 1992 period, and they will not pay for themselves between now and the turn of the century and thereafter.

These policies that they are trying to invoke once again evidently broke the bank in the 1980's. We will repeat this foolhardiness again under the new name of dynamic scorekeeping and supply-side economics. A rosy scenario is a rosy scenario by any name. I pray for the sake of our children and grandchildren that the Republican majority reclaims its wits.

The bill before us today asks those who receive a helping hand to take responsibility for their lives and to find work. I will vote for the bill. In the same vein, I ask those who have been entrusted with the fiscal responsibility of the Nation not to fritter it away. Face up to your responsibilities. Do not pander. Do not promise what cannot be delivered. Do not hide behind economic fairy tales. It will take hard work to balance the budget. It is high time that we get back to work with the rest of America and do our job right.

Mr. President, I reserve the remainder of my time.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. EXON. Mr. President, one further item for insertion into the RECORD.

The President yesterday delivered a statement indicating he would sign the welfare bill when it is presented to him. I ask unanimous consent that a copy of that statement be printed in the RECORD.

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

THE WHITE HOUSE,
July 31, 1996.

STATEMENT BY THE PRESIDENT

The PRESIDENT. Good afternoon. When I ran for President four years ago, I pledged to end welfare as we know it. I have worked very hard for four years to do just that. Today, the Congress will vote on legislation that gives us a chance to live up to that promise—to transform a broken system that traps too many people in a cycle of dependence to one that emphasizes work and independence; to give people on welfare a chance to draw as paycheck, not a welfare check.

It gives us a better chance to give those on welfare what we want for all families in

America, the opportunity to succeed at home and at work. For those reasons I will sign it into law. The legislation is, however, far from perfect. These are parts of it that are wrong, and I will address those parts in a moment.

But, on balance, this bill is a real step forward for our country, our values and for people who are on welfare. For 15 years I have worked on this problem, as governor and as a President. I've spent time in welfare offices, I have talked to mothers on welfare who desperately want the chance to work and support their families independently. A long time ago I concluded that the current welfare system undermines the basic values of work, responsibility and family, trapping generation after generation in dependency and hurting the very people it was designed to help.

Today we have an historic opportunity to make welfare what it was meant to be—a second chance, not a way of life. And even though the bill has serious flaws that are unrelated to welfare reform, I believe we have a duty to seize the opportunity it gives us to end welfare as we know it. Over the past three and a half years I have done everything in my power as President to promote work and responsibility, working with 41 states to give them 69 welfare reform experiments. We have also required teen mothers to stay in school, required federal employees to pay their child support, cracked down on people who owe child support and crossed state lines.

As a result, child support collections are up 40 percent, to $11 billion, and there are 1.3 million fewer people on welfare today than there were when I took office. From the outset, however, I have also worked with members of both parties in Congress to achieve a national welfare reform bill that will make work and responsibility the law of the land. I made my principles for real welfare reform very clear from the beginning. First and foremost, it should be about moving people from welfare to work. It should impose time limits on welfare. It should give people the child care and the health care they need to move from welfare to work without hurting their children. It should crack down on child support enforcement and it should protect our children.

This legislation meets these principles. It gives us a chance we haven't had before—to break the cycle of dependency that has existed for millions and millions of our fellow citizens, exiling them from the world of work that gives structure, meaning, and dignity to most of our lives.

We've come a long way in this debate. It's important to remember that not so very long ago, at the beginning of this very Congress, some wanted to put poor children in orphanages and take away all help for mothers simply because they were poor, young and unmarried. Last year the Republican majority in Congress sent me legislation that had its priorities backward. It was soft on work and tough on children. It failed to provide child care and health care. It imposed deep and unacceptable cuts in school lunches, child welfare and help for disabled children. The bill came to me twice and I vetoed it twice.

The bipartisan legislation before the Congress today is significantly better than the bills I vetoed. Many of the worst elements I objected to are out of it. And many of the improvements I asked for are included. First, the new bill is strong on work. It provides $4 billion more for child care so that mothers can move from welfare to work, and protects their children by maintaining health and safety standards for day care. These things are very important. You cannot ask somebody on welfare to go to work if they're going to neglect their children in doing it.

It gives states powerful performance incentives to place people in jobs. It requires states to hold up their end of the bargain by maintain their own spending on welfare. And it gives states the capacity to create jobs by taking money now used for welfare checks and giving it to employers as income subsidies as an incentive to hire people, or being used to create community service jobs.

Second, this new bill is better for children than the two I vetoed. It keeps the national nutritional safety net intact by eliminating the food stamp cap and the optional block grant. It drops the deep cuts and devastating changes in school lunch, child welfare and help for disabled children. It allow states to use federal money to provide vouchers for children whose parents can't find work after the time limits expire. And it preserves the national guarantee of health care for poor children, the disabled, pregnant women, the elderly and people on welfare.

Just as important, this bill continues to include the child support enforcement measures I proposed two years ago, the most sweeping crackdown on deadbeat parents in history. If every parent paid the child support they should, we could move 800,000 women and children off welfare immediately. With this bill we say to parents, if you don't pay the child support you owe, we will garnish your wages, take away your drivers license, track you across state lines and, as necessary, make you work off what you owe. It is a very important advance that could only be achieved in legislation. I did not have the executive authority to do this without a bill.

So I will sign this bill. First and foremost because the current system is broken. Second, because Congress has made many of the changes I sought. And, third, because even though serious problems remain in the nonwelfare reform provisions of the bill, this is the best chance we will have for a long, long time to complete the work of ending welfare as we know it by moving people from welfare to work, demanding responsibility and doing better by children.

However, I want to be very clear. Some parts of this bill still go too far. And I am determined to see that those areas are corrected. First, I am concerned that although we have made great strides to maintain the national nutritional safety net, this bill still cuts deeper than it should in nutritional assistance, mostly for working families with children. In the budget talks, we reached a tentative agreement on $21 billion in food stamp savings over the next several years. They are included in this bill.

However, the congressional majority insisted on another cut we did not agree to, repealing a reform adopted four years ago in Congress, which was to go into effect next year. It's called the Excess Shelter Reduction, which helps some of our hardest pressed working families. Finally, we were going to treat working families with children the same way we treat senior citizens who draw food stamps today. Now, blocking this change, I believe—I know—will make it harder for some of our hardest pressed working families with children. This provision is a mistake, and I will work to correct it.

Second, I am deeply disappointed that the congressional leadership insisted on attaching to this extraordinarily important bill a provision that will hurt legal immigrants in America, people who work hard for their families, pay taxes, serve in our military. This provision has nothing to do with welfare reform. It is simply a budget-saving measure, and it is not right.

These immigrant families with children who fall on hard times through no fault of their own—for example because they face the same risks the rest of us do from accidents, from criminal assaults, from serious illnesses—they should be eligible for medical and other help when they need it. The Republican majority could never have passed such a provision standing alone. You see that in the debate in the immigration bill, for example, over the Gallegly amendment and the question of education of undocumented and illegal immigrant children.

This provision will cause great stress for states, for localities, for medical facilities that have to serve large numbers of legal immigrants. It is just wrong to say to people, we'll let you work here, you're helping our country, you'll pay taxes, you serve in our military, you may get killed defending America—but if somebody mugs you on a street corner or you get cancer or you get hit by a car or the same thing happens to your children, we're not going to give you assistance any more. I am convinced this would never have passed alone and I am convinced when we send legislation to Congress to correct it, it will be corrected.

In the meantime, let me also say that I intend to take further executive action directing the INS to continue to work to remove the bureaucratic roadblocks to citizenship to all eligible, legal immigrants. I will do everything in my power, in other words, to make sure that this bill lifts people up and does not become an excuse for anyone to turn their backs on this problem or on people who are generally in need through no fault of their own. This bill must also not let anyone off the hook. The states asked for this responsibility, now they have to shoulder it and not run away from it. We have to make sure that in the coming years reform and change actually result in moving people from welfare to work.

The business community must provide greater private sector jobs that people on welfare need to build good lives and strong families. I challenge every state to adopt the reforms that Wisconsin, Oregon, Missouri and other states are proposing to do, to take the money that used to be available for welfare checks and offer it to the private sector as wage subsidies to begin to hire these people, to give them a chance to build their families and build their lives. All of us have to rise to this challenge and see that—this reform not as a chance to demonize or demean anyone, but instead as an opportunity to bring everyone fully into the mainstream of American life, to give them a chance to share in the prosperity and the promise that most of our people are enjoying today.

And we here in Washington must continue to do everything in our power to reward work and to expand opportunity for all people. The Earned Income Tax Credit which we expanded in 1993 dramatically, is now rewarding the work of 15 million working families. I am pleased that congressional efforts to gut this tax cut for the hardest pressed working people have been blocked. This legislation preserves the EITC and its benefits for working families. Now we must increase the minimum wage, which also will benefit millions of working people with families and help them to offset the impact of some of the nutritional cuts in this bill.

Through these efforts, we all have to recognize, as I said in 1992, the best anti-poverty program is still a job. I want to congratulate the members of Congress in both parties who worked together on this welfare reform legislation. I want to challenge them to put politics aside and continue to work together to meet our other challenges and to correct the problems that are still there with this legislation. I am convinced that it does present an historic opportunity to finish the work of ending welfare as we know it, and that is why I have decided to sign it.

Q. Mr. President, some civil rights groups and children's advocacy groups still say that

they believe that this is going to hurt children. I wonder what your response is to that. And, also, it took you a little while to decide whether you would go along with this bill or not. Can you give us some sense of what you and your advisers kind of talked about and the mood in the White House over this?

The PRESIDENT. Sure. Well, first of all, the conference was not completed until late last evening, and there were changes being made in the bill right up to the very end. So when I went to bed last night, I didn't know what the bill said. And this was supposed to be a day off for me, and when I got up and I realized that the conference had completed its work late last night and that the bill was scheduled for a vote late this afternoon, after I did a little work around the house this morning, I came in and we went to work I think about 11:00.

And we simply—we got everybody in who had an interest in this and we went through every provision of the bill, line by line, so that I made sure that I understood exactly what had come out of the conference. And then I gave everybody in the administration who has there a chance to voice their opinion on it and to explore what their views were and what our options were. And as soon as we finished the meeting, I went in and had a brief talk with the Vice President and with Mr. Panetta, and I told them that I had decided that, on balance, I should sign the bill. And then we called this press conference.

Q. And what about the civil rights groups—

The PRESIDENT. I would say to them that there are some groups who basically have never agreed with me on this, who never agreed that we should do anything to give the states much greater flexibility on this if it meant doing away with the individual entitlement to the welfare check. And that is still, I think, the central objection to most of the groups.

My view about that is that for a very long time it's hard to say that we've had anything that approaches a uniform AFDC system when the benefits range from a low of $187 a month to a high of $655 a month for a family of three or four. And I think that the system we have is not working. It works for half the people who just use it for a little while and get off. It will continue to work for them. I think the states will continue to provide for them.

For the other half of the people who are trapped on it, it is not working. And I believe that the child support provisions here, the child care provisions here, the protection of the medical benefits—indeed, the expansion of the medical guarantee now from 1998 to 2002, mean that on balance these families will be better off. I think the problems in this bill are in the non-welfare reform provisions, in the nutritional provisions that I mentioned and especially in the legal immigrant provisions that I mentioned.

Q. Mr. President, it seems likely there will be a kind of political contest to see who gets the credit or the blame on this measure. Senator Dole is out with a statement calling—saying that you've been brought along to sign his bill. Are you concerned at all that you will be seen as having been kind of dragged into going along with something that you originally promised to do and that this will look like you signing onto a Republican initiative?

The PRESIDENT. No. First of all, because I don't—you know, if we're doing the right thing there will be enough credit to go around. And if we're doing the wrong thing there will be enough blame to go around. I'm not worried about that. I've always wanted to work with Senator Dole and others. And before he left the Senate, I asked him not to leave the budget negotiations. So I'm not worried about that.

But that's a pretty hard case to make, since I vetoed their previous bills twice and since while they were talking about it we were doing it. It's now generally accepted by everybody who has looked at the evidence that we effected what the New York Times called a quiet revolution in welfare. There are 1.3 million fewer people on welfare today than there were when I took office.

But there are limits to what we can do with these waivers. We couldn't get the child support enforcement. We couldn't get the extra child care. Those are two things that we had to have legislation to do. And the third thing is we needed to put all the states in a position where they had to move right now to try to create more jobs. So far—I know that we had Wisconsin and earlier, Oregon, and I believe Missouri. And I think those are the only three states, for example, that had taken up the challenge that I gave to the governors in Vermont a couple of years ago to start taking the welfare payments and use it for wage subsidies to the private sector to actually create jobs. You can't tell people to go to work if there is no job out there.

So now they all have the power and they have financial incentives to create jobs, plus we've got the child care locked in and the medical care locked in and the child support enforcement locked in. None of this could have happened without legislation. That's why I thought this legislation was important.

Q. Mr. President, some of the critics of this bill say that the flaws will be very hard to fix because that will involve adding to the budget and in the current political climate adding the expenditures is politically impossible. How would you respond to that?

The PRESIDENT. Well, it just depends on what your priorities are. For one thing, it will be somewhat easier to balance the budget now in the time period because the deficit this year is $23 billion less than it was the last time we did our budget calculations. So we've lowered that base $23 billion this year. Now, in the out years it still come up, but there's some savings there that we could turn around and put back into this.

Next, if you look at—my budget corrects it right now. I had $42 billion in savings, this bill has about $57 billion in savings. You could correct all these problems that I mentioned with money to spare in the gap there. So when we get down to the budget negotiations either at the end of this year or at the beginning of next year, I think the American people will say we can stand marginally smaller tax cuts, for example, or cut somewhere else to cure this problem of immigrants and children, to cure the nutritional problems. We're not talking about vast amounts of money over a six year period. It's not a big budget number and I think it can easily be fixed given where we are in the budget negotiations.

Q. The last couple days in these meetings among your staff and this morning, would you say there was no disagreement among people in the administration about what you should do? Some disagreement? A lot of disagreement?

The PRESIDENT. No, I would say that there was—first of all, I have rarely been as impressed with the people who work in this administration on any issue as I have been on this. There was significant disagreement among my advisers about whether this bill should be signed or vetoed, but 100 percent of them recognized the power of the arguments on the other side. It was a very moving thing. Today the conversation was almost 100 percent about the merits of the bill and not the political implications of it. Because I think those things are very hard to calculate anyway. I think they're virtually impossible.

I have tried to thank all of them personally, including those who are here in the room and those who are not here, because they did have differences of opinion about whether we should sign or veto, but each side recognized the power of the arguments on the other side. And 100 percent of them, just like 100 percent of the Congress, recognized that we needed to change fundamentally the framework within which welfare operates in this country. The only question was whether the problems in the non-welfare reform provisions were so great that they would justify a veto and giving up what might be what I'm convinced is our last best chance to fundamentally change the system.

Q. Mr. President, even in spite of all the details of this, you as a Democrat are actually helping to dismantle something that was put in place by Democrats 60 years ago. Did that give you pause, that overarching question?

The PRESIDENT. No. No, because it was put in place 60 years ago when the poverty population of America was fundamentally different than it is now. As Senator Moynihan—you know, Senator Moynihan strongly disagrees with me on this—but as he has pointed out repeatedly, when welfare was created the typical welfare recipient was a miner's widow with no education, small children, husband dies in the mine, no expectation that there was a job for the widow to do or that she ever could do it, very few out-of-wedlock pregnancies and births. The whole dynamics were different then.

So I have always thought that the Democratic party should be on the side of creating opportunity and promoting empowerment and responsibility for people, and a system that was in place 60 years ago that worked for the poverty population then is not the one we need now. But that's why I have worked so hard too to veto previous bills. That does not mean I think we can walk away from the guarantee that our party gave on Medicaid, the guarantee our party gave on nutrition, the guarantee our party gave in school lunches, because that has not changed. But the nature of the poverty population is so different now that I am convinced we have got to be willing to experiment, to try to work to find ways to break the cycle of dependency that keeps dragging folks down.

And I think the states are going to find out pretty quickly that they're going to have to be willing to invest something in these people to make sure that they can go to work in the ways that I suggested.

Yes, one last question.

Q. Mr. President, you have mentioned Senator Moynihan. Have you spoken to him or other congressional leaders, especially congressional Democrats? And what was the conversation and reaction to your indication?

The PRESIDENT. Well, I talked to him as recently, I think, as about a week ago. When we went up to meet with the TWA families, we talked about it again. And, you know, I have an enormous amount of respect for him. And he has been a powerful and cogent critic of this whole move. I'll just have to hope that in this one case I'm right and he's wrong—because I have an enormous regard for him. And I've spoken to a number of other Democrats, and some think I'm right and some don't.

This is a case where, you know, I have been working with this issue for such a long time—a long time before it became—to go back to Mr. Hume's question—a long time before it became a cause celeb in Washington or anyone tried to make it a partisan political issue. It wasn't much of a political hot potato when I first started working on it. I just was concerned that the system didn't

seem to be working. And I was most concerned about those who were trapped on it and their children and the prospect that their children would be trapped on it.

I think we all have to admit here—we all need a certain level of humility today. We are trying to continue a process that I've been pushing for three and a half years. We're trying to get the legal changes we need in federal law that will work to move these folks to a position of independence where they can support their children and their lives as workers and in families will be stronger.

But if this were an easy question, we wouldn't have had the two and a half hour discussion with my advisers today and we'd all have a lot more answers than we do. But I'm convinced that we're moving in the right direction. I'm convinced it's an opportunity we should seize. I'm convinced that we have to change the two problems in this bill that are not related to welfare reform, that were just sort of put under the big shade of the tree here, that are part of this budget strategy with which I disagree. And I'm convinced when we bring those things out into the light of day we will be able to do it. And I think some Republicans will agree with us and we'll be able to get what we need to do to change it.

Thank you.

The PRESS. Thank you.

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

Mr. DOMENICI. I understand Senator SPECTER is next, and I might ask, will the Senator yield me 1 minute without losing his right?

Mr. SPECTER. I do.

Mr. DOMENICI. Mr. President, if I was representing President Clinton, as my good friend from Nebraska has, I would be trying to divert attention to what Senator Dole might do. I would be diverting attention away from Senator Dole who might cut taxes for the American people because, speaking of a dismal record, the President seeks to hide behind a statistic that says we have had great economic growth. But the big fairy tale, to borrow a word from my friend from Nebraska, is that we have had the second lowest productivity growth in 50 years; real-wage growth is the lowest in 32 years; stagnant family incomes like we have never seen; tax burdens have risen sharply, almost 1 whole percent more of tax burden on the American people.

That is why they do not think we are doing very well. That is why they say: What is happening to our salaries and our wages?

Now, having said that, clearly if I had that record, I would be worried and trying to set up a smokescreen as to what Bob Dole might do when they do not even have the slightest idea what Bob Dole is going to do; he has not told anyone. We anxiously await a plan which will dramatically improve these kinds of economic facts. That is what we hope for.

I thank the Senator for yielding time to me.

Mr. SPECTER addressed the Chair.

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

Mr. DOMENICI. I have already yielded to him in sequence. I stated it, but I did not state how much time.

Mr. SPECTER. I may be able to do it in less than the 20 minutes I request. I will try to.

Mr. DOMENICI. I hope the Senator will try. The Senator is yielded up to 20 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I support the welfare reform bill with substantial reservations. I support the welfare reform bill because I think it is our best chance to break a pattern which has existed for decades where people rely upon welfare and find themselves dependent upon welfare and have no way to break out of the welfare cycle, the welfare chain to find jobs. I believe this legislation, while far from perfect—it does not contain many amendments that I voted for—is the best chance to do it at this time.

This legislation has advanced to this stage with substantial bipartisan support; 23 of 46 Democrats voted for this bill. The President of the United States has stated his intention to sign the bill when it reaches his desk if the conference report is passed. It seems to be a very high probability.

One of my colleagues on the Republican side has voted against the bill because it is not tough enough, not strong enough in limiting welfare benefits. Those are some of the indicators that this bill perhaps is, if not balanced, about as good a job as we could do given the problems of our society and given the problems of a campaign year.

I think it does not advance our cause at all to talk about Bob Dole and Willy Loman or to talk about a Republican majority coming to its wits, but, instead, to try in a bipartisan way to fashion welfare reform which will serve the American people, which will help take those on welfare off welfare, because I think it is certainly true that people on welfare would much rather have a job and not be on welfare, and to try to take away the burden of this entitlement on our society.

The issue of welfare reform is something which this Senator has been concerned about for a long time. In the 99th Congress, I cosponsored S. 2578 and S. 2579 with Senator MOYNIHAN, those bills being directed toward improving the welfare system. In the 100th Congress, I introduced similar legislation on a bipartisan basis with Senator DODD, and then worked closely with Senator MOYNIHAN on the legislation that first became comprehensive welfare reform on the 1988 Family Welfare Reform Act, which was signed by President Reagan.

This year, after welfare reform had faded from the picture, after the President's vetoes, I joined my colleague from Delaware, Senator BIDEN, on June 12 in introducing bipartisan legislation captioned S. 1867, which was an identical bill to a bipartisan bill introduced by Congressman CASTLE and Congressman TANNER in the House.

The Biden-Specter bill was not successful, nor was the Chafee-Breaux proposal successful, both of which would have eased the problems for children and eased the problems for immigrants, and I think made for a more orderly transition on welfare reform.

I regret very much that Senator BREAUX's amendment did not pass, Senator BREAUX's amendment being directed to provide vouchers for children beyond the 5 years. Senator FORD's amendment did not pass. It was a narrow vote. I supported it. It would have provided noncash benefits after 5 years.

We have crafted a bill here which takes out a good bit of the inflexibility which was presented in the legislation by the House of Representatives and comes somewhat close to the bill which passed the Senate last year by a lopsided vote of 87 to 12.

Mr. President, this bill does provide an opportunity for those who are on welfare to take a job which they would have never taken before because there are many jobs which pay less than their welfare benefits. Why would someone take a job which pays less than their welfare benefits? They stay on welfare.

This legislation, going to a core issue, will provide an opportunity for someone to take a job which pays less than welfare, which that individual would not now take since welfare pays more, because there will be flexibility to add a supplement, so that there will be a supplement from welfare funds, which means the welfare payment is less and the individual will be getting more with his lower wage in the private sector and the welfare supplement, and will have the benefit of Medicaid where the employer does not pay health benefits. So there is an opportunity to move from the welfare roll to the payroll.

This legislation provides that able-bodied individuals will be limited as to how long they can be on welfare, receiving 2 years of assistance if they are not working; lifetime benefits are limited to a maximum of 5 years, but the States do have flexibility to provide a hardship exemption up to 20 percent of the State's caseload if those requirements are not met. This, I think, is realistically calculated to encourage able-bodied men to work.

With respect to finding jobs, there is job training provided and flexibility to the States, and the States are given substantial incentive to take individuals off the welfare rolls.

This legislation also moves to a core problem of teenage mothers who are on welfare with the requirement that they live at home unless there is some showing that there is brutality at home or something which is incompatible with living at home. But the teenage mothers are required to live at home. They are required either to be in school or on jobs or in job training, and there is a very substantial amount of funding in this bill for child care so that mothers can realistically do that.

There are some provisions in this legislation which I think should have been

corrected. I think the amendments offered to leave noncitizens on the welfare rolls and apply the limitations only to the future would have been more sensible so people who come into the United States would have notice that they are not going to have the benefits. I think the moratorium which was suggested on Medicaid benefits would have been sensible.

This bill provides for tough enforcement measures for child support, so parents have an obligation to support their children.

When you take a look at this legislation in its totality, it is a step in the right direction. It has been crafted in a contentious political year where there are deep political divisions in the Congress, so there is a substantial block of Democratic support—23 Democrat Senators having voted for it; an equal number on the other side. The President, a Democrat, has stated his intention to sign the conference report. There is very substantial support on the Republican side, with one Republican Senator having voted against it because it gives too much to welfare recipients. But there is a real need to move ahead, to try to give people an opportunity to have jobs.

During my tenure as district attorney of Philadelphia, I saw many people in that big city trapped in the welfare cycle. I think, when they have an opportunity to take a job which is a low-paying job, they are not going to take it today if they lose medical benefits under Medicaid and they get less on the low-paying job than they have on welfare. But, when you have flexibility with the States—and there are many examples where the States have moved ahead on a flexible system, Wisconsin, illustratively, Michigan, illustratively, and other States. Governor Thompson is ending welfare, not just talking about it but ending welfare in 1997—this welfare bill goes a substantial distance.

I know it is going to result in some holes in the safety net. But we will have an opportunity to revisit those issues. But taken as a whole, my view is it is a significant step forward, and that is why I am supporting it.

I yield the remainder of my time and yield the floor.

The PRESIDING OFFICER. Who yields time to the Senator from Illinois? The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. Mr. President, I understand the Senator from Nebraska is not on the floor as yet.

The PRESIDING OFFICER. The Senator may yield herself time.

Ms. MOSELEY-BRAUN. I will do so.

Mr. EXON. Will the Senator yield for a question?

Ms. MOSELEY-BRAUN. I yield to the Senator from Nebraska for a question.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank my colleague for yielding. Before she starts in on her speech, which I assume is on her objection to the welfare bill, but she may be talking about economics because she has been very much involved in things that we need to do to shape up America, I want to ask her a question. Did the Senator hear when the Senator from New Mexico made quite a point in answer to my dissertation on supply-side economics and skyrocketing deficits that have been corrected and turned around by President Clinton? He was complaining about the productivity of America.

If we want to look at the productivity of America, I think we ought to put that in terms that people can understand: not productivity, but job growth. The percentage of change on an annual basis during the Reagan/Bush years—and I think it is consistent because I talked about the Reagan/Bush years and the skyrocketing deficits that were created then—all during those Reagan/Bush years, the private sector job growth was 1.6 percent. Under President Clinton it is 2.9 percent. That says something about productivity, does it not?

Does that not say also something about jobs and job creation, which is what the economy is all about?

Ms. MOSELEY-BRAUN. It certainly does.

Mr. EXON. I thank my friend from Illinois.

Ms. MOSELEY-BRAUN. Mr. President, I say to my colleague from Nebraska, my colleague referenced the fact that I am kind of an armchair economist. I like these issues. But I must tell you, I find it more than a little ironic on a day on which we are talking about how well the American economy is doing, we are declaring defeat and failure on our response to poverty and throwing in the towel on poor children in America.

I point out, in the first instance, I have heard a lot of discussion about the numbers pertaining to this welfare ''reform'' debate, about how much money is being spent. For the general public, it sounds like an awful lot of money because that is what we do here. We talk about a budget that is almost $2 trillion. So the numbers associated with welfare, which impacts very dramatically on the lives of the most vulnerable people in our society, sound like an awful lot of money. Still, all told, those numbers relate to about—well, actually less than 1 percent of the Federal budget. It is 1 percent of the Federal budget, but that has an impact on Americans, particularly American children who are poor, greater than the other 99 percent that we spend. I just want to put that in context.

Mr. President, the French have an expression, if I may in my broken French, ''plus ca change, plus c'est la meme chose,'' and it means essentially the more things change the more they remain the same. The fact of the matter is, this bill no more warrants the title ''reform'' than any of its predecessors. This bill is still an abomination, which is what I called the previous bill, and I intend to vote against it for precisely that reason—and I keep coming back to the question, and no one has answered the question: What about the children? What happens to them when all is said and done, with all the cuts and the changes that we are making in this legislation?

When I talk about the children, I talk about them in the context that, again, welfare is simply a response to poverty. The system is broken. It needs to be reformed and fixed. The problem, however, is that, that is not what this bill does. Welfare reform should not be about pushing people, and pushing children particularly, into poverty.

The Urban Institute has concluded that 1.1 million children will be thrown into poverty by this bill. Estimates for previous welfare bills passed by the Congress were 1.5 million children thrown into poverty. Now 1.1 million is less than 1.5 million, but it is still too many. The earlier Senate bill would have cut off 170,000 children in my home State of Illinois because their families had reached the time limits. That is about 28 percent of the children presently receiving the AFDC subsidy in my State.

I want to talk about AFDC again, the misconceptions and the welfare mythology, because there has been a whole lot of conversation about how this system is broken, let us turn it over to the States, let us let them do it. That is where I come back to the notion that we have ''been there, done that.'' This is called ''back to the future.''

I have to mention that the Presiding Officer and I worked together, when we first got here, on the whole question of unfunded mandates and the relationship between State and Federal Government. But it is precisely that relationship that is at the base of the debate going on here. For those who do not know the history, I want to refer my colleagues to the history of what happened before we had a national safety net for poor children in this country.

I have referenced previously this issue, I am looking at the spring 1995 issue of Chicago History magazine. I want to read the title of the article, ''Friendless Foundlings and Homeless Half-Orphans.'' I never read the first line, which I think I will share with my colleagues. It says:

> In 19th century Chicago, the debate over the care of needy children raised issues of Government versus private control and institutional versus family care.

Mr. President, that is exactly the argument I have heard all day long on this welfare debate in this Senate today. So we are facing some of the same issues and some of the same questions that came up in our country 100 years ago.

Let me show you what State flexibility got us last time, Mr. President. The last time we had State flexibility, we had children sleeping in the streets, which was the first poster.

Here is another one. This is another part of the experiment, again, the history that people maybe have forgotten. The fact is, they were scooping children up from the alleys in New York, shipping them to Rockford, IL, and auctioning them off. This is what happened with poor children.

This is the ''Asylum Children'':

A company of children, mostly boys, from the New York juvenile asylum will arrive in Rockford, IL, and remain until evening. * * * they are from 7 to 15 years of age. * * * Homes are wanted for these children with farmers. * * *''

This is the response States came up with before we had a national safety net.

I have another poster which another response by states called the orphan trains. To be candid, maybe Speaker GINGRICH really had studied the history when he talked about we will just have to put these kids in orphanages. That is what happened at the turn of century. They took children from the alleys of New York, put them on trains and took them out West to give them homes. Some are still living and can give testimony to what happened before we had a national safety net for poor children in this country, and getting rid of that safety net is what this so-called welfare reform is all about. We are rending that safety net apart just because it has not worked.

Mr. President, I submit to you, it may not have worked, but we can do better by way of reforming it. This is not reform. Real welfare reform would mean we give people jobs, we give them some way to work, we give them some way to take care of themselves, we give them some way to take care of their children. That would be real welfare reform. That is not what this legislation does.

Mr. DOMENICI. I wonder if the Senator will yield for a question.

Ms. MOSELEY-BRAUN. Only if it will not take from my 20 minutes.

Mr. DOMENICI. I ask it be on my time.

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

Mr. DOMENICI. In all those cases you described, 1900 in Chicago, 19th century, do you have any idea how much the States and the National Government was spending on these kinds of poor people then?

Ms. MOSELEY-BRAUN. It depended on the State. In fact, I commend the article to my colleague. What they say here is depending on the State—some States had better programs for handling poor children than others—in fact, one of the tragic things about it, and I was kind of ashamed, my State of Illinois did not do well with poor children.

Mr. DOMENICI. I was wondering if you knew how much we were going to be spending on these programs, including food stamps, which is an entitlement. One-hundred thirty billion dollars.

Ms. MOSELEY-BRAUN. I say to my colleague, I am prepared to debate this with you, but, in the first place, again, that is less than 1 percent of the budget. We spend that much in an afternoon on some other programs that I know my esteemed colleague supports. But I also point out to my colleague that this bill cuts $54 billion from these programs over the next 6 years in the name of welfare reform, with most of the cuts coming out of food stamps and coming out of help for legal immigrants.

The real problem, Mr. President, is that this bill is not designed to move people from welfare to work. There is not an adequate investment in child care, in job training or in job creation, factors which are critical to moving people into the work force.

Instead, this bill is arguably about saving money. The $54 billion cut simply represents, and I again go back to unfunded mandates, a shift in funding from the Federal to the State and the local governments. Poor people are not going to go away the day this legislation goes into effect, and in light of the fact we have failed to provide for any employment, we have failed to create any jobs, we have failed to provide adequate child care funding, we have failed to address the fundamental causations of poverty, the fundamental reasons they are poor to begin with, e.g., they do not have a job to take care of themselves. And, we are talking about the able-bodied people. Unfortunately, the fine print of this bill also has an effect on non-able-bodied people as well.

Nonetheless, the fact is, with regard to able-bodied, anybody who can work should work, and anybody who can work ought to take care of their own children. But this bill makes no provision for that, and that is the fundamental problem. On October 1, the effective date of this legislation, there still will be areas in this country with excessive poverty and excessive unemployment. Those people, Mr. President, are not going to go away.

I point out that the Congressional Budget Office has said that most States will not and cannot meet the work requirements in this bill. That alone should tell us that something is wrong with this picture. If the work requirements are not met, and that means the people do not have jobs and families then get cut off because of the time limits in the bill, then what happens? What do these people do with their children?

Do we put them on trains and send them out West? Do we scoop them out of alleys and auction them off? What are we going to do with the children? That is the essential question that has not been answered: What happens to the children once the time limits are reached, once the assistance is cut off?

There is no provision for them. Even assuming for a moment the 20-percent cushion that is given in here, the kind of hardship exemption that States can use or the title XX funding, the entire program along with the title XX funding are cut about 15 percent in this bill. This entire thing is predicated on cutting money. So you are talking about less money for a problem that is going to result in the great unanswerable about what it is we do with children.

Are we going to have the State and local governments pick up the costs associated with the children of the jobless poor? Or are we going to then say, ''Well, private charities can pick it up''? What do we do about these children?

And then, Mr. President, and this is where we get to Speaker GINGRICH's remark about orphanages, what do you do when you have someone who has reached the time limit, has children, still does not have a job and cannot feed those children? Do we then start child custody cases in the State courts of this Nation? Do we then put them in orphanages, as the Speaker suggested? No one has answered that question.

Mr. President, I have a friend who is a juvenile court judge back in Illinois, and she tells me that she already is seeing cases that come in as child neglect cases which really are a reflection of people who do not have enough money to take care of their children. She is seeing that happen already.

Mr. President, this legislation that we are calling by the misnomer of ''reform'' is going to exacerbate that problem. This bill does not provide enough money for people to go to work. It does not provide any job training, it does not provide any jobs, it does not provide any education, it does not provide adequate child care, and we are going to see an increase in costs passed along to State and local governments.

On the child care question, are we now going to also see an increase in latchkey kids and ''home alone'' children, because the bill requires for those who do get employed that they go work. So if you are able-bodied and can find a job, you must, under this legislation, come off welfare, you have reached the limit, you have to go to work. What if you have a 3-year old child? Where does that child go? There is inadequate money, as the Presiding Officer, I know, is well aware, inadequate money to pay for child care.

The Governors and the mayors will discover that this bill, which in the beginning looked like it offered them something significant, is really a Trojan horse. We are going to deliver to the Governors and the mayors the responsibility for masses of poor children that we, as national legislators, do not want to face.

I ask unanimous consent to have printed in the RECORD a letter from the National Association of Counties urging us to vote against this welfare bill because, and I quote, ''counties will bear the brunt of the cost shift and will be left with only two options: to cut essential services, such as law enforcement and fire protection, or to raise local taxes.''

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

NATIONAL ASSOCIATION OF COUNTIES,
Washington, DC, July 30, 1996.

DEAR SENATOR: The National Association of Counties (NACo) urges you to vote against the conference agreement on welfare reform (H.R. 3747). If this bill is enacted, counties will bear the brunt of the cost shift and will be left with only two options: to cut essential services, such as law enforcement and fire protection, or raise local taxes. Counties are already developing more efficient welfare programs, but there is no way we can absorb the federal government's costs all at once.

NACo has long standing policy supporting the entitlement nature of Aid to Families with Dependent Children (AFDC) and opposing funding caps including those in the legislation. Ending the entitlement for AFDC essentially dismantles the federal safety net for children.

We also oppose the denial of benefits to legal immigrants. NACo has consistently opposed denying Supplemental Security Income and Food Stamps to this population. These provisions will disproportionately affect counties in states with large immigrant populations. The California State Association of Counties estimates that the legal immigrant exclusions will cost California counties more than $10 billion over six years.

Counties are also deeply concerned about the legislation's work requirements. Because of the funding cap, the bill lacks the sufficient funds to meet these requirements and operate welfare to work programs efficiently and could result in substantial unfunded mandates. Minnesota counties alone said that they would need to spend about $44 million to meet the work requirements for FY 1997. Since the participation rates increase every year, this cost will increase as well. Able-bodied individuals should be expected to work, but effective programs require substantial initial investments and counties cannot be expected to pick up the full costs.

The bill will ultimately shift costs and liabilities, create new unfunded mandates upon local governments, and penalize low income families. NACo therefore urges you to vote against the conference agreement.

Sincerely,

MICHAEL HIGHTOWER,
President.

Ms. MOSELEY-BRAUN. Mr. President, no one is here to argue that the current welfare system is a wonderful and perfect response to poverty. It is not. We do want to encourage independence. We do want to encourage family structure. We want to discourage illegitimacy, give people an opportunity to come together, create families, raise their children and take care of them themselves.

We want to inspire hope in our people. We want to lift Americans out of poverty. Poverty should be something we have conquered in this great Nation with such a healthy economy as we heard tell about today. But we have not gotten there.

As we tinker with this situation, as we try to work this situation, we cannot just say we are going to slash the money, cut the money, send it to the States and try to do reform on the cheap, which is what this bill does. Governor Thompson—and it has been talked about as the great welfare experiment out of Wisconsin—Governor Thompson acknowledges that welfare reform has to encompass jobs, child care, and creation of real opportunity for people. That costs money. You cannot do it on the cheap. And that is not what is in this legislation.

Believe it or not, Mr. President, I actually pray that this approach is going to work. I mean, it is hard to say. I pray it will because, quite frankly, I do not want to see the harm that this history suggests that we are about to visit again. I do not want to see this happen to anybody, particularly poor children in a country as great as ours.

But I have to tell you something. I believe that it is a fundamentally flawed premise that if you simply stop giving people assistance, if you stop helping them with their subsistence, they will go to work and stop having babies. If this bill cures illegitimacy, dependency, joblessness and hopelessness, I will congratulate my colleagues who support this legislation. However, Mr. President, I tell you it is not likely to happen.

For all of the rhetoric about reforming the welfare system and helping the poor take care of themselves, this bill provides nothing—nothing—to help them get there. Cutting the income of the poorest Americans will not reduce the number of poor babies. It will not. It is not likely that we will cure the problem of dependency by just cutting people off and telling them their children's needs can just fall off the edge of the Earth. That is why the legislation is so flawed.

Mr. President, I also question whether or not the savings in this bill coming from food stamps and the elimination of benefits for illegal aliens is going to help move people from dependency to independency. I doubt this legislation is going to do anything about providing protections for children after all title XX, the social services block grants, are cut in this legislation by some 15 percent.

So we are doing, I think, great harm to children. There are some, Mr. President, who suggest that this bill is not perfect, that we can fix the flaws later. I do not think, Mr. President, that it is appropriate for us to play games and to be so generous with the suffering of the poor, with the potential and the effect on their lives this legislation suggests. We do not have the luxury of guessing in this area and making policy based on mythology and not on fact. This system may be broken, but the fact is that it affects the lives of real people.

We have been talking in this Chamber about the States and their interests, about the system and how it operates or does not operate. The fact is, they are real people, real lives and real faces and real feelings and children who deserve a chance in this, the greatest country on the planet.

We are not giving them this chance, Mr. President, with this legislation. That is why I do not believe that we can call this reform in good conscience. I believe that, unfortunately, this is again back to the future, to the politics of 100 years ago, where we saw this happen before in history. They were not any more or less compassionate than we are today.

This Senate does not hold a monopoly on vision or compassion or political will. The fact of the matter is, we are responding, this legislation is a response to the same political will that existed at the time.

We have met the challenge of poverty, and we have declared failure, and we have declared retreat. I think that is a real ironic situation for us to face in light of the good economic news that was given today.

In closing, Mr. President, I say to you this. I hope that the political calculation that says that we can experiment like this based on the vulnerability and the lack of political clout of people who do not vote or who cannot vote, I believe that that is political expediency. It does a disgrace to the well intentions of the Members of this body.

I know this bill is going to pass. It has the votes. And this is my third time giving a speech on this subject. But I can tell you, Mr. President, we are going back to the future. This is history repeating itself. And all we can do is pray that the harm to the children does not become what everything tells us it is likely to be. I yield to the Senator from Washington.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. Based on a previous agreement, the next Senator to be recognized would be the Senator from North Carolina. The Senator from Washington, as the floor manager, is recognized.

Mr. GORTON. Mr. President, that is correct. I think we do have an agreement to go back and forth. And just simply for——

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Except, I say to my colleague from Washington, I believe, Mr. President, I had 20 minutes allocated to me. I do not believe I have used up the 20 minutes.

The PRESIDING OFFICER. All time has expired.

Ms. MOSELEY-BRAUN. All time has expired? All right. Thank you.

Mr. GORTON. Mr. President, just for Republican purposes, the next four Republicans listed in order are Senators FAIRCLOTH, GRASSLEY, CHAFEE and GREGG in that order. But, as I understand, we go back and forth. So after Senator FAIRCLOTH, the Democrat will be—is that Senator BRADLEY or Senator BOXER? Senator BRADLEY.

I yield 10 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Chair may clarify. The Democratic order would be the Senator from New Jersey, then the Senator from North Dakota, the junior Senator from the State of Washington, and then the Senator from Montana.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, it is my understanding that after I speak,

then it would be the Senator from California. I know the Senator from New Jersey speaks after the Senator from North Carolina. The Senator from North Carolina shall speak, and then I will speak.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 10 minutes.

Mr. FAIRCLOTH. Mr. President, I had asked for 15 minutes. I see I was allocated 10. I think that will probably handle it. But I had been granted 15.

Mr. GORTON. If the Senator would yield, we are beginning to run out of time. The next three Republicans are even going to get 10 minutes. So we hope the Senator can do it in that.

Mr. FAIRCLOTH. I hope I run out of speech before I run out of time.

Mr. President, I said many times, and many times over, that in this welfare debate we have not addressed the root cause of welfare, and that is illegitimacy. The root cause of welfare dependency is illegitimacy. Until we address that, we will not have addressed the root cause of welfare. And my belief has only been strengthened by what I have seen during this year of welfare debate.

Some of the weaker points in the welfare bill have been strengthened by the conference. The conference report contains a provision for work for welfare recipients, a concept known as pay for performance. If you have ever heard of anything ludicrous, it would be being paid not to perform work. Only in the Federal Government, only in the welfare system could anybody conceive of not having to work to get paid, where that would be an unusual concept that you had to require pay for performance. It is incomprehensible to me that anybody would be paid that did not perform.

To truly reform welfare, we have to reverse the current welfare policies which subsidize and promote self-destructive behavior and illegitimacy. These policies are and have destroyed the family.

This conference report will serve as a good starting point for changing welfare in a culture that is based entirely on a system of personal responsibility. That is where we need to return to—a system based on personal responsibility.

I have heard several times here today that we could correct the mistakes in this bill at a later date. I think by correcting mistakes, they meant make it a softer, weaker bill. I hope we will correct the mistakes by making it a stronger, better bill and put more emphasis on personal responsibility.

I had hoped this bill would contain, like a previous conference report, a provision known as the family cap. In plain language, the family cap says that if you are a welfare recipient drawing AFDC and have more children, you do not get more money for having more children.

We did not put that in this bill. We absolutely should have. It is one of the glaring weaknesses of it, that you can continue to have children and continue to be paid by the taxpayers. The middle class American family that wants to have children has to prepare, to plan, to save, to accept, to take on the responsibility of having children. At the same time, we are taking their tax money to support these people who are not accepting personal responsibility and having children, on and on and on. We are taxing the working people that plan to have children. We are taking their money to pay for this irresponsible behavior.

Today, more than one in every third child is born out of wedlock, and in many communities it can go up to 85 percent. Children born out of wedlock are three times more likely to be on welfare when they become adults, and children raised in single-parent homes are six times more likely to be poor and twice as likely to commit crimes.

It is clear that the cost of this has become an extreme burden on the American people. Each year, half a million children are born to teenage mothers. Over 75 percent of these occur out of wedlock. The estimated cost to the American people, our taxpayers, are $29 billion to care for society's part in child-bearing adolescents under 18. That is the stated cost to the American people.

I commend the conferees who were able to restore an important provision of the bill. This is the funding for the abstinence education program which I initially offered as an amendment to our first Senate bill. Abstinence education has worked in those counties, cities, and States that have put it in. It has done as much or more to break the cycle of out-of-wedlock pregnancies and teenage welfare recipients as anything we have done. I plan to continue to promote this program and to introduce it again in later bills.

After 30 years of the so-called Great Society, we are on the verge of passing legislation that will return welfare to what it was supposed to have been 50 or 60 years ago. Actually, when it was first began, it was temporary help for responsible individuals who had fallen on hard times. It is no longer that. We have converted it to a way of life in which generation after generation after generation receive welfare. It is not temporary help for those people who have had a hard time. No, we have taxed these people; we have spent $5.2 trillion to create the worst system that was ever made. Nobody likes it. It is long since time that we change what we have been doing. It is not designed for people on hard times. It is designed as a way of life for people who choose not to work.

With the $5.2 trillion we put into it—$5.2 trillion is very close to the exact amount of our national debt—we have more poverty than we had when we started. When we started this program of AFDC about 33 or 34 years ago, less than 7 percent of the children were born out of wedlock. By subsidizing illegitimacy, we now have it to over 37 percent of the children, and it is rapidly rising. It is even agreed by the President that it will soon exceed 50 percent of the children in this country.

It is long since time that we do something about it. This bill makes a start. This bill makes a start. We are going to see the States that fully implement the work requirements, that fully implement the requirements that people work for their welfare, they are going to see such a great response and reduction in their welfare rolls until they will be applauded, and the other States will attempt to emulate and copy what they are doing.

I hope most of the States will take advantage of the opportunity given them to cut their welfare rolls, and they will see a dramatic reduction and the other States will attempt to emulate.

The real test ahead will be changing the lives of today's welfare recipients by helping them become self-sufficient and ensuring that fewer and fewer people will come to need welfare. That is the real purpose of what we are trying to do, bring people to accept personal responsibility. I believe this bill will do it. I intend to support it.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from New Jersey.

How much time does the Senator yield himself?

Mr. BRADLEY. I yield myself 9 minutes.

Mr. President, this conference report on welfare reform is a politician's dream, a poor person's nightmare, and a continuing source of anger and frustration for the taxpaying public that wants real welfare reform.

First, what about the politician's dream? Welfare, AFDC, $15 billion out of a $1.5 trillion budget has been a political football in this country for generations; in some cases, a racialized political football, as politician after politician created in the mind of the public the idea that black women had children so they could collect $64 per month for that third child in New Jersey. This bill allows those politicians, those Federal politicians, to end welfare and claim they will end poverty and illegitimacy and mind-numbing bureaucracy with one stroke. You can send a signal to multiple constituencies under this welfare reform bill.

Mr. President, this bill is a poor person's nightmare. The Urban Institute says, as a result of this bill, there will be 2.6 million more people in America living in poverty, 1.1 million more children living in poverty, and they will be living 20 percent deeper in poverty. The gap between their income and the poverty level will be 20 percent lower.

We say to send it back to the States and they can take care of it. Mr. President, you have an economic downturn in the States, and they have a fixed amount of this money in a block grant. There is nothing that prevents them from cutting this poor person's grant

more, cutting benefits, saying you cannot go beyond 3 years, 2 years, 1 year. There are no requirements that we put in this bill. It is a poor person's nightmare.

Mr. President, it is a continuing source of anger and frustration for our taxpaying public that wants real welfare reform. When the public hears ''end welfare as we know it,'' they think ''end welfare.'' When people hear that people are going to have to work for welfare, they believe what politicians say—beware. If you believe what politicians say in this bill, that you have to work for welfare, imagine how surprised those individuals who have believed the politicians' rhetoric about work and welfare, imagine how surprised they are going to be when they find out that States can pay about a $50 bounty per person instead of putting money up to put people to work.

The nonpartisan Congressional Budget Office says that most States will simply ignore the request to put people to work and instead pay the 5 percent, $50 penalty for the failure to meet the work requirements. It will pay them to do that.

Just taking one example, the biggest city, New York City, which operates the largest work program in this country. Only 32,000 welfare recipients are in it out of 850,000 New Yorkers on welfare. The reason? Not because they do not want to do it—lack of money to create jobs.

The mayor of New York City said that to meet the work requirements in the bill, the city would need $100 million more than it will receive in this block grant. It can't do it, and so it will pay less, pay the $50 bounty per person, to get out from under that work requirement. The politicians who claim the bill will put people to work will suddenly discover a lot of people are not working.

Imagine, there are those who think this bill will promote marriage. This bill will not promote marriage at all. This bill will not promote two-parent families. This bill will not promote reward for marriage. This bill will not promote reward for work or penalties for additional children. This bill will not change the face of the bureaucrat that sits in his or her State office listening coldly to whatever is said, responding in a way that is at least insensitive and often demeaning. This bill will not change that.

Imagine you are a taxpaying citizen in a State that has tough economic times. The State will have a lot more people on welfare, and their block grant may not cover them. The only way you are going to get more is by raising taxes. Imagine how you would feel when a State three or four States over from you is in good times and it gets its block grant and only has to deploy 80 percent to welfare and can use the rest to give its citizens tax cuts. That is why you need a national program, not a program of block grants.

For those who believe in this remarkable federalism, anybody who thinks the State legislatures in Trenton, Albany, Sacramento, or wherever, are going to be more sensitive to issues related to people who are poor or to children who are poor than national legislators, I have a bridge I would like to sell you shortly after I finish speaking.

Mr. President, why is this bill such a mistake, in addition to the points that I have made? Well, when I left a small town on the banks of the Mississippi in Missouri, outside St. Louis, and went to college in New Jersey—a decision that changed my life—in St. Louis, 13 percent of the kids born that year were born to single parents. In 1994, 63 percent were born to single parents, and 85 percent of the black children were born to single parents. If we were honest about this, Mr. President, we would admit that no one knows what will change this around. No one knows what combination of incentives and penalties and values will begin to change this. That is why what we need is a Federal commitment and State experimentation, with a lot of different kinds of combinations of programs. Then maybe we can get the mix that will break this rising number of children in this country born into single-parent homes.

But what this bill creates is State chaos, not State experimentation. What this bill does is simply pass the buck from Federal politicians to State politicians; one group of politicians take the pot of money and give it to another group. Let us have a baseline. What is the illegitimacy rate in cities in this country? What is the poverty rate? What is the unemployment rate? What is the violence or crime rate? In 5 years, let us see whether this bill has miraculously changed all those statistics for the better because, deep down, that is the claim of this kind of legislation, built on generations of using this issue as a code word for a lot of other things in American politics.

Mr. President, welfare was not the cause of these rising illegitimacy rates, and so-called welfare reform in this bill will not be the solution. The silver lining—if there is a silver lining in this bill—is the child support enforcement provisions. They are the provisions that say that if you father a child, you have an obligation to support that child. I strongly support those parts of this bill. But, Mr. President, I regret to say that the rest of this bill is sorely lacking. I admit that it is a politician's dream, a message to multiple constituencies. But it is a poor person's nightmare, and it is a source of continuing anger and frustration for the taxpaying public that wants real welfare reform and will not get it in this bill.

Mr. GORTON. Mr. President, I yield 10 minutes to the senior Senator from Iowa.

Mrs. BOXER. Will the Senator yield for a unanimous consent request?

Mr. GRASSLEY. If it doesn't come off my time.

Mrs. BOXER. I ask unanimous consent that following Senator GRASSLEY, I be allowed to address the Senate for 9 minutes on another subject.

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

Mr. COATS. Mr. President, are we following an order of going back and forth?

Mrs. BOXER. I am on the Democratic list.

Mr. GORTON. Yes.

The PRESIDING OFFICER. There is a suggested list, but it is not formally agreed to.

Mr. GRASSLEY. First of all, Mr. President, we all should thank President Clinton for keeping his campaign promise of 1992 to end welfare as we know it. He announced yesterday that he would sign our legislation. After two vetoes of very similar welfare reform legislation that we passed last year, we were beginning to wonder whether or not he was serious about that campaign promise of 1992. We are glad now to know, after 4 years of talk, that he is serious about ending welfare as we know it and that he won't be stonewalling anymore and that he will be doing what he, as a Governor, said ought to be done—return more authority over to the States. So we thank him.

We also know that Congress has made a very serious effort to reform welfare. The last was in 1988. Such welfare reform was supposed to move people from welfare to work, to save the taxpayers money, to reduce those on the rolls, to move people to self-sufficiency. All of those things were proclaimed in that 1988 legislation that passed 96 to 1.

Now, 8 years later, we see 3 million more people on the welfare rolls. We see billions of dollars more being spent, and we also conclude that reform of the system, regardless of our good intentions and the reform that we were wanting to enact, did not happen.

The current welfare system has failed. The programs were well-intended, but they proved to be inefficient, they proved to be unfair and, most importantly, they proved to damage those they were meant to help. We are concerned about the children. Our present welfare program was passed decades ago out of concern for children. But after six decades, we find that our children are the POW's of the war on poverty.

This has not helped our children. It has not strengthened our families. And we are insistent, in this legislation, upon making up for those wrongs of the past. In other words, to help our children.

I said that the last time Congress tried reform we failed. We built upon what we had been doing for 60 years—to have everything run from Washington; to micromanage everything from Washington. But now, as we change the approach for the first time in 6 decades, it is not as, Senator BRADLEY tried to imply, just some casual effort to send it back to the States to solve all of our problems. No. We send it

back to the States because we have seen the States succeed where we have failed. I said that we wanted to move people from welfare to work. We wanted to save the taxpayers' money. We wanted to make people self-sufficient. We have failed.

But we have seen States succeed.

My own State of Iowa in 3 years of reforms has 12 percent less people on welfare; that is 4,000 less people on welfare. The monthly checks have gone down from $371 to $335, not because we want to spend less to help families, but because there are more families working and earning income. And as a State we have seen the highest percentage of welfare recipients in the Nation in the work force at over 33 percent. Under the waiver Iowa received, we have a control group which is still under the old program. And in that control group under the old program, only 19 percent of the people have moved from welfare to work. Of those in the new program, over 33 percent of the people have moved from welfare to work.

So my State, Wisconsin, Michigan, and many other States, have a track record of succeeding on welfare reform where the Congress in our last attempt in 1988 has failed.

These local and State solutions can be—and are—more innovative and targeted. They promote new opportunities. I think they are doing what every welfare reform intends to accomplish—moving people from dependency to self-sufficiency, building self-esteem, moving people from welfare to work, saving the taxpayer dollars, and, most importantly, ending the hopelessness that welfare recipients have experienced.

In the process of passing this legislation—we are saving the taxpayers' over $55 billion. We are limiting the amount of time that people can be on welfare to a 5-year lifetime limit. We are helping recipients find jobs because they have to do this within 2 years of joining the program.

States can do better if they want to. We are turning over the management of these programs to the States because they do a better job. We do it by block grants to give the States more freedom to use their money. We are still going to have food stamp programs and child nutrition programs. But these programs as well are going to be reformed.

Most importantly, individual people have a responsibility, other than the taxpayers, to take first and primary care of their own families. Absentee dads are required to do better in providing for their kids. This in the end will do a better job than our giving government aid to the children in need.

We are going to get more for our money. Yet, we also provide for growth in this program at 4.3 percent annually. What we are hoping for here is to make sure that we provide hope for the future. Families that want self-esteem but do not have it will have the opportunity to restore it again as they work off a system that is a dead end.

Part of the hope of the future is not only that we pass this welfare reform and do good for people who are on welfare, but we hope that we are able to energize this economy so that there are more jobs not only for those who are leaving welfare for work but for people who have never been on welfare. We need to create jobs and good paying jobs at that.

We have seen during this administration a 2.4-percent growth, the slowest growth of any administration since World War II except the administration of President Nixon. If we had been experiencing the growth on average that other Presidencies have had, we would have had many more jobs created. And we would not have the situation where productivity growth has averaged a meager six-tenths of a percent per year under President Clinton's tenure compared to the 1 and one-tenth percent average pace that we have had since 1973. That productivity per worker is going to mean more wages, more job opportunities, and more take-home pay.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Thank you, Mr. President.

First, I ask unanimous consent to have printed in the RECORD a number of editorials from newspapers in my home State of California in opposition to this welfare reform bill.

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

[From the Fresno Bee, July 27, 1996]

BACKWARD WELFARE REFORM

Bills passed by Congress go too far; the president should use his veto pen and demand a better legislative effort.

Once again, Congress has passed welfare bills that are more about saving dollars and winning votes than reshaping lives. As much as Americans may want to reform welfare, they don't want a system that goes from a hand-out to the back of the hand.

The House bill passed last week and a similar bill passed Tuesday by the Senate would end the 60-year-old federal guarantee of assistance to poor children. In its place, the bills substitute block grants to the states, which would have wide power to set eligibility rules for assistance, but would be required to cut off recipients after two years if they did not find work. Aid over a lifetime would be limited to five years.

There's a wide consensus that welfare needs to be converted to a jobs-oriented system. But moving welfare recipients, many of whom lack a high school diploma or marketable skills is a complex and expensive business. The most serious of the state workfare reforms, put forward by Republican governors in Michigan and Wisconsin, recognize that reform must make upfront investments—in things like job training, child care and transportation—if long-term welfare recipients or teen-age mothers are going to move into jobs and achieve self-sufficiency.

But the bills passed by Congress are more punitive than supportive. The House bill aims to save $60 billion over the next six yeas. That means many states will not receive adequate federal funds to move welfare recipients into work or to provide expanded assistance in times of recession, when job losses push more families into need.

Welfare reform doesn't require shredding the safety net for children and workers; the House bill attacks it with a cleaver. It cuts food stamp dollars and removes eligibility for adults after three months if they aren't working. That means people who worked a lifetime would be left in hunger after three months if severe unemployment, such as California has recently endured, prevented them from finding jobs. The bill would also deny food stamps to legal immigrants, regardless how hard they work.

Moderate Republicans and Democrats tried to add protections for children and working families with amendments that provide vouchers for services to children whose parents can't find work after the time limits. But the GOP majority defeated them.

Now the last line of defense for decency is once again President Clinton's veto pen. Having twice vetoed bad welfare bills, the president's political advisers are pushing him to sign any welfare bill that looks like it will redeem his 1992 pledge to reform welfare. But Clinton has already proved his welfare reform credentials by approving federal waivers for state reforms. He's already ushered in a new era in social policy around the country.

It isn't necessary to sign a bad bill to ''end welfare as we know it''; Clinton should demand a bill that replaces welfare with something more promising than a stingy plan that would put a million more kids in poverty, strap local governments and take the safety net away from millions of working families.

[From the Los Angeles Times, Aug. 1, 1996]

IT'S WELFARE REFORM AT CALIFORNIA'S EXPENSE

When President Clinton signs the compromise welfare bill, as he says he will, the financial brunt will fall on California, home to more immigrants than any other state. This is unfair to California taxpayers. Immigration is a national issue and its effects should be shouldered evenly. But that's not what's going to happen.

At least 40% of all legal immigrants live in this state, and half of those in California reside in Los Angeles County. When needy noncitizens lose their federal benefits under the welfare reform most of them obviously will turn to the counties and the state for assistance. They cannot legally be denied. But how to pay for it?

State and county governments are required to provide aid to all needy legal residents. Expect lines of elderly, blind or disabled immigrants at relief agencies, for they will no longer be eligible for federal benefits. Needy noncitizens will also lose access to federal food stamps. All this adds up to general relief at local expense.

Immigrants have been popular scapegoats in Congress and were especially so in negotiations on welfare reform. Though the immigrant poor account for a mere 5% of federal social spending, cuts in their benefits are expected to produce 60% of the planned welfare savings. For California, that load off the federal budget could stick state taxpayers with more than $1 billion in new bills.

The punishing elements of this welfare reform distract from the positive provisions of the bill, such as greater flexibility for states in designing their own programs to put welfare recipients to work, a major theme of the national reform.

Another key compromise allows states to provide non-cash vouches for diapers and other child-care items to welfare mothers who have exhausted the five-year limit on cash benefits under the bill.

American children, however, will no longer be entitled to federal subsistence aid simply because their families are poor. The national safety net established by President Franklin D. Roosevelt in the 1930s is, in essence, evaporating. The changes could plunge an estimated 1.1 million children deeper into poverty. Poor parents will be able to receive benefits for two years. A time limit is certainly appropriate, but should recipients be cut off if they are responsibly looking for work?

Some of these changes are shameful, but it is the political will of a Congress determined to decentralize the system, partly in response to the pressure of a presidential election year.

The threat to legal immigrants, people working and living in the United States under a green card or other protection, is the most obvious fault of the legislation. President Clinton says he believes, as do most Americans, that welfare should be a second chance, not a way of life. But legal immigrants won't get even temporary federal aid, even if they had paid taxes for years before losing a job, losing a limb or losing the income provided by spouse.

By signing the welfare reform legislation, Clinton will be able to say he fulfilled a key campaign promise to ''end welfare as we know it.'' But he won't be able to say that he lived up to his more recent assertion that children ''need to come out ahead.''

[From the Sacramento Bee, July 30, 1996]

CLINTON'S WELFARE TEST

Bill Clinton, the man from Hope, ran for president as the candidate who would do something for children and the forgotten working families who played by the rules but found themselves falling behind in the economic race. But that promise won't mean much if he does not veto the misshapen welfare reform bill headed for his desk.

No American leader has spoken more passionately than has Clinton about how the declining wages of workers in the bottom half of the job market have dragged millions of full-time workers and their families into poverty and raised child poverty rates to levels unseen anywhere else in the industrialized world. Yet instead of offering hope and assistance to those struggling families, Congress' pending welfare reform bill delivers them a cruel body blow.

Lost in the attention lavished on the bill's overhaul of Aid to Families with Dependent Children, the grant program that goes primarily to single, nonworking mothers of poor children, are the totally unnecessary cuts the legislation would make in food stamps, the key safety net program for low-income working people. According to the Congressional Budget Office, nearly half the $61 billion the bill cuts would come from nutrition programs.

Those cuts spell more suffering for families and children. An analysis by the Urban Institute projects that the changes would push 2.6 million more people below the poverty level, 1.1 million of them children. Altogether more than 5 million working families would lose an average of $1,000 a year in income if the bill becomes law.

There's a widespread consensus that welfare must be reformed to reduce long-term dependency and encourage work and personal responsibility. But the current bill, underfunded and overly punitive, ignores everything we have learned over the last decade about moving welfare recipients into the job market.

More than half of welfare recipients lack a high school education at a time when labor markets put a premium on education and skills. Two-thirds live in central cities, places from which employers have fled. At their most successful, past efforts to move welfare recipients into jobs, such as the GAIN program in Riverside County, have reduced welfare rolls by only 10 percent and incomes of welfare recipients by a few hundred dollars a month.

Yet the welfare bill requires states to move half of all recipients into jobs, even though, according to Congress' own experts, the bill falls $12 billion shy of full funding for the work program. Even if one heroically assumes that two-thirds of welfare families would find permanent employment, the bill's five-year lifetime limit on benefits would leave 1 million families—adults and children alike—without any source of income.

The president knows welfare reform doesn't require the sacrifice of millions of young lives. If Clinton doesn't have the gumption and leadership skills to stand up and explain to the country the difference between real welfare reform and Congress' act of callousness, what differentiates him from his Republican opponents?

[From the Fresno Bee, Aug. 1, 1996]

CLINTON'S WELFARE SURRENDER

President's reasoning for acquiesing on reform bill, despite ''serious flaws,'' is barely credible and clearly a political calculation.

President Clinton eloquently explained Wednesday the flaws in Congress' welfare reform bill. It will punish hundreds of thousands of low-income working families by cutting back their food stamps, he said. It will take away the federal safety net from legal resident workers who have paid their taxes and played by the rules. It will leave vulnerable poor children whose parents can't find jobs within the bill's five-year time limits.

And after explaining all the reasons why this bill is wrong, Clinton announced he would sign it. It was the least principled act of a presidency in which principle has often run a poor second.

Clinton's rationale for signing the bill, despite its ''serious flaws,'' is barely credible.

No one doubts that the welfare reform core of the bill, which turns welfare from a federal entitlement into a block grant for state-designed programs to assist needy families and move them into the workplace, could be passed again by this or subsequent Congresses. There's widespread consensus that the current welfare system is broken.

But if Clinton truly believes be can fix the flaws in this bill, he belongs to a very small church. In an era of sound bites and attack ads, what Congress, Democratic or Republican, will soon dare to restore federal safety net programs for legal immigrants, no matter how needy or deserving? At a time of growing budget stringency, what are the chances that Congress, once having slashed food stamp spending, will reverse course and come to the aid of the working poor?

No matter how hard he tries to decorate his action with policy arguments, Clinton's decision to sign this bill came down to a brutal political calculation born of a failure of leadership on this issue.

Had Clinton made welfare reform a top priority in 1993, he could have shaped the national debate and produced a new system that protected children even as it enforced our values about work and personal responsibility. Instead, he left the issues to be defined by a GOP Congress more intent on budget savings than shaping a humane and workable welfare alternative. He thus put himself in a political position where opposing a bad bill could be made to look like opposition to reform.

And now, for his failure of leadership and political nerve, children and the working poor will pay.

[From the San Francisco Chronicle, July 22, 1996]

WELFARE BILL TOO HARSH

Members of the U.S. Senate had a chance Friday to maintain a valid 60-year federal commitment to help the truly needy while still moving toward a work-oriented welfare program. They didn't take it, and unless the lawmakers significantly change direction this week, President Clinton has an obligation to veto the third welfare reform bill that comes before him.

Clearly, Clinton wants desperately to sign an election-year bill that will allow him to say he made good on his 1992 campaign promise to ''end welfare as we know it.''

And the American public is squarely on the side of both the president and the many members of Congress who want welfare to become a work program and not remain in never-ending handout.

But the Republican bill as currently constituted goes way too far in taking away the federal government's duty to see that children do not go hungry or homeless.

History shows that states do not always take care of the neediest among us, even when they make the best possible effort to find work. The federal government should maintain authority over welfare programs, a responsibility that would be taken away with the Republican plan to give states welfare money in block grants.

On Friday, the Senate turned down Democratic amendments that would have altered the Republican plan to ensure that children could continue to receive federal help even after their parents were cut off.

For that reason alone, the bill should be rejected. While the culture of welfare as entitlement clearly must change, wholesale abandonment of the most helpless is not acceptable.

The Clinton administration has been liberal in its granting of federal waivers to allow states to try their own get-tough welfare-to-work programs, and the president has said he would continue to allow creative state initiatives.

Democrats are going to try again this week to amend the GOP bill. But so far, administrative directives, not legislation, offer the best hope for welfare reform.

[From the San Francisco Examiner, July 24, 1996]

PUNISHING THE POOR

The Dictionary defines ''reform'' as ''to make better'' and ''welfare'' as ''the state of being or doing well,'' It's a pity that corruption of the language hasn't been added to the federal Penal Code. Otherwise, members of the 104th Congress would be sentenced to an afternoon in the stocks, splattered with rotten vegetables.

Bad enough that they have produced a package of kick-the-poor legislation that is callous, cruel, marble-hearted and mean spirited. Worse, this vote-pandering measure has been given a supremely cynical label, ''welfare reform.''

The richest nation on Earth, with a military budget of $260 billion, is led these days by politicians who assert with a straight face that federal funds for public assistance and support services are causes, not symptoms, of what's wrong with our society.

In its latest version, the welfare bill would shop federal funds to each of the 50 states in the hopeful expectation that their governors and legislators can come up with effective programs that will end poverty as we know it. This is not a joke.

Conservatives say they want to end the propensity on liberals to throw money at the poor without doing much to beak cycles of dependency. And yet, given the punitive

rhetoric by well-fed politicians of both parties, we're not surprised that the expulsion of families from welfare is not accompanied by funds or mandates for training, schooling or child-care programs.

Sure, let's get able-bodied men and women off the dole. But let's remember that 9 million children are among the 14 million people who now get monthly survival checks under the federal-state programs called AFDC, or Aid of Families With Dependent Children. Most AFDC parents are single moms, few with job skills or work experience. Perhaps their problems will go away if state bureaucrats replace federal bureaucrats, but we doubt it.

It's one thing to want to fix the enormous disappointments and dilemmas of the nation's 60-year-old programs of federal aid to the poor, but it's another for Congress to dump the responsibilities on the states in the name of ''reform.'' This is particularly galling for California, because ''welfare reform'' proposals included a cutoff of social and health services for the state's legal immigrants. And we'll have to make up the difference.

''Reform'' is supposed to make things better, not worse. It doesn't make sense from any viewpoint, including the cry for governmental thrift, to create a terrible situation where children will be forced into orphanages or jails at many times the expense of AFDC. Sen Daniel Moynihan, D-N.Y. says the ''reform'' amounts to ''legislative child abuse.''

[From the Los Angeles Times, July 18, 1996]

PASSING THE BUCK ON WELFARE

Tucked into the Republicans' welfare reform package in Congress is a wrongheaded proposal to cut benefits and social services to most immigrants who are legally in the United States but who have not yet become citizens. Under the proposal, Washington, which is seeking ways to finance federal welfare reform, would shift billions of dollars in costs to states and counties. The provision should be rejected.

Sen. Bob Graham, a Florida Democrat, plans to offer an amendment to the bill to strike out restrictions on public benefits to legal immigrants. a host of eligibility issues ranging from student aid to Medicaid for legal immigrants already is part of a separate immigration bill now in conference committee. There is no logic in including those matters in a welfare bill. The two issues should be handled separately.

The welfare bill now proposes to help finance the costs of reform by cutting $23 billion over six years in benefits to legal immigrants, including children and the elderly. This would be an unfair and punitive move against legal immigrants who have played by the rules.

The bill would make most legal immigrants now in the country ineligible for Supplemental Security Income (SSI) and food stamps. Future legal immigrants (except for refugees and asylum seekers) would be ineligible for most other federal means-tested benefits (including AFDC and nonemergency Medicaid services) during their first five years in the country.

The cutbacks would disproportionately hit California, Florida, New York and Texas, the states with the biggest immigrant populations. California alone could lose $10 billion, or about 40% of the proposed $23 billion in benefit reductions. Those ineligible for such benefits would have to turn elsewhere for aid. In Los Angeles County, for example, if all affected SSI recipients sought general assistance relief instead it would cost the county $236 million annually. The cost shifting could have potentially disastrous results for the already fiscally strapped county.

The immigration bill now under consideration already includes $5.6 billion in savings from tightening eligibility requirements for legal immigrants on a variety of federal programs, including Medicaid. the attempt to use welfare reform to slip through further curbs on public assistance to legal immigrants should be called what it is—a deplorable money grab by Washington that can only hurt California.

Mrs. BOXER. Mr. President, thank you.

Mr. President, I am putting in the RECORD a number of editorials.

From the Fresno Bee in the conservative heartland of my State that says:

Once again, Congress has passed welfare bills that are more about saving dollars and winning votes than reshaping lives.

The Los Angeles Times wrote:

The financial brunt will fall on California, home to more immigrants than any other State. This is unfair to California taxpayers. Immigration is a national issue and its effects should be shouldered evenly.

In another L.A. Times editorial:

Passing the Buck on Welfare. U.S. provision affecting immigrants would hit States and counties.

The one from the San Francisco Examiner:

Punishing the poor.

San Francisco Chronicle:

Welfare Bill Too Harsh. Wholesale desertion of the most helpless is not acceptable.

And they go on.

So, today I stand here for welfare reform but against this bill. I am voting no, because I am not for punishing kids, and I am not for punishing California or other States that have most of our legal immigrants.

Saying that I am for welfare reform but against this bill is not inconsistent. My desire for reform was expressed by my vote for the Senate welfare bill last year in the two Democratic leadership welfare reform proposals. Mr. President, those bills were tough on work, compassionate to children, and cracked down on parents who were irresponsible.

It was interesting to note the Senator from Iowa talking about how this bill goes after deadbeat dads. Well, I want to note that my deadbeat parent amendment which unanimously passed in the Senate bill last year is gone from this bill. My amendment would have cut off benefits to deadbeat parents who refuse to pay their overdue child support. I think the proponents of this bill seem to be more interested in getting tough with the kids than their deadbeat parents.

The provisions to cut assistance to legal immigrants will cost California an estimated $9 to $10 billion over the 6 years of the bill. Of all the legal immigrants in the United States on supplemental security income, which is help to the aged, blind, and disabled, and of those on AFDC, which is help for families with children, 52 percent live in my home State of California. Among those who would be cut off are elderly immigrants who are too disabled to naturalize and young legal immigrant children.

Let us face it. For every move we make, there is a counter move. For every action we take, there is a reaction. And speaking as a former county supervisor from the County of Marin, I can tell you at the bottom line it will be California's counties that will feel the brunt. When your county supervisors come in to see you to tell you about the increase in homelessness and helplessness, I hope then at least you will be ready to take some action.

In Los Angeles County, the effects will be staggering. Senator FEINSTEIN and I have been contacted by their elected officials. In Los Angeles, 190,000 legal residents could be cut off of AFDC; 93,000 legal residents will lose SSI, which is assistance for the aged, the blind, and the disabled; 250,000 legal residents will lose their food stamps; and 240,000 legal residents could lose their Medicaid.

Los Angeles County could be faced with a cost shift of $236 million per year under this bill. And if the State of California opts to bar Medicaid coverage to legal immigrants, it could shift an additional $100 million per year to the County of Los Angeles.

The conference report will place California at serious risk of a huge negative impact on health services. Again, for every action there is a reaction. Our public hospitals and our children's hospitals that got reimbursed for these medical costs will no doubt have to downsize, shut down, cut back, and shift costs. And the bottom line is, if legal immigrants cannot receive Medicaid, all Californians and all Americans will be placed at greater risk of communicable diseases because these people will not be treated.

Senator FEINSTEIN and I worked hard on an amendment which said this very simply. This is a massive change of law. Let us phase in the changes to our legal immigrants. Many of these legal immigrants came here escaping persecution. Many of them do not have sponsors to pick up the tab. They have no one else to turn to. If we are going to change the rules, Senator FEINSTEIN and I said, make it prospective. Unfortunately, the conference report did not move in that direction.

It really amazes me to think about the message we are sending to an asylee or a refugee who risked their life to get to this country. Many of them are working. Many of them are paying taxes, and doing well. If they fall on hard times, they are out. They are out of luck. And the costs will be shifted to the counties.

Many of these legal immigrants are children. We profess to care about children. Look in the eyes of a child before you cast this vote, because this bill will subject even more children to poverty.

I have to tell you, the Urban Institute says more than 1 million children will be thrust into poverty under this bill. I hope that we can move quickly after this bill passes and is signed—and we know that is going to happen—to soften the blow on children.

I could not believe when this Senate turned down the Breaux-Chafee amendment. The Breaux-Chafee amendment did not get the 60 votes it needed. Do you know what it said? That if little children are cut off because for some reason their parents cannot find work within the mandated time period, children cannot get any help to get diapers; they cannot get any help to get special medicine, school supplies, or other necessary items.

This is the United States of America. We know that a nation is judged by how it treats its most vulnerable people. And I do not think it asks very much of very healthy U.S. Senators with big fat paychecks, big fat paychecks, to provide for vouchers for a baby who is unfortunate enough to be in a family with a mom who, even if she tries every day, cannot land a job. That was it for me.

I thank my colleagues very much for bearing with me. This bill is not fair to my State. That is clear. That is why nearly every major newspaper in California has said it is wrong. This bill is not fair to innocent children. For that reason, I stand here for welfare reform and against this bill which will bring harm to children and which will bring harm to my State. I hope we can mitigate its ill effects.

I thank the Chair. I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I yield 10 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I would appreciate it if I could be notified when I have 1 minute remaining.

I am pleased today to speak in behalf of the welfare proposal which came from conference. It is a good bill, and while there are areas which still could be improved, overall I think it is a positive first step toward real welfare reform. Indeed, it does represent a compromise. The administration had some thoughts they contributed. Obviously, the House did, and clearly, of course, the Senate did.

We can no longer continue the current welfare system. I think that is clear. This system has encouraged long-term dependency, and that has been addressed several times this afternoon and this morning. There is one thing we all know, that the surest prescription for a life of poverty is to be born to young, to unmarried, and to poor parents. It is time to give the States a chance to improve the lives of all these poor families.

This bill does that. It turns the AFDC Program over to the States and allows them, the States, to create programs suited to the needs of the residents of those States. We are doing this with very few restrictions on the States. Indeed, we can practically rattle off the restrictions. The States will be required to impose time limits on benefits. The States will have to meet tough work participation rates. But how they achieve these goals is left almost entirely to the State and to the local government.

I would like to see more Federal oversight of the program. I was on the conference. I presented my views but did not prevail in that particular area.

The Governors insist that they will do the right thing and we ought to have confidence in them. I am hopeful, indeed optimistic, that they will, but I certainly will be keeping a close eye on the progress in this area.

While we are giving the States maximum flexibility, there are several important protections in this bill. First, we have ensured that families who lose cash benefits because of changes in the State's cash assistance program, those families will still be entitled to receive Medicaid. If the State goes down, lowers the level at which an individual can qualify for cash assistance, the families still receive Medicaid based on the old formula. This is the critical provision for the success of welfare reform.

In the last 2 years, in the Finance Committee welfare reform hearings, one thing we heard over and over is that we cannot pull the rug out from beneath these poor families. In order to be able to support themselves, they must have Medicaid coverage. I am very pleased that this bill includes the amendment Senator BREAUX and I sponsored to continue Medicaid coverage for these individuals.

Earlier versions of welfare reform included block grants in several child welfare and foster care programs. I have long believed that despite the name ''child welfare''—that is a misnomer, Mr. President. Child welfare is not a cash or an in-kind assistance to poor families. Child welfare programs deal with abused children. It deals with neglected children regardless of their income. It does not have anything to do with a poor child. Child welfare programs deal with neglected and abused children regardless of income.

So, child welfare has no place in a welfare reform bill, and I am pleased we were able to have those block grants removed. We stay with the present entitlement system in the child welfare program.

The present welfare bill has also made more cuts to the children's SSI program than I would have liked to have seen. That is the way it started off, with rather severe cuts. This bill is much less damaging in that area. It does tighten the eligibility for participation in children's SSI programs, but retains cash assistance for those children who remain eligible. This is the right thing to do. These families are under enormous strains, families with SSI children, and they need the benefits, the cash assistance that comes so they can care for those children. I want to pay special tribute to Senator CONRAD, who worked with me and others to achieve this compromise.

Welfare, as we know, has always been a shared responsibility between the States and the Federal Government. That will continue under this bill. It is true that States ought to have a financial incentive to reduce the welfare caseloads. We all agree with that. However, when they are reducing these caseloads, they should benefit from it, but also the Federal Government ought to benefit from it, too. That is why we provide that, if the States reduce their spending below a percentage mark, Federal dollars will be reduced likewise. In other words, the Federal Government will share in the savings.

There is one thing that does bother me about this bill, and that is the denial of benefits to legal immigrants. I think the bill is harsh in that area. We made some improvements, in other words we made it less harsh, because we allow States to decide whether to extend Medicaid coverage to legal immigrants. In other words, the States still have the option to extend Medicaid coverage to legal immigrants.

I had hoped during the legislative process, consideration here and the conference, we might have mitigated some of the harsher provisions, especially those affecting currently elderly and currently disabled recipients. I think it is very tough to take away some of the benefits of those individuals that they are currently enjoying.

In closing, I congratulate those who worked so hard to reach this agreement. Former Senator Dole deserves a lot of credit for laying the groundwork for this bill. Senator ROTH picked up after Senator Dole left and helped steer this bill through the Senate. On the other side of the aisle, my colleague from the centrist coalition, my colleague Senator BREAUX, did splendid work to forge a compromise between the two parties.

On the other side of the Capitol, Congressman Shaw and Congressman Archer were dedicated to this cause for some time and deserve a lot of credit. So my congratulations to each and all, and to all here who worked hard to make this bill a success, the success I believe it can be. It is not perfect. We all recognize that. But there are a lot of very fine provisions in this bill.

I yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Mr. President, the time is on the other side now.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise today to indicate that I will support this welfare reform legislation. I do it with some reservations. I think anybody who has been deeply involved in this process understands that there are weaknesses in this legislation and that there are risks. But, make no mistake, there are risks in sticking with the status quo. The status quo cannot be defended. The current system does not work and is unlikely to work in the future.

I have visited with literally dozens of welfare recipients and with people who

work in the current welfare system. I cannot find anyone who believes the current system is a good one. I cannot find taxpayers who support it, who believe in it. I cannot find welfare recipients who believe in it. I cannot find the people who work to deliver the services who believe in it. Without exception they say to me, ''There has to be a better way.'' I do not know if we found the best way in this welfare reform legislation, but I do know it is time to try something different.

I have concluded from my conversations with welfare recipients that there is very little question that the current system is encouraging children to have children. I do not know how one can conclude otherwise. When we set up a system in which we say to a young woman, in many cases a child, that if you leave home, we will see that you have an apartment, that you get assistance, the precondition is that you have a child, what kind of system have we set up here? I talked to one of my colleagues who met with a number of welfare mothers in the last several weeks. He asked them the direct question, ''Did the fact that there is a welfare system that you knew would support you and provide an apartment to you encourage you to have a child?'' About half of them denied that it contributed to their decision, but about half of them said, ''Yes, Senator, it did contribute to my making the decision to have a child, because I knew I could get an apartment, I could get assistance, and that I could move away from a family situation.'' In many cases that family situation is not a very pleasant one.

That does not make sense for our society, to have structured a system that encourages children to have children. That is a disaster. I say to my colleagues who have talked about their concern for children, and in every case I believe they are well motivated and feel deeply that we need to protect children, I share in that belief. The question is, how we do it? It is not in children's interests to be born to children. That is a disaster. We know what happens in those circumstances. In case after case it leads to more poverty, more crime, more abuse. Children are not prepared to have children. We need to take away the incentive that is in the current system for that to occur.

There are many parts of this bill that concern me. I believe the percentage that is allowed for hardship cases, and therefore exempt from the time limits, is unrealistic. I think that is going to have to be revisited in the future. I personally believe there are marginal people in our society, people who, either because of mental disability or physical disability, simply are unable to hold full-time employment. A 20-percent hardship exemption is not sufficient to cope with the percentage of our population that simply will never be fully employable. I think we are going to have to revisit that issue.

But there has been much done to improve this legislation from where it started. I was very pleased my amendment to maintain a Federal safety net in the food assistance programs was adopted here on the Senate floor and was kept in conference. I think that is critically important. That provides the food safety net for millions of Americans, one that adjusts automatically for natural disasters or severe economic downturns.

I also think the provisions that were adopted that were offered by Senator CHAFEE and Senator BREAUX to maintain the Medicaid coverage was critically important to this legislation.

I salute my colleagues, Senator CHAFEE and Senator BREAUX, for their amendment. That was maintained largely intact in conference and was critically important.

So, Mr. President, there are defects here. I think we all recognize that. I think we all understand that this is going to have to be revisited. But we have also heard from the Nation's Governors. They have told us, ''You can trust us, we are going to be responsible with this charge.''

I say to them, we will be watching, we will be watching very carefully what you do, and we urge you to step forward and shoulder this responsibility with great seriousness.

They have insisted there is not the flexibility and the resources to address the problems of poverty and welfare without these changes. They have assured Congress and the American people they care as much about the well-being of children and other vulnerable populations as Federal representatives and that they are in a better situation to target these resources. We take them at their word. They have pledged to protect these populations, and Congress is going to hold them to their word.

While this bill gives States flexibility they insist they need to end the problems associated with welfare, I want to be clear. Congress maintains the right and the duty to intervene in the future if States, in fact, do not live up to their word and run their programs in an arbitrary or capricious manner.

We are counting on the States to live up to this responsibility. I take them at their word, and I have confidence that in each of the States, the Governor and the State legislature will step forward to shoulder these obligations in a serious and responsible way.

I am confident that in my home State of North Dakota that will be the case. I conclude by saying to my colleagues, in looking at the risk associated with any change, clearly there is a cause for concern, but the status quo cannot be defended. It is time for a change. The time is now. We will have other opportunities to address shortcomings in this legislation. I intend to support this bill.

I thank the Chair and yield back any time I have remaining.

Mr. GORTON. Mr. President, I yield 10 minutes to the junior Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, with the passage of this welfare reform legislation, I think we can confidently state that the New Deal is old news. As we all know, this legislation will end the Federal Government's entitlement to welfare, an entitlement created 6 decades ago during the New Deal. Yet, the reason that it must be overturned is found in the reasoning of Franklin Roosevelt himself who said, ''When any man or woman goes on the dole, something happens to them mentally, and the quicker they're taken off the dole the better it is for them the rest of their lives.''

He added: ''We must preserve not only the bodies of the unemployed from destitution, but also their self-respect, their self-reliance, and courage and determination.''

The welfare reforms that we will pass today are designed not just to save money and reduce waste, although those are important goals, but they are also designed to help restore certain basic values: self-respect and self-reliance.

Some critics have claimed that these welfare reforms will lead to catastrophe. Mr. President, I suggest the catastrophe has already arrived. It is obvious in an exploding population of fatherless children, rising violence in our cities and streets, suburbs and rural towns, endless dependence and fractured families. No one can honestly defend the current system as compassionate. No one can be proud of the results of the last 30 years. We are tired of good intentions and dismal results. We need to take another path.

This legislation that we are proposing is not experimental nor it is not untested. It is rooted in proven principles of American tradition. It transfers powers to the States where that power should have belonged all along. It emphasizes the dignity of work. It shows compassion, but it also expects individual responsibility, and it begins to encourage private and religious institutions as partners in social renewal.

Mr. President, I am pleased that the personal responsibility agreements that I authored, along with Senator HARKIN, are part of this final welfare package. States like Indiana and Iowa have used these agreements as effective tools, moving thousands of citizens from welfare to work. The welfare bill we are passing today gives States the options to include those personal responsibility agreements in their welfare programs, and I hope they will follow the examples of Indiana and Iowa.

I have argued in the past, Mr. President, that devolution of power to the State governments is necessary but not complete. Such devolution encourages innovation, but State government is still government, prone to the same problems of ineffective bureaucracy and red tape that we see in Washington, and that is why I am glad this legislation gives States the opportunity

and the option to contract with faith-based organizations without forcing those institutions to compromise their spiritual identity. This, I believe, is the beginning of an important idea.

It is also important to remember that the reforms that we are passing today directly affect human lives. That is the only measure of our achievement. I am convinced on the evidence of 3 decades that people need independence, work, responsibility and hope far more than they need endless checks from the Federal Government.

Our current system treats the disadvantaged as merely material, to be fed and forgotten. We need to be treating them as human beings with high hopes and high potential. When you expect nothing of an individual, you belittle them. We must stop belittling the able-bodied poor in America with low expectations.

Mr. President, I argue that there is a next step to welfare reform, a step that this Congress and this President, or whoever occupies the Presidency, needs to address in the next Congress. We need to go beyond Government. We need to begin to encourage and strengthen, nurture and expand those mediating institutions of family, community, volunteer associations of charity, of church, faith-based charities—those institutions that offer real solutions and real hope.

We need to begin to look at transforming our society by transforming lives one at a time inside out. For the most part, this is work that cannot be done by institutions of government. Government can feed the body and help train the mind, but it cannot nurture the soul or renew the spirit. This is the work of institutions outside of government.

This shift of authority in resources can be accomplished in many ways, but we need to recognize tradition and the time-honored practice of reaching out to the poor in effective ways, giving them renewed hope, renewed spirit, a renewed place in American society. It has not been accomplished in an effective way by institutions of government but can be effective by institutions outside of government.

How do we make this transition? Because it will be a transition, and normally the problem is such that it will require a significant increase in the involvement of these institutions. But it is important because they are the institutions that bring about the real solutions and bring about real hope.

I propose the charity tax credit as a means of beginning this process, a way in which the taxpayer can designate on a joint basis up to $1,000 of taxes otherwise due the Government as charitable contributions to institutions that have dedicated themselves to the proposition of alleviating or preventing poverty.

Who wouldn't rather give $1,000 of their hard-earned money to institutions like Habitat for Humanity, rather than Housing and Urban Development, if you really care about providing decent, affordable housing to low-income individuals?

For those concerned about fatherless children, who wouldn't believe that $1,000 of their money would be better served through Boys and Girls Clubs or Big Brothers and Big Sisters or other mentoring organizations, rather than giving it to ''Big Brother'' in Washington?

For those concerned about the homeless on our streets, who wouldn't rather support the gospel missions and church feeding programs, Catholic Charities and other organizations that reach out to those in our local communities, rather than turning the money over to HHS, where, by some estimates, over two-thirds of the money fueled by the Federal social welfare system never goes to the poor? It goes to those above the poverty line; it gets eaten up in bureaucracy, administration, fraud, and abuse. It has created a compassion fatigue in this country where people have no faith that their tax dollars, sometimes generously given and well-intended to help those most in need, ever reach those most in need.

This is a stark alternative that can be provided to the individual without the constraints of the first amendment. They can give it to secular or nonsecular institutions, faith-based institutions which have proven and demonstrated their capability of providing services to the poor far more effectively, with far better results, at a fraction of the cost of Government.

These are the institutions that we need to strengthen. And this, I hope, will be the agenda of the next Congress as we move to the next step of welfare reform, to defining compassion in an effective way, the spirit of the American people, which has always been generous, which has always reached out to help those in need, which responds to emergencies time and time again, which provides and allows grain farmers from the Midwest to ship grain down to famine areas and drought areas of other areas of our country, which cause people to jump on planes and trains and buses and go to the latest hurricane area or ravaged area to pitch in, on a volunteer basis, to help their fellows Americans.

We are a country of generous spirit, yet a country that has lost confidence in the ability of Government to effectively deliver compassion to those in need. So let use energize, renew and strengthen and nourish and encourage those institutions in our own communities that are making a difference in people's lives.

Community activist Robert Woodson makes the point that,

> . . . every social problem [in America], no matter how severe, is currently being defeated somewhere, by some religious or community group. This is one of America's great, untold stories. No alternative approach to our cultural crisis holds such promise, because these institutions have resources denied to government at every level—[the resources of] love, spiritual vitality, and true compassion. It is time to publicly, creatively, and actively take their side in the struggle to recivilize American society.

Mr. President, I yield the floor.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, it is clear that most Americans agree we need to change welfare as we know it. Our current system does not work, not for those on public assistance and not for those who pay for it.

The American people feel strongly that personal responsibility has to be a part of this country's welfare system. I could not agree more.

Mr. President, for nearly 4 years I have spent countless hours examining the current welfare structure, talking to participants and listening to the frustrations of both reformers and people on public assistance.

This Senate has debated many ideas for welfare reform. I have worked with my colleagues to do everything possible to help create a welfare bill that will move able-bodied adults off welfare and into work. The transition from welfare to work is the core of this policy debate. But my concern is this. We are creating a system in which people will not get a welfare check, but they will not be able to get a paycheck either.

If people leave welfare, but are not qualified or cannot find work, they are faced with one fundamental problem: The grocery bill is still there, and there is no way to feed their kids.

My vote on this final welfare bill is one of the most difficult I have had to cast. There are no easy answers. I want welfare to be reformed. I hear from those recipients who complain that the current system does not work. There is too little job training. There is too little child care. And the programs try to fit every single welfare recipient into one single mold.

As this bill worked its way through the Senate and House, I have sponsored and cosponsored numerous amendments to protect the well-being of children, from preventive and emergency health care, nutritious meals, safe child care, illiteracy, issues that are important because they affect the ability of parents to move successfully from welfare to work while they are still taking care of their own kids.

I agree with President Clinton that this welfare reform bill makes significant strides toward ending welfare as we know it. It will help put some people back to work and end the cycle of dependency that this system is accused of breeding. It will give more flexibility to the States and allow for more local decisionmaking authority.

But I also agree with President Clinton that this bill has serious flaws.

Nine million children will be cut off from services. Legal immigrant children will be ineligible for almost all Federal and State services, other than in an emergency, leaving them hungry, uneducated and desperate on our streets.

One-half of the $60 billion cut in spending will come from nutrition programs. It will have a dramatic impact on the very individuals who need the most help today in this country, and that is our children.

It has been clear for quite some time that this bill is going to be passed by an overwhelming majority and signed by the President, but I realize that I cannot in good conscience support a bill that will put so many of our children in jeopardy.

Mr. President, I am the only former preschool teacher to serve in the U.S. Senate. I have looked into the faces of 2- and 3- and 4-year-olds who are hungry every single day. I have worked as a parent education instructor with adults who have lost their jobs. Food stamps provided the only chance they had to feed their children while they desperately were looking for work. I knew immediately when a child in my class was unable to learn and felt frightened because of tough financial times at home, and I saw the effects those kids had on all the other kids in my classroom.

Many times I have sat and listened to young women whose lives have been devastated. They have been left alone to care for young children. They have no job skills and no ability to go to work because their full-time job was being a mom.

For me, the bottom line in the welfare reform discussion is, what will happen to our Nation's children? What will happen to those children I held in my lap in my preschool? For me, it is a risk that I am not willing to take.

It is vital that parents return to work. But we have to help ensure that our children receive adequate health care, nutrition, and are not left home alone or, worse, to wander on our streets.

When this welfare reform proposal passes, we have to ask, what is next? This bill only tells people what the Federal Government will not do anymore. In its place will come 50 different experiments in 50 different States. It may help some people, and it most certainly will hurt others. But whether it works or not, from this day forward I believe that we have to begin a national commitment to our children and to give them a fair chance, every one of them, at succeeding in life.

We all want a country where every child is secure, where every person can be a contributing member of our society and our economy, and where the world around us is a healthy and safe place to live. No one disagrees with that. To make sure it happens, we have to start a discussion in every single community and neighborhood and every single dinner table in this Nation. We have to ask, what is important to us as Americans? Are we going to be a compassionate Nation? When push comes to shove, are we going to help our neighbors when they need it? And if, as I suspect, the answer is yes, we are going to have to say how. In the aftermath of this welfare reform bill, these are the questions that every one of us as adults in this country will have to answer.

I am not going to dwell on changes brought about in this welfare reform. Instead, I am going to aggressively seek answers to the questions I have raised, and I will reaffirm my own commitment to children. I will work for constructive solutions to problems that arise in the future.

I have already formed a bipartisan working group within the Senate to help develop and create ideas to help adults find more time to spend with our young children. And I formed an advisory group at home in Washington on youth involvement to help support this effort. Hopefully, the people of this country will ultimately work to create the kind of communities that we can all be proud of.

But, Mr. President, one good thing will come out of this for sure that will happen as a result of us passing welfare reform. Finally, we will no longer, either here on the floor of the Senate or in living rooms across this country, be able to blame welfare as the cause of our Nation's problems. After today, instead, perhaps, we can all sit down and work to agree on what we can do to keep our young children in this country healthy and secure and educated and growing up in a country that we are all proud of.

I yield the floor.

Mr. GORTON. Mr. President, I yield 10 minutes to the Senator from New Hampshire.

Mr. GREGG. I wish to rise in support of this welfare proposal, and I congratulate the Members of the Senate who have worked so hard.

I want to mention three reasons why I think this is an appropriate action to take. First, this is one of the five major programs which is weighing down the Federal budget and which is causing us to careen towards bankruptcy as a Nation in the beginning of the next century if we do not address the Federal spending patterns. The other four are the farm programs, the Medicare and Medicaid Programs, and Social Security.

We have addressed the farm programs. Now we are addressing the welfare programs. That is two out of the five major entitlement programs that will be addressed as a result of this bill by this Congress. That is a major step forward. If this were a game of Myst—which it is not, but it is as complicated as a game of Myst—we would have gotten through two levels. We have three levels to go and, hopefully, we will continue to pursue those aggressively.

The bill involves returning to the States significant flexibility over managing the welfare accounts. This means better services for our citizens. It is that simple. There is a certain arrogance in this town, a certain elitism in this town that tends to believe all the ideas, all the feelings of goodness, all the compassion is confined within the corridors of Washington. Well, it is not true. The fact is, in our States at our State legislative level and in our cities and at our county level, there is not only great compassion but there is an extraordinary knowledge. That knowledge and compassion would be brought to bear on the welfare programs of this country as a result of this bill.

I know, for example, that in New Hampshire we will get a lot more services for actually less dollars, and our people will be better taken care of as a result of this flexibility being returned to the States.

Third, there is the cultural issue. This represents a significant cultural change in the way we address the issue of welfare in this country. We are no longer creating this atmosphere of dependency. We are no longer undermining generation after generation of individuals relative to their own self-worth. We are saying to people: ''You are important, you do have self-worth, you should have self-respect, you should be working and taking care of yourself and your families and obtaining the personal respect and confidence that comes from undertaking that approach.'' It is a cultural shift.

Obviously, it will not impact the entire culture. Obviously, there are a lot of people on welfare who deserve to be there. For some percentage, and it will not be a dramatic percentage, I admit to that, they will be moving off the welfare rolls because they will have to go to work, something they have not done before. That will be very positive, I think, for them and for this society generally.

So I believe this is a very good bill and something that takes us in the right direction in the area of fiscal solvency, in the area of managing government policy through flexibility at the State level, and in the area of how we approach the cultural issue of caring for people who are less fortunate or in hard times.

I also want to address today just briefly, because it is a topic that I am intimately involved with as chairman of the Commerce, State, and Justice Committee, the issue of terrorism—one minor area, a secondary point to what is going on here today, but I want to raise this point at this time.

We just reported out of the full Appropriations Committee a bill, the Commerce, State, Justice bill, which had a major initiative in the area of terrorism, countering terrorism, trying to get some comprehensive planning into the issue of how we approach it as a Federal Government, and beefing up those projects that are going on in those agencies, such as the FBI, that are trying to counter especially international terrorism. It is a major step

forward. We have actually been working on this for months. It is ironic it came to fruition today, so soon after the Atlanta bombing, but it is a very important step.

Second, we cannot do all this at the Federal level. The issue of countering terrorism cannot entirely be accomplished by the Government. There has to be a change of attitude within our population as to how we approach the terrorists.

I made a proposal today which I think moves along that issue a little bit—not dramatically, but a little bit—but it is important. We see on the Internet today a massive amount of information about how to make weapons, how to make bombs, how to use instruments of death. Now, the Internet is a Wild West of information. I have no interest in regulating it. I think that would be a mistake. There are, today, developing a whole series of industries that develop the information and information access in the area of Internet, people like America Online, Comp USA, Yahoo, Netscape, Magellan—the list goes on and on.

What I have done today is write a letter to the CEO's of these various organizations and asked them to exercise a little common sense and a little community value and to expunge from their database access capability of items which are clearly directed at creating bombs. I had my staff quickly run the Internet. I wanted to do it quickly, so I had my staff do it. They came up with, on their first test under the question of ''explosive,'' they came up with an identification of how to make a bomb, which was followed by ''leaving your bomb in your favorite airport and Government building.''

That is the type of information that should not be accessed easily through some sort of accessing agency. So I have asked the leaders of these various industries to think about it, to think about putting into their processes some sort of self-voluntary block that eliminates the ability to easily access this type of information which is so patently inappropriate. I hope they will take such action.

I yield the floor.

Mr. DODD. Will the Senator yield?

Mr. GREGG. I am happy to yield to the Senator.

Mr. DODD. I commend my colleague from New Hampshire. I hope everyone listens to his last remarks on this subject matter and that people will heed his advice. This is a serious matter.

Our colleague from Arkansas, Senator BUMPERS, yesterday I think, made similar comments and brought to the floor the documentation that came off computers on this information. I think his advice is extremely worthwhile.

Mr. GREGG. I can show the Senator a copy of the letter and have him be a cosponsor, as well as any other Senators.

Mr. BAUCUS. I yield myself 5 minutes.

I first want to very much thank my colleague from California, Senator FEINSTEIN, and Senator DODD of Connecticut for very generously and graciously yielding me their time and allowing me to proceed ahead of them. I thank the Senators.

Mr. President, I rise today in strong support of welfare reform. The welfare reform debate is emotional, we all know that. It is complex, that is clear. But I must say I find almost universal agreement that today's Federal welfare program does not do what we would expect of a welfare system.

It does not help people get back on their feet and back to work. It does not promote worth or promote personal responsibility or self-sufficiency. Most of us envisioned a different system, a welfare system that encourages personal responsibility, one that encourages work and self-sufficiency, one that lets States like Montana create their own systems that make sense to their State's own unique problems, one that protects children, helps keep families together, prevents communities from deteriorating, and is fair to taxpayers.

The Nation's welfare problems took a long time to develop, and they will take some time to solve. Our solutions will not come overnight. We have to work on them. I believe this proposal is a clean break with the past and a good start for the future. It is based on two essential elements that encourage work and self-sufficiency.

First, there will be a time limit on welfare assistance to make sure that people have an incentive to leave welfare and move to work; second, we will remove some obstacles that now deter people on welfare from moving to work. They will have more help available for child care, and Medicaid will still be there to provide basic health care.

I might add, Mr. President, that the imminent passage of the increase in minimum wage will be a big boom, will be a big part of the solution to welfare reform.

On the whole, I believe this effort reflects the views and values of Montanans and of Americans. Undoubtedly, it is not perfect, and we can learn from experience. We can and will improve it as time goes by. However, it is a good start and a step we have to take.

Finally, I am glad that the President has chosen to sign it. It was not an easy decision. But it is time that the system reflects the consensus now existing in America for welfare reform. I believe this bill is a good start. It is not perfect. Nothing is perfect. But we cannot let perfection be the envy of the good. It is a good start, and I believe we will have many opportunities to improve upon it as days, months, and years go by.

I yield the floor.

Mrs. HUTCHISON. I yield myself up to 10 minutes.

Mr. President, this is landmark legislation, and it is a pivotal point in our Nation's history and future. What it does, this bill before the Senate, it does, indeed, change welfare as we know it.

This is what the hard-working American people have been asking Congress to do for years. It limits welfare to 2 years for able-bodied individuals, and there will be a 5-year lifetime on welfare for any individual in our country.

Mr. President, this sends a message to the working people of our country that, yes, we understand how hard it is to make ends meet. All Americans work hard. Welfare recipients should not be an exception. If we have uniform requirements for work, we will then say that this Nation is a Nation that has a work ethic and values people who are trying to be productive citizens.

This bill requires all able-bodied welfare recipients to work within 2 years, or lose their benefits. States will be required to have 50 percent of their welfare recipients working by 2002. And to ensure that child care is available for a single parent, this bill provides an additional $4.5 billion more than current law for child care. So we are making sure that there is a safety net, while at the same time we are going to save the taxpayers of our country $58 billion.

Now, I want to put this in perspective just to show what the American people are seeing in our welfare system as it is today. In many States, welfare systems provide the most perverse incentives. In 40 States, welfare pays more than an $8 per hour job. In 17 States, it pays more than a $10 per hour job. In six States, and in the District of Columbia, welfare pays more than a $12 per hour job—more than two times the minimum wage. In nine States, welfare pays more than the average first-year salary of a teacher. In 29 States, it pays more than the average starting salary for a secretary. In the six most generous States in this Nation, benefits exceed the entry-level salary for a computer programmer.

Mr. President, no wonder our welfare system is broken. No wonder the American people are saying that we must have relief from a system that would pay more to people who do not work than a teacher, a computer programmer, or a person making $12 an hour that is getting up every morning, putting their lunch together, and walking out the door to make a living for his or her family.

Mr. President, what we are doing here tonight is saying that those people have a value in our society. And people who can work, but won't, will not be any better off than the person who gets up, puts his or her lunch in a box, goes to work, and is a productive citizen of this country.

This is indeed landmark reform. It is fair. It will stop a system that has become a cancer on our society. It will give self-worth to the people who will now have to work for any benefits they receive. And it will say to hard-working Americans that are struggling to make ends meet, ''You have a value and we appreciate you in this country, and you will not have to work to support someone who can work, but chooses not to.''

Thank you, Mr. President. I yield the remainder of my time.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, will the Senator from Nebraska yield me up to 15 minutes?

Mr. EXON. Yes, I yield the Senator 15 minutes.

Mr. DODD. Mr. President, let me begin by saying that I respect those who support this legislation, and I respect the President for making the decision he did. But may I also begin by saying that I respectfully disagree with their decisions.

Mr. President, I have served now in this body for almost 18 years. I served in the Congress for 22 years. I have dedicated a good part of my service in the U.S. Senate, as many of my colleagues know, to issues affecting children. In fact, one of the first things I ever did as a part of the Senate was form the first children's caucus, along with Senator SPECTER from Pennsylvania. DAN COATS of Indiana and I were the authors of the family and medical leave legislation. It took 7 years to adopt that. It went through two vetoes before being signed into law by President Clinton in the early days of his administration in 1993. Senator ORRIN HATCH and I were the authors of the child care block grant, which is a subject of much discussion here today.

I note, with some irony, that when I offered amendments a year ago to increase the child care funding in the early welfare reform proposals, only two Members of the majority party supported the increase for child care funding. Nonetheless, I am delighted to hear such strong, ringing endorsements for the child care block grant, considering it took us so many years to bring it the support it has now. There are numerous other pieces of legislation over the years that I am proud to have been associated with that affect children.

While there are certainly significant deficiencies, in my view, in this legislation, affecting legal immigrants, affecting working adults, I want to focus my remarks, if I can, Mr. President, on children. I say that because the overwhelming majority of the people who will be affected by this legislation are children. We are a Nation of some 275 million people in the United States—a very diverse and rich people. Of the total population of this country, it is worthwhile, I think, to note that we are talking about 13 million Americans out of 270 million Americans who receive some form of aid to families with dependent children from the U.S. Government. There are local welfare programs. And there are State programs. But the Federal Government's commitment to welfare affects 13 million Americans. Of the 13 million Americans, almost 9 million are children under the age of 18, and 4 million are adults. Of the 9 million who are children, 80 percent of the 9 million are under the age of 12, and 50 percent of the 9 million are under the age of 6.

So we are talking about 4 million adults and 4 to 5 million infants and young children, in effect, who will be affected by this legislation. We also know that roughly 2 million of the 4 million adults are unemployable under any situation. They are either seriously ill, or disabled, and will not be affected by this legislation because they cannot work.

So our goal is to put 1 to 2 million of the 4 million adults on AFDC, who are able-bodied and can work, to work. This is 1 to 2 million people out of a nation of 270 million people. My concern is that, in our efforts to do that, we are placing in jeopardy, and at significant risk, for the first time in a half-century, the 9 million children in this country who are also the recipients of public assistance.

So it is with a great deal of sadness, Mr. President, that I rise today, knowing that in less than 2 or 3 hours from now, America's national legislature will vote overwhelmingly to sever completely its more than one-half century of support for the most vulnerable of our people—our children.

For over 60 years, Mr. President, through 10 Presidents, hundreds of U.S. Congressmen and Congresswomen, Senators, Democrats, Republicans, liberals, moderates, and conservatives, we have tried to improve the opportunities for all Americans. Certain issues were always in conflict, and I suspect they always will be. But with regard to one constituency, one group of Americans, there was never any serious division. We in America take care of our children.

There is a national interest, I argue, and there has been for decades, to protect the most innocent and defenseless in our society. Whether you were a child from Eastport, ME, or San Diego, CA, if all else failed, your National Government, your country, would not let you go hungry, would not let you be denied medical care, and would not deny you basic shelter. No matter how irresponsible your parents may have been, no matter how neglectful your community or State, your country, America, would absolutely guarantee, as a last resort, a safety net of basic care.

In less than a few hours, Mr. President, we will end, after half a century, that basic fundamental guarantee to these children.

Am I opposed to reforming welfare? Absolutely not. But let us put this issue in perspective. We are talking about 9 million children—many of whom have no other protection at all because of the circumstances in which they are raised—who count on their Government as a last resort to be of help.

Let me be starkly clear about what this legislation does. Under this bill, States can cut off benefits. They cannot provide work opportunities. There is no requirement for them to do so. They can set shorter and shorter time limits, if they so desire. They can cut off families completely without making any accommodation for their children. And no matter how draconian these measures may be, this National Government will stand by and do nothing.

It is worth noting that virtually all religious groups in this country and their leaders oppose this piece of legislation. Let me share with you the views of Bishop Anthony Pilla on behalf of the Catholic Bishops:

> The test of welfare reform is whether it will enhance the lives and dignity of poor children and their families. The moral measure of our society is how we treat the least amongst us. This legislation fails these tests and fails our Nation.

What is more, we are considering this legislation with the benefit of data showing that the bill will push at least 1.1 million children into poverty in this country and worsen the situation of children already in poverty by 20 percent.

Let us consider, if you will, for just one moment that instead of dealing with welfare reform here, we were dealing with a piece of legislation affecting American businesses. And assume for 1 minute, if you will, that we were provided data by credible sources that said as a result of this bill, if it were to become law, 1 million business people would fail as a result of your actions.

I would just inquire: How long would that legislation last on the floor of the U.S. Senate? We would not be told that it is a ''minor inconvenience'' and somehow ''we may fix that later.'' We would not spend 1 minute considering a piece of legislation that would cause 1 million business people to fail. And, yet, when 1 million children may fail and already poor children will be pushed into even more difficult circumstances, we are told over and over again that somehow we will fix that down the road.

I cannot support a piece of legislation that would take 1 million innocent children and push them into poverty with a vague hope that some day we may do something to correct that situation.

These numbers should make all of us take pause and seriously consider the dire implications of our actions. I know many people argue that the current welfare system does not serve our children well. I do not disagree. But replacing a system in need of reform with a worse system is no solution at all. In fact, it is irresponsible. There is no justification, in my view, to try something different at any cost; namely, abandoning a national commitment to children for the sake of change.

Again, I applaud the improvements that were made in this bill, and they have been recited by others. It, certainly, is better than what was considered a year ago in a number of aspects. But despite those improvements, there are still elements in this legislation which make it fundamentally flawed.

The Congressional Budget Office estimates that between 2.5 and 3.5 million

children would be affected by the 5-year cutoff of benefits in this bill. I have no objection to setting time limits on adults. In my State, it is 2 years. Experiments like that make sense, to see if they work. What I do not understand is that no matter how difficult you want to be on the parent, how do you look into the face of a 6-year-old child who, through no fault of their own, are born into difficult circumstances and say that regardless of the flaws of their parents, the irresponsibility of their parents, they must pay the price? I do not understand that logic or that thinking.

It seems to me that if we know this welfare bill will increase the number of poor children, we should, at the very least, make some provisions for children whose parents have reached the time limit and are cut off from assistance. But this bill prohibits—and I emphasize this—this bill prohibits even providing vouchers to children whose parents have hit the 5-year time limit. In fact, it does not even grant the State the option to provide noncash aid to infants and toddlers.

This is not only a step backward, but, in my view, it is an unconscionable retreat from a 60-year-old commitment that Republicans and Democrats, 10 American Presidents, and Congresses have made on behalf of America's children.

Some will argue that the conference agreement says that States can use the title XX social services block grant to provide vouchers for these families and children. But I ask my colleagues to look at the provisions of the bill that cut this block grant by 15 percent. We are reducing the very block grants we are now telling States they can use to provide for these benefits.

I truly believe that if we were serious about ensuring the safety net for children in this bill, we would do it outright and not come up with fancy accounting methods that provide no guarantees for children whatsoever.

This legislation does not provide enough funds, quite frankly, to meet the work requirements of the bill. This bill has the goal of putting welfare recipients to work. I applaud that. Yet, it fails to provide adequate funds to reach that very growth.

We are setting ourselves up for a failure. The Congressional Budget Office estimates that this bill is $12 billion short of funds needed to meet the work requirements—$2 billion more than the shortfall of the Senate bill which was passed last year. The same Congressional Budget Office says that most States will not succeed in meeting the work requirements. They will just accept the penalty of reduction in funds.

Do our friends here who support this legislation think that millions of jobs for welfare recipients will simply appear out of the air? Will millions of welfare recipients, most of whom want to work, I would argue, magically find jobs? Not unless they receive the assistance, the training, and the educational help which leads to job creation. In this bill, they will receive no such help at all.

While we see movement on child care—again, I applaud that—this conference agreement retreats on a critically important child care provision.

Let me emphasize this point. Both the House and Senate bills contain provisions that prohibit a State from sanctioning a family if the mother could not work because she could not obtain nor afford child care for children age 10 and under. The conference agreement, which we are about to vote on, moves that age threshold from 10 years of age to 5 years of age, at the request, I am told, of some Governors.

Currently, approximately 2.4 million children on AFDC are between the ages of 6 and 10. The families of these children could lose all of their benefits as a result of a work sanction because the parent could not find adequate child care for a 7-year-old, an 8-year-old, or a 9-year-old. This bill encourages parents to go to work and leave a child at home, without supervision, at a time when we are talking about family values and parents caring for their children. We put these parents in the catch-22 situation, either they lose benefits or leave their child—a 6- 7- or 8-year old at home alone. I do not understand, again, the logic of that kind of thinking.

I know that the Governors have argued that the protection for children 10 and under would make it hard for them to meet the work requirements in the legislation. But that sort of argument points out flawed thinking in this bill. I think all of us understand the need for child care. Latchkey children are a serious problem in our society. I fail to understand how Governors who argue that a provision which protects kids who are 6- 7- and 8-years old would impede their ability to meet work requirements. Governors, at the very least, should be able to guarantee to children age 10 and under that they will not be left at home without care.

Additionally, the food stamp cuts in the conference agreement are deeper than last year's vetoed welfare bill and deeper than last year's Senate-passed bill. The conference agreement would cut food stamps by about 20 percent. Families with children—not single adults—families with children will bear the greatest burden. Two-thirds of the cuts in food stamps will hit families with children.

Additionally, the bill limits food stamps to unemployed adults not raising children to just 3 months in a 3-year period with no hardship exemption whatsoever. If we were in a period of high unemployment in this country, with people being laid off from jobs through no fault of their own, how do you explain to someone who has worked for many, many years and finds himself without a job, that he will be cut off from some basic necessities to allow him to exist? And there's no exemption whatsoever to account for economic difficulties.

The Congressional Budget Office estimates that in an average month, under this provision, 1 million poor, unemployed individuals who are willing to work and have worked in many cases and would take a workfare slot, if one were available, would be denied food stamps because they cannot find work.

Finally, Mr. President, I want to mention the treatment of legal immigrants in this legislation, which I know is of great concern to our colleagues from California and Florida and New York and others.

This bill, in my view, is a repudiation of the legacy of immigration that has defined our country for more than 200 years. We are talking about legal immigrants now.

It is this influx of immigrants from diverse cultures and distant lands that has made this country a shining example to the entire world. That is why millions of people across the globe have come to our Nation.

To say to legal immigrants who pay taxes, who get drafted and serve in our military that we are going to deny them basic protections after we have invited them to come here in a legal status because they do not vote and they are an easy target I think is a mistake.

It was the promise of the American dream that brought my family to this country from Ireland. And it was the desire for a better life that brought millions of other immigrants to America, whether they came over on the *Mayflower* or if they came to our land in just the past few days.

The fact is, nearly every Senator in this body is a descendant of immigrants.

The attack, in this legislation, on legal immigrants is mean-spirited and punitive.

This bill is more interested in reducing the deficit than maintaining our commitment to legal immigration.

This bill bans legal immigrants—children and the disabled—from food stamps and SSI. When people lose SSI, they lose their health coverage under Medicaid.

I fear that we'll see people who have paid taxes wheeled out of nursing homes as a result of this bill.

The legal immigrant provisions of this bill will shift substantial costs on to local governments.

In the words of Mayor Guiliani of New York:

> By restricting legal immigrants' access to most Federal programs, immigration, in effect, becomes a local responsibility. Welfare reform should not diminish Federal responsibility for immigration policy or shift cost to local governments.

But that's exactly what this bill does.

CONCLUSION

In closing, let me say, Mr. President, that welfare reform is by no means easy. If we are to change the cycle of dependency and encourage work among welfare recipients, we must make tough decisions.

But, in the end, those decisions must always be weighed against their effect on poor children. Our success will not be judged by how much we reduce the welfare rolls, but how we help those who are left behind.

This bill fails that test—on both accounts.

President Franklin Roosevelt once said that: ''The test of our progress is not whether we add more to the abundance of those who have too much; it is whether we provide enough for those who have too little.''

For those in our Nation who have too little, we are providing only crumbs.

If welfare recipients are to revel in the hopes and aspirations of the American dream then they must be provided with the tools and opportunities to make those dreams a reality.

This bill fails those Americans and it fails our commitment to the most vulnerable and poorest citizens in our Nation.

I know this is a futile effort, but I urge my colleagues in the remaining few hours to consider that we are about to sever the lifeline to 9 million children in this country for the sake of putting 1 to 2 million adults to work. This incredibly misguided policy is not in balance and ought to be defeated.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise in strong support of the conference report to the Personal Responsibility and Work Opportunity Act of 1996. The American people I believe have demanded welfare reform, and I am pleased that the Congress has not yielded in its commitment to pass much needed and long overdue comprehensive welfare reform. Our current welfare system is a death sentence. It is a death sentence to the human spirit, the family, and the hopes and dreams of millions of children in America. The welfare system today encourages dependency, facilitates the breakdown of the family, demoralizes the human spirit, and undermines the work ethic that built our Nation. For a third time this Congress has delivered legislation to address the failures of the welfare state and provide reforms that I believe will free the poor from being trapped in a cycle of dependency. This bill is the boldest statement we can make in the current political environment, and I am pleased that the President has finally pledged to keep his promise to end welfare as we know it.

Mr. President, the imperative for welfare reform is manifest. The American taxpayers have spent more than $5.4 trillion since President Johnson declared a war on poverty. But after spending this massive sum, we are no closer to having a Great Society than if we had done nothing. In fact, the poverty rate in America has actually increased over the past 28 years. The reason for this is simple: Welfare has become a way of life. The modern welfare State is rife with financial incentives for mothers to remain unmarried. Eighty percent of children in many low-income communities in America are born in homes without a father. It is virtually impossible for a young unwed mother with no work skills to escape the welfare trap as we know it today. This has done nothing to stop the ravaging of our cities and the skyrocketing of violent crime.

People have become dependent on welfare because it completely destroys the need to work and the natural incentive to become self-sufficient. For more than 30 years the message of the welfare state is that the Government will take care of you. It is a punitive form of assistance. It punishes those who want to work and want to succeed. It punishes those mothers who want to get married and have a husband to help raise the children.

Where is the compassion in this present welfare program? It is not there. Only the beltway establishment would dare suggest that providing monthly benefits is more compassionate than fostering the natural inclination in every human being to reach your full potential. However, with the enactment of this bill, Congress will require welfare recipients to work in exchange for benefits for the first time. By imposing a 5-year lifetime limit on welfare benefits, the message of the reformed welfare state is that we will provide temporary assistance to help during hardship as you return to self-sufficiency.

The bill we vote on today begins to repair a very badly broken welfare state in other ways. It puts healthy incentives in our welfare system. The generous package of welfare benefits available in America is a magnet for literally hundreds of thousands of legal and illegal immigrants. I do not believe this is just, and this bill properly denies welfare to noncitizens.

Also, the Government will no longer tell young women, ''If you have children you are not able to support and you are willing to raise them without a father the Government will reward you and pick up the tab.'' That is the wrong message. This legislation allows States to end additional cash payments to unwed mothers who have additional children while collecting welfare. The bill also permits States to deny cash to unwed teenage mothers and instead provide them with other forms of assistance. It is good for children to see both their parents in the morning, and this bill provides the mechanisms that will make this the norm, not the exception.

This legislation represents real welfare reform. The monster that was created over the last 30 years will not change overnight, but we take a significant step today. This bill ensures that welfare finally will benefit, not harm, its beneficiaries. I urge all my colleagues to adopt this landmark legislation.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Thank you, Mr. President. I ask to be recognized for 13 minutes.

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

Mrs. FEINSTEIN. Mr. President, I would like to read you an excerpt from an editorial in yesterday's Sacramento Bee which, I believe, sums up the bill we are about to vote on

> There is a widespread consensus that welfare must be reformed to reduce long-term dependency and encourage work and personal responsibility. But the current bill, underfunded and overly punitive, ignores everything we have learned over the last decade about moving welfare recipients into the job market.
>
> More than half of the welfare recipients lack a high school education at a time when labor markets put a premium on education and skills. Two-thirds live in central cities, places from which employers have fled. At their most successful, past efforts to move welfare recipients into jobs, such as the GAIN program in Riverside have reduced welfare roles by only 10 percent and incomes of welfare recipients by a few hundred dollars a month.
>
> Yet the welfare bill requires states to move half of all recipients into jobs, even though, according to Congress' own experts, the bill falls $12 billion shy of funding for the work program. Even if one heroically assumes that two-thirds of welfare families would find permanent employment, the bill's five-year lifetime limit on benefits would leave 1 million families—adults and children alike—without any source of income.

Mr. President, I am very disappointed that I must oppose the welfare reform bill as presented to this body by the House-Senate conference committee. I had hoped that the bill that emerged from the conference committee would be one that California could live with, because, I think it is clear that, with 32 million people, no State in the Union has as much to gain or as much to lose from welfare reform.

Unfortunately, this bill remains one in which California loses, and loses big.

California is being asked to foot the bill for changing welfare as we know it—and that is wrong. One-third of the estimated $55 billion savings in this bill comes from one State: California. California faces a loss of more than $16 billion over the next 6 years as a result of this bill, more when you add reductions in State funds under the new rules and potentially much more if our welfare caseload continues to increase at the current pace.

The losses to California are staggering: Up to $9 billion in cuts to Federal aid for legal immigrants, $4.2 billion in cuts in food stamps, and as much as $3 billion in AFDC funds over the next 6 years.

Not only is this bill unfair to California on its face, it is seriously flawed in a number of critically important areas.

The contingency funds provided in this bill—$2 billion—are too little. California alone, I predict, can and will need the entire amount.

Work requirements are an impossible goal. The heart of this bill, moving

people from welfare to work, rests on the unknown and probably the impossible. No state, to my knowledge, in 6 years has been able to move 50 percent of its welfare caseload into jobs, as this bill requires. California will have an impossible hurdle to move the required 20 percent of its welfare caseload into jobs in 1 year, let alone 50 percent in 6 years. In order to meet the 20 percent work requirement in this bill, California would have to find jobs next year for more than 166,000 current adult welfare recipients. But, in the last 2 years, the State added an average of only 300,000 people total to payrolls in nonfarm jobs. How do we possibly create enough jobs to increase employment by another 50 percent—especially for a work force that is largely unskilled and under educated? California is a State that has all but lost its production base and is now producing either high-skilled jobs or hamburger flippers at minimum wage.

In order to move people into work, there must be affordable child care for parents. This bill does not provide anywhere near enough funds. The child care block grant in this bill is awarded to States based on their current utilization of Federal child care funds. In California, there are approximately 1.8 million children on AFDC. California currently provides child care subsidies and/or slots to approximately 200,000 children. The Child Care Law Center estimates that under the welfare reform bill, as more parents are required to work, as many as 418,000 additional preschool children and 650,000 children aged 5 to 13 may need child care. This would be a 600 percent increase in need for child care slots.

This bill does not come near the amount of child care dollars that would be needed in California to do this job.

The conference bill is actually worse than the Senate bill in handling America's ultimate safety net: Food Stamps. The conference bill cuts food stamps by 20 percent. California loses $4.2 billion.

Last year, an average of 1.2 million households—more than 3.2 million people—in California relied on food stamps each month. California's unemployment rate is still high at 7.2 percent—2 percentage points above the national rate of 5.3 percent. 1,117,000 people are out of work today—more than the entire populations of nine States. This bill would limit food stamps for an able-bodied adult with no children to a total of 3 months over a period of 3 years. If that person becomes unemployed, they would only be able to receive an additional 3 months of food stamps in that same 3-year period. This bill would also bar all legal immigrants from receiving food stamps—there is no exemption for elderly, disabled, or children.

The shelter deduction in this bill is a case in point which demonstrates that, however well intentioned this bill might be, it lacks a fundamental foothold in reality when it comes to California.

The shelter deduction allows families with children to deduct a maximum of $247, with an increase to $300 in the year 2001, from their income level when applying for aid—ostensibly to compensate for the cost of housing.

In the vast majority of the population centers in California, particularly in urban areas, you can not find a place to rent for that amount of money. In San Francisco, the average rent is between $750 and $1,000 per month.

So this deduction is so low that it is virtually useless in California.

California is not the only loser in this welfare bill. America's children lose as well. In a rush to deliver a welfare reform bill—any welfare bill—before the November elections, this bill is the moral equivalent of a dear John letter to our Nation's needy children.

Under this bill, 3.3 million children nationwide and 1.8 million children in California could lose AFDC after the 5-year limit. Children of undocumented immigrants would not even be allowed to buy federally subsidized school lunches. Recent studies by Children Now and the Urban Institute estimated that this welfare plan would thrust an additional 1.1 million children into poverty conditions in the United States. The Senate rejected moderate amendments sought by the White House as well as members of both parties to provide noncash assistance to children whose parents lose their benefits in the form of vouchers for food, clothing and other basic necessities.

The voucher language included in the conference report is an empty-handed gesture allowing states to rob Peter to pay Paul because it adds no new funds to provide basic necessities to children whose parents lose benefits.

The major cost shift to California comes from the elimination of Federal assistance for legal immigrants, most of whom are elderly, blind, and disabled—all of them poor—who came to this country under terms agreed to by the Federal Government. And yet, the Federal Government will not bear the cost of changing the terms of that deal—the cost of this policy shift will be forced onto States and counties.

Let me be clear: I am all for changing U.S. immigration policies to hold sponsors of legal immigrants legally bound to provide financial support to their sponsees. But to change this policy on those already in this country—retroactively—and thus summarily dropping hundreds of thousands of elderly and disabled immigrants from Federal support programs like SSI, food stamps, and AFDC onto already overburdened county assistance programs, is not only an abdication of Federal responsibility—to me it is unconscionable.

The impact of this cost shift to California counties could be catastrophic.

An estimated 722,939 legal immigrants in California—many of whom are aged, blind, and elderly—would lose SSI, AFDC, and food stamps under this bill.

Los Angeles County—the most impacted area nationwide—estimates that 93,000 noncitizen legal immigrants will lose SSI under this bill, at a potential cost of more than $236 million each year in county general assistance funds.

Los Angeles also estimates that the restriction on future immigrants receiving nonemergency Medicaid services would result in $100 million in additional costs—much higher unless the State comes up with the funds to provide coverage to noncitizens.

San Francisco County estimates that the cost of county funded general assistance could increase $74 million under the legal immigrant provisions in this bill—an increase of more than 250 percent.

Other counties in California are studying the impact of this legislation and coming up with similar financial horror stories. Twelve of the top twenty metropolitan areas in the country that are impacted most severely by this bill are in California.

The State of California indicated by its budget that it has no ability or intention of stepping in to fill the funding gap this bill creates. Governor Wilson's State budget for fiscal year 1996–1997 assumes the immigrant provisions in this legislation will pass and legal immigrants will no longer be eligible for assistance.

California's legislative analyst's report indicates that Governor Wilson's budget:

> . . . assumes enactment of federal legislation barring most legal immigrants from receiving SSI/SSP benefits starting January 1, 1997. The budget assume savings of $91 million from this proposal.

That is from the ''Legislative Analyst's Report, 1996–97 Budget.''

While we in Washington sit in our ivory tower and pat ourselves on the back for changing welfare as we know it, the real impact of this bill will land on real people who are too old or too sick to care for themselves, and whose families—if they have one—have no ability to help them.

Let me put some faces and names on this welfare bill for you:

A 73-year-old woman who asked not to be named came to the United States as a refugee from Vietnam in 1981. She sold everything she owned to pay for her passage on a boat for her and her mother. Her mother died on the trip over. She moved to San Francisco in 1985 and fell ill with kidney disease. She currently depends on SSI and Medicaid to pay for dialysis and other medical care. Her only relative in the United States is a goddaughter who cannot afford to care for her. She has applied for citizenship, but may not pass the English proficiency exam.

Maria, who lives in Los Angeles, came to the United States in 1973 when she was 62 years old to live with her daughter. In 1984, her daughter had a stroke at work which rsulted in two cerebral aneurysms. Following the stroke, her daughter was unable to

work and therefore unable to support Maria as she had done for the previous 11 years. Maria received both SSI and Medicaid. Neither Maria nor her daughter would be able to survive on her daughter's disability income alone.

Thank you, Mr. President. I yield back the remainder of my time.

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

Mr. WARNER. Mr. President, I yield 7 minutes to myself.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 7 minutes.

Mr. WARNER. Mr. President, like so many of my colleagues, I have had the opportunity to actually visit—this time Norfolk, VA a few days ago—a center which is providing job training for welfare recipients. The first thing I was impressed with was a collection of about 12 rooms. It was absolutely spotless. The staff of this nonprofit organization had many volunteers who came in to work with their welfare clients. In this instance I only saw welfare mothers, or some perhaps who did not have children, and largely minorities. All was neat and clean, and they showed up meticulously on time at this center with a spirit of ''can do—we will overcome our handicaps if only you will reach out and give us a helping hand.''

That is what this bill does. It should be called the helping hand bill. Each of us in our lifetime has experienced periods when you had to reach out a helping hand. Most have the opportunity to do it regularly. I can remember at one point serving in the U.S. military with men, in this instance, who could not read and write, but they received a helping hand and quickly learned those military skills, that they could at that learning level, and became key members of fighting teams, in this instance, in the Navy. I will never forget that. All they asked for was a helping hand, and that is what this bill is designed to do and will do if we will just give it a fair chance.

I regret to hear, largely from the other side of the aisle, these cries that we have done a wrong. We have not done a wrong. We have listened to the American people. Sixty-five percent of the American people, or higher, agree that the system in Washington has not worked. It was given a fair chance. It was given an enormous sum of money. One piece of paper says we have spent, as a nation, more money on welfare than the cost of all military actions in this century. This is a substantial amount of money.

Yet, the casualties in terms of the families, particularly the children, have been very high. Why not give the States and the local communities the opportunity now to make this system work? We all know that there are persons less fortunate than ourselves, and all they want is a helping hand. Reach out, that is what we should do.

As this bill goes forth—the President has now indicated, for reasons of his own, after two vetoes he will sign this one—let's send it forth in a spirit of can do, like the people I met in the welfare center in Norfolk. We do not want it to arrive on the doorstep in the several States, down in the small towns and villages of my State and your States with a message, ''It isn't going to work.'' But it is there, so let's send it in the spirit of give it the best shot.

I ask, are not the people in the communities, large and small, all across this Nation as well qualified as the innumerable army of bureaucrats here in the Nation's Capital who, for half a century, have worked with this? Are they not as well qualified? I say absolutely yes, and let's give them a chance to make it work.

I am not satisfied with every provision in this bill. I sided with the Senator from Louisiana, JOHN BREAUX, to give more funds and support to the children. I was concerned. I voted against a majority on my side of the aisle. There is not a person in this Chamber who is not concerned as to exactly what will happen to children. But let me tell you, in the communities in my State, and I say in the communities in your States, they are not going to let the children be injured, irrespective of however the law is written. They will find a way to make it work and protect those children far better than we can as bureaucrats in Washington. They will make it work.

If there are legislative changes needed, I assure you, the citizens of my great State will come to my doorstep very promptly and say, ''Senator, we're trying to make this bill work, but we need a change here,'' or a change there. And I am confident I will step forward, as will others on both sides of the aisle, and make those changes to make this piece of legislation work.

Families living side by side, one receiving welfare, one getting up and going to work—the friction between them, the discontent right in the same street in the same neighborhood—is intolerable. We have to stop that. We are providing a disincentive for those who are getting out of bed and trying to go to work. Within the welfare ranks, we may be taking a gamble, but I will bet that there are a substantial number on welfare who want to come forward and, with a helping hand, make this piece of legislation work.

It is incumbent on those welfare people to have a willingness to break out of the system. They may be shy, they may be reticent, and we will be patient, but they have to go to work. There are able-bodied people in all these communities—and I have seen them and you have seen them—who will step forward and gently but firmly and decisively extend that hand to make it work and to quickly come back if children or other aspects of this program are not working and inform the Members of Congress so we can fix it.

Mr. President, this is a great day for our country. We have come to the realization that one of the major entitlement programs has not lived up to its expectations. It has created scenes in every town in America which are totally unacceptable in this day and time. Let's make this piece of legislation work. Let's send it out of here and praise the efforts that we have made in response to the direct plea of the American people to fix this system by sending it from Washington back to where it belongs—hometown USA.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Illinois.

Mr. SIMON. Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SIMON. Mr. President, let's face it, our choice is: hurting poor people and gaining some votes in the process, or appearing to stand for something that we all know needs change and losing votes but not hurting poor people.

My friend from Virginia, for whom I have great respect, says this is a helping-hand bill. The Urban Institute says we are going to put 2.6 million more Americans into poverty, 1.1 million more children. That is not the kind of helping hand we need. We already have 24 percent of our children living in poverty. No other Western industrialized nation is anywhere close to that, and we are compounding the evil.

I am supporting Bill Clinton for reelection. In many ways, he leaves a good legacy. But let no one make any mistake about it, he is marring his legacy by signing this bill. He may gain a few more votes on November 5, but he is hurting history's judgment of what he is doing as President.

This is not welfare reform. This is political public relations.

I heard one of my colleagues, for whom I have great respect, say we have to change the system of children having children. Of course we have to change the system of children having children. But this bill does not do one thing in that direction. And it should be added that the birthrate among people who have welfare is going down, and going down significantly.

Second, I say to you, Mr. President, we have about a million teenage pregnancies each year, about 400,000 of which end up in abortions, incidentally. What we know is those who are high school dropouts are much more likely to be involved in teenage pregnancies. You want to do something about that? Let us put some money into education, not this phony bill that is going to cause great harm.

Will Durant and his wife have written great histories: ''Reformation,'' ''The Age of Napoleon,'' and so forth. But Will Durant wrote a small book called ''The Meaning of History.'' In that small book, in ''The Meaning of History,'' he said: ''This is the history of nations, that those who are more fortunate economically continue to pile up benefits, and they press down

those who are less fortunate until those who are less fortunate eventually revolt.''

What are we doing here in this session of Congress? We are giving the Pentagon, this fiscal year, $11 billion more than they requested. We are going to have some kind of tax cuts that particularly benefit those of us in this Chamber who are more fortunate economically. And with this bill, for the next 6 years, we will be cutting back $9.2 billion a year from poor people.

I am for genuine welfare reform, but genuine welfare reform requires providing jobs for people of limited ability and providing day care. I have a bill in that says you cannot be on welfare more than 5 weeks—in some ways, tougher than this—but then the Federal Government has a WPA type of job available. We screen people as they come in, and if they cannot read and write, we get them into a program. If you have no marketable skill, you get them to a technical school or a community college. That would be genuine welfare reform.

But as Gov. Tommy Thompson has pointed out—a Republican, incidentally—if you are going to have welfare reform, you are going to have to put in more money upfront, not less money.

I like Senator FEINSTEIN's remark that this is the moral equivalent of a ''Dear John'' letter to the poor people of the Nation. She is, unfortunately, right.

In October—the Presiding Officer is someone who has a sense of history—in October, we have Roosevelt History Month because we thought at that point we would dedicate the Roosevelt memorial. It looks like now it will not be ready then. But we will celebrate, that month, when we had a great national leader who lifted the poor people of this Nation. Two months prior to that, we are going to celebrate by pushing down the poor people of this Nation.

Let us be very practical. A woman who lives in Robert Taylor homes in the south side of Chicago, desperately poor, lives in a public housing project, has three children, and with this bill—and she has very limited skills because she went to poor schools, probably can barely read and write—with this bill we are saying to her, you can at the most stay on welfare 5 years, maybe only 2, but we are not going to provide any job for you, we are not going to have any day care for your children.

What does that woman do if she wants to feed her children? Does she take to the streets in crime? Does she become a prostitute? I do not know, nor does anyone else in this Chamber.

Let me pay tribute to two people here, one who just spoke against this before, Senator CHRIS DODD, who is the Democratic national chairman and who is interested in votes. But despite being Democratic national chairman, despite the stand taken by President Clinton, CHRIS DODD stood here and said this is bad for the children of America. And PAUL WELLSTONE, up for reelection, showing great, great courage.

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

Mr. SIMON. I yield myself 30 additional seconds.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SIMON. When my friend from Virginia, Senator WARNER, said the States will protect people, I think of the bill we finally passed when I was over in the House to protect children who wanted to go to school who had disabilities. The States said, ''If you're in a wheelchair, if you're blind, if you're deaf, sorry, we're not going to force education for them.'' The majority of the mentally retarded were not being given any help by our public schools. The Federal Government came along and said, ''You are entitled to this.'' The Federal Government protected people with disabilities, and the Federal Government should protect poor people in this Nation. We are not doing it with this legislation.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield to the Senator from Ohio 8 minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Thank you, Mr. President.

This legislation that we will pass in the next 2 hours is truly historic. It recognizes, literally for the first time in 60 years, that when it comes to lifting people out of poverty, Washington does not have all the answers. In fact, I think most of us know Washington has really few answers in this area, because the true innovation, the true changes that we have seen in the last decade in regard to welfare reform has come from the States. That is what this bill will foster. That is what this bill will allow.

Mr. President, there has been a great deal of controversy about many parts of this bill, but I believe what unites just about everyone in this debate is a realization that the current system simply is not working, that the status quo is unacceptable. We disagree about what should replace that system.

That is why one chief merit of this bill is that it gives the States the flexibility to reinvent welfare, to find out what works, what does not work, and once we find out what works, to build on that. That experimentation has already started in the States. The only thing that is holding it back, frankly, is the Federal Government. And this bill allows for more experimentation, it allows for new ideas.

Mr. President, compared to the current system, a failed, top-down system that fosters the cycle of dependency that blights so many parts of America, this is a huge improvement. And there are other improvements, Mr. President, in this bill as well.

This bill reestablishes the connection between work and income, the time-honored idea that people should work to get income. The current welfare system cut the nexus between working and making money. This was one of the great mistakes of our social welfare policy. People do need a hand up. They need help. And this welfare bill gives them a hand up.

I am also very pleased, Mr. President, the bill includes a ''rainy day'' contingency fund for the States. As a former Lieutenant Governor, I know how vulnerable a State's budget is to an economic downturn. Many States, such as my home State of Ohio, are required by law to balance their budget every single year, no matter how hard the economic times are. We need to make sure that the poorest Americans are taken care of when that contingency arises, thus the contingency fund in this bill.

That is why, Mr. President, I offered the amendment for the contingency fund last year. I applaud the conferees and the leadership for the decision to include that contingency fund in this package as well.

I also think this bill's crackdown on unpaid child support is a terrific idea and long overdue. As a former county prosecutor, I dealt with these child support cases all the time, and I can tell you that when child support goes up, the welfare rolls go down. It is as simple as that.

One provision in this bill that I am particularly proud of is one I proposed as an amendment to last year's welfare reform bill. It has been included in this bill as well. It would give States added tools in their efforts to track down the bank accounts of deadbeat parents.

Mr. President, in this bill, we are strengthening the States as they attempt to go after the delinquent and deadbeat parents. It is absolutely essential that we strengthen the ethic of personal responsibility in this way. We need to make it absolutely clear—America demands that parents be responsible for their children. Deadbeat parents cannot be allowed to walk away from their responsibilities. In this bill, we deal with that.

We also provide a strong safety net at the same time, a strong safety net for people who need help. The bill passed the House by a broad bipartisan vote, 328 to 101. I expect it will pass the Senate overwhelmingly later this evening. I applaud the President for his decision to sign this bill. My only regret is that we lost time. We lost a year. Last year, the President had welfare reform before him. He decided to veto the bill. This bill is no different, not significantly different in any way. I am pleased to see that the President has changed his mind and that he now intends to sign the bill.

Today, the American people can be proud of this legislative process. We are about to pass a bill in a couple of hours that offers the best hope in our lifetime for breaking the cycle of poverty. It is a bill that provides hope, hope for the people on welfare, and hope for the idea that we can change

welfare, change the system that clearly has not worked. It has been a system that has kept people down, a system that has promoted illegitimacy, a system that has not given people hope. Today we take a major step to change that.

Mr. President, let me conclude by stating that we have heard a lot of comments today on this floor about children. I think we should not fail to realize that the chief victim of the current welfare system, the chief victims, are the children. If anyone doubts that, talk to families who are on welfare. Talk to the children. I believe the chief benefit of this bill, quite frankly, is the hope it holds for these children.

I thank the Chair and I yield the floor.

Mr. ABRAHAM. In the absence of a speaker on the Democratic side, I yield myself up to 10 minutes to speak at this time.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, as we come to the conclusion of this debate, I think we should be proud of the efforts of the Senate and of the Congress. For the better part of 2 years we have now been working toward, I think, a very positive conclusion to the debate on how we assist those in our society who are the most needy.

It is clear from an examination of the past 25 to 30 years that the so-called war on poverty has been, at least up until now, won by poverty. Although trillions of dollars, over $5 trillion, has been spent during this past 25 to 30 years to try to fight that war, we find today virtually the same percentage, if not a greater percentage, of Americans below the poverty line than was the case when the war began. We have spent, as I say, a lot of time debating in this Congress and in previous Congresses why that is the case.

It is quite clear, and I think acknowledged now by virtually everybody who has been involved in this debate, that the process, the welfare system in this country, is a principal reason why the war has not been won. Some would say, yes, there is a problem, but we have yet to come to the proper solution to that problem. However, I disagree.

Indeed, we have worked very hard for, as I say, almost 2 years in this Congress, building on work done in previous Congresses, to find the solution. I believe this legislation, although maybe not ideal from the perspective of any single Member, including the one from Michigan, is, nevertheless, a major step in the right direction.

I believe this approach will work, Mr. President. It will work for a variety of reasons. First, it will work because it vests far more flexibility and far more decisionmaking and far more authority in the 50 States. There may have been a time in this country when some States and communities did not step up to their obligations to assist those in need. That is certainly not the case today. I do not know of one person in this Senate who has stood up here and said: ''My State will fail; my State will not take care of people; my State cannot meet the challenge; my State is less compassionate than the National Government.'' I have not heard one Member say that. That is because not one Member could say that, Mr. President.

The States are as compassionate and as capable and more knowledgeable about the problems confronted by their citizens than bureaucrats in Washington. This legislation gives those States the chance to translate their compassion and their insight and their expertise into the action it will take to assist people in need to move out of poverty and on to the economic ladder.

This legislation works, also, Mr. President, because it changes the incentives. Yes, we place some tough standards in this legislation, incentives to people to get out of the welfare dependency role and on to and into the work force. We put time limits. We put the kind of tough standards that will cause people to understand that poverty is not the way of life, that welfare is not the way of life, and to seek the assistance of government at all levels to obtain the training and the assistance and the help it will take to move into productive work. It changes the incentives in the right direction.

The legislation is important, also, Mr. President, because for the first time it allows us to begin addressing one of the most important problems we confront in this country, the problem of the rising rate of illegitimacy, of out-of-wedlock births in America. We provide in the legislation incentives for States to find ways to solve the growing number of out-of-wedlock birth situations, incentives in the form of more dollars for the various problems if States can address effectively these issues and these problems, and do so without increasing the abortion rate at the same time.

Finally, this legislation makes sense, Mr. President, because it means less bureaucracy. In my State of Michigan, we think we have a pretty darn good formula for addressing the problems that confront our most needy citizens. Too often, however, Washington bureaucracy and red tape make it impossible to accomplish our objectives.

Just to put it in perspective, when we talk to people in our Family Independence Agency—it used to be called the Department of Social Services; we tried to change the title to change the philosophy as to our objectives in that agency—the front-line case workers, the people who are supposed to be out there at the front line assisting folks to get out of poverty and on to the economic ladder, two-thirds of their time is not spent helping people get off welfare. Two-thirds of their time is spent filling out paperwork, almost all of it coming from Washington. We believe in our State, for example, that we can take what is now a 30-page form that must be filled out by folks who are going to go on to assistance programs and reduce it to about 5 pages, one-sixth the size of the form that currently is used. The time the case worker would have spent filling out the other 24 pages can now be spent helping the recipient figure out what training programs and what strategies will work to give them an opportunity to be productive and to get on the economic ladder. We think we should have the flexibility to get rid of the bureaucracy and to get rid of all that paperwork and concentrate on the true challenge that we have.

For these reasons, I think the program that we are about to pass tonight is a sensible approach. I think it will do two things. I think it will help the people who need help and give confidence to people who have lost it in our system, the people who pay the bills, the taxpayers, who are frustrated by what they see as a losing war on poverty, confidence we are moving in the right direction. I think that will translate, Mr. President, into more support for social agencies across our States and in our communities, for charitable organizations, for other types of approaches that will assist government in getting the job done.

Finally, let me conclude with a comment about one particular topic that has been discussed at great length during this debate. That is the issue of children. We all have different perspectives on this, of course. As I look back at the last 30 years, as I hear story after story from the people in our social service agencies about families in a cycle of dependency, about kids without hope, of rising crime rates among young people, of increased drug usage rates, of kids having kids, I can't help but think that what we have today has to be changed if we really care about helping kids. If we really want to help the children, we certainly should not, in any sense, continue this legacy, continue the system that has created so much unhappiness and so much hopelessness.

Let us replace the hopelessness with hope, Mr. President. Let us finally put all the words and all the rhetoric of many years of campaigns and Congresses into action. Let us do it tonight. Let us finish the job and move in a new direction. Let us solve the problem. Let us help our most needy citizens in the best way possible.

I yield the floor.

Mr. EXON. Mr. President, I yield 7 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I thank the Chair. Last year, I voted for the bill that the Senate passed 87–12 that went to conference committee. The conference committee moved significantly back, so much so that the President saw fit to veto it. I voted for the bill that came back. I voted for the bill that went to the conference committee this year. I listened very carefully to

the comments today of my colleagues about this bill that comes back from the conference committee.

This bill that returns to the floor contains a number of important improvements from the bill that was vetoed last year. The agreement before us assures that almost all categories of citizens who are willing to work who are now eligible for Medicaid will continue to be eligible for health care in the future. The bill increases child care funding levels by $4 billion over that which was vetoed. It doesn't include the optional food stamp block grant, so our Nation will continue to have a national nutritional safety net that is below that which I think is necessary. The new bill also maintains the child care health and safety protections contained in the current law and reinstates a quality set-aside.

Additionally, whereas the vetoed bill block granted administration and child-placement services funding, this bill before us retains the current law on child protection entitlement programs and services. And, finally, compared to the vetoed bill, this new bill increases the contingency fund from $1 billion to $2 billion to provide States with more protection during an economic downturn.

Perhaps most important in the new bill is the child-support enforcement measures. These enormously significant changes will result in the most sweeping crackdown on deadbeat parents in history. As the President said yesterday, with this bill, we say to parents that if you don't pay the child support you owe, you are going to have your wages garnisheed, your driver's license taken away, and people will be chased across State lines and tracked, and, if necessary, people will have to work off what they owe. That is a monumental shift in attitude and culture; although, ultimately, I believe without equivocation, that we will have to go further toward a national system, because one-third of all child-support cases are interstate cases. The measures contained in this bill will dramatically improve the child-support system so children can get the support they need and deserve.

Notwithstanding these good advances, Mr. President, I have also listened carefully to my colleagues on the floor, those who oppose it. There is not one of them who has not expressed legitimate concerns, legitimate fears. I respect those concerns and those fears, and I do not believe that there is one of them who does not want welfare change in this Nation. But I do believe we are voting today on a fundamental decision about change and what we are going to try to do. The fact is that we are really codifying what 40 States are already involved in, because there are waivers all across this land. And we are codifying something for a period of 5 years, a 5-year experiment, during which time, the 5 years, the full amount of time that people have before they would be cut off, will not have yet expired. We will be reconsidering it before that date comes.

I believe that my colleagues who have cited problems that still remain with this bill are correct. But there is no way to a certainty, Mr. President, to say what the interaction will be with those who will go to work, those who will benefit from the increased minimum wage, those families that will benefit by increased purchasing power from the combination of work and minimum wage, and therefore less need for food stamps. There is no way to say to an absolute certainty what the impact of a new culture will be on children or the relationship of family.

What we do know is that it will be new, and what we do know is that it carries risks. Mr. President, we also know some things to a certainty. I agree with the President and colleagues who come to the floor that, although we made great strides to maintain the fundamental nutritional safety net, we do cut deeper than necessary in this bill. And I am disappointed in the bill's provisions on legal immigrants. Legal immigrants are people who pay taxes, they can be drafted, and they are in this country completely legally. The harmful provisions that are in this bill have nothing to do with welfare reform. They are fundamentally a savings mechanism. I will do everything in my power, Mr. President, to see that we change those measures as rapidly as possible to adjust.

But as the President said yesterday, immigrant families with children who fall on hard times through no fault of their own should be eligible for medical and other help when they need it. If you are mugged on a street corner or are in an accident or you get cancer or the same thing happens to your children, we are a society that should provide some assistance. I will do everything in my power to fight for that.

Finally, I was also disappointed that we weren't able to have the vouchers for children as a matter of automatic. But, Mr. President, as I balance the equities of this bill, the need for change, against those things that we can remedy and against the experiment that is already taking place in this country, it is my belief that the bill before us will ultimately provide a leverage for change that will also change the dynamic of the debate in this country, and that is why, ultimately, I choose to vote for the change and choose to vote for this bill.

For years now, the poverty rate for children has already been going up in America. We have the highest poverty rate of any industrial nation in the world. But when we come to the floor of the U.S. Senate to try to do something for children, we are told, well, now, wait a minute, their parents don't want to work, or it is the welfare system that created the problem. In fact, the welfare debate that has been so adequately distorted in so many regards obscures the real debate about children and about how you put people to work.

Mr. President, I am convinced that by taking that off the table, we are, in fact, going to begin the real debate in this Nation today about how we adequately take care of those kids.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERRY. I ask for 1 additional minute.

Mr. EXON. I have exactly 1 minute left. I yield that 1 minute only to the Senator from Massachusetts.

Mr. KERRY. Thank you. Mr. President, I believe that, by taking this away, providing we are vigilant and providing we all mean what we say, providing we are prepared to do what we ought to do in conscience, we will now begin to focus on the children of this country and we will begin to focus on the real work of how you put people to work. I believe that is the most important debate that the country can have and take away from it any demagoguery or artificiality that is placed in front of us about welfare or stereotypes with respect to it. I believe it is an important change.

Yes, people ought to work. Hard-working American citizens should not be required to carry people. But we also have to be honest about the difficulties of some of our population trying to actually find that work. We should not hurt children.

I want to spend every ounce of energy I have, Mr. President, on the floor of the Senate to stop the business of the Senate, if necessary, to guarantee that we fulfill that commitment as we judge how this works over the next months and years.

I thank the Chair.

Mr. EXON. Mr. President, I yield 5 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Thank you, Mr. President. I thank the distinguished floor manager from Nebraska.

Mr. President, let me say, first, that nobody knows better than I that our welfare system does not work very well. Everyone who is going to vote against this bill today said they do not like the system, that it is broke. There is a lot of truth in that.

There are a number of reasons I am going to vote against this bill. First, the bill is not going to address those deficiencies we all know exist in the system. Second, I am going to vote against it because it discriminates against my home State of Arkansas in a massive way. Children in my State will get $390 a year. Children in Massachusetts will get $4,200 a year; in Washington, DC, $2,200 a year. You tell me why a child in Arkansas is worth $390 a year and $4,200 in Massachusetts. You expect me to vote for a formula like that, one that does not even take into consideration how many poor children are in your State?

Everybody hates welfare. I am not too crazy about it myself. But I will tell you one thing. I have seen it firsthand. I have been in the ghettos of my

State in the Delta. I can tell you it is not a pretty picture. Mr. President, I find it rather perverse that 535 men and women who make $133,000 a year will be voting on whether children are going to eat or not, whether their mothers are going to eat or not.

Never has such an important piece of legislation been crafted in such a highly charged political environment. Everybody understands precisely what the politics of this whole thing are. The election is coming up. So we have to do it. I said the other day that there ought to be a rule in the Congress against considering bills like this during an election year. The American people detest welfare. I understand that. But there ought to be a rule against considering these kinds of bills that affect the very fiber of this Nation in an election year.

This is the first time in my lifetime we have deliberately and knowingly and with some elation turned our back on the children of this Nation. I still believe those Methodist Sunday school stories I heard about ''blessed are the poor.'' I used to be one of them.

We are going to kick people off welfare and tell them to get a job. I would like to invite all of my colleagues to go to the Arkansas Delta. I will pick out a dozen communities for you to visit, and then you tell me after you have kicked these mothers off welfare where they are going to get a job; 50 percent of these mothers will be kicked off the welfare rolls after the first 2 years. There are no jobs.

We could not even find it in our hearts to provide vouchers for mothers so they could provide diapers, medicines, and other necessities for children. We wouldn't even give them a voucher to buy nonfood products for their children. I can't vote for this.

We have one out of every five children in this country in poverty. You think of it. One out of every five children in this country, 20 percent, now live in poverty. Every single study of this bill says there will be a minimum of 1 million to 2.5 million children added to those rolls within 5 years.

Oh, Mr. President, I could go on and on about why I am not going to vote for this bill. Simply, I just can't find it in my heart to vote for a bill that I consider to be punitive. Punitive toward whom? Not just some lethargic person on welfare, but innocent children. If you are a legal alien and the school district wants to take your child, that is their business. We are not going to pay for it. So if you are a legal alien, you have a right to be here, you work here, you pay taxes here, and you send your child down to the school. They may take your child, but they will not let him go to the lunchroom because the Federal Government pays that bill, and ''We ain't paying.'' We are not going to pay it. I have heard it said that 47 members of our Olympic team are legal aliens, or children of legal aliens. Tonight, instead of honoring them during the Olympics, we are turning are backs on them.

So, Mr. President, I admit I am softhearted. I am very compassionate toward children and women. So I just simply cannot vote for this bill. I wish everybody well, and I hope it works. I do not believe it will.

I yield the floor.

Mr. SANTORUM. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Thank you, Mr. President.

Mr. President, I speak as someone who has worked on this issue for now 4 years. This is a very meaningful thing for me personally. But I think, as I look at this legislation and as I look at the process it has been through, I can't help but think what we are doing here is probably the most significant piece of social welfare legislation that we passed maybe since the mid-1960's, and I would even suggest possibly since the 1930's. So it is a very significant day. We are making monumental decisions here that are going to affect millions of people.

I understand that the passions run very high on both sides of the aisle on how desperately we need these changes, as some suggest, and how erroneous these decisions are by others who oppose the bill.

If I can for a moment, because I know there has been a lot of debate about why we need to make these changes and what the bill does or does not do, or should or should not do, let me talk for a minute as to how this bill got here.

I think, if you look back at the genesis of this proposal, you have to go back to the House of Representatives. A task force was put together by NEWT GINGRICH, a task force on welfare reform when we were in the minority over in the House back in 1993. He asked me, as the ranking member on the Ways and Means Subcommittee of Human Resources, to chair a task force of members of the subcommittee and other people, including the former Governor of Delaware, MICHAEL CASTLE, the Governor from Missouri, and a few others, to sit down and try to put together a bill that would follow through on ending welfare as we know it.

We got all sorts of testimony from people. We talked to literally hundreds of people all over the country about the problems in the welfare system and listened to all of the experts and pseudoexperts on the issue of welfare—frankly, not just from conservatives but from across the spectrum—as to the pitfalls that we might encounter.

Let me first state that this was an extraordinary thing to do. We actually took this very seriously. When you are in the minority, when you work on a major issue like this, most people do not pay much attention to what you do. ''You are not going to pass this bill. It is not going to become law.'' So there is sometimes a feeling, ''Well, let's just sort of put together what we can, sort of patch together some popular ideas, throw it out, and it will get a story for 1 day and no one will pay much attention to it after that.''

I can tell you that myself, NANCY JOHNSON, CLAY SHAW, MICHAEL CASTLE, and a whole lot of other folks who were in the House last term took this as a real serious responsibility. We met literally for, I think, 6 or 7 months, every week, hours upon hours each week, just over every single item in the legislation.

It was a wonderful experience for me. But I think it was a great experience for all of us to see the real complexities of what we are dealing with. I think we got a real understanding of some of the concerns that Members have expressed here.

We came out with a bill in November of 1993. It addressed for the first time issues like the paternal establishments which are in this bill. The provisions we wrote in this bill almost 3 years ago are almost identical. In fact, I suggest they maybe are identical to the provisions that are in the bill today that we addressed—the issue, for the first time ever, of immigration and benefits to legal aliens. It was the first time the bill had come up and addressed that issue. And those provisions are in this bill today.

We addressed the issue of illegitimacy. Again, that was a word that, frankly, we were not supposed to use anymore. It was a politically incorrect word. You were supposed to use the word ''out-of-wedlock birth.'' We addressed that issue for the first time and really brought the attention of the welfare debate on this scourge in our Nation.

I know it has been cited here before, but in 1965, the illegitimacy rate in this country was about 5 or 6 percent. Today a third of the children in this country are born out of wedlock. I am not saying that welfare is the sole cause of that. It certainly is not. But it certainly is a contributing factor, in my mind and, I think, in other people's minds. We were trying to come up with ideas, some of which were included, and, frankly, a lot were not. But we pushed the envelope for the first time. We put this in the forefront and made it an issue of debate. Yes; we had time limits on welfare. Yes; we had work requirements—real work requirements. And those time limits of 2 years without having to work and 5 years total on welfare are in this bill today.

If you go back and look at that original draft, I think you are going to see a lot of similarities in child support enforcement and a whole host of other areas that are in the bill today. And I think it is a remarkable compliment to the men and women who worked in that group that their hard work, seemingly fruitless at the time because we were a minority, had absolutely no hope that we would ever be in the majority but cared enough—I think that is the point I am trying to make—we cared enough about this system and the destruction that the system was

causing, we cared enough to spend hours and hours of time to put together a bill that we felt truly would change welfare and end the despair and the dependency that this system has created.

So I congratulate my friends in the House who made a tremendous contribution to the original bill, and I congratulate others for the successor bills, the bills that were introduced in the Senate by Senator Packwood and in the House subsequently by CLAY SHAW, who was a member of that original working group. They took the next logical step and moved the ball forward on a few issues, fell back a little bit on others, but that is how the legislative process works. We tried to meet the concerns of, frankly, both sides of the aisle. And I know when Senator Packwood, and then subsequently when Senator ROTH took over the Finance Committee, we actually crafted a bill here on the Senate floor last year that got 87 votes and then recrafted another bill, very similar to the bill that passed last year, and got 74 votes, and I suspect we will get maybe even a few more than that this time around. They did the same thing in the House and continued to get more bipartisan support as we worked through some of the difficult issues of welfare reform.

The core of those bills remains the same, and that is that we are going to do something about illegitimacy. There is an incentive now sponsored by Senator ABRAHAM, one of the improvements to the bill, for States to reduce their illegitimacy rates, and there is a cash bonus for States that are able to reduce that statistic, that cruel statistic to children. And I say cruel because go through all of the evaluation criteria: Children who are born to single-parent households are more likely to be poor, are more likely to be on welfare, more likely to do poorer in school, more likely to be victims of crime. You can go on down the list. We are doing no favors to children when fathers are told that they are expendable.

In the welfare system that we are creating here today, fathers are no longer expendable. Fathers are going to be required to be responsible for the children. Mothers are going to be required to cooperate with the Government in establishing paternity—two things that were in the original bill that we drafted 3 years ago that have stood the test of time and scrutiny in both Houses of Congress, because it is the right thing to do. We have stood up and said families are important under this bill. We have stood up and said communities are important.

Senator ASHCROFT, in another good addition to this bill, said that religious, civic, and nonprofit organizations in the local communities are going to be much more able to be part of the system of welfare, of support of the poor than they are today, are going to be eligible for more funds and more opportunities to help the poor, which they do much better, much more efficiently, but, frankly, even if they did not do it more efficiently, they do it more compassionately. They do it with love for their neighbors and the people in their communities, not out of some sense of duty because it is their job.

We have changed welfare in this bill, and we have done it over a long process. Those who would suggest this is just something that was thrown together at the last minute before an election do not know the work, or either choose not to recognize the work that has been put into this bill, the time and the debate, the hours of the debate here on the floor and over in the House, in the conference committees, to try to come up with a carefully crafted bill that is truly compassionate and not compassionate in the sense that the Federal Government is going to go out and take care of every person's need who is poor.

I think we have shown that that system is truly not compassionate because when the Federal Government comes in and takes care of every aspect or every need that even a child has, then the Federal Government, in fact, becomes the replacement for the others whose responsibility it truly should be to take care of that child. We have said to the father, again, you are not necessary. We have said to mothers, you do not have to work; we will provide—some distant bureaucrat will send a check to provide for you.

That is not compassion. Compassion is having a system that builds families so there is an environment there for children to flourish. Compassion is a system that supports neighborhoods and civic organizations, mediating institutions that DAN COATS talks about so often that provide the values and community support for families that they need to help take care of children, to create the neighborhoods where children are no longer afraid to go out and play on the playground because they could step on some drug-infected needle.

No, this bill is all about creating a community, creating a support network and environment at the level most important to that child as opposed to that bureaucrat sitting behind the bulletproof window passing out the check every month, saying to that person on the other end receiving that check that you, because of your poverty, are unable to provide for yourself and your children and you need to be dependent upon us for your life.

The Senator from Arkansas said it is a tragedy that one in five children in this country are in poverty, and I agree it is a tragedy. And he said it is going to get worse. I suggest he is wrong. I suggest the tragedy is as bad as it is going to get, and there are plenty of organizations as a result of this bill that are going to get the opportunity to step forward, including the family.

I feel very good about what we are doing here, and I would say, as my friend and colleague in the House, CLAY SHAW, said many times, I am not suggesting this bill is perfect. I grant you this bill is not perfect. No bill is perfect. But I can guarantee you that this is a dramatic step forward that this country has asked for and is getting from a Congress that is listening.

Yes, we will make mistakes. Unlike those who crafted the current system in the thirties and in the 1960's, we are going to be willing to come back here and look at those mistakes. We are going to be willing to come back and face those problems, because we understand, unlike those who crafted the last system, that we do not have all the answers here, that we do not have the omnipotence here to decide what is best for everyone.

This is a grand experiment, one that we must take if we are going to save children in this country and, more importantly, to save the fabric of America for the next and future generations.

Mr. President, I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I advise Senators on both sides of the aisle that we have 11 minutes remaining. I am about to yield 7 minutes to the Senator from Florida. There will be 2 minutes to Senator HEFLIN and 2 minutes to Senator FORD.

I yield 7 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, when we voted on this matter a few days ago, I voted ''no.'' Today, I am going to vote for the conference report, and I wish to explain why I am taking that position.

As I assessed the conference report, it seemed to me that we had basically two options. One option was to wait until there was a better point at which to commence and continue our effort at welfare reform and be prepared to accept the status quo until that second opportunity presented itself. I felt that was likely to be a long time from tonight.

The second option is to accept a clearly less than perfect bill, I would say, accept a flawed bill, but one which represents a step in a multistep process leading toward a fundamental transition from a welfare system that has focused on providing for the needs of a dependent population to a welfare system that provides the ladder by which people can move from dependence to independence. I believe it is more appropriate to take that second road. I believe this is the time to take that leap of faith.

To use some statistics from my State of Florida, 3 years ago, in 1993, we had an unemployment rate of 7 percent. We had 254,000 persons who were on the AFDC caseload. That is 254,000 families that were on AFDC. Today, in 1996, we have a 200,000 AFDC caseload, a reduction of 54,000 in 3 years. That says that we are in a period of a strong economy, creating jobs, providing people with the opportunity within the current system to get off welfare and to get a job.

I think that is the ideal environment in which, now, to have this new system which will be giving to the 200,000 who are still on welfare the means by which they can get a job and end dependence. If we cannot make this transition work under the economic conditions that exist in my State and most of the States of America in the summer of 1996, then I doubt we will see a time in the foreseeable future when we could make this system work.

It is for that reason that our Governor has announced his support for this program. It is for that reason our legislature has passed its own version of welfare reform, building on important demonstration projects in our State which have tested out what is going to be required in order to make this new system achieve its objective.

I stated candidly that this is a bill which is far from perfect, and which has some flaws. That presents, as I believe the Senator from Pennsylvania just stated, the agenda for our action in the future. I suggest two areas in which I think that attention should be focused. One of those is on the basic financial arrangement between the Federal Government and the States. We start this in a period of prosperity. We know the business cycle has not yet been repealed. There will be times when we will return to the circumstances of the early 1990's, when we had unemployment rates ranging from 7.4 to 8.3 percent. We need to relook at our financial relationships to assure that we have the flexibility, the elasticity in order to protect States during those downturns.

We need to also look at the issue of fairness of allocation. I continue to be distressed at the fact that we are using the old method of allocating Federal funds, the formula that we developed for the system we are now rejecting as we move into the new system. I suggest that is inappropriate, an inappropriate bit of baggage we are carrying with us and it is going to be a heavy piece of baggage, in terms of achieving the objectives of moving people from welfare to work, particularly in States such as Arkansas, which start this process as very low beneficiary States and are therefore restricted in the amount of funds they will have available.

The second area in which I believe we need to focus our attention is on the issue of legal aliens. It confounds me as to why legal aliens were brought into this bill, which has, as its title, welfare reform. That has very little relationship with the severe cutbacks in benefits for legal aliens. These are our parents and grandparents of just a generation or two ago, who came to this country seeking the freedom of America. Now, those who have followed them in that 200-year quest for those values of America, we are now putting into a second-class status. There is no relationship to the goals we are trying to achieve in welfare reform. It has a lot to do with the fact this is a voiceless, vulnerable population, from which we can seek some additional resources in order to meet our budgetary goals.

Let us be clear, this is a budget issue, not a welfare reform issue as we speak of legal aliens. And it is going to be a major budget issue for those communities which have sizable numbers of legal aliens who will now become an unpaid charge to the local public hospital. So that area will also require our attention.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAHAM. Mr. President, I conclude by saying it is with a leap of faith that we undertake this initiative. I think we are doing it at a time which gives us the greatest hope and expectation that faith will be justified.

Mr. DOMENICI. Mr. President, Senator SIMPSON is next. I believe he has asked us for 10 minutes? Up to 10 minutes.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank Senator DOMENICI, always, for his courtesy, his kindness and his generosity in what he does for all of us; and to recognize once again how hard he works. And, also, Senator EXON, who came here to this body when I did. I do not think anyone realizes the task of the chairman and ranking member of the Budget Committee and what they do. Through the years I have watched with awe, as they deal with every single issue that confronts us and do it with a steadiness and skill that is enviable. I do mean that.

I think we have a good measure here. It has certainly been through the grinder. We have all looked at it carefully. There is nothing new in it. I support it. I served on the Finance Committee. I listened to the hearings. I tried to add my own dimension of activity and support to it in its passage. So I commend those who have worked so hard on this issue. I commend the President who has indicated he will sign the bill.

There are some troubling things in there for me. One especially, because I did not have any real active participation in it, and that is with regard to the benefits to legal immigrants of the United States. There is a great difference between an illegal immigrant and a permanent resident alien. We should not be making distinctions on permanent resident aliens, in my mind, to the degree here. I did not participate in any aspect of that because I felt it would detract from what I was trying to do with legal and illegal immigration—which we have dealt with, and legal immigration, which we did not deal with.

Next year, when legal immigration goes up from 900,000 to 1 million people, the people of America will wonder what we did in this Congress. But I think we will deal with the issue of illegal immigration. We are not far from resolving that.

MENTAL HEALTH PARITY

Mr. SIMPSON. Mr. President, let me just say I am deeply troubled the conferees for the health insurance bill have apparently decided to not include any form of mental health parity on the final bill. In April, 68 Senators voted aye on an amendment by Senators DOMENICI and WELLSTONE that would prohibit health plans from discriminating against people who have mental illness. This amendment was not a sense-of-the-Senate proposal or some meaningless resolution. We do plenty of those in this place. They always come back to haunt us, but we do them all the time—sense-of-the-Senate this, sense-of-the-Senate that. That is not what this was. It was a real piece of legislation.

It was real legislation that expressly prohibited health plans from imposing treatment limits and financial requirements on services for mental illness that are not also imposed with respect to physical ailments. It was deeply gratifying to me personally to see so many Senators cast a rollcall vote, clearly ''on the record,'' in bipartisan support of ending this terribly unfair discrimination.

It is discrimination, that is what it is. We talk about that all day in here. If there is ever a more blatant form of discrimination, I do not know what it is. To think we still carry such a stigma in society of mental illness is dark ages stuff.

So 3 months later, I am absolutely stunned that we are unable to gain support for the Domenici-Wellstone compromise which represents a very mere ''slice,''—a minuscule slice—of the original amendment that received 68 votes.

All this compromise would require is that mental health ''parity'' be achieved with respect to annual payment limit caps and lifetime caps.

I think it is rather curious that the conferees rejected this compromise, held tough for so long and, at the same time they accepted another compromise on medical savings accounts which received only 46 votes on the Senate floor, and I am one of the 46 who voted for medical savings accounts.

I am pleased we were able to work out an agreement on that aspect of the bill, but I certainly must question why the same spirit of cooperation was nowhere to be found when the issue of mental health was considered.

I am especially troubled that some of the special interest groups—boy, have they been sharpening their fangs in this session of the legislature; I have felt a little of it—have been so aggressive in lobbying against this compromise. To say that this small measure of parity is too costly is absolutely utterly absurd. As Senator DOMENICI pointed out, this entire bill is a mandate. To single out this one lone lonely mental health provision and label it as a costly mandate when the whole thing

is a mandate is a classic example of absurdity and discrimination. Yes I will use the term one more time.

Sadly, that is what this debate is now all about. Discrimination is surely not something new to those who suffer from mental illness, I say to my colleagues. They have had it for a lifetime, and the stigma hangs and it is demeaning and it is wrong. It is not something we should accept without a good fight.

I have deepest admiration and respect for my friend Senator KASSEBAUM. She too came here when I did. I would certainly hate to see her work product injured or disrupted, but I respectfully urge my colleagues to consider what we are doing, and I hope Senators DOMENICI and WELLSTONE will work toward some other result, and I will work with them in that objective.

It is time to rid ourselves of this tragedy of stigma and discrimination. To see the business community do what they have done with regard to this issue deserves closer attention from all of us on this and other issues of the day where they apparently feel a great strength surging through their muscles and they do things they never did before. We will address that at some future time, too.

I certainly respect those who have worked so hard to bring this about and will certainly give my full energies to seeing if we cannot get a better result. I thank the Chair.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank Senator SIMPSON. I think he will join me in saying, as both of us talk to the business community about what they have done here, we want to acknowledge that some very good businesses in America already have decided to cover mental illness, and none of our remarks are directed at them. There are many self-insured and otherwise who are doing a good job of considering this discrimination.

I thank him for his remarks.

PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. EXON. Mr. President, I yield 2 minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, 1 week ago, I voted for the welfare reform legislation that passed the Senate. Previously, I had supported two alternatives—one a Democratic version and the other a bipartisan alternative. Although both these attempts failed, some of their provisions were adopted into the bill that passed, making if far better by providing a wider safety net for children and the poor.

The conference report before us now is not as good as I would like. It probably is not anyone's ideal plan for welfare reform. Frankly, I think the Senate's version was preferable to this conference report. But, while some provisions within the legislation are still troubling and need to be reworked down the road, at least we are off to a good start in reforming a system that we all agree to a good start in reforming a system that we all agree is broken and needs to be overhauled. One thing is certain: regardless of its shortcomings, this bill is a product of sincere efforts to end the harmful dependency and other severe short-comings which currently exist in our welfare system. Throughout this debate and these difficult negotiations, I have been impressed with the diligence, tenacity, and honesty which Members have displayed in trying to come up with an acceptable plan to end welfare as we know it.

The measure we are considering today does, in fact, represent a change in philosophy in how we think about children and families. This is the most significant and sweeping change in the social compact of our Nation since the New Deal. Its strength is that it overhauls our welfare system without the harshness of previous bills that have been vetoed. The two vetoes, along with the threat of a third, served the purpose of eliminating the extreme measures that made the previous bills unacceptable—even harmful.

For example, we have now rightly recognized that a mother with young children who wants to work will have access to adequate child-care. Also among its vast improvements is the fact that child nutrition programs, such as the school lunch program, are not block granted. The same is true of the Food Stamp Program. I had grave fears that block-granting these kinds of nutrition programs would impose tremendous burdens on States like Alabama, which over the years has suffered from several periods of budget proration and economic recession. Programs like these aimed at helping children and the poor would have faced drastic cuts if they had been block-granted.

This measure raises the cap on the contingency fund from $1 billion to $2 billion to provide States with more protection during economic downturns. It also adds a new trigger mechanism based on the food stamp caseload. It includes some provisions for States to establish objective criteria for delivery of benefits and to ensure equitable and fair treatment.

This welfare reform legislation, while not as sound as the Senate-passed plan, is still a vast improvement over the Republican bills which were vetoed. As I stated earlier, I still have some reservations surrounding certain provisions contained in the measure. But I believe, overall, that the positive outweighs the negative. I think the compromise we have struck is a major step in the right direction, and an overall positive effort at making welfare more of a helping hand in getting people on their feet economically.

Our debate over the last few months has been both constructive and productive. We now have a bill before us which is a testament to the Congress and its leadership—majority and minority. In essence, it is a product of the Congress' legislative process working as it was designed to work.

We have seen some hard-fought battles and witnessed significant changes from the original bill after some intense debate and good-faith negotiations between the two sides of the aisle. Each side has made concessions, while holding firm to certain core principles. We have arrived at agreements on several major issues. As a result, we now have a bill that contains stronger work provisions and that is not as harsh on children. While there are undoubtedly problems still remaining in the legislation that will have to be addressed down the road, this compromise is an overall positive step for reforming welfare, reducing dependency, and offering a brighter future for millions of American families.

Mr. President, except for the balanced budget constitutional amendment, this welfare reform bill is arguably the most important legislation we will tackle in this or any other Congress. There is no doubt that our current system is failing welfare recipients and taxpayers alike. I am pleased to join my colleagues and the President in taking advantage of this historic opportunity and enacting reforms which will empower recipients to break cycles of dependency, to focus on work and responsibility, and to become successful and productive citizens.

Mr. BURNS. Mr. President, I rise today to talk about this important issue before us—perhaps the most important initiative undertaken by the 104th Congress—welfare reform. For the last nineteen months, Congress has been embroiled in an enormous debate over how best to reform our welfare system. There has been a lot of talk about ending welfare ''as we know it'', but for the most part, it has been just talk and no action. Today, however, the Senate stands close to passing legislation that I believe will make the much-needed changes in the way our welfare system operates.

I think many of my colleagues on both sides of the aisle, as well as a majority of my fellow Montanans, would agree that our welfare system needs improving. I am glad we agree that changes need to be made in our welfare system so that our assistance programs are more effective and less costly. Let's face it, however, we don't need this legislation to know that the welfare system has failed miserably. The truth is, the system is not working as it was intended—as a temporary assistance to help people until they can get back to work. Over the last thirty years, the system has become a way of life, not because those receiving assistance don't want to work, but because the

system makes it tough, even discourages people, to get off welfare.

Although we all know that this bill before us today will not solve all the problems with the current welfare system, it does take a giant step toward reversing years of failed social welfare policy. This bill will end welfare as a way of life for many Americans. By requiring most able-bodied adults to go to work within two years and by putting a five-year limit on welfare assistance, we are making great strides forward in putting people back to work. I have to believe that most people would rather work than be on welfare. And it pleases me to no end that the tough and real work requirements contained in this bill will get folks off the welfare roles and into a productive job, job training program or community service. There is no doubt there will be exceptions, but the goal of welfare reform is independence, not government reliance.

This bill also contains provisions to strengthen families and personal responsibility, something I think is essential to getting at the root of our welfare problems. In a scant few decades, we have seen the demise of families and family values in our country. And illegitimacy rates are rising to almost dangerous levels. These are the things that are contributing most to the decline in our society. More and more children are growing up without a father, without a solid family to support them, and crime statistics show that kids who are raised without a father commit more crimes. I think our welfare system, though designed to assist folks and born of good-hearted intentions, has served to fuel some of the social problems we face today. It is clear that our present welfare system encourages young mothers to have children, and many of those children are not being cared for. Though it is impossible to legislate, this bill takes a giant step forward in addressing these problems by encouraging families to stay together, providing more resources for child care and enhancing child support enforcement and domestic violence measures.

Perhaps the fact that is most important to me personally, by passing this bill we will give the states flexibility to design programs that will work best for their residents. Currently, the Federal Government has so many rules and regulations that when States want to try something innovative to reform the welfare system, like my home State of Montana, the barriers are often times too great. Over the last 7 years, I have spoken with the folks who administer the welfare programs in my State and time and time again they ask for the opportunity and flexibility to run the welfare system as they see fit. And by block granting funds to the States and letting States set many of their own program rules, this bill will allow the decisionmaking to be done at the state and local level, not by Washington bureaucrats. There is no doubt in my mind this will serve both our Nation and, specifically, the people of my State well. After all, Montanans do know what is best for Montana.

The bill does all this and will still succeed in reducing welfare spending by roughly $55 billion over 6 years. Given our Nation's budget problems, that's an important fact.

I realize that there are many Americans, including a number of folks in Montana, who have serious concerns with this legislation. Folks seem to be particularly troubled by the possibility that this bill will actually increase poverty and fails to provide a nutritional ''safety net'' for our Nation's needy families. I appreciate and understand these concerns—no one wants to push more children and families into misery. In fact, I have been an ardent supporter of nutrition programs in the past, especially those for children, and I have made every effort to protect them throughout the current welfare reform process.

The reality is, however, that the American taxpayer is not getting his money's worth when it comes to many of the current assistance programs and the tragic state of the welfare system makes reforming the system all the more urgent. What's more, there have been those who have suggested that this bill is heartless and out to punish children and immigrants. In response to those who would make such accusations, I would join with many of my colleagues in asking if the current welfare system is not already punishing—even degrading—children and other folks it is supposed to help? Why do we insist on protecting, or at least not reforming, a system that promotes a culture of dependency and poverty? As for the immigration provisions contained in the bill, perhaps Senator SANTORUM summed it up best when he noted that as we become the retirement home for the rest of the world, the taxpayers of this country are picking up the tab. To that end, the goal of this welfare reform bill is not to punish, favor or discriminate against anyone or any group. Its intent is not to promote and strengthen the system. It is constructed to end the cycle of generational dependency and irresponsibility promoted by the current welfare system.

Mr. President, we have a historic opportunity today to change a system that has consistently failed poor Americans. I want to thank the Governors and all of those who have worked so hard, in both parties, to bring this legislation to this point. I particularly want to commend the Republican leadership for leading the way on this issue. Though Bob Dole may not be with us on the Senate floor today, I also want to thank him for his efforts and dedication in ending welfare as we know it. I also want to congratulate President Clinton on his announcement yesterday. Though the President has resisted real welfare reform by casting two vetoes on similar bills in the past, he has realized that the American people want this bill and that bipartisan cooperation is needed to reform this broken system. And with the overwhelming bipartisan support in the House yesterday, it looks as though we are seeing our way clear to bring about the much needed reforms with what I believe will be the right kinds of results.

In closing, Mr. President, it was almost exactly 1 year ago—in fact, it was August 9, 1995—that I stood on the floor of this esteemed chamber and spoke about how much I was looking forward to the upcoming welfare reform debate. I spoke about how excited I was to see some real changes in how Americans perceive welfare, how welfare is paid out, and the direction our country was headed. There were a number of goals then that I was looking for in welfare reform legislation. Would it promote and strengthen the family? Would it give more flexibility to the States, allowing each State to design a system that best suits their needs? Would it include strong work requirements to get folks back into the workplace? Would it address our growing problem with illegitimacy and teenage pregnancy? Mr. President, I think we have addressed these issues with this legislation.

It is now a year later. During this time, a number of differing opinions have been offered—suggestions put forth—on how best to achieve these goals. It has been a very slow process indeed—but I think that most of us would agree that welfare reform is still very necessary and this bill does that. Business as usual was not working in August 1995 or even in November 1992, and it is not working now. All Americans deserve the chance to succeed, whether they are poor or not. I think this bill gives all of us the chance to do just that. Let's not squander this opportunity.

I yield the floor.

Ms. MIKULSKI. Mr. President, I will vote for this bill because maintaining the status quo is unacceptable. The other alternative is to do nothing. I vote for this bill, having reservations, but believing it is the right thing to do.

We Democrats have made 36 important improvements in this bill that protect the most vulnerable, the children. But there are still yellow flashing lights, warnings regarding the bill's safety net for children. We will need to monitor them closely.

On balance, though, I believe the poor and the taxpayers will be better off because we are voting for this bill.

We all acknowledge that our current welfare system does not work. It has failed to move people from welfare to work, and has created a culture of poverty that has ensnared generations of our most vulnerable citizens in poverty and dependency. I believe in the capacity of people to better their lives and build a better future for themselves and their families. The current welfare system does not provide people with

the tools they need to do that. Welfare should be a way to a better life not a way of life.

The current welfare system is dysfunctional and destructive to the poor. I have worked to change that. I have fought for a plan, which I helped to write, that was firm on work and demanded responsibility from those who find themselves on public assistance, but that protected children.

I will vote for this bill because it is greatly improved over the original Republican bill which the Senate debated last year. There are some 36 improvements in the bill, improvements which I fought for and which are drawn largely from the Democratic alternative bill which I co-authored with Democratic leader Senator DASCHLE and Senator BREAUX.

Our Democratic alternative provided people with the tools to move from welfare to work. It demanded work of all able-bodied adults. It removed the key barriers to work—such as lack of adequate child care and inadequate job skills. Our bill ensured that no child would go without health care or adequate nutritional assistance because of the failings of their parents. It ensured that when we aimed at the parent we did not hit the child.

I am proud of my work on the Democratic alternative bill. I am proud that we gained the support of every Democratic Member of this body. I regret that it was rejected by the other party. But thanks to the persistent advocacy of our Democratic leadership, of which I am a member, many of the provisions of the Democratic alternative were adopted in the bill that the Senate passed. They are now in this legislation. These improvements have helped to make this a more acceptable bill.

I'm particularly proud of my role in fighting for child abuse programs, for child care health and safety standards and for the health care safety net. I offered amendments on these issues and fought for their adoption.

From day one, I insisted that we could not do anything in this bill to lessen our commitment to fighting child abuse. I am pleased that this bill no longer includes provisions which would have replaced Federal child abuse and protection programs with an inadequate block grant. As a former child protection worker, I know how vital these programs are for taking care of children who have suffered from abuse or neglect.

I fought to keep current Federal child care health and safety standards. Along with Senator DODD, I offered an amendment to restore those standards which the other party was prepared to abandon. I fought to maintain those standards because I believe strongly that parents should have every assurance that when they place their children in child care, they will be protected from infectious diseases, from unsafe buildings and playground hazards, and that the child care worker will know basic first aid. This is a significant improvement in the bill.

I also fought for a health care safety net for children. I wanted to make sure that children would still be eligible for Medicaid coverage even if their parents failed to meet the work requirements of this bill. This bill contains the provision I fought for to ensure that children will still have access to health care.

I was an energetic and enthusiastic advocate for other improvements to the bill, such as the provisions to provide funding for child care, to exempt mothers with infant children from the work requirements, and the provision that ensures that a mom with a preschooler cannot be penalized for not working if she can't find or afford child care. These are all important measures to protect children, and I am pleased that we were successful in having them included in this bill. The protections for children are significantly better than in previous bills we have considered.

So I acknowledge that this bill has been improved in important ways from the conference report that I opposed and which the President vetoed last year. And I believe the strong support for the Democratic alternative bill is what made these improvements possible.

While I will vote ''yes'' today, there are yellow flashing lights that give me pause. They must be monitored meticulously. And all of us who vote for this bill must be prepared to make modifications if the safety net for children and the working poor becomes tattered.

A key yellow flashing light for me is the bill's changes in the rules for the food stamp program. Changes in the excess shelter deduction could harm the working poor—those families that pay over half their income for housing. Other changes will severely limit food stamps for adults without children who lose their jobs. Another yellow flashing light for me is the bill's restrictions on assistance for children of legal immigrants, who have not yet obtained their goals of citizenship. Another yellow flashing light for me is the bill's provisions for meeting the needs of children whose parents reach the 5-year time limit for benefits and still do not have work. I fought for a requirement that States must assess and meet the basic subsistence needs of those children through vouchers or other non-cash assistance. The conference agreement did not include what I advocated, but it gives States the option to use their title XX, social service block grant funds, to provide vouchers to meet the needs of children.

Mr. President, today we must face facts. We cannot make the perfect the enemy of the good. And so I will vote for this bill. The American people and I want welfare reform. And I believe the people currently mired in poverty, who have not been well-served by the current welfare system, deserve better. There are over 9 million children currently on welfare. Under the current system, that number is estimated to grow to 12 million in 10 years. We owe it to those children to give their parents every incentive to leave welfare behind and to lift themselves and their families out of poverty.

I will vote yes today. But I will be standing sentry and will be in the forefront in fighting for any changes needed to prevent the safety net for children from being tattered.

Mr. HELMS. Mr. President, future historians are likely to regard this as a momentous occasion in Congress—a welfare bill is finally about to be approved by Congress and signed by the President—a bill which will effectively drive a nail in the coffin of the Great Society.

This welfare reform bill proposes to set welfare policy on the right course.

It requires welfare recipients to work;

It promotes family and the work ethic; and

It exercises sound fiscal responsibility.

In addition, this legislation will insist that illegal aliens must not receive welfare and that non-citizens cannot hereafter lawfully receive most Federal welfare benefits during their first 5 years in the United States.

These legislative goals are tough, but fair. Requiring welfare recipients to work provides the hammer that can break the cycle of poverty and dependency. As matters now stand, the average welfare recipient stays at the public trough for 13 years. This bill reverses that folly; it proclaims for all to hear that welfare must not be a way of life.

Equally important, Mr. President, this legislation is fair to taxpayers because it saves $55 billion of taxpayers' money. The average American worker in 1993 paid $3,357 in taxes just to support welfare recipients. Taxpayers are sick and tired of working hard, paying taxes and watching folks on welfare get a free ride.

Mr. President, the taxpayers can be thankful that this bill contains tough work requirements for food stamp recipients. On several occasions, including during the conference, I took the position that Congress should require able-bodied food stamp recipients go to work before they receive free food stamps.

The original Senate welfare bill allowed recipients to receive free food stamps for 6 months every year with no work requirement. Now, Congress is sending a bill to the President that will require food stamp recipients to work 20 hours per week for an average of 11 months per year or be thrown off the welfare rolls. This is a giant step forward from current law which gives folks a free lunch at taxpayer's expense.

Mr. President, when the liberal politicians pushed through their welfare system more than 30 years ago, the American people were assured that welfare would not become a way of life.

And when Lyndon Johnson signed the war on poverty legislation in 1964, he promised, ''The days of the dole in our county are numbered.'' Unfortunately, 30 years after this war began, the days have numbered to about 11,680—and we're still counting.

Since Congress obediently embarked down the road called the Great Society, the result has been the most massive Federal spending in history, increased poverty and untold millions of Americans trapped in the welfare cycle. The Great Society has been a monumental failure, but it got a lot of promising politicians elected because they promised everything to everybody. But with the enactment of the bill, the days of the Great Society are coming to a close.

The cost of welfare programs has now reached a budget-busting $345 billion a year. During the past three decades, welfare spending has cost the American taxpayers $5.4 trillion. It may come as a surprise that welfare programs have cost 70 percent more than the war against Germany and Japan in World War II.

What, Mr. President, do we have to show for these exorbitant expenditures? An increase in the poverty rate. As of 1993, 15.1 percent of Americans were in poverty, compared to 13 percent in 1964, a 2-percent growth.

Mr. President, the human devastation caused by rising illegitimacy rates and the breakdown of the family is even more troubling than the cost of welfare programs. Government programs of any magnitude carry with them a cargo of unintended consequences. In welfare, like most other things, you reap what you sow. For 30 years, the welfare system rewarded idleness and illegitimacy and there has been a marked increase in both.

Mr. President, I emphasize that nobody is opposed to helping those who are less fortunate. Americans, as individuals and communities, have a responsibility to help those who cannot help themselves. That responsibility cannot and should not be abdicated. But we must help them by teaching them to ''help themselves'' as President Kennedy once stated.

This legislation will help those on welfare because it restores the American work ethic which once was one of the cornerstones of this Nation. In addition, this bill takes a step in the right direction in helping reduce the rising illegitimacy rates by providing funds for abstinence education, and by allowing States the option of denying benefits to welfare recipients who already have children living on the public dole.

An Associated Press poll showed recently that 69 percent of Americans favor a 5-year limit on welfare payments. Likewise, most Americans obviously don't think it's right that working people are required to give up a substantial percentage of taxes to support people who refuse to work.

Mr. President, the majority of Americans are calling for welfare reform. Welfare entitlements must be replaced by limited handouts conditional on self-improvement and work.

Mr. ROBB. Mr. President, I rise to support the welfare reform legislation pending before this body. I do so with both reluctance and hope.

My reluctance stems from some very real concerns I have with this bill. First, I am concerned that we fail to give States the resources they need to do the job right. I am willing to pay more in the short term to bring about economic independence in the long term. Second, like the President, I am extremely uncomfortable with both the level of cuts to the Food Stamp Program and the severity of the restrictions on legal immigrants. We cannot simply abandon our obligation to protect the most vulnerable among us. And, finally, I am troubled by specific provisions of this bill—like the one dealing with mothers with young children who do not work because they cannot find child care. The conference lowered the age from 11 to 6—and this is wrong, Mr. President. If we want mothers to move from welfare to work, we have to ensure they have child care for their young children.

I will vote for this bill believing strongly that it is not our final word on welfare reform. And I'm prepared to work with the administration and with my colleagues here in the Congress to address the concerns that I have—and that I know others have—with this legislation.

But, Mr. President, like the President of the United States, I also believe strongly that the opportunity before us is one we cannot let slip away. We simply cannot allow another generation of American children to fall victim to a welfare system that fosters dependency rather than opportunity, that has become for far too many children, not a second chance, but a way of life.

I will vote for this bill, Mr. President, because I believe it contains the incentives needed to bring people out of poverty and into the economic mainstream. It contains tough work requirements, time limits on benefits and nearly $4 billion in new money for child care. It protects health care for current populations and allows States to use Federal money to provide noncash vouchers for children whose parents meet the time limits.

It emphasizes work and responsibility. It includes a strong community service component, which teaches both the value and the obligations of citizenship.

But I know, Mr. President, that all the positive incentives in the world mean nothing if there are no jobs at the end of the line—and that the best social policy of all is economic growth.

That is why I believe that the first edition of welfare reform was approved by this Congress in 1993 with the passage of the President's deficit reduction plan. We can approve legislation today that aims at moving people from welfare to work because we do so amidst a strong, vital economy. In less than 4 years, our economy has created over 10 million new jobs—most of them in the private sector—and we have the lowest unemployment rate in 6 years.

As we bring down our deficit, we enhance our ability to invest in our people. And as we strengthen our economy, we provide new avenues of opportunity for poor Americans to enter the economic mainstream.

We cannot just give incentives to move people from welfare to work, Mr. President. We have to also better invest in programs that give them the tools to succeed—programs like education and job training.

Mr. President, I have outlined my reservations about this bill, and I am committed to working in the coming months to remedy these concerns. But my hope for this bill transcends the ability of individual mothers to exchange a welfare check every month for a pay check.

For 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 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 which we have an opportunity and an obligation to break.

Although only history will tell for sure, I will vote for this bill because I believe it is the first step in breaking the cycle of poverty which has sapped the optimism and the opportunity of too many generations of innocent American children.

Mr. President, I thank the chair and I yield the floor.

Mr. LUGAR. Mr. President, as we end the debate on the welfare reform conference report, I would like to make several acknowledgements of effort in bringing forward this truly historic legislation.

First, I want to congratulate Chairman DOMENICI and Chairman ROTH and thank them for their leadership. As chairman of the Agriculture Committee, I am pleased to have been a partner with them in crafting this bill.

I also want to thank my staff on the Agriculture Committee for their efforts throughout this 104th Congress to make welfare reform a reality. Staff director Chuck Conner, as always, contributed strong leadership. Dave Johnson and Beth Johnson worked tirelessly to develop proposals that both meet our budget goals and continue to deliver assistance to the needy.

They were assisted ably over the past year by Bill Sims, who has returned to the U.S. Secret Service. Special thanks are also due to Joe Richardson of the Congressional Research Service, whose knowledge of the very complicated nutrition assistance programs was invaluable.

The legislative process that culminates here in the Senate today sometimes seemed like a rollercoaster ride with no end. Frustration and long hours were common for my staff. But they have my sincere thanks for their efforts. They should be very proud of this landmark bill.

In the final analysis, this welfare reform legislation represents the best of our democratic process. After much debate, a proposal of potentially monumental importance is about to be approved overwhelmingly by a Republican-led Congress, and a Democrat President will sign it. I hope we will someday be able to look back at this bill as a major step toward restoring the public's confidence in the ability of its elected leaders to respond to our Nation's pressing needs.

Mr. DORGAN. Mr. President, the bill before us represents a historic opportunity to change and improve the welfare system in this country. Today's Washington Post headline proclaims that this bill represents a ''basic shift in philosophy'' about welfare in this country.

It is true that this bill sends a strong message. That message is: welfare should not be a way of life. We are saying that welfare should be a safety net—a first step toward achieving independence and self-reliance.

But this is not a major change from the way most Americans view the welfare system. We are a compassionate nation, and we accept our responsibility to help those who are less fortunate, who are on the bottom rung of the economic ladder, and those—especially children and the elderly—who are unable to help themselves. This basic notion is embedded in our social policy, and this bill does not—can not—change that fundamental view. Our task in drafting this bill has been to ensure that the safety net will always be there for those families needing assistance to get over a temporary setback.

I will vote for the welfare reform bill today because I think we need to make some changes in our welfare system. I believe that this bill represents a significant improvement over last year's conference report, which I opposed because it did not provide an adequate safety net for poor children. Specifically, this bill does not include the deep levels of cuts in child nutrition programs or an optional block grant for food stamps. It permits States to use Federal money to provide noncash assistance, or vouchers for children. And it preserves a national guarantee for access to health care for pregnant women and children.

This bill also takes the right first steps toward encouraging and rewarding work. It requires welfare recipients to work after receiving benefits for 2 years, and backs up that requirement with the support families need to move from welfare into the workplace.

The bill provides $4 billion more for child care and maintains strong health and safety standards for day care. It gives recipients flexibility to use some of their time on assistance to get the education they need to find and keep a job. The bill also gives States more flexibility to use Federal dollars to create new jobs for welfare recipients, and preserves the earned income tax credit for working families. All of these provisions work together to give welfare parents the support they need so they can afford to leave welfare and enter the workplace. When combined with the minimum wage increase that I hope the Senate will approve in the next few days, it is a significant move in the right direction for America's working families.

While I have reservations about the block grant approach presented in this legislation, the bill does take steps to ensure that States will follow through on their obligation to spend Federal welfare dollars to move people up and out of poverty. Most importantly, we require States to maintain a significant portion of their own contributions for welfare programs. While the maintenance-of-effort provisions are not as strong as I would have liked them to be, they are a major improvement over last year's bill.

One of the most important parts of this bill is its tough child support provisions. Nationwide, only 18 percent of child support cases referred to State agencies for collection result in payments by the absent parent. Yesterday, the President pointed out that, if every parent paid the child support they should, we could move 800,000 women and children off welfare immediately. This bill takes the necessary steps to move us toward demanding responsibility from both parents, and I wholeheartedly support this effort.

Having said why I am voting for the bill, let me now explain that I remain concerned about some of its provisions. One specific area that we will have to adjust with follow-up legislation is the bill's change to the rules for determining eligibility for food stamps. The bill repeals a provision that would have helped families who are forced to pay a higher-than-average percentage of their income for shelter and heating costs. In my state of North Dakota, heating costs take a big bite out of every family's income. For a poor family, this can mean choosing between heat and food. The excess shelter deduction that was scheduled to go into effect next year would have gone a long way toward eliminating the need for that painful decision, and I intend to work to see that provision restored in separate legislation.

We must also address a punitive measure that denies food stamps to Americans who are looking for but have not been able to find work. The conference bill places a 3-month limit on the receipt of food stamps by jobless adults between the ages of 18 to 50. I am certain that each of us knows someone—a brother, an uncle, a cousin—who is out of work, has been looking for work every day, but has not been able to find a job because no work is available. In rural North Dakota, unfortunately, we are not creating a lot of jobs, and finding work may take more than 3 months. It is simply mean-spirited to deny an unemployed person food assistance while they are looking for work, and I will work to fix that.

Despite these concerns, this bill is, on balance, a responsible bill. It moves toward achieving the right balance of personal responsibility and giving people the tools they need to move up and out of poverty. I will support this bill today, and I will work to fix those areas that need improvement.

Mr. GRASSLEY. I am pleased that we are here for this final step in the process of ending welfare as we know it. Just yesterday, President Clinton made clear that he will sign this conference report. After weeks of obfuscation, President Clinton finally has made clear that he will act on his promise to end welfare as we have known it and sign this dramatic change in the welfare system. After all we have been through in the last 18 months, I have to admit that I was beginning to feel like a broken record. We passed 2 different welfare bills under the able leadership of former Senate majority leader Bob Dole. In both cases, the President vetoed those efforts.

From the President's most recent remarks, apparently out hard work has paid off and he is finally going to approve our efforts. Interestingly, Doug Besharov, a resident scholar at the American Enterprise Institute, and known expert on the welfare program, says that the new bill is not significantly different from the 2 previous proposals. A Washington Times article of yesterday quoted Mr. Besharov as saying, ''This business about 'how much' improved is a certain amount of political rhetoric.''

In my judgment, Mr. Besharov is being kind in his remarks. This bill, in fact, is significantly the same as previous efforts.

In the last 30 years we have spent more than $5 trillion to fight the war on poverty. Unfortunately, we have lost. The child poverty rate in our nation is .8 percent higher than it is was when we started this process 30 years ago. So what have the families on welfare gotten for their difficulties? And what have the taxpayers gotten for their money? For all we have invested, we have made no progress.

Clearly, something is not working.

The reconciliation bill before us takes a new approach to an old problem. it restores power and authority to the States to create their own systems to meet the needs of low-income citizens.

Iowa is a perfect example of success. Iowa overwhelming passed legislation in April 1993 to change welfare in the State. In order to implement their plan, the State had to seek 18 initial Federal waivers and more since. Although the State wanted to implement

a statewide program, in order to obtain their initial waiver, they were required to have a control group of 5 to 10 percent who would remain under old AFDC policies.

In October of 1993, the work incentives and family stability policy changes were implemented. At that time, there were over 36,000 families receiving assistance, with an average monthly benefit of over $373.

Last week I received the latest State figures. Iowa's caseload is down 12.6 percent to under 32,000 families. The average monthly benefit is down 11.7 percent to $330.

In January 1994, Iowa implemented its personal responsibility contracts. A family commits to pursue independence and the State commits to provide supports. Before the State implemented reform, only 18 percent of Iowa welfare families had earned income. The most recent numbers show that over 33 percent of all welfare families are earning income now.

With Iowa's success as a backdrop, it is easy to understand why States want welfare reform, not waiver reform.

Another reason is the frustration States feel when seeking a waiver. Though President Clinton has expressed glowing support for the Wisconsin welfare waiver it has not been signed. If the President is for the Wisconsin waiver, why can't he approve it? Even yesterday during his CNN interview, the President challenged other States to follow Wisconsin's lead in reforming their welfare system. Once again we see him saying one thing and doing another.

The reconciliation bill before us also provides for a lifetime limit of 5 years for welfare benefits. This means that there is an actual measurable end so that parents are held accountable for their choices.

When working Americans do not show up for work, they are not paid and are likely to lose their job. They want welfare recipients to live with the same reality. Taxpaying Americans do not understand why their hard work is subsidizing those who are not working.

Mr. President, again, I want to say that I am pleased that the President has finally agreed to sign this conference report. I think this is an historic effort on the part of Congress and it is appropriate for him to sign this legislation.

I look forward with anticipation to what our outstanding Governors and State leaders will do with the freedom and responsibility we are entrusting to them.

Mr. FEINGOLD. Mr. President, I will vote for the welfare reform conference report. I do so with grave reservations about many specific provisions.

Like President Clinton, I think the cuts in nutrition programs are too deep and they can and should be corrected.

Like President Clinton, I am concerned about the treatment of legal immigrants—people who followed the rules and came here under our legal immigration laws. Many have contributed in numerous ways to their communities. They are taxpayers and workers who, like all of us, may become ill or unemployed. This bill slams the door on them to a variety of programs in a manner that is neither appropriate nor necessary.

There are other provisions of the final bill that I feel are too harsh and should be changed.

But the overall effort at reforming the current welfare system is one that I support.

When I campaigned for the U.S. Senate in 1992, I said then, and I continue to strongly believe, that if people can work, they should work. The focus of this bill is to encourage people to work, rather than remain on welfare. I support that goal.

I also believe that the States should have more flexibility to design programs to meet the needs of their residents. I do not believe that detailed prescriptions from Washington, DC are the answer to the problems afflicting the current welfare system.

Nationwide, the current welfare system is a disaster.

It keeps families trapped in poverty. It discourages self-sufficiency. It creates unnecessary barriers to those trying to move from welfare to the work force. It forces recipients and local officials to wade through piles of bureaucratic red-tape. It fosters dependency, discourages initiative, and dampens the spirits of those in need.

We must do better. We must change the status quo. We must provide a new, flexible approach that will help people work and get off welfare.

This bill has improved dramatically from the original Republican proposal of last year. Many of the draconian provisions have been dropped.

The Medicaid safety net has been restored for vulnerable children, the aged and disabled. Child care funds have been significantly increased and efforts to roll back Federal health and safety standards for child care were defeated. Attempts to dismantle the food stamp program and child protection programs failed. The effort to impose a family cap—a penalty for having a child when on welfare—was rejected by a bipartisan majority in the Senate. Maintenance of effort provisions were retained, helping to assure that Federal dollars do not simply replace State dollars.

There are other provisions of the bill that I am disappointed about. I am disappointed that the conference agreement did not include an important improvement made during the Senate debate which expanded the educational activities that welfare recipients could take part in. In addition, the bill is too punitive on mothers who cannot work because of lack of affordable child care. There are vast areas that should have been improved.

I believe that those of us who vote for this measure have an obligation to watch closely as it is being implemented to make sure that it works, works fairly, and that if changes are needed, they are enacted. I am deeply concerned about the opposition of many individuals whose opinions I respect. I share their concerns that in an effort to get able-bodied adults to enter the workforce, we do not inadvertently punish innocent children.

But we are faced with the choice of supporting this bill or maintaining the current system. I vote to change the system.

Mr. FRIST. Mr. President, I rise in strong support of the welfare reform bill. I applaud the bipartisan effort that has taken place to end welfare as we know it, but most importantly I applaud the efforts of the former majority leader, Senator Dole for his efforts in helping to shed some light on the problem of America's children living in poverty.

Mr. President, the most vital investment that we can make in America's future is our children. If there has been any one single pledge that I have made to the people of Tennessee, it was that I would spend my time in Washington working tirelessly to protect the American family but most importantly our Nation's children.

In the real world, beyond the Washington Beltway, everyone knows that the real investment and sacrifice on behalf of children is not made by government do-gooders, educrats, Members of Congress, or social workers. The real investment and sacrifice is made by parents.

Mr. President, few in Washington understand this fact more than I do. As the father of three young boys, it is my belief that we should not be asking the question ''what should the Government do for our children?'' Instead our question should be ''what must we do to get parents to do more?'' I strongly believe that our children do not need more Government spending but a mother and a father who care about them.

My Republican colleagues and I pledged to return to families something more than a program or a slogan. We have tried to return resources to families, rather than the Federal Government, to help them in raising their children. Our devotion to our Nation's children is demonstrated in our agenda of strengthened families, safer streets, and stronger communities. Our agenda has included:

A balanced budget that saves tomorrow's generations from crushing debt levels—because of Washington spending, each child born this year already owes more than $187,000 just to pay their share of interest on the debt.

A $500-per-child tax credit to ease the pressures on families and allow parents to spend more time with their kids.

Adoption reforms, including an adoption tax credit, to make adoptions more frequent, less expensive, more secure, and designed to make it easier to place children in loving homes.

Tough crime legislation to protect our children from violent criminal predators.

Welfare reform that lifts families out of poverty and into work, provides for child care, introduces the toughest child support enforcement standards ever considered by Congress, and real reform that reverses the destructive effects of the $5 trillion War on Poverty that has failed so many of our children.

Education reforms which empower parents, teachers, school boards and the local communities instead of the Washington bureaucracy. This includes solid reforms which would enable low-income parents to send their children to quality public, private, and religious schools.

Unfortunately, our efforts to enact much of these pro-family items has been stymied by the President's veto or through filibusters here in Congress. The President vetoed the $500-per-child tax credit, thus refusing to ease the financial burden that so many families feel today, a financial burden that often results in parents spending less and less time with their kids. The President has vetoed a balanced budget, a budget which would have given the children of Tennessee freedom from the repercussions of Washington's destructive spending habits.

Right now, because of the traditional Washington habit of spending now and passing on the bills to future generations, your children and my children will face a lifetime tax burden of more than 80 percent. Imagine that—more than three-quarters of their income will be taken away to pay for the debts we have left behind. That to me is truly immoral. That is why I worked tirelessly last year to pass a balanced budget, the first balanced budget in almost 30 years. A balanced budget would have put a stop to reckless Washington spending and would have allowed us to pay our bills—not pass them on to our grandchildren. The bottom line is: a balanced budget helps to secure a better future for our children—and the President vetoed it.

Mr. President, my Republican Colleagues and I understand that many children are trapped in poverty or failing schools, with little hope of achieving a better life than their parents. During the past year and a half, we have made it our priority to lift the lives and hopes of these children. In addition to lifting the crushing debt burden, we must recognize this immediate, abusive, and destructive threat to the lives of America's children: the liberal welfare state.

Nothing punishes single parents and children more than the current welfare system. Our Federal Government is fixated with a system that is riddled with perverse incentives which discourage work and marriage while encouraging illegitimacy and long-term dependency. Designed as a system to help children, our current welfare system has ended up damaging and abusing the very children it has intended to save.

Consider the facts:

Between 1965 and 1994, welfare spending cost taxpayers $5.4 trillion in constant 1993 dollars.

There are 77 overlapping welfare programs to assist Americans officially designated as poor.

Total welfare spending in the United States, in 1993 exceeded $324 billion. Of this spending, 72 percent is Federal and 28 percent is State. About 90 percent of all State welfare spending is on federally designed welfare programs.

The cost of the war on poverty has been some 70 percent greater than the price tag for defeating Germany and Japan in World War II, after adjusting for inflation.

Welfare spending is so large it is difficult to comprehend. One way to make it more tangible is to recognize that, on average, the cost of the welfare system amounted to $3,357 in taxes from each household that paid Federal income tax in 1993.

A final way to assess the growth in welfare spending is to compare it to the increase in spending on other government functions:

Since President Johnson launched the War on Poverty in 1965, means-tested welfare spending by Federal, State, and local governments has grown more rapidly than spending on all other major government functions.

In 1965, the United States spent 17 cents on welfare for each dollar spent on national defense. By 1993, this had risen to $1.11 on welfare for each dollar spent on defense.

In 1965, the United States spent 29 cents on welfare for every dollar spent on primary, secondary, and post-secondary education by all levels of government. By 1993, the United States spent 91 cents on welfare for every dollar spent on education.

Even if the analysis is restricted to welfare spending on cash, food, housing, and energy programs, the trends are virtually identical. Since the beginning of the War on Poverty, means-tested cash, food, housing, and energy programs have grown more rapidly than defense, education, or Social Security.

After $5.4 trillion has been spent on welfare there remains little to cheer about. The onset of the War on Poverty coincided with the disintegration of the low-income family and the rapid increase in illegitimacy. Overall, 30 percent of American children are born to single mothers. We have spent more money on welfare programs since 1965 than on all the wars we have fought this century, yet people are poorer and more dependent than ever.

These are just a few of the ways that Federal Government's welfare policies and social programs are actually working against the American family and our children. I believe that we have a responsibility to provide a safety net—helping those who, by no fault of their own, have fallen on hard times. It is the right thing to do. But when we help people who are able, and yet make no effort to help themselves, we destroy the individual and undermine the very principles of personal responsibility in which our society was founded on. And this is what has happened.

It is clear that our Great Society national urban policy has not helped people. It has destroyed them. It has not kept families together. It has torn them apart. It has not turned the urban areas of America into shining cities on a hill, it has made them war zones where residents live in fear. Our inner cities should be a symbol of what is right about America. Unfortunately, they have become examples—dying examples—of everything gone wrong with government policy.

Mr. President, this bill changes that harmful government policy.

I firmly believe that most of America's children are being raised in loving, caring families that struggle every day to ensure that their children have a chance at achieving the American Dream. But I also know that many of these same families are filled with guilt, at not spending enough time with their kids because both parents must work to make ends meet. While Washington cannot alleviate these parents' guilt—the 104th Congress has acted to ease the tremendous pressures and burdens on struggling families.

Too many single moms are near poverty because their child support checks are nowhere to be found. Just since President Clinton was elected, 175,000 women, mostly single moms, have slipped into poverty. Through the efforts by my colleagues in the House and the Senate, this welfare reform bill holds fathers accountable for their child support, putting in place the toughest ''deadbeat dads'' provisions anywhere in the country. We increased child care funds by $4 billion over current law in order to help single parents make the successful transition from welfare to work. Our children are suffering from the current welfare state. We must reverse this trend, to make welfare a helping hand, not a way of life.

Changing the welfare system will help children. Encouraging families to stay together will help children. Putting welfare recipients back to work will help children. Restoring the work ethic will help children. Improving the quality of local education will help children. Encouraging spirituality will help children.

Spending more on the current broken Washington welfare system will not help children. It's time we take away the blindfold and accept reality. We have to rebuild parents, families, and communities, but you can not do it from inside the beltway. It has to be done at home, in school and at church.

Mr. President, the most important thing that we as a nation can do for our children, does not come from the Congress or even the White House. Rather, it must come from within all of us—a commitment to read to your son or daughter, a commitment to attend church with your child and family, coaching your son or daughter's little league team, and becoming involved in the education of your son or daughter. Mr. President, our children are the future of this great country.

I urge my colleagues to vote for this historic bill.

I yield the floor.

Mr. PELL. Mr. President, when the welfare reform bill was before us last week, I said that I could not let my desire to vote for reform cloud my judgment about the bill, and about the serious flaws which I perceived in it. The bill has been returned to us from conference with some of those flaws remedied, but alas not all, and the omissions to my mind are determinative. And so once again, I shall vote against the bill.

I am especially concerned about the bill's undeservedly harsh treatment of legal immigrants. I note with dismay that nearly half of the $56 billion that would be saved by this bill comes from the denial of benefits to people in this category. More often then not, legal immigrants are hard-working, tax paying individuals who deeply appreciate the freedom and opportunity of U.S. citizenship, which they hope to attain. To deny them so many of the benefits that they might legitimately need as they build a life here, seems unfair and unjustified. While I applaud President Clinton's assurance that this grievous flaw in the bill will be corrected by future legislation, the provision amounts to justice denied, here and now, and I cannot bring myself to vote for it.

I remain concerned, moreover, about the practical consequences of ceasing to treat welfare as an entitlement and replacing it with block grants. But what this means is that this Nation will cease to respond to anyone in great need, as a matter of right, and that some people in need may be cut off simply because we have shifted this serious national problem to the States, and we have done so without providing them with adequate support to address the problem. I am particularly concerned that some States, including my own State of Rhode Island which has just enacted a new welfare program, may be penalized if they choose to have a welfare program which is relatively more liberal than the Federal law.

Also troubling is the retention of cuts in food stamp spending, projected at roughly $24 billion over 6 years. Unemployed workers without children will be hard hit, as will legal immigrants.

Finally, I continue to be deeply concerned about the plight of children. I simply cannot believe that eliminating an entitlement which ensures that all poor children get the food, clothing, and shelter that they need can move us individually or as a society down the path we all want to go. While some improvements were made in conference, the fact remains that children will be the ones most vulnerable to the vagaries of variable State welfare programs.

Mr. President, it is with real regret, then, that I cast a ''no'' vote on this welfare reform legislation. I recognize that the bill achieves many important broad objectives which are clearly desired by the public at large—including work requirements, time limits on benefits and job creation incentives. But looking at the final product, I cannot say that what we have before us is better than what we now have. The bill is, as the Senator from New York [Mr. MOYNIHAN] reminded us ''radical legislation with unforeseeable consequences.'' Better to reject it now than try to make up for its deficiencies in the future.

Mr. LEAHY. Mr. President, it is the understanding of welfare conferees regarding the reconciliation bill that that bill exempts electronic benefits transfers from coverage of the Electronic Funds Transfer Act. The Department of Agriculture is empowered to establish regulations which will provide some protections against recipients' loss of benefits through electronic transfer systems. We encourage the Department of Health and Human Services [HHS] to develop similar regulations which will require procedures to minimize the losses of benefits for aid to families with dependent children recipients. It is also the conferees' understanding that nothing in this bill in any way prevents or discourages HHS from promulgating these essential regulations.

Mr. HATCH. Mr. President, today we take the first big step in ending the era of big government. Today, we send the states the authority to design their own programs for the needy. We move one step further away from the one-size-fits-all approach that comes from a Federal bureaucracy far removed from individual state environments and constituencies. This bill completely changes the very nature of welfare from one of endless individual entitlement to one of temporary assistance and personal responsibility.

This legislation is the result of a truly bipartisan process. I want to thank my colleagues for their work in crafting a compromise that can be supported by a majority of both parties.

I also want to congratulate the President for joining this effort. While we all wondered whether, after vetoing welfare reform twice in the last year, he would sign this measure, I am delighted that he has announced his support for this bill. I commend him for this decision. This is a great victory for Congress, for the President, for the States, for the taxpayers, and, above all, for the needy families of America.

Do we know exactly what will happen after this bill is passed? No. No one is blessed with that kind of omniscience. The current system provides an excellent illustration of the uncertainty of the future. The current system was well-intentioned at its inception. No one was deliberately trying to create a cycle of dependency or despair for beneficiaries who much too often found themselves locked into the system. However, the current system has turned out to be just that, destroying the very spirit of those who are receiving benefits. Through hindsight, we can see that the approaches taken in the current system have not, do not, and will not work. It has been a near total failure despite its worthy intentions.

We have learned from this experience. We have not crafted this welfare reform proposal out of whole cloth. We did not simply dream it up. We reviewed the findings of academics; we heard hours and hours of testimony; we poured over statistics; and we listened to our constituents.

The result is a welfare system built on a new paradigm—a ''can do'' philosophy that must be infused into recipients and administrators alike.

In designing a new approach to assisting the needy, we have looked to those programs that are successful in moving people to work and helping them become independent. The States have been moving in this direction and have been designing innovative and successful programs for several years. My own State of Utah is in the third year of a successful demonstration project that has just gone statewide. The Single Parent Employment Demonstration [SPED] has 90 percent of the caseload actively participating in work activities, utilizes the use of education and training to provide basic job skils, and has been successful in moving participants into unsubsidized, private sector jobs. This bill will continue this trend and allow the States to continue to design comprehensive programs to address their unique constituencies, needs, and resources.

Mr. President, this bill is not perfect. There are several things included in this bill that I don't agree with. There are many things that aren't in this bill that I think should be there. There are even some things that I think need to be changed. I would particularly like to see an expansion of the use of education and training to provide job skills for long-term employment, changes made in the language regarding existing State waivers, and a broader compromise on Medicaid eligibility to provide a level of administrative relief to the States.

However, the core reforms contained in this bill far, far outweigh these concerns. This bill contains block grants to States and gives them the opportunity to design their own systems—systems that will provide not only the wherewithal to transition people into jobs, such as child care, but also systems that have dignity, hope, and independence as the primary goals.

Throughout this debate, we heard from many who were concerned about the effects that these reforms could have on native Americans. I am pleased that this conference report retains several provisions addressing these concerns. The most important of these provisions is the native American tribal allocation provision. I would like to thank my colleagues for working with me to address this issue.

The tribal allocation provisions in this bill will provide tribal governments the same opportunities and responsibilities as the States to receive

direct funding and the flexibility to design their own programs based on the unique geographical and cultural needs of tribal members. This represents a significant shift in thought and Federal policy. Through provisions like these, this legislation reinforces the Federal Government's commitment for Indian self-determination and self-governance.

Mr. President, we have heard from the American taxpayers in no uncertain terms that they are tired of paying for people to do nothing. Families who are getting up to work every day and are still struggling to make ends meet are tired of seeing families receiving assistance with virtually no obligation to work for it. This bill changes all that. Under this legislation, people must work for their benefits. No longer will beneficiaries be able to continue to receive benefits for nothing. Families receiving assistance will now be given the resources and opportunity to receive job training and education and to move into work and independence. The legislation provides child care and other support services to these families.

Mr. President, we have heard much during this debate about the children and about how this bill is bad for children. This bill is not bad for children. If there is a program that has been cruel to children, it is the current system. How can anyone say that a program that traps our families in a hopeless cycle of dependency is good for and helps children? The current system may throw money at the problem of poverty, but it does not provide a solution.

This bill provides a solution, a way out of the dependency cycle. This bill gives needy children back the things that money can't buy—hope, dignity, self esteem, and a way out of long-term dependency. The best way we can help needy children in the long run is to give their parents the skills and resources—and, yes, motivation—to enter and be successful in the labor market. It can be done. Many have done it. Many more can be successful under the new system of assistance and incentives incorporated in this bill.

Mr. President, this bill is not the end of the welfare reform debate. Congress will continue to review and reform programs for the needy of this country. The reforms contained in this bill will continue to be monitored and evaluated. We can even see some technical corrections that could be made in the near future. I assure my colleagues and the American people that the passage of this legislation does not signal the end of congressional interest in the welfare programs. Passing this legislation is only the first, most important step in a long ongoing process.

Not only is this bill only the first step in reforming the welfare system, it is also the first step in tackling the seemingly insurmountable problem of ever-growing entitlement programs and balancing the Federal budget. This is not a plateau but rather a ledge on the way to the top of the mountain. Congress must continue to look at other entitlement programs for the needy. We must look at the Medicaid Program, at Medicare, at programs for the disabled, and yes, even Social Security. Without reforming these programs, this country will find itself digging itself deeper and deeper into a black hole with no way to get itself out. But, more importantly, our citizens who have come to rely on these programs will wake up one day to find that these programs have met with fiscal disaster and are no longer viable.

Just as important as the fiscal aspect of reforming these programs is the evaluation of the role and values of the Federal Government. We must reform the very nature of Federal programs from one of dependency to one of independence and transition. I encourage my colleagues to continue this fight. We must not stop here at the first victory over big government, but rather continue the process of reviewing the role of the Federal Government and of reforming those programs that are holding us back on the way to a prosperous and secure 21st century.

Mr. INOUYE. Mr. President, I regret that the conferees on the welfare reform bill have decided to report out a measure that is short-sighted and punitive to children, the disabled, and legal immigrants. I realize that the President has indicated that he will sign this bill into law, but I have concerns, as have already been expressed by the President in his recent statement, with many of its provisions.

Preliminary estimates that this measure will push an additional 1.3 million children nationwide into poverty. Once families have reached the 5-year time limit for receiving assistance in this legislation, they will have no recourse for assistance if a poor economy leave them without the possibility of finding employment.

Legal immigrants, including those who have been in this country for some time already, will be prevented from participating in all Federal means-tested programs, including the Food Stamp and Medicaid Programs.

This measure also cuts $23 billion from the Food Stamp Program over the next 6 years. It also limits benefits for those out of work without minor children to 3 months total in a 3-year period.

This measure will cause much grief in Hawaii. The State is already at its limit in its ability to assist those living in poverty, and the changes in the Federal law will only exacerbate a bid situation

I believe that the intent of a welfare reform bill should be to make it easier for families to make the transition from welfare to work. This bill does not provide adequate resources for States to provide the necessary support for families to do so. For these reasons, I will vote against the conference report.

However, I wish to commend the conferees for including in the bill that will now go before the President important provisions that would: First, provide child support enforcement services and funding to Indian tribes; second, authorize a State to exempt any Indian tribe from the 5-year limitation on participation for any Indian residing on an Indian reservation where the resident Indian population is 1,000 or more and where the unemployment rate is 50 percent or higher; and third, establish a 3 percent set-aside for American Indian tribal governments in the child care development block grant. Given the President's statement of his intent to sign his measure into law, I am pleased that the conferees have given special attention to the very serious needs of tribal communities.

Mr. PRESSLER. Mr. President, in 1935 Franklin Roosevelt had the foresight to realize that a welfare system that replaces real work with handouts was doomed to fail the very individuals it was intended to assist. In FDR's own words,

> The lessons of history * * * 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.

I am pleased that America's long, costly drug addiction to the easy, insidious welfare drug may be beginning to end today. Destructive generational dependency, illegitimacy, fraud, waste, abuse, and neglect soon will be replaced with greater self-sufficiency, responsibility and pride.

The bill before us would change the welfare system and the lives of many Americans for the better. Welfare was meant to be a safety net, not a way of life. This bill would restore the values of personal responsibility and self-sufficiency by making work, not Government benefits, the centerpiece of public welfare policy. I am proud to be a part of the team that has brought this historic legislation to the Senate and, soon, to the President's desk.

Why did the welfare system fail? The value of work was replaced with a handout, instead of a hand-up. The welfare system eroded the American work ethic. In many cases, welfare recipients today can sit at home and make double the minimum wage. Work, as my colleagues and staff know all too well, is a character building process. For generations, South Dakotans demonstrated this principle, that a hard-work ethic provides for themselves and their families. Imagine how they must feel when their tax dollars are used to support Americans who need not work. I can tell you how they feel—upset. That is why we needed workfare.

Workfare may seem innovative here in Washington, but it's not a new idea. Fifteen years ago, South Dakotans sought to develop new solutions for

their welfare system. South Dakota wanted workfare, not welfare. With the reforms it has implemented, South Dakota has succeeded in decreasing its welfare caseload by 17 percent and saved taxpayers $5.6 million. Those reforms, considered radical at that time, will the vision of the future for the rest of the country when the bill before us become law. Governor Janklow first pursued workfare in the early 1980's, and former Governor Miller and our late Governor Mickleson continued with further reforms. I also want to acknowledge and commend Deputy Secretary Mike Vogel, Social Services Secretary, Jim Ellenbecker, Denny Pelkofer, Donna Keller, Judy Heinz, Julie Osnes, and the rest of the staff at the South Dakota Department of Social Services for their efforts to make welfare reform a reality in South Dakota. When today's bill becomes law, these innovators will have even greater freedom to succeed where the Federal Government has failed.

I am pleased that the final bill includes workfare amendments I had included during the Finance Committee's markup of welfare reform. These amendments ensure that welfare recipients will put in a full workweek, just as other Americans do, in order to receive benefits. My amendments also increase the number of welfare recipients who must work and tighten liberal loopholes that have allowed people to avoid real work.

This historic legislation is a dramatic turn to decentralization of government. We are putting greater faith and trust in the states to operate their own welfare programs. I am confident South Dakotans will do better than Washington bureaucrats. No longer will the Federal Government apply a one-size-fits-all welfare system run by bureaucrats. Indeed, the Federal agencies responsible for welfare will be drastically reduced. States will have the flexibility to seek solutions and alternatives to welfare problems. This bill also would do something very revolutionary for the native American community— it would give them the opportunity to run their own welfare programs. This is a great opportunity for them to seek innovative solutions as well. This bill is not just about changing the welfare culture, but also the big Government culture. We change both for the better.

Workfare is not just about restoring responsibility at the individual and State level, it is about protecting children in need. This workfare bill would ensure that children have quality food and shelter. This bill would increase our investment in child care by $4.5 billion and increase federal child protection and neglect funding by $200 million over current law. What this bill eliminates is cumbersome bureaucracy and needless regulations.

We also strengthen child support enforcement and give States new tools to crack down on deadbeat parents. These reforms represent the toughest child support laws ever passed by Congress. The past welfare system fostered illegitimacy and discouraged marriage and parental responsibility. This welfare reform would promote the basic family unit, and crack down on those who deliberately walk away from meeting the needs of their children. More and more children are growing up without the moral guidance and financial support of parents, especially fathers. This is a tragedy of our time.

I am also pleased the final bill includes provisions I authored to crack down on food stamp fraud and prisoner fraud. Last year, I was shocked to learn the extent to which prisoners are able to continue receiving welfare benefits. The workfare bill before us once and for all puts an end to cash payments to alcohol and drug addicts in prison. It also would, reward States that crack down on food stamp recipients who abuse the welfare system. Although my home State's food stamp program is ranked first in the Nation, each year $1.7 billion is lost nationally through food stamp fraud, waste, and abuse. My provision would give additional incentive to crack down on those who abuse the welfare system. I want to extend my thanks to the staff at the South Dakota Office of Recovery and Investigations, specifically Marty Armstrong, for their diligent and effective work on this matter.

Several years ago, President Clinton promised America he would change welfare as we know it. Our former colleague and majority leader, Bob Dole, made the same promise. Last year Congress delivered on that promise. We passed workfare. Unfortunately, President Clinton vetoed that workfare bill. The President vetoed workfare again as part of our balanced budget plan. Thanks to Chairman ROTH, Senator DOMENICI, and so many others we didn't quit. We produced another workfare bill. I am pleased the President has said he will do the right thing this time and support this workfare legislation.

I want to thank the conferees for their quick action in approving the welfare bill. Again, I am proud to have played a significant role in this effort to enact workfare legislation. The workfare bill before us will end welfare dependency by requiring work and placing a time limit on benefits. Tomorrow's welfare system would encourage people to become more self-sufficient and productive members of society, as was intended many years ago. Americans deserve more than a handout for today, they deserve the hope and happiness that come through personal financial independence and the self-realization of work. Welfare reform ensures a better future for all Americans.

Mr. BYRD. Mr. President, as the Senate debates the Conference Report on H.R. 3734, the Personal Responsibility and Work Opportunity Act, Senators are considering one of the most significant pieces of legislation to come before this body in the current Congress. Indeed, if this legislation is approved today—and the President signs it as he has indicated—this welfare reform legislation may be the very hallmark of the 104th Congress. This being said, Mr. President, it is important that all Senators pay heed to the vast and complex changes that this legislation would effectuate on federal welfare policy. I intend to support the Conference Report on H.R. 3734 because I believe it represents a necessary departure from a welfare system that few will deny is fundamentally flawed. My overall support of this legislation notwithstanding, I do harbor certain reservations about the possible effects of certain aspects of this welfare reform initiative on our neediest citizens. With this in mind, Mr. President, allow me to explain why I believe that this legislation, even with its potential deficiencies, represents a marked improvement over ''welfare as we know it.''

Mr. President, by combining many of the current federal welfare programs into a single Temporary Assistance for Needy Families Block Grant, H.R. 3734 would effectively end the federal entitlement to welfare assistance and give the States expanded control over their respective welfare programs. Under the bill's provisions, each State must establish objective criteria for determining eligibility and providing ''fair and equitable'' treatment for its welfare recipients. In order to receive their full block grant, States would have to enforce rigid work requirements for welfare recipients and provide adequate child care resources to families with children. Moreover, H.R. 3734 stipulates that States, in order to receive their full block grant, must continue to spend at least 75 percent of the amount they spent on cash assistance programs in fiscal year 1995. And, importantly, H.R. 3734 would limit welfare recipients to five years of benefits and would require most welfare recipients to work at least 30 hours per week by the year 2000. In addition, to protect children of families whose 5 years of assistance have expired, H.R. 3734 permits States to use funds from their Social Services Block Grant to provide vouchers for food for children.

Finally, the legislation permanently bans illegal immigrants from receiving any Federal benefits, and bans legal immigrants from receiving most assistance for the first five years of their residency in this country.

Mr. President, having mentioned the various aspects of this welfare reform legislation that I believe will improve our system of welfare, I must also allude to a particular provision of the bill that I believe may have unnecessarily negative effects on many of the neediest welfare recipients. Specifically, I am concerned about the food stamp work requirements included in this legislation, which would limit adults without dependent children to just 3 months of food stamps every 3 years. Unemployed laid-off workers

would be given an additional three months, and areas with unemployment of ten percent or more would also be given a waiver from the work requirements. Nevertheless, Mr. President, these provisions represent a significant departure from the Senate-passed welfare bill, and they also embody a complete departure from our national policy of providing our needy with the most basic safety net: food. On the surface, it might seem that the two exemptions from the work requirement provide a safety net. Yet, the Congressional Budget Office has reported that States will not be able to create the necessary jobs or workfare slots for individuals that are likely to be subjected to these new work requirements.

Mr. President, the Senate-passed measure, like the measure before us now, would penalize States for not creating the necessary jobs or workfare programs. However, this bill goes further than that by including provisions that would also punish an individual who simply cannot find a job or a workfare slot available. While ostensibly intended to target those who could work but choose not to, this provision may in fact have the worst effect on vulnerable individuals who want to work but cannot find a job. Indeed, this issue warrants careful watching. I believe the conferees would have better served this country by adopting the Senate food stamp work requirements.

While this legislation is not perfect, it represents what I believe to be a reasonable attempt to restore the concept of welfare to its original purpose: a temporary ''safety net'' for those who have fallen on hard times. Welfare should not be a permanent way of life for those among us who are able to work. The cost of such misguided policies is far greater than the dollars spent on providing benefits to those who choose not to work because, in time, they foster dependence and indolence among recipients and their families. This argument is not new. President Nixon, in addressing the Nation on welfare reform in 1969 said, ''If we take the route of the permanent handout, the American character will itself be impoverished.'' Mr. President, I agree fully with President Nixon's statement and that is why I support this conference report.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

● Mr. PRYOR. Mr. President, today, I will be unavoidably absent from the Senate, as I am in Arkansas on a family matter. However, I feel it is important to express my support for this welfare reform measure and discuss briefly the reasons for my support.

My concerns in the debate over welfare reform stem from proposals that would outright dismantle the safety net in this country. For decades, the Federal Government has assumed the responsibility to help those that cannot help themselves. The welfare reform bill before us shifts much of that responsibility to the States. I voted against last week's Senate version of the welfare bill with the hope that I could improve it in the conference committee. In some ways it has improved, in others it has not.

Even so, if I were able to vote for this bill today, I would. I am not going to say this bill before us today is perfect. It is not. But I cannot justify keeping the current system. There are more individuals in poverty now than ever before. I believe we have a responsibility to seek new ways to help people help themselves. Our current system fails at this task and we must recognize this fact.

Welfare as we know it has not effectively emphasized work or pulled individuals out of poverty. I do not like all of the provisions in this bill, but I can not support the status quo.

In the past week I have heard from many people in Arkansas about welfare reform. They know how the current program works in places like Little Rock, and in Camden, in Fayetteville, and across the Arkansas Delta. They can see that the current program needs reform.

Under this bill, States will be given the flexibility to reform welfare to meet the needs of that State. Yesterday, President Clinton said that the welfare population today is different than the one 60 years ago. It is also true that the welfare population today differs from State to State. Individuals on welfare in Arkansas face different problems and have different strengths than those in New York or California. This legislation will give States the opportunity to design a welfare program unique to that State. It is a big responsibility we hand over to the States today. I pray they act wisely.●

Mr. JEFFORDS. Mr. President, I rise today to voice my support for the legislation upon which we are about to vote. We have been working on this bill for a year and a half and we've been back to the drafting table several times. Today, though, we're going to pass this bill and we have the President's assurance that he'll sign it. I am truly pleased to have been part of this historic effort, and I want to thank my colleagues on both sides of the aisle for their hard work and dedication to reforming welfare.

Does my support mean that I believe we've got the perfect bill and all of our concerns have been addressed? Do I think we've finished the job and we can forget about welfare for another thirty years? Certainly not. No one thinks that this is the perfect approach to reforming welfare. Many of us would like to see less in cuts to food stamps; we would prefer more support for children.

In particular, we're emphasizing work in a way that we never have before—and let me stress that I think we are emphasizing that goal, and I commend the bill on that point. Even so, we're not doing nearly as much as we need to do to ensure that jobs are available for people, and that people have the education and training they need to fill the available jobs. We've spent a fair amount of time and energy this session talking about job training. As we all know, reconciliation on this issue has eluded us to date. We must address this issue. The first thing people need to get and hold down a job is a good education. Too often, I think, we assume that to mean a college education. That is not necessarily true. In the next Congress, I hope we will renew our discussion of how to link education and job training so that people are able to fulfill the expectations of the jobs that are available.

Our international competitors have been leaders in making the important link between education and work. Germany for example, has long been a model for vocational education. As early as the sixth grade, students opt for a college-prep or vocational education program.

Over and over we've said people need to get off welfare and get back to work. I agree with that. We've said ''you can always get a job at McDonalds.'' There are two flaws with this flippant argument. One is that a person doesn't earn a living wage at a fast-food restaurant—but we've had that debate. The other flaw with the argument is that even the fast food industry jobs are not as available as we'd like to believe. A 1995 Columbia University study of fast-food minimum wage job openings found that 14 people applied for every opening. Among those rejected, 14 percent hadn't found work a year later. What are we going to do for these people? What are we going to do about this problem?

While this bill makes some nods in that direction, I think perhaps its biggest failing is it fails to recognize all the work we need to do to get people back to work. So far, the necessary resources in education and job training far exceed the available resources. Job training and education are an investment that will yield us incredible returns. Last year the Department of Education released a study that found that ''a 10 percent increase in the educational attainment of a company's workforce resulted in an 8.6 percent increase in productivity. Whereas a 10-percent increase in the value of capital stock such as tools, buildings, and machinery only resulted in a 3.4 percent increase in productivity.'' I won't belabor this point, but education and job training are issues I will continue to work on, and I urge my colleagues to do the same.

I think all of us realize that it will be our responsibility to monitor the effects of this bill, to improve and enhance those provisions that seem to work well, and to revisit those provisions that are unproductive or fall short of what's needed, such as those surrounding job training and education that I have just highlighted.

This bill is not perfect. Even so, the system we have now is not working and

we need to move forward now. The bill before us takes important steps in the right direction, and is clearly preferable to the welfare program we've arrived at after 30 years under the old system.

We enacted this system 30 years ago to combat poverty, and the truth is—this system hasn't worked. In 1965, 3.3 million children received AFDC benefits. In 1990, 7.7 million kids received AFDC benefits, and in 1994 9.6 million children received AFDC. At the same time, between 1965 and 1990, the actual number of children in the United States declined by nearly 5 million. Clearly, the current system isn't working, and because of that there is strong support in this country and in this Congress to reform welfare.

Furthermore, the current system has developed into one that permits, even encourages, a lifestyle of dependence. Under the system we have now, 65 percent of families on welfare will be dependent for at least eight years. One in eight children in this country is on welfare, and nearly one in five mothers in inner cities is on welfare. Without welfare reform, millions more children will grow up dependent on welfare. Under the current system, children who grow up in families dependent on welfare are twice as likely to rely on welfare when they become adults. It is clear that for many people, welfare has become a way of life.

The bill before us will terminate reliance on Federal assistance as a way of life. We end this reliance by terminating cash assistance after 5 years of receiving benefits. After two years, we require people to get jobs. This is real welfare reform. Time limits are unprecedented at the Federal level. Five years of benefits allow adequate time for most people to get their feet under them and get back on the road to supporting themselves. But even after 5 years the line is not a hard and fast one. There can be exceptions. The bill allows a 20 percent hardship exemption for the really difficult cases. So even though we say ''5 years and you're off,'' even then there's some leeway.

Another strength of this reform bill is that it retains the Federal safety net for nutrition benefits. One of the changes I worked hard on in the Senate version of the bill was the food stamp block grant. We eliminated the block grant option last week, and the conference bill retains the food stamp entitlement. The entitlement ensures that food stamps will always be available to our most vulnerable populations: children, the very poor, and the elderly. And food stamps will be available even after the eligibility for cash assistance has ended. I want to thank my colleagues for joining me and voting to strike the optional block grant.

Another difference between this bill and the ones we've considered previously is the money provided for child care. This bill fulfills the Governors' and the President's request for additional child care funds, and as a result we'll be spending $4.5 billion above current law on child care. In addition, the bill retains minimal health and safety standards for child care, and it maintains a quality set-aside from child care block grant funds so we might better focus on encouraging and developing good child care for our children. Finally, this bill requires that the Secretary report to the Congress on how children are affected by welfare policy change; additionally, it requires the states to report on their child poverty rates. If the child poverty rate increases by more than 5 percent, then immediate corrective action is required. I mention all of these factors because they contribute to my willingness to support this bill, and also because they illustrate that the drafters are concerned about children and intend to monitor the effect of this bill and follow up to ensure that we are bringing about the positive change we're attempting to achieve.

In conclusion, let me speak briefly on how this bill will affect Vermont. I was pleased to learn that the Governor of my home State, Gov. Howard Dean, has spoken positively of this bill. While he shares the concerns that many of us have, Gov. Dean thinks that Vermont can come out ahead under the provisions of this bill. Vermont is currently operating its welfare program under a waiver. Not only does this bill allow the State to continue its first-in-the-nation reform project, the Governor recognizes that the calculations used to determine the size of the Federal block grants mean that Vermont will have more money to spend on its welfare program.

While I am on this subject, I would like to take a moment to voice my support and praise for those states, like Vermont, that have already undertaken welfare reform through waivers and demonstration projects. I am pleased that we will allow those waiver projects to continue.

But let me urge clarification on what I consider to be a confusing and counter-intuitive provision in the bill. Under the provisions of the bill setting forth the guidelines for the temporary assistance for needy families block grants we have a section that gives States the option of continuing the waiver projects already underway. In fact, the section goes so far as to require the Secretary to encourage any State operating under a waiver to both continue the waiver and to evaluate the result of the waiver so that other States may make use of the valuable information to be gained from these demonstration projects.

However, under the hold-harmless provisions of this waiver section, we seem to forgive the accrued liability of States that choose to terminate their waiver projects. Our intent, I believe is to forgive the accrued liability of those States, like Vermont, that choose to continue their waiver projects. To take any other stance except one that also wipes those slates clean would give States incentive to terminate their waivers. States like Vermont that are already conducting demonstration projects should be encouraged and supported in their efforts to continue those projects. I understand that there may be an opportunity to revisit that issue soon, and I urge my colleagues to ensure that we're creating incentives to continue the waivers that are promising, rather than offering incentive to terminate those projects.

Another aspect of the bill that is very important to Vermont is the assurance that, as under current law, LIHEAP benefits will not be counted as income for purposes of determining food stamp eligibility. This provision is very important to poor people in cold regions of the country who may rely on both LIHEAP benefits and food stamp benefits. There was a provision in both the House and Senate bills that would have forced people to choose between heating and eating, and I thank my Senate colleagues for accepting my amendment to strike those provisions. I also want to thank my colleagues who worked on the conference committee for working to maintain the Senate bill provisions on this issue.

Mr. President, I agree with my colleagues who say this bill has flaws, and I look forward to working with them next year and in future years as we continue to work towards the proper balance between self-sufficiency and Gvernment assistance. In spite of its weaknesses, I think this is a good bill. We've worked hard over the past year and a half to get to this point and I think we've made some very positive changes that will help all Americans to be productive and contributing citizens. I will be pleased to vote ''yes'' on final passage.

Mr. BIDEN. Mr. President, since 1987, when I first proposed an overhaul of the welfare system, I have argued that welfare recipients should be required to work. None long years later, I am pleased that it is finally about to happen.

It has been a long road. I was pilloried by many of my friends back then for even suggesting the idea of requiring work. Today, I think everyone here believes that work should be the premise of our welfare system.

It was unthinkable a few short years ago, that we would limit the time that people could collect welfare benefits. Today, I think that is a proposition on which nearly everyone here agrees.

And, on the other side of the aisle, it was just a few short months ago, that many were unwilling to invest sufficient amounts in child care so that the children of welfare mothers would be taken care of when their mothers went to work.

We have come a long way toward reaching agreement on how best to reform our failed welfare system. And, much of that meeting of the minds is reflected in this bill. So, I will vote for it, although I believe it could have been better.

I would feel much more comfortable if we were here today debating and voting on the Bipartisan Welfare Reform Act that Senator SPECTER and I introduced in the Senate and that Representatives CASTLE and TANNER introduced in the House. It was more realistic in putting people to work; it was more compassionate to the children who did not ask to be born in poverty; and it was a model of bipartisanship from the very beginning.

Unfortunately, the Biden-Specter, or Castle-Tanner, bill is not a choice facing us today. Today, we have but one choice: this bill with its flaws or the current flawed system. And, in weighing the alternatives, the flawed—I should say failed—status quo is simply no longer an alternative.

The culture of welfare must be replaced with the culture of work. The culture of dependence must be replaced with the culture of self-sufficiency and personal responsibility. And, the culture of permanence must no longer be a way of life. I will vote for this bill, Mr. President, because it is a step toward changing the culture.

This bill will require welfare recipients to work in exchange for their benefits, and it will limit the amount of time that families can receive welfare. The bill will increase our investment in child care so that welfare mothers can go to work, and it will go after the deadbeat dads who refuse to support their own children. Finally, it will crack down on fraud in the Food Stamp Program.

These are important and crucial changes that need to be made in our failed welfare system. They have been my priorities in reforming welfare, and this bill meets those goals.

But, we should not fool ourselves. There will be people, many of them children, who will fall through the cracks because of this bill. I do not know how many. I have heard numbers thrown around on how many more poor children there will be under this bill. To tell the truth, no one knows for sure. But, there will be some. And, for that, we should not brag or boast or pound our collective chests or, as one Member of the other body did yesterday, claim that this will be great for America.

However, that's not a reason for failing to move forward. It is a reason for watching closely what happens as we move forward. As this new welfare system is implemented, we must monitor it with a microscopic eye. And, I hope the authors of this legislation will be as willing to make corrections if corrections are needed as many of us have been willing to vote for a good, but not perfect, bill.

And, this is not a perfect bill. In fact, I do not even believe this is the best bill we could have written. But, it is a good bill. And, it is time to move forward.

Mr. COHEN. Mr. President, about 11 months ago, the Senate passed a welfare reform bill by an overwhelming 87 to 12 margin. That vote demonstrated that there was strong, bipartisan agreement that the current welfare system needs a dramatic overhaul. After almost a year of discussion relating to the best way to reform the current system, it is satisfying that the same bipartisan spirit will be present when we vote on a welfare reform plan for third time.

The current system, with its trademark entitlement programs, has been only marginally successful in providing for the most basic needs of low-income people, and has been a dismal failure in encouraging recipients to become independent.

While we supported changes in 1988 to emphasize work in our welfare system—those reforms included so many exemptions that the incentives to work were seriously undermined. Those reforms did not do enough to help us distinguish those who had fallen on hard times and needed a helping hand from those who simply refused to act in a disciplined and responsible manner. When welfare is a Federal entitlement, it is very difficult to make that distinction.

The legislation before us today will put welfare recipients on notice that their time on the system is limited. We are offering them assistance with child care, health care, and training to become self-sufficient. In return, recipients are expected to put in time improving their education, participating in training, and getting a job to get off the system permanently.

As recipients increase their efforts to comply with these new requirements, States must understand the responsibility they are accepting with the flexibility gained from the block grant. The Federal Government is ending the 60-year philosophy that anyone at anytime is entitled to cash assistance.

The philosophy has changed to: we will help someone get a job and keep a job by providing child care and health care for a specified period of time. This shift in philosophy means that the culture of State welfare offices must evolve into the culture of a job placement service where the focus is getting jobs, not mailing checks.

This legislation also takes a big step forward to reinforce the importance of families in society. Regrettably, too many of our young people are growing up without two parents involved in their lives; 92 percent of AFDC families have no father in the home. This bill recognizes that reducing out-of-wedlock births is an important goal, but does not prescribe Federal solutions that would hamstring the ability of States to try different approaches.

One of the most essential ingredients for self-sufficiency is the availability of child care. By funding child care activities at almost $22 billion, States will have the resources they need to design successful return-to-work programs. With this enhanced funding, parents will have some assurance that their children will be cared for in safe settings.

As the President indicated yesterday, this bill is not perfect. One of my principle concerns is the impact of cuts in food stamps on the working poor. Food stamp benefits do not extend just to families on AFDC. The Food Stamp Program plays an important role in helping poor, working families make ends meet.

Food stamps are the front-line defense against poverty, providing a minimum safety net of 1 out of every 10 people in Maine. This program has proven vital in improving the health of our children and the elderly, and protecting people with disabilities. We need to ensure that this program retains its vital mission: to ensure that families have enough resources to buy food.

One of the most important provisions in this bill is the emphasis on the collection of child support and establishing paternity for children born out-of-wedlock. Child support collections continue to increase across the Nation. The Republican bill includes provision which will encourage even greater increases in child support collections. By taking a tougher stand to establish and then enforce child support orders, some of the families currently tied to the welfare system may be able to get loose.

It is obvious that no one likes the current system. Governors don't like it, welfare recipients don't like it, and the public believes that welfare programs serve only those people who want to take advantage of the system. As a result, support for antipoverty programs has eroded drastically in recent years.

By injecting a work ethic into our welfare system and emphasizing self-sufficiency, which this bill does—we are on the right track. This bill comes very close to providing resources and incentives that will improve our antipoverty programs, but I also hope we will continue to work to ensure that our most vulnerable populations are protected.

Mr. GLENN. Mr. President, today the Senate will be voting to transform the Nation's welfare system. Despite some changes, I believe that the fundamental flaws of the Senate and House passed bills remain and therefore I will vote against the conference report.

Children and low-income working men and women will be the victims of this legislation. There are already far too many poor children in this country and I believe that this bill will in the end cause many more children to live in poverty. I am particularly concerned that in Ohio alone, as many as 43,500 children will be pushed into poverty by the implementation of the bill before us. Mr. President, I cannot support legislation that would cause this kind of harm.

I have been concerned from the start that simply washing our hands of the Federal responsibility for welfare and turning it over to States is no guarantee of success. This is risky policy and

there will no longer be any mechanism for guaranteeing a national safety net for our poorest families.

I am concerned that the work requirements in the bill can not be met. States that do not meet employment goals will lose part of their block grants. Penalties would rise from 5 percent in the first year to 21 percent in the ninth year. The Congressional Budget Office has already reported that most States will be unable to meet the work requirements. This legislation lacks the necessary commitment or resources to help people move from poverty to meaningful employment. It does not provide any specific funding for States to help people find or train themselves for better-paying jobs. Rather than moving people off welfare and onto work, this bill emphasizes cutting off welfare.

While I support reform that promotes personal responsibility and community initiatives, I cannot support legislation which undermines the national safety net and reduces resources for hungry families.

Mr. GRAHAM. Mr. President, during consideration of the Senate reconciliation bill, two definitions regarding immigrants, section 2403(c)(1), and in section 2423, section 213(A)(f)(2), were stricken because they contained material that was not under the jurisdiction of the Finance Committee. Specifically the definitions denied all means-tested benefits to immigrants including benefits subject to appropriations.

The Parliamentarian also agreed that the provisions violated another section of the Byrd rule, section 313(b)(1)(D). Section 313(b)(1)(D) prohibits language in a reconciliation bill or conference report if the deficit reduction is merely incidental to the larger policy changes contained within the provision. The Parliamentarian agreed that since the reconciliation process is confined to mandatory spending, expanding the scope of provisions to include benefits provided by discretionary spending was a violation of the Byrd rule.

The conferees were certainly notified about these rulings and the offending provisions were not included in the conference report.

Moreover, would the Senator agree that, when the Senate struck these sections as violating the Byrd rule, the Senate's intent was to prevent the denial of services in appropriated programs such as those that provide services to victims of domestic violence and child abuse, the maternal and child health block grant, social services block grant, community health centers and migrant health centers? Does the Senator agree that recipients of appropriated funds are not forced to conduct checks on citizenship and immigration status when providing community services?

Mr. KENNEDY. Yes. Under the Byrd rule, the budget reconciliation process cannot be used to change discretionary spending programs. Only mandatory spending is affected.

Mr. GRAHAM. Is this consistent with the understanding of the Senator from Nebraska as well?

Mr. EXON. Yes. As ranking minority member of the Budget Committee, I have been concerned to ensure that the budget reconciliation process is limited to affecting mandatory spending and is not misused to achieve other objectives. Budget reconciliation's departure from ordinary Senate rules of debate must be carefully limited to its original and proper purpose. Our colleagues on the other side of the aisle shared this view when they agreed to strike the offending provisions from the Senate bill.

Mr. GRAHAM. Would the Senator agree that the version of the bill recommended in this conference report is consistent with this understanding?

Mr. EXON. Yes. These provisions stayed out of the bill in conference, as the conferees sought to avoid another challenge on the Senate floor that these provisions violated the Byrd rule. This manifests our intent to keep this bill within the proper parameters of budget reconciliation.

Mr. President, changes in discretionary programs on a reconciliation bill, such as the ones mentioned by the Senator from Florida and the Senator from Massachusetts, result in no direct budgetary savings and are therefore extraneous under the Byrd rule.

During floor consideration of this legislation, we struck section 2403(c)(1), and in section 2423, section 213(A)(f)(2) because they contained material that was not under the jurisdiction of the Finance Committee, namely many discretionary programs, because they violated section 313(b)(1)(C) of the Budget Act. These provisions also provide no budgetary savings, and violating the intent of section 313(b)(1)(A) of the Budget Act, but because they were cleverly embedded in language which did provide direct budgetary savings, it was difficult to fully enforce the Byrd rule. Nonetheless, it is clear that this bill should not be used to make changes in discretionary programs, and those who look to interpret the action of the Congress should take this into account.

Mr. President, the purpose of the Byrd rule is to prevent reconciliation bills from being loaded up with provisions, such as these, that have no budgetary impact. This is important because reconciliation bills move in the Senate under special rules which limit amendment and time for debate. Without the protections provided by the Byrd rule, it would be far too easy to take advantage of the privileged nature of reconciliation to enact controversial items without proper consideration in the Senate. Allowing reconciliation to be used in this manner fundamentally undermines the basic nature of the Senate's rules which protect the voice of the minority and damages the Senate as an institution.

For this reason, I feel it is important to bring these provisions to the attention of the Senate, and I thank the Senators for their efforts.

Mr. LEVIN. Mr. President, today, the Senate will reach a milestone in the long and sometimes twisting journey of welfare reform legislation. The Senate will pass this bill, as the House of Representatives did yesterday. The President has told the Nation that he will sign it, and soon it will become law. I will vote in favor of this bill because it is a step toward ending the present system which simply does not work and replacing it with a system which requires and rewards work. I wish, however, that we had before us a reform bill which I could wholeheartedly, without reservation, endorse and support. I would greatly prefer a bill, for example, like the work first legislation which contained a Federal safety net for children and which I cosponsored with Senator DASCHLE and many of my colleagues or even like the bipartisan Biden-Specter approach which I voted for in the Senate.

The bill before us is an improvement over the legislation which I opposed last year and which the President vetoed because, among other things, it provides more support for child care, retains needed child protection programs and services, includes my amendment strengthening the work requirement, does not block grant food stamp assistance, requires a greater maintenance of effort from the States, and doubles the contingency fund to help States in times of economic downturn. However, it contains a number of serious flaws. That is why it is a milestone and not a final destination. It will need repairs. As the President has indicated, there are aspects of this legislation which the Congress will be required to revisit. And beyond that, I believe that this kind of sweeping reform involves an element of risk. Although our efforts are directed toward improving the system, recognizing within the welfare system the principle of the value of work, assuring the protection of children and reasserting the responsibility of absent parents to their children, we cannot possibly be sure that all the effects of such sweeping reform will be those intended. For that reason, the Congress must remain vigilant in its oversight and monitoring of the impacts of this legislation. We must stand ready to address negative impacts. If critics are fully correct and there is a large increase in the numbers of American children who find themselves impoverished, we must stand ready to remedy quickly the defects in this bill.

For a number of years, I have been working toward reform of the welfare system. The existing system has failed. It does not serve families and children well. It does not serve the American taxpayer well. It was created to meet the needs of families in hard times. Unfortunately, for far too many, what was intended as a safety net has too often become a way of life, a cycle of dependency. It is wrong to allow such a system to continue.

Meaningful reform should protect children and establish the principle that able-bodied people work. It should tighten child support enforcement laws and be more effective in getting absent fathers to support their children. the bill before us represents a constructive effort.

The funding levels in this bill are aimed at assuring that adequate child care resources will be available for children as single parents make the transition into work. Those levels are significantly improved over last year's bill. This strengthens the work requirement because it better assures that States can effectively move people into job training, private sector employment, and community service jobs. The bill will provide the kind of flexibility which the States have been asking for. Now, they must step up to the task and meet their responsibility. If they fail, this reform will fail because it is built on the foundation of getting able-bodied people back to work.

I am particularly pleased that this legislation includes my amendment which I first offered last year which greatly strengthens the work requirement in the bill. The original legislation required able-bodied recipients to work within 2 years of receipt of benefits. My amendment adds a provision which requires that unless an able-bodied person is in a private sector job, school, or job training, the State must offer, and the recipient must accept community service employment within 2 months of receipt of benefits.

As I have said, I am deeply concerned by several provisions contained in this legislation. I am afraid that the reductions in food stamp assistance may go too far, although the conference committee added $1 billion in food stamp assistance back in. Also, while some language was added in the conference to allow States to use some funds under this bill to provide noncash vouchers for minimum safetynet support to children of families which lose their benefits they have reached the 5-year limit on assistance, I believe such minimum aid should be mandated. We will want to monitor how the States handle this problem. And, I am concerned that the provisions included, denying benefits to legal immigrants, are too harsh. I particularly object to the impact on legal immigrants who are already in the United States and on legal immigrants who come here, work hard, and then may unfortunately become disabled. As the President stated yesterday, these provisions don't belong in a bill relating to welfare reform.

I am also concerned by a provision in the bill which did not appear in either the House-passed or Senate-passed bill. Both the House and the Senate bills prohibited penalties against single custodial parents with children under 11 years old who cannot find adequate, affordable child care, as determined by the State. Inexplicably, the conference committee changed that provision to lower the protected age to children under the age of 6. Again, I think this is a matter which Congress should monitor closely as it is applied in the States, and revisit it, soon.

Mr. President, the decision on this bill is a difficult and a close one. But, I believe we must reform the broken welfare system which currently serves America's children poorly and serves the American taxpayer poorly. But, as we move forward on a bipartisan basis, we must vigilantly work with the States, to make this reform successful, to get people back to work, and to improve the lives of America's most vulnerable children, with an on-going commitment that mistakes will be addressed, and shortfalls will be reevaluated.

Mr. HATFIELD. Mr. President, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 moves our Nation in a positive direction by reforming our current welfare system. Not only does it eliminate the entitlement status of welfare, but the bill requires those able-bodied recipients who can work, to work. In addition, the bill provides $4.5 billion more for child care than current law, maintains Medicaid eligibility for those citizens who qualify for assistance, and allows those States who are operating under Federal waivers to continue to do so. The child care and Medicaid provisions in this bill will allow welfare recipients to better make the transition to work. Also, the Federal Government, by allowing States to continue with their innovative welfare reform programs, will see continued successes, as in Oregon, in welfare reform.

As chairman of the Appropriations Committee, and while currently embroiled in the appropriations process, my experience has taught me all too well the dire consequences of continuing, without change, entitlement programs that we do not, and cannot control. We can no longer keep spending until all needs are met. These entitlement programs place a great burden on the Appropriations Committee and more importantly, a burden on the many other needs of our Nation.

Only through a commitment to providing better opportunities for those living in poverty will we find a solution to poverty. We can achieve a reduction in welfare spending while working to transition the impoverished, out of poverty. The recent vote in the Senate to increase the minimum wage is an indication of Congress' commitment to ensure that in the area of employment, a minimum standard is assured. However, Congress cannot eliminate poverty by merely raising the minimum wage. There is a cycle of poverty which is passed from generation to generation, and it is the root causes of this poverty that must be addressed: a lack of education and access to upward social, and economic stability. Education is the key to the success of society. Citizens without the opportunity to educate themselves, to increase knowledge and skills, will weaken in despair, maintaining the status quo at best. In my home State of Oregon, the Governor's office, county commissioners, and the Oregon Workforce Quality Council, are only a few among many who have worked towards improving job training. As a result of the efforts in Oregon, in only a few years Oregon has reduced their welfare roles by almost 25 percent. By progressing towards a seamless link amongst differing human resource agencies, Oregon has made outstanding progress in integrating education, employment, and training programs. These are key links in ending the cycle of poverty. Thus, I am pleased to see waiver language contained in this bill which will continue the welfare reform process. With this added flexibility Oregon will be able to continue its extraordinary welfare program.

Mr. President, we have chosen to address welfare reform and Medicaid reform separately; a decision which I cannot fully support. Welfare reform is an integrated effort which includes: child care, effective job training and quality health care. To end welfare as we know it we must allow our citizens the opportunity to climb out of the welfare trap and become productive citizens of our Nation. Without an integrated approach the entire system is placed in jeopardy. Thus, I am dismayed that we did not reform Medicaid while reforming welfare, for they are an integrated pair. However, I am satisfied at this point to know that Medicaid will remain intact for our citizens who are fulfilling the work requirements of this bill. Furthermore, I am pleased that the State of Oregon will continue to operate its Medicaid system under the Oregon health plan. Under the Oregon health plan, my State has enrolled 114,000 more Oregonians who would otherwise not have had access to health care. The Oregon health plan required numerous Federal waivers to achieve this success, and I am hopeful that Medicaid reform, whenever enacted, will have similar success as in Oregon.

I ask unanimous consent to have printed in the RECORD a letter from the State of Oregon endorsing this bill.

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

OREGON DEPARTMENT OF
HUMAN RESOURCES,
Salem, OR, July 31, 1996.

Hon. MARK O. HATFIELD,
United States Senator,
Washington, DC.

DEAR SENATOR HATFIELD: Thank you for your ongoing work with us on both our welfare reform waivers and the current pending legislation. Your assistance has made it possible for Oregon to continue to improve upon its extraordinarily successful strategies to move families from poverty to employment.

Regarding the current bill, it is my understanding that the conference committee has allowed states the option to determine if, after a five-year period following enactment, qualified aliens (generally speaking, legally residing non-citizens) would remain eligible for Medicaid coverage. With this issue resolved, the Department of Human Resources

is satisfied that the bill will allow the State to have more flexibility and success in helping Oregon families become self-sufficient than would be possible under current law.

Sincerely,

GARY WEEKS,
Director.

Mr. HATFIELD. In Oregon, we are reducing our welfare roles by training our workers and putting people to work. This is being accomplished through a concerted effort of local, State and Federal officials striving together towards a common goal of putting people to work. We are demonstrating that welfare reform is an integrated system of job training, child care, personal responsibility, and health care.

Mr. BINGAMAN. Mr. President, today the Senate will vote to change the Nation's welfare system. While I hope these changes will make people's lives better, I greatly fear that these changes will do far more harm than good.

Let me say I believe the country needs welfare reform, and I strongly support some portions of this bill. I support requiring all able-bodied recipients to work, turning welfare offices into employment offices, providing adequate child care and requiring strong child support enforcement. This bill achieves some of these goals, but I am deeply concerned that it will push more people into poverty instead of lifting them out.

I am encouraged by the President's commitment to pursue these concerns and come back next year to propose changes to this legislation. In fact, I wish we had incorporated those changes in this bill.

I have been hopeful that this Congress would achieve real welfare reform. A good bill would encourage adults to work without threatening the well-being of children or legal immigrants or the States that need welfare assistance most. I originally voted for welfare reform legislation in the Senate with hopes of ultimately achieving this goal.

Unfortunately, this has not happened. In the highly politicized environment in which we find ourselves, I fear that we are trading an admittedly imperfect system for one that may prove to be far worse for our Nation's children and poor. That is why I am voting against the conference report before us.

I have been persuaded that this bill will hurt New Mexico. While under this bill, States may have substantial discretion on how they administer welfare benefits, it is equally clear that they will have substantially less money with which to administer those benefits.

I believe this bill will increase the number of children living in poverty in our State. Relative to other States, low per capita income states like New Mexico will suffer. According to the New Mexico Human Services Department, the number of families on welfare is increasing in New Mexico—from an 18,400 caseload in 1989 to 34,000 cases per month in 1996. New Mexico cannot easily absorb funding cuts when the caseload is growing and the State budget is not.

This bill requires progressively more hours of work, from a greater percent of each State's caseload every year, with States losing cumulatively more funding each year they fail to hit their targets. While I am a strong proponent of work requirements as an integral part of welfare reform, I am skeptical of this approach.

Currently, unemployment in New Mexico is 6.8 percent, higher than the national average of 5.3 percent. While we have experienced a recent period of high job creation, many of those new jobs are concentrated in our urban centers and are not likely to be accessible to those who live in rural areas. And what will happen to New Mexico in the event of an economic downturn, when rates of job creation are not so high? This bill provides a penalty of a 5 percent cut in Federal funds for the State's block grant that will be increased to a maximum of 21 percent cut should targets be missed in consecutive years. The National Governors' Association [NGA] shares the concern that many States will have difficulty in meeting the work requirements. This will leave States with the choice of using State and local funds for education, training, and child care, or throwing more people off the rolls so it will be easier to hit their work targets, or cutting far back on benefits.

The nonpartisan Congressional Budget Office has said that, over 6 years, this bill falls $12 billion short of the funding needed to meet the work requirements of this legislation, and about $2.4 billion short in child care resources. Currently, the caseload in New Mexico is growing. Who will be forced to pick up the shortfall? State and local governments will.

Last year in New Mexico, 239,000 recipients in 87,000 households relied on food stamps. About $28 billion in savings realized by this bill will be in food stamps. Such cuts to funding benefits erode the integrity of the safety net for those who need it most. I say again that we are trading in an imperfect system for one that may prove much worse.

Our common goal is to eliminate public assistance as a way of life while preserving temporary protections for those truly in need. We can do this without denying the basic needs of innocent children and without driving State and local governments further into debt. I look forward to voting for the necessary amendments to this legislation in the next Congress.

Mr. DOMENICI. Mr. President, I am pleased that the welfare reform conference report includes a suggestion I made to the conferees.

Before final passage in the Senate, I suggested that we delete a direct spending appropriation that was in the Senate-passed bill—section 2211(e)(5).

This provision would have given the Social Security Administration [SSA] $300 million in entitlement funding for administrative costs associated with welfare reform.

Although it is important to make sure SSA gets the funds it needs to implement welfare reform, I oppose creating new entitlement spending for Federal agencies.

As an alternative, I suggested that we build upon a process that is already in current law and which adjusts the discretionary spending caps to accommodate additional funding in the appropriations process for SSA to do continuing disability reviews.

I am pleased that the conferees accepted this approach.

Let me also clarify one issue.

The language in the conference report provides that the chairman of the House Budget Committee must take back the cap adjustment in the event the President vetoes the bill.

For the record, we do not need this explicit authority in the Senate. The chairman of the Senate Budget Committee already has the authority to reverse adjustments of this kind in the event the legislation does not become law.

Mr. LIEBERMAN. Mr. President, I rise to support the conference report and welfare reform.

The Congress and the administration have worked now for over 3 years to reform the shameful situation in which millions of Americans on welfare find themselves. Parents seeking work are discouraged from doing so by the current system. Teenage mothers languish alone in households without the support of their children's fathers and often without proper adult supervision. Welfare as we know it has allowed these societal ills to fester and drain increasingly large amounts of public assistance funds. The current system has made it too easy for young men to father children without assuming either the financial or emotional responsibilities of parenthood. For too long, society has assumed the responsibility of caring for poor children with welfare checks, while not placing expectations of accountability upon the young parents. Too many families face the daily burden of survival, unemployment, and society's suspicion of their unwillingness to change their situation.

The provisions of this conference agreement can ensure that our welfare system will finally reflect a respect for two of the most fundamental values of our society—an adherence to the American work ethic balanced with a compassion for those truly unable to care for themselves. This bill redirects hard-earned tax dollars toward achieving employment opportunities for adults and improvements in the quality of life of children.

First and foremost, it eliminates the possibility of receiving public assistance without any intention of making some kind of a contribution to society in return. Beneficiaries will be aware

that from the day they receive their first check, the clock will be ticking. Society is fulfilling an obligations to help them get back on their feet, and they in turn are obligated to make every effort to receive job training or education and to find employment. The employment of parents will enrich their children not only financially, but morally as well. In watching their parents benefit from educational opportunities and engage in gainful employment, children may embrace a valuable work ethic and eventually be better able to free themselves from the cycle of poverty and welfare dependence in which they are currently entrapped. States will also have an incentive to help beneficiaries find work. Welfare offices should become employment offices as States strive to move recipients into the work force in order to earn a performance bonus from the Federal Government.

The conference bill also holds the hope of protecting children and reducing welfare spending by attacking the problem of unmarried teen parenthood. Welfare will no longer encourage the proliferation of single and uneducated parents by automatically and unconditionally underwriting the mothers who bear children out of wedlock. Children born out of wedlock are shown by studies to be three times more likely to be on welfare as adults than their peers. By implementing this bill, however, the Federal Government will require States to combat this problem and hopefully prevent it in a number of ways. First, paternity must be established for all children born out of wedlock at birth as a condition for receiving assistance, and fathers will be required to pay child support and set a good example for their children by engaging in either private sector or community service jobs. Mothers must live with an adult parent or relative or in an adult-supervised, strictly run Second Chance Home where they can learn skills necessary to the proper management and care of a child and household. A further condition of receiving assistance is a commitment to educational advancement. Young mothers must stay in a school or training program as a condition of continuing to receive welfare checks.

This welfare reform bill will additionally work to prevent a new generation from entering into the cycle of early parenthood and welfare dependence by making it a national goal to lower teen pregnancy rates. It establishes a national campaign that will assure the creation of teen pregnancy prevention programs in at least 25 percent of American communities by 1997. It includes two amendments which I authored with the intent of combating this problem. One will require the Justice Department as well as the States to crack down on what studies show is a class of older men—many of them predatory—who father the children of young girls in the majority of teen pregnancy cases. The second amendment requires States to reserve a portion of their social service block grant funds for programs and services that educate young people about the consequences of premarital pregnancy. As we reduce the number of teens who become pregnant, we will be increasing the number of children who are able to enjoy a childhood without deprevation.

There are other aspects of this legislation which have been framed with the protection of children in mind. For example, minor children continue to receive Medicaid even if their parents lose coverage as a penalty for not getting off of welfare into job training and work. Families can also be eligible for transitional Medicaid coverage as they move from welfare to work. These provisions are vital as many parents currently refrain from finding jobs and moving off welfare for fear of losing the medical coverage for their children that welfare provides.

Mr. President, this bill provides a significant improvement over the Senate-passed bill in allowing States to provide needy children of parents who go off of welfare with vouchers through the title XXblock grant. The legislation also answers the all-important question of who will care for the children as their mothers and fathers move into the world of education and work. We have designated $13.8 billion—a substantial increase—to be spent just on child care over the next 6 years, and we have retained child care health and safety standards. Moveover, we will not penalize mothers with children under the next 6 years, and we have retained child care health and safety standards. Moreover, we will not penalize mothers with children under the age of 6 who do not accept employment because they cannot find or afford child care. I would have preferred the retention of the Senate provision in this regard which allowed the mothers of children age 6 to 11 who cannot find adequate, affordable child care to stay home with them without penalty.

Mr. President, this is a good bill—a giant step forward from the welfare status quo—but it is no more perfect than any other bill that has passed the Senate on a big, complicated problem. I am especially concerned by the food stamp provision which is a real break with what was agreed to in the Senate-passed bill. It limits the receipt of food stamps by jobless individuals who do not have children to 3 months out of a 3-year period and allows no hardship exemptions. This is far harsher than the Senate provision which allowed jobless individuals to receive food stamps for 6 months out of each year as well as a 20-percent hardship exemption. Food stamps are also now cut for households receiving energy assistance, a proposal not included in the Senate bill. The conference report also cuts the cap on the shelter deduction by $42 and takes away food stamps for more families with children who pay over half their income for housing. And I remain very concerned about the ban on food stamps, Medicaid, and other assistance for legal immigrants; it has no good place in a welfare-to-work bill.

As the President has urged, we must keep these issues in mind for repair in the future even as we recognize that this legislation is definitely an improvement in the current welfare program. In voting for this bill, we will realize an historic opportunity to meet President Clinton's call to ''end welfare as we know it.'' We will have also proven to the American people that the Federal Government is capable of bringing about change through bipartisan cooperation.

This is not the end of welfare reform but it is the largest step forward we have taken to improve the way America cares for its poor, and tries to make real for them the dreams of equal opportunity, which is the driving impulse of our history.

I thank the Chair and yield the floor.

Mr. GRAHAM. I wonder if my colleague could address one point on this bill. I notice that the term ''Federal means-tested public benefit'' was defined in previous versions of the bill. However, in this conference report, no definition is provided.

Mr. CHAFEE. It is my understanding that the Parliamentarian noted that the previous definitions of ''Federal means-tested public benefit'' were broad enough to include discretionary spending. According to the Parliamentarian, that inclusion caused the definition to violate Section 313(b)(1)(D) of the Byrd rule, which prevents reconciliation legislation from extending its scope to items that provide merely incidental deficit reduction, that is, discretionary programs.

Therefore, when the bill was considered in conference, I understand that there was an intentional effort to ensure this provision complied with Byrd rule by omitting the definition of that particular term.

In other words, then, the term ''Federal means-tested public benefit''—if it is to be in compliance with the Byrd rule—does not refer to discretionary programs. I would assume that programs such as funding for community health centers, as well as the maternal and child health block grant, would not be impacted.

Mr. GRAHAM. I thank the Senator for clarifying that point.

Mr. DOMENICI. Mr. President, I believe our last Senator, other than the leader and myself, is Senator THURMOND, and he would like 8 minutes. We have plenty of time, so I give him 8 minutes.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of the conference report to H.R. 3734, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. This legislation reforms welfare to emphasize fundamental American values. It rewards work and self reliance, promotes personal responsibility, and renews a sense of hope

in the future. Additionally, the bill slows the growth of Federal welfare spending, thus reducing the Federal budget deficit by $55 billion over 6 years. The measure does provide sufficient increases in spending to protect vulnerable populations.

This Congress previously passed two welfare reform bills. The President subsequently vetoed those bills, despite his 1992 campaign pledge to end welfare as we know it. I hope as we send him another bill, that the President will finally keep his pledge on this issue, and sign the bill.

Mr. President, more than 30 years ago the Federal Government declared its War on Poverty. Since then, the number of individuals receiving aid to families with dependent children has more than tripled. Over two-thirds of these recipients are children. The increase in the number of children receiving public assistance is closely related to the dramatic increase in births to unmarried women, particularly to teenage young women. Mr. President, the War on Poverty has inflicted many casualties. Multiple generations of children have grown to adulthood, continuing welfare as a way of life. Mothers and children have been abandoned. Families have been destroyed by long-term dependence on Government. The War on Poverty has been costly, both in terms of human suffering and taxpayer dollars spent.

In contrast, this reform measure takes steps to promote stable families and discourage illegitimacy. We recognize many children in America are vulnerable. In response to this need, the bill guarantees they will continue to receive the support they need. In doing so, the prospects of children in welfare families are greatly improved.

Mr. President, the measure before us is built on five main principles, which I believe are supported by residents of South Carolina and by the American people in general. I would like to briefly summarize these pillars of welfare reform.

First, welfare should not be a way of life. By placing lifetime limits on benefits, this bill ensures that welfare will be temporary assistance to those who are in need.

The second principle is work, not welfare. Able-bodied beneficiaries will, for the first time ever, be required to work for their benefits. This principle is designed to restore dignity to the individual and fairness to the system.

Third, welfare for noncitizens and felons will be limited. The bill provides adequate exceptions for emergency benefits, for refugees, and for those who have contributed to this Nation by paying taxes for 10 years or through military service.

Fourth, the bill encourages personal responsibility to halt rising illegitimacy rates. This legislation seeks to counter that trend by increasing efforts to establish paternity and enforce child support orders. Furthermore, the bill encourages the formation and maintenance of two-parent families.

Finally, this legislation returns responsibility and flexibility to the States. The national Government has an obligation to promote the general welfare of the United States. At the same time, we know that those who are closest to the problem are better able to provide for the specific welfare of needy individuals. This bill establishes general guidelines and provides broad cash welfare and child care block grants. With this flexibility States can design programs that meet local conditions and particular needs.

Mr. President, like the two vetoed bills that preceded it, this bill has many provisions that will encourage work and education, lessen dependency on the Government, and foster an environment to reduce unwed and teen pregnancy. The legislation also ensures that needy Americans will receive a wide range of services including cash assistance, child care, food stamps, medical care, child nutrition, and disability payments. The bill also contains strong provisions related to child support enforcement, child protection, foster care, and adoption assistance.

I compliment the managers of the bill who have brought historic reform to our welfare system. This bill deserves our support. I thank the Chair and yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield 2 minutes off our side to Senator FORD to go along with whatever he has.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. EXON. I yield 2 minutes on our side to the Senator from Kentucky.

Mr. FORD. Mr. President, I thank my friend from New Mexico for allowing me to have a couple minutes.

Mr. President, I think we need to be very careful to put this bill into perspective. Yes, it will modify a system that no one defends. Yes, it will give States more flexibility to deal with their poorest citizens. Yes, it will provide more for child care than H.R. 4, easing one of the greatest barriers for those on welfare who want to work. All of these things are good reasons for supporting this bill.

But I find some of the predictions of what this bill will do to be a bit of a stretch. It is being suggested by some that this bill will reduce the poverty rate, the illigitimacy rate, the teen pregnancy rate, the crime rate, and just about every other kind of rate you can imagine. We hear that this bill provides dynamic opportunities for education and training and is the opportunity that people who are poor in this country have been asking for.

Well, I hope the strongest supporters of this bill are right. Sometimes I wonder when I listen to some of these speeches just how many poor people some of my colleagues have ever met. Maybe they could come to eastern Kentucky. Maybe then they could understand how difficult it is to determine whether a lack of personal responsibility or a lack of opportunity is the greater cause of poverty.

For those of us in the middle of the political spectum, this is a tough vote. When I hear some of the predictions about what this bill will do, I am skeptical. I have a hard time figuring out how it will affect my State.

We have been doing some innovative things in Kentucky with welfare reform. We are one of the 10 States left that has not obtained a Federal waiver from welfare laws—something you hear so much about in Washington today. Yet we are 1 of the top 10 States in reducing our welfare rolls—reducing welfare rolls without a waiver—23-percent reduction since January 1993. We have tried a lot of things to put people to work. Our current Governor is looking at even broader changes—maybe this bill will allow him to do most things without having to worry about a waiver request, and that is a good thing.

But when I talk to those in my State about why our welfare rolls have come down, the most important reason I hear about is the improvement in the economy. I remember how tough the vote was in 1993 on the deficit reduction package. I believe that vote had a lot to do with the strength of our economy today. In many ways, that bill may have been much more important in reducing welfare rolls and putting people to work than the welfare bill before us today.

And speaking of predictions, I remember the predictions that opponents of deficit reduction made in 1993. They said the 1993 deficit reduction package would cause a recession, cost jobs, increase inflation, cause interest rates to rise, fail to reduce the deficit below $200 billion, and shake up the stock market. Guess what, Mr. President? Our friends who made these predictions were zero for six. That kind of batting average won't even get you in the minor leagues. Just this morning, we learned that the economy grew in the second quarter at an extremely strong annual rate of 4.2 percent. We have a healthy, growing economy, and the deficit has been cut from $290 billion to $117 billion and may go below that. These are important reasons why the welfare rolls are down in my State by 23 percent.

Some of our colleagues who made those wrong predictions about the 1993 deficit reduction package are the same ones making the boldest predictions about what this welfare bill will do. So I am skeptical.

I am willing to support, and will support, this conference report for the steps it takes in the right direction. But we need to monitor the impact of this bill very carefully. About the only thing we know for sure is that it will reduce the growth in welfare spending by about $55 billion over the next 6 years. We hope it will achieve some of the other things that are being predicted today, and at least give our Governors and State legislatures more

flexibility in experimenting and designing programs which address poverty. I hope that we will see more success at the State level. But somehow, I am also quite certain that as we monitor the impact of this bill, we will quickly find out that this is not the end of the welfare reform debate, and that future Congresses will find there is much more work to be done. I thank the Chair and yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Senator ROTH started off today following me. Since he is the chairman of the committee that wrote most of this, we thought it might be appropriate that he give the closing argument. We have saved time for him. I yield 5 minutes to Senator ROTH.

Mr. ROTH. Mr. President, in these last few minutes before we put August 1, 1996, into the history books as the day we end the welfare system as we know it, I will close with a few observations and some important acknowledgments.

Last February, after welfare reform had been vetoed twice, the Nation's Governors restarted today's legislation by reaching a unanimous agreement to reform welfare. Gov. John Engler of Michigan testified before the Finance Committee later that month and put this entire debate into its proper perspective. He said:

> Just consider the Washington Post headline describing what the governors' policy—adopted unanimously with the support of our most conservative and most liberal governor and everybody in between—meant.
>
> The Post headline read, ''Governors reform plan would break with 60 years of policy.''

Governor Engler went on to say:

> Remember what the governors propose is changing a law that has been the basis of federal policy for 60 years and remember how counterproductive these policies have been.
>
> They punish parents who work too much.
>
> They punish mothers and fathers that want to stay together.
>
> They punish working families who save money.
>
> They reward teenagers who have babies out of wedlock, and the list is longer.

Mr. President, this 60-year-old welfare system rewards the behavior which leads to poverty and punishes the behavior which leads out of poverty. Yes, it is time to end this system.

Mr. President, this legislation is about personal responsibility and work opportunity. Work is not only about earning our daily bread. Work is an integral part of the human condition. A parent's work also teaches the values necessary to prepare the next generation for its responsibilities.

We can all be proud of our work today because it will make a profound difference in the lives of millions of Americans.

It will go down as one of the most important legislative achievements not only in this Congress, but in many, many years.

This is a historic week for a historic Congress. In a matter of weeks, we have moved from gridlock to winning gold medals. Welfare reform is certainly one of our gold medal achievements.

I end by again thanking Senator DOMENICI for his leadership in orchestrating this legislation through the process. I want to extend my thanks to the Finance Committee conferees, Senator CHAFEE, Senator GRASSLEY, Senator HATCH, and Senator SIMPSON for their extraordinary assistance and cooperation.

The contributions of Senator NICKLES, Senator GRAMM, and Senator SANTORUM as we moved through the conference cannot be overstated. They played key roles in assuring this legislation would meet all of our objectives, especially with respect to tough work requirements.

Let me compliment the majority leader, Senator LOTT, getting this conference report completed. This is a major accomplishment in the brief time of his leadership position.

Our former majority leader and colleague, Bob Dole deserves as much credit for this legislation as anyone. When the tough decisions needed to be made, and there were plenty through this process, he demonstrated the leadership we all look to.

I extend my congratulations and thanks to those Members in the House of Representatives who have worked so hard on this issue. It was a privilege to work with Chairmen BILL ARCHER, CLAY SHAW, BILL GOODLING, and TOM BLILEY over these months.

I extend the thanks of everyone to both the majority and minority staffs of the leadership, the Finance Committee, especially Lindy Paull, Frank Polk, Ginny Koops, and Dennis Smith, the Budget Committee, and the Agriculture Committee, for their work. There are too many to name individually and I would not want to fail to mention anyone. I do thank each of them.

I also extend those same thanks to the respective staffs in the House, most especially to Ron Haskins, Matt Weidinger, Cassie Bevin, and Margaret Pratt at the Committee on Ways and Means.

We should remember that until a few weeks ago, Medicaid was included in this package, so the staffs at Finance and the House Commerce Committee who worked on Medicaid should be recognized, especially Susan Dull, the First Heinz Fellow working in Congress.

Of course, the committee work cannot be done without the help of those staff members at Legislative Counsels in both the Senate and House, especially Ruth Ernst, and Mark Mathiesen.

I extend our thanks to those at the Congressional Budget Office, especially Jean Hearne, Robin Rudowitz, Sheila Dacy, Justin Lattice, and Kathy Ruffin; the Congressional Research Service, most especially, Vee Burke, Gene Falk, and Melvina Ford; and the General Accounting Office, especially, Greg Dybalski and Jerry Fastrup.

Let me mention something else that is historical about this day which has been overlooked.

I know of no other time in which congressional and State officials and staffs have worked so closely together on an issue.

For months, Governors John Engler, Tommy Thompson, and Mike Leavitt have given so generously of their time, support, and the power of ideas. They truly deserve the thanks of the American people.

They have donated the talent and expertise of their staffs, especially LeAnne Redick, Kathy Tobin, who also worked on this legislation as a staff member of the Finance Committee, Joanne Neumann and Mary Kay Mantho.

Mr. President, this will indeed be a day to remember. Thank you and congratulations to all the Republicans in the House and Senate who stuck to our principles and stuck together to make this a reality. Together we have made a difference.

Mr. DOMENICI. Mr. President, I believe we have a few moments left.

The PRESIDING OFFICER. The Senator has 7 minutes and 15 seconds.

Mr. DOMENICI. I will use 5 minutes, then yield the balance to our leader.

While I have during the day given deference to this being a very bipartisan effort, and while I have from time to time and during the day said we are glad the President is going to sign this measure, I take a few minutes of my closing time to thank the Republicans in the U.S. Senate and Republicans in the U.S. House, because I think it is obvious the President of the United States came into office promising the end of welfare as we know it, and for 2 years during his administration he had Democrats in the Senate and Democrats in the House and no welfare reform was achieved.

Now, while we are glad to have the President saying, ''Yes, I will sign this bill,'' I do not think it ought to escape anyone that there would be no welfare reform if the Republicans had not taken control of the U.S. House and the U.S. Senate. I believe I can say that with a degree of certainty, because I worked on reconciliation bills and budget bills that called for reform for at least 10 years and nothing happened.

So I say thank you to the American people who elected the Republican Members to the House and Republican Members to the Senate, because tonight we celebrate a very, very significant achievement. As we moved through the Chamber of the Senate with our efforts to get a balanced budget, I say to most Republicans it was truly a difficult job to stand here and ask you to vote for all those tough items, as we moved a budget resolution toward balance, and a reconciliation bill, a big bill changing the law, only to find that the President did not agree.

I believe tonight the fruits of that effort are going to be realized and a program that has not worked for millions

of Americans will begin to work in their behalf, as it works for all Americans who get jobs and assume personal responsibility. For tonight we say if 60 years ago, or even 30 years ago, or even 10 years ago, if we would have looked at this program and said it is inconsistent with everything that is good about America, for it locks people in poverty and denies them the interest and enthusiasm to get a job—for many, many years the welfare laws of America were administered by people who were worried about the sociological problems of the poor.

I am hopeful that across America the offices that are helping welfare people will be job training, will be jobs-oriented, will be talking about training and education, and how people can get off welfare instead of finding ways to assure them that they can stay on.

This bill is going to say most Americans work, and we are going to ask that welfare recipients work. We will give them training. We will give them child care. But we will say, you ought to work because through work, you get responsibility, and through responsibility, you and your families get the joy of living.

Second, simple as it sounds, we are going to ask parents to take care of their children. We stress personal responsibility. I can predict that across this land, as millions of welfare recipients who are not working and have children get jobs, guess who will be the happiest about it? Their children. For they do not like it any more than anyone else that they are locked in, and so are their parents, in poverty.

Third, we are going to change the culture of welfare. How obvious it is—had we changed this culture a few decades ago and said the principle of welfare is a short-lived assistance while you attempt to get a job and take care of yourself, we would not have the welfare problem we have in America today.

Fourth, we will end the futile and cumbersome regulations of the Federal Government and its bureaucrats who set such stringent requirements that they assume a degree of arbitrariness that people cannot even make sense of getting on and off of welfare, and those running them in the State governments are constantly looking through five volumes of regulations to see just what they can do.

Fifth, and finally, and this should not go in any sheepish manner as if we are embarrassed to say it, we are going to save money. What is wrong with that? The taxpayers of America have been paying for a program that does not work. They will be paying now for a program that at least has a chance of working.

I am very hopeful those leaders, including the Catholic hierarchy of America, who I generally talk to and seek advice from, I am hopeful that they understand there is a lot more to welfare reform and to trying to help the poor people than to continue programs that exchange money and give them benefits, for they, too, may find them more responsible and more independent and doing for themselves. I believe this has a chance of working, and I think when we adopt it tonight, it is going to be historic.

I ask unanimous consent that a detailed analysis of the savings to the Federal budget in all categories, made by June O'Neill, dated August 1 be printed in the RECORD.

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 1, 1996.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office (CBO) has reviewed the Conference Report on H.R. 3734, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The bill would replace federal payments under the current Aid to Families with Dependent Children program with a block grant to states, restrict the eligibility of legal aliens for welfare benefits, modify the benefits and eligibility requirements in the Food Stamp program, increase funding for child care programs, and tighten the eligibility requirements for disabled children under the Supplemental Security Income program.

Although the estimate assumes that the bill will be enacted by September 1, 1996, its impact on direct spending and revenues in 1996 is estimated to be negligible. The bill would reduce federal spending by $3.0 billion in 1997 and by $54.1 billion over the 1997–2002 period, as well as increase revenues by $60 million and $394 million over these respective periods. Detailed tables are enclosed. For the most part, the underlying assumptions and methodology are described in CBO's estimates for the House- and Senate-reported versions of the bill (see House Report 104–651 and Senate Print 104–59).

In addition to its federal budgetary impacts, the bill would have a significant impact on the budgets of state, local, and tribal governments. A statement on the intergovernmental and private-sector mandates in the bill is also enclosed.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

SUMMARY TABLE.—FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1966; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1966; ASSUMES ENACTMENT DATE BY SEPTEMBER 1, 1966

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999	2000	2001	2002	7 year total
Projected Direct Spending Under Current Law:									
Family Support Payments[a]	18,066	18,371	18,805	19,307	19,935	20,557	21,245	21,937	
Food Stamp Program[b]	25,554	26,220	28,094	28,702	31,092	32,476	33,847	35,283	
Supplemental Security Income	24,510	24,017	27,904	30,210	32,576	37,995	34,515	40,348	
Medicaid	89,070	95,766	105,081	115,438	126,306	138,514	151,512	166.444	
Child Nutrition[c]	7,899	8,428	8,898	9,450	10,012	10,580	11,166	11,767	
Old-Age, Survivors and Disability Insurance	333,273	348,186	365,403	383,402	402,351	422,412	444,081	466,767	
Foster Care[d]	3,282	3,840	4,285	4,667	5,083	5,506	5,960	6,433	
Social Services Block Grant	2,797	2,880	3,010	3,050	3,000	2,920	2,870	2,840	
Earned Income Tax Credit	15,224	18,440	20,191	20,894	21,691	22,586	23,412	24,157	
Maternal and Child Health	0	0	0	0	0	0	0	0	
Total	519,715	546,168	581,571	616,140	652,106	693,186	728,608	775,976	
Proposed Changes:									
Family Support Payments[a]	0	(*)	868	882	897	762	456	−146	3,720
Food Stamp Program[b]	0	(*)	−2,093	−3,939	−4,129	−4,194	−4,334	−4,568	−23,260
Supplemental Security Income	0	(*)	−793	−3,526	−4,280	−4,824	−4,344	−4,958	−22,725
Mediciad	0	0	−38	−514	−567	−581	−948	−1,433	4,082
Child Nutrition[c]	0	(*)	−128	−403	−494	−553	−605	−670	−2,853
Old-Age, Survivors and Disability Insurance	0	0	−5	−10	−15	−15	−20	−20	−85
Foster Care[d]	0	(*)	68	25	16	31	41	51	232
Social Services Block Grant	0	0	−375	−420	−420	−420	−420	−420	−2,475
Earned Income Tax Credit	0	0	−445	−456	−463	−480	−493	−515	−2,852
Maternal and Child Health	0	0	18	35	50	50	50	50	253
Total	0	(*)	−2,923	−8,326	−9,404	−10,224	−10,618	−12,630	−54,127
Revenues: Earned Income Tax Credit	0	(*)	60	61	62	65	68	78	394
Net Deficit Effect	0	(*)	−2,983	−8,387	−9,466	−10,289	−10,688	−12,706	−54,521
Projected Direct Spending Under Proposal:									
Family Support Payments[a]	18,086	18,371	19,673	20,189	20,832	21,319	21,701	21,791	
Food Stamp Program[b]	25,554	26,220	26,001	25,763	26,963	28,282	29,513	30,715	
Supplemental Security Income	24,510	24,017	27,111	26,684	28,296	33,171	30,171	36,390	
Medicaid	89,070	95,786	105,043	114,924	125,799	137,573	150,564	165,011	
Child Nutrition[c]	7,898	8,428	8,770	9,047	8,516	10,027	10,561	11,097	
Old-Age, Survivors and Disability Insurance	333,273	348,186	365,398	383,382	402,336	422,397	44,061	486,747	
Foster Care[d]	3,282	3,840	4,363	4,712	5,099	5,537	6,001	6,484	
Social Services Block Grant	2,797	2,880	2,636	2,630	2,560	2,500	2,450	2,420	
Earned Income Tax Credit	15,224	18,440	19,748	20,438	21,228	22,106	22,919	23,642	
Maternal and Child Health	0	0	16	35	50	50	50	50	

SUMMARY TABLE.—FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1966; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1966; ASSUMES ENACTMENT DATE BY SEPTEMBER 1, 1966—Continued

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999	2000	2001	2002	7 year total
Total	519,715	546,168	578,748	607,814	642,701	682,982	717,991	763,347	

*Amounts less than $500,000.

[a] Under current law, Family Support Payments include spending on Aid to Families with Dependent Children (AFDC), AFDC-related child care, administrative costs for child support enforcement, net federal savings from child support collections, and the Job Opportunities and Basic Skills Training program (JOBS). Under proposed law, Family Support Payments would include spending on the Temporary Assistance for Needy Families Block Grant, administrative costs for child support enforcement, the Child Care Block Grant, and net federal savings from child support collections.

[b] Food Stamps includes Nutrition Assistance for Puerto Rico under both current law and proposed law, and the Emergency Food Assistance Program under proposed law.

[c] Child Nutrition Programs refer to direct spending authorized by the National School Lunch Act and the Child Nutrition Act.

[d] Under current law, Foster Care Includes Foster Care, Adoption Assistance, Independent Living, and Family Preservation and Support.

Notes: Details may not add to totals because of rounding.

SUMMARY TABLE II.—FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE I—TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	7-year total
Direct Spending:								
Title I: Temporary Assistance for Needy Families Block Grant								
Budget Authority	10	−212	−1,125	−969	−837	−1,109	−1,839	−6,100
Outlays	(*)	−571	−945	−819	−667	−1,064	−1,814	−5,889
Title II: Supplemental Security Income								
Budget Authority	(*)	−408	−1,031	−1,525	−1,869	−1,729	−2,048	−8,610
Outlays	(*)	−408	−1,031	−1,525	−1,869	−1,729	−2,048	−8,610
Title III: Child Support Enforcement								
Budget Authority	88	−21	144	168	183	110	74	746
Outlays	(*)	25	148	173	183	110	74	712
Title IV: Restricting Welfare and Public Benefits for Aliens								
Budget Authority	(*)	−1,174	−3,947	−4,311	−4,652	−4,525	−5,038	−23,655
Outlays	(*)	−1,174	−3,947	−4,311	−4,652	−4,525	−5,038	−23,655
Title V: Child Protection								
Budget Authority	6	86	6	6	6	6	6	122
Outlays	(*)	68	25	6	6	6	6	117
Title VI: Child Care								
Budget Authority	(*)	1,957	2,067	2,167	2,367	2,567	2,717	13,852
Outlays	(*)	1,635	1,975	2,082	2,227	2,377	2,482	12,778
Title VII: Child Nutrition Programs								
Budget Authority	(*)	−151	−449	−505	−563	−615	−680	−2,963
Outlays	(*)	−126	−403	−494	−553	−605	−670	−2,853
Title VIII: Food Stamps and Commodity Distribution								
Budget Authority	(*)	−1,792	−3,539	−3,918	−4,282	−4,580	−4,990	−23,103
Outlays	(*)	−1,792	−3,539	−3,918	−4,282	−4,580	−4,990	−23,103
Title IX: Miscellaneous								
Budget Authority	(*)	−591	−594	−597	−608	−618	−634	−3,642
Outlays	(*)	−578	−609	−597	−608	−618	−634	−3,644
Total Direct Spending:								
Budget Authority	104	−2,296	−8,468	−9,504	−10,265	−10,493	−12,430	−53,353
Outlays	(*)	−2,923	−8,326	−9,404	−10,224	−10,618	−12,630	−54,127
Direct spending:								
Repeal AFDC, Emergency Assistance, and JOBS:								
Family Support Payments:								
Budget Authority	(*)	−8,021	−16,550	−17,003	−17,439	−17,893	−18,342	−19,247
Outlays	(*)	−7,925	−16,510	−16,973	−17,409	−17,863	−18,322	−95,001
Repeal of Child Care Programs: [a]								
Family Support Payments:								
Budget Authority	0	−1,405	−1,480	−1,540	−1,595	−1,655	−1,715	−9,390
Outlays	0	−1,345	−1,475	−1,535	−1,590	−1,650	−1,710	−9,305
Authorize Temporary Family Assistance Block Grant: [b]								
Family Support Payments:								
Budget Authority	(*)	8,368	16,389	16,389	16,389	16,389	16,389	90,314
Outlays	(*)	8,300	16,389	16,389	16,389	16,389	16,389	90,246
Population and Poverty Adjustment to the Temporary Family Assistance Block Grant:								
Family Support Payments:								
Budget Authority	0	0	87	174	261	278	0	800
Outlays	0	0	87	174	261	278	0	800
Food Stamp Program:								
Budget Authority	0	0	−5	−10	−15	−15	0	−45
Outlays	0	0	−5	−10	−15	−15	0	−45
Contingency Fund: [c]								
Family Support Payments:								
Budget Authority	0	107	210	313	393	473	565	2,061
Outlays	0	107	210	313	393	473	565	2,061
Food Stamp Program:								
Budget Authority	0	−5	−15	−20	−25	−30	−35	−130
Outlays	0	−5	−15	−20	−25	−30	−35	−130
Study by the Bureau of the Census:								
Family Support Payments:								
Budget Authority	10	10	10	10	10	10	10	70
Outlays	(*)	4	18	10	10	10	10	62
Research, Evaluations, and National Studies:								
Family Support Payments:								
Budget Authority	0	15	15	15	15	15	15	90
Outlays	0	3	15	15	15	15	15	78
Grants to Indian Tribes that received JOBS Funds:								
Family Support Payments:								
Budget Authority	0	8	8	8	8	8	8	46
Outlays	0	6	8	8	8	8	8	44
Grants to Territories:								
Family Support Payments:								
Budget Authority	0	116	116	116	116	116	116	696
Outlays	0	116	116	116	116	116	116	696
Penalties for State Failure to Meet Work Requirements:								
Family Support Payments:								
Budget Authority	0	0	0	−50	−50	−50	−50	−200
Outlays	0	0	0	−50	−50	−50	−50	−200
Grants to States that Reduce Out-of-Wedlock Births:								
Family Support Payments:								
Budget Authority	0	0	0	50	50	50	50	200
Outlays	0	0	0	50	50	50	50	200
Bonus to Reward High Performance States:								
Family Support Payments:								
Budget Authority	0	0	0	200	200	200	200	800
Outlays	0	0	0	200	200	200	200	800
Hold States Harmless for Cost-Neutrality Liabilities:								
Family Support Payments:								
Budget Authority	0	50	0	0	0	0	0	50

SUMMARY TABLE II.—FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE I—TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996—Continued

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	7-year total
Outlays	0	50	0	0	0	0	0	50
Establish Rainy Day Loan Fund:								
Family Support Payments:								
Budget Authority	0	0	0	0	0	0	0	0
Outlays	0	0	0	0	0	0	0	0
Extension of Transitional Medicaid Benefits:								
Medicaid:								
Budget Authority	0	0	0	180	390	400	210	1,180
Outlays	0	0	0	180	390	400	210	1,180
Increased Medicaid Administrative Payment:								
Medicaid:								
Budget Authority	0	500	0	0	0	0	0	500
Outlays	0	75	135	135	135	20	0	500
Effect of the Temporary Assistance Block Grant on the Food Stamp Program:								
Food Stamp Program:								
Budget Authority	0	45	90	170	430	560	695	1,990
Outlays	0	45	90	170	430	560	695	1,990
Effect of the Temporary Assistance Block Grant on the Foster Care Program:								
Foster Care Program:								
Budget Authority	0	0	0	10	25	35	45	115
Outlays	0	0	0	10	25	35	45	115
Effect of the Temporary Assistance Block Grant on the Medicaid Program: [d]								
Medicaid:								
Budget Authority	0	0	0	0	0	0	0	0
Outlays	0	0	0	0	0	0	0	0
Total Direct Spending, Title I, by account:								
Family Support Payments:								
Budget Authority	10	−752	−1,195	−1,319	−1,642	−2,059	−2,754	−9,710
Outlays	0	−684	−1,142	−1,284	−1,607	−2,024	−2,729	−9,459
Food Stamp Program:								
Budget Authority	0	40	70	140	390	515	660	1,815
Outlays	0	40	70	140	390	515	660	1,815
Foster Care Program:								
Budget Authority	0	0	0	10	25	35	45	115
Outlays	0	0	0	10	25	35	45	115
Medicaid:								
Budget Authority	0	500	0	180	390	400	210	1,680
Outlays	0	75	135	315	525	420	210	1,680
Direct Spending Total All Accounts—Title I:								
Budget Authority	10	−212	−1,125	−989	−837	−1,109	−1,839	−6,100
Outlays	0	−569	−937	−819	−667	−1,054	−1,814	−5,859

* Amounts less than $500,000.

[a] Funds for existing child care programs are repealed by this title, but equal or greater funding for similar activities is restored in Title VI.

[b] States have the option to begin to operate under the Temporary Assistance for Needy Families Block Grant any time after enactment of this bill. A few states may opt to do so in FY 1996 creating small savings in the AFDC, Emergency Assistance, and JOBS programs and small costs in the TANF program.

[c] The bill appropriates $2 billion for the contingency fund for use in years 1997 through 2001. The estimate shows costs of the contingency fund in 2002 because section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 requires that the baseline shall assume that mandatory programs greater than $50 million dollars are continued.

[d] The bill retains categorical eligibility for Medicaid for families that meet the eligibility criteria for Aid to Families with Dependent Children as they are in current law.

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE II—SUPPLEMENTAL SECURITY INCOME; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	7-year total
Direct Spending:								
SSI Benefits to Certain Children:								
Supplemental Security Income:								
Budget Authority	(*)	−125	−925	−1,450	−1,800	−1,675	−2,000	−7,975
Outlays	(*)	−125	−925	−1,450	−1,800	−1,675	−2,000	−7,975
Family Support Payments:								
Budget Authority	(*)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
Outlays	(*)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
Food stamps: [b]								
Budget Authority	(*)	20	130	210	240	265	290	1,155
Outlays	(*)	20	130	210	240	265	290	1,155
Medicaid:								
Budget Authority	(*)	−5	−25	−40	−45	−55	−60	−230
Outlays	(*)	−5	−25	−40	−45	−55	−60	−230
Subtotal provision:								
Budget Authority	(*)	−110	−820	−1,280	−1,605	−1,465	−1,770	−7,050
Outlays	(*)	−110	−820	−1,280	−1,605	−1,465	−1,770	−7,050
Reduction in SSI Benefits to Certain Hospitalized Children With Private Insurance:								
Supplemental Security Income:								
Budget Authority	0	−40	−55	−60	−70	−60	−65	−350
Outlays	0	−40	−55	−60	−70	−60	−65	−350
Funding for Cost of Reviews: [c]								
Budget Authority	0	(c)	(c)	0	0	0	0	0
Outlays	0	(c)	(c)	0	0	0	0	0
End Payment of Pro-Rated Benefits for Month of Application:								
Supplemental Security Income:								
Budget Authority	(*)	−55	−130	−150	−160	−165	−175	−835
Outlays	(*)	−55	−130	−150	−160	−165	−175	−835
Pay Large Retroactive Benefit Amounts in Installments:								
Supplemental Security Income:								
Budget Authority	0	−200	−15	−15	−15	−15	−15	−275
Outlays	0	−200	−15	−15	−15	−15	−15	−275
Tighten Restrictions on Payment of Social Security Benefits to Prisoners: Make Payments to Prison Officials Who Report Ineligible Recipients:								
Old-Age, Survivors and Disability Insurance—benefits saved: [d]								
Budget Authority	0	−5	−10	−15	−15	−20	−20	−85
Outlays	0	−5	−10	−15	−15	−20	−20	−85
Supplemental Security income—benefits saved:								
Budget Authority	0	(*)	−5	−10	−10	−10	−10	−45
Outlays	0	(*)	−5	−10	−10	−10	−10	−45
Old-Age, Survivors and Disability Insurance—payments to prison officials:								
Budget Authority	0	0	0	0	0	0	0	0
Outlays	0	0	0	0	0	0	0	0
Supplemental Security income—payments to prison officials:								
Budget Authority	0	2	4	5	6	6	7	30
Outlays	0	2	4	5	6	6	7	30

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE II—SUPPLEMENTAL SECURITY INCOME; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996—Continued

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	7-year total
Subtotal, provision:								
Budget Authority	0	−3	−11	−20	−19	−24	−23	−100
Outlays	0	−3	−11	−20	−19	−24	−23	−100
Total Direct Spending:								
Supplemental Security Income:								
Budget Authority	(*)	−418	−1,126	−1,680	−2,049	−1,919	−2.258	−9,450
Outlays	(*)	−418	−1,126	−1,680	−2,049	−1,919	−2.258	−9,450
Food Stamps: [b]								
Budget Authority:	(*)	20	130	210	240	265	290	1,155
Outlay	(*)	20	130	210	240	265	290	1,155
Medicaid:								
Budget Authority:	(*)	−5	−25	−40	−45	−55	−60	−230
Outlays	(*)	−5	−25	−40	−45	−55	−60	−230
Family Support Payments:								
Budget Authority	(*)	([a])	([a])	([a])	([a])	([a])	([a])	([a])
Outlays	(*)	([a])	([a])	([a])	([a])	([a])	([a])	([a])
Old-Age, Survivors and Disability Insurance:								
Budget Authority	0	−5	−10	−15	−15	−20	−20	−85
Outlays	0	−5	−10	−15	−15	−20	−20	−85
Total All Accounts:								
Budget Authority	(*)	−408	−1,031	−1,525	−1,869	−1,729	−2,048	−8,610
Outlays	(*)	−408	−1,031	−1,525	−1,869	−1,729	−2,048	−8,610

* Denotes less than $500,000.

[a] Proposed to be block-granted elsewhere in the bill.

[b] Includes interactions with other food stamp provisions of the bill.

[c] The bill proposes an adjustment to the discretionary spending caps of $150 million in 1997 and $100 million in 1998 to cover the costs of reviewing 300,000 to 400,000 children on the SSI rolls under the new, tighter criteria. The bill does not, however, directly appropriate that money. Its availability remains contingent on future appropriation action. In addition to those one-time costs of $250 million or more, the bill would require that most disabled children who qualify even under the tighter eligibility criteria be reviewed every 3 years to see if their medical condition has improved. That cost, which CBO estimates at about $100 million a year beginning in 1998, could be met by raising the caps on discretionary spending as permitted in P.L. 104–121. The cap adjustment in that law, however, was designed to cover periodic reviews and not the heavy volume of one-time reviews that would be mandated in 1997 by this legislation.

[d] The provision would encourage prison officials to exchange data with SSA by paying them up to $400 for providing information that helps to identify each inmate who receives SSI (and whose benefits should therefore be suspended). In the course of checking that information, SSA would find that some inmates collect OASDI. Therefore, although the language makes no mention of OASDI, savings in that program would result.

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE III—CHILD SUPPORT ENFORCEMENT; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996

[Outlays by fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	1997–2002
New enforcement techniques:								
State directory of new hires:								
Family support payment	0	0	−1	−4	−6	−9	−10	−30
Food stamp program	0	0	−1	−7	−12	−18	−21	−59
Mediciad	0	0	−3	−11	−20	−31	−38	−102
Subtotal	0	0	−5	−21	−38	−58	−70	−192
State laws providing expedited enforcement of child support:								
Family support payment	0	0	0	−17	−35	−55	−77	−185
Food stamp program	0	0	0	−6	−13	−21	−30	−70
Mediciad	0	0	0	−5	−11	−18	−26	−59
Subtotal	0	0	0	−28	−59	−94	−133	−314
State laws concerning paternity:								
Family support payment	0	−16	−18	−20	−22	−24	−26	−127
Food stamp program	0	−3	−3	−4	−4	−4	−5	−23
Mediciad	0	−2	−2	−2	−3	−3	−3	−15
Subtotal	0	−21	−23	−26	−29	−31	−34	−164
Suspend drivers' licenses:								
Family support payment	0	−4	−9	−14	−19	−20	−21	−88
Food stamp program	0	−2	−5	−8	−12	−12	−13	−52
Mediciad	0	−1	−3	−5	−7	−8	−9	−35
Subtotal	0	−7	−17	−27	−38	−41	−43	−175
Adoption of uniform state laws:								
Family support payment	0	10	2	−7	−11	−15	−21	−41
Food stamp program	0	0	−1	−3	−4	−6	−9	−24
Mediciad	0	0	−2	−3	−6	−8	−11	−30
Subtotal	0	10	−1	−13	−21	−29	−41	−95
Subtotal new enforcement	0	−19	−46	−115	−185	−254	−322	−940
Lost AFDC collections due to reduced cases funded by black grant funds:								
Family support payment	0	0	29	63	142	200	224	658
Food stamp program	0	0	0	0	0	0	0	0
Mediciad	0	0	0	0	0	0	0	0
Subtotal	0	0	29	63	142	200	224	658
Eliminate $50 passthrough and exclude gap payments from distribution rules at state option:								
Family support payment	0	−222	−236	−260	−285	−311	−336	−1,850
Food stamp program	0	114	122	139	147	164	171	857
Mediciad	0	0	0	0	0	0	0	0
Subtotal	0	−108	−114	−121	−139	−147	−165	−793
Distribute child support arrears to former AFDC familes first:								
Family support payment	0	0	62	69	76	148	183	539
Food stamp program	0	0	−11	−12	−14	−27	−33	−96
Mediciad	0	0	0	0	0	0	0	0
Subtotal	0	0	51	57	63	122	150	442
Hold states harmless for lower child support collections:								
Family support payment	0	0	17	29	34	39	29	148
Food stamp program	0	0	0	0	0	0	0	0
Mediciad	0	0	0	0	0	0	0	0
Subtotal	0	0	17	29	34	39	29	148
Other Provisions with Bugetary Implications:								
Automated data processing development:								
Family support payment	(*)	83	91	129	129	8	0	440
Food stamp program	0	0	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0	0	0
Subtotal	(*)	83	91	129	129	8	0	440
Automated data processing operation and maintenance:								
Family support payment	0	12	55	52	52	46	40	257

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE III—CHILD SUPPORT ENFORCEMENT; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996—Continued

[Outlays by fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	1997–2002
Food stamp program	0	0	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0	0	0
Subtotal	0	12	55	52	52	46	40	257
Technical assistance to state programs:								
Family support payment	(*)	48	51	50	48	47	45	290
Food stamp program	0	0	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0	0	0
Subtotal	(*)	48	51	50	48	47	45	290
State obligation to provide services:								
Family support payment	0	0	0	3	11	22	39	75
Food stamp program	0	0	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0	0	0
Subtotal	0	0	0	3	11	22	39	75
Federal and state reviews and audits:								
Family support payment	0	3	3	3	3	3	3	20
Food stamp program	0	0	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0	0	0
Subtotal	0	3	3	3	3	3	3	20
Grants to States for Visition:								
Family support payment	(*)	10	10	10	10	10	10	60
Food stamp program	0	0	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0	0	0
Subtotal	(*)	10	10	10	10	10	10	60
Optional Modification of Support Orders:								
Family support payment	0	−5	0	10	15	15	20	55
Food stamp program	0	0	0	0	0	0	0	0
Medicaid	0	0	0	0	0	0	0	0
Subtotal	0	−5	0	10	15	15	20	55
Subtotal, Other provisions	(*)	151	210	258	269	151	157	1,197
Total, by account:								
Family support payment	(*)	−81	57	99	142	103	101	421
Food stamp program	0	109	100	99	88	76	62	533
Medicaid	0	−3	−8	−27	−46	−68	−88	−242
Total	(*)	25	148	172	184	110	74	712

*Amount less than $500,000.

**Budget authority is generally equal to the outlay shown in this table. Where this is not the case, budget authority is shown here: Family Support Payments Budget Authority—

Automated data processing development	42	42	91	129	129	8	0	440
Technical assistance to state programs	36	44	47	46	48	47	45	314
Grants to States for visitation	10	10	10	10	10	10	10	70
All other provisions	0	−222	−95	−91	−45	38	45	.....
Family support payments: Total BA	88	−127	53	95	142	103	101	455

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS; AS ORDERED REPORTED BY THE COMMITTEE ON CONFERENCE ON JULY 31, 1996; ASSUMED TO BE ENACTED BY SEPTEMBER 1, 1996

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	7-year total
Direct Spending:								
Supplemental Security Income:								
Budget Authority	(1)	−375	−2,400	−2,600	−2,775	−2,425	−2,700	−13,275
Outlays	(1)	−375	−2,400	−2,600	−2,775	−2,425	−2,700	−13,275
Medicaid:								
Budget Authority	(1)	−105	−615	−815	−1,015	−1,245	−1,495	−5,290
Outlays	(1)	−105	−615	−815	−1,015	−1,245	−1,495	−5,290
Family Support Payments:								
Budget Authority	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Outlays	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Food Stamps: [3]								
Budget Authority	(1)	−470	−700	−660	−630	−610	−590	−3,660
Outlays	(1)	−470	−700	−660	−630	−610	−590	−3,660
Child nutrition: [4]								
Budget Authority	0	0	0	0	0	0	0	0
Outlays	0	0	0	0	0	0	0	0
Earned income tax credit:								
Budget Authority	0	−224	−232	−236	−242	−245	−251	−1,430
Outlays	0	−224	−232	−236	−242	−245	−251	−1,430
Total Direct Spending:								
Budget Authority	0	−1,174	−3,947	−4,311	−4,662	−4,525	−5,036	−23,655
Outlays	0	−1,174	−3,947	−4,311	−4,662	−4,525	−5,036	−23,655
Revenues: Earned income tax credit	0	28	29	29	30	30	31	177
Deficit Effect	(1)	−1,202	−3,976	−4,340	−4,692	−4,555	−5,067	−23,832

[1] Denotes less than $500,000.

[2] Proposed to be block-granted elsewhere in the bill.

[3] Includes interactions with other food stamp provisions of the bill.

[4] Section 742 of the bill, in Title VII, specifically states that benefits under the school breakfast and school lunch programs shall not be contingent on students' immigration or citizenship status. Therefore, CBO estimates no savings in the child nutrition program from the proposed restrictions contained in Title IV on immigrants' eligibility for federal benefits.

Note: The CBO estimate assumes that the proposed exemption for public health programs that provide immunizations will be modified or interpreted to permit continued Medicaid funding for pediatric vaccines.

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE V—CHILD PROTECTION; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	1996–2002
Direct Spending:								
Extend Enhanced Match Rate for Computer Purchases for Foster Care Data Collection:								
Budget Authority	0	80	0	0	0	0	0	80
Outlays	0	66	14	0	0	0	0	80
National Random Sample Study of Child Welfare:								
Budget Authority	6	6	6	6	6	6	6	42

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE V—CHILD PROTECTION; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996—Continued

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	1996–2002
Outlays	(*)	2	11	6	6	6	6	37
Total Direct Spending:								
Foster Care:								
Budget Authority	6	86	6	6	6	6	6	122
Outlays	(*)	68	25	6	6	6	6	117

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE VI—CHILD CARE; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002	1996–2002
Direct Spending:								
New Child Care Block Grant:								
Budget Authority	0	1,967	2,067	2,167	2,367	2,567	2,717	13,852
Outlays	0	1,635	1,975	2,082	2,227	2,377	2,482	12,778

Note: For states to draw down the child care block grant remainder, this subtitle requires them to maintain the greater of fiscal year 1994 or 1995 spending.

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE VII—CHILD NUTRITION PROGRAMS; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996

[Outlays by fiscal year, in millions of dollars]

Section	1996	1997	1998	1999	2000	2001	2002	1996–2002
Direct Spending:								
704 Special assistance:								
Extension of payment period:								
Budget Authority		(*)	(*)	1	1	1	1	4
Outlays		(*)	(*)	1	1	1	1	4
Rounding rules for lunch, breakfast, and supplement rates:								
Budget Authority		−2	−15	−15	−15	−15	−15	−77
Outlays		−1	−10	−15	−15	−15	−15	−71
706 Summer food service program for children:								
Budget Authority		−24	−29	−29	−34	−34	−39	−189
Outlays		−18	−29	−29	−34	−34	−39	−184
708 Child and adult care food program:								
Budget Authority		−105	−380	−430	−480	−535	−595	−2,525
Outlays		−90	−340	−420	−470	−525	−585	−2,430
723 School breakfast program authorization:								
Budget Authority		−10	−15	−22	−25	−22	−22	−116
Outlays		−8	−14	−21	−25	−22	−22	−112
731 Nutrition education and training programs:								
Budget Authority		−10	−10	−10	−10	−10	−10	−60
Outlays		−10	−10	−10	−10	−10	−10	−60
Total Child Nutrition Programs:								
Direct Spending:								
Budget Authority		−151	−449	−505	−563	−615	−680	−2,963
Outlays		−128	−403	−494	−553	−605	−670	−2,853

*Less than $500,000.

Note: Details may not add to totals because of rounding.

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE VIII—FOOD STAMPS AND COMMODITY DISTRIBUTION; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996

[Outlays by fiscal year, in millions of dollars]

Section	1996	1997	1998	1999	2000	2001	2002	1996–2002
801 Definition of certification period	0	0	0	0	0	0	0	0
802 Definition of coupon	0	0	0	0	0	0	0	0
803 Treatment of children living at home	0	−115	−245	−255	−265	−280	−290	−1,450
804 Adjustment of thrifty food plan	0	−935	−980	−1,025	−1,070	−1,115	−1,155	−6,280
805 Definition of homeless individual	0	(*)	(*)	(*)	(*)	(*)	(*)	(*)
806 State option for eligibility standards	0	0	0	0	0	0	0	0
807 Earnings of students	0	−10	−10	−10	−10	−15	−15	−70
808 Energy assistance	0	−125	−170	−175	−175	−180	−180	−1,005
809 Deductions from income:								
Standard deduction at $134 each year [a]	0	0	−555	−770	−990	−1,220	−1,465	−5,000
Homeless shelter allowance	0	−1	−1	−2	−3	−3	−5	−15
Cap excess shelter deduction at $247 through 12/31/96. $250 from 1/1/97 through FY98 $275 in FY99 and FY00 and $300 in each later fiscal year	0	−350	−570	−505	−565	−490	−550	−3,030
State option for mandatory standard utility allowance and otherwise allow change between SUA and actual costs only at recertification	0	−35	−70	−75	−80	−80	−85	−425
810 Vehicle Allowance at $4,650 FY97–2002	0	−45	−140	−175	−200	−225	−245	−1,030
811 Vendor payments for transitional housing counted as income	0	−10	−10	−10	−10	−10	−10	−60
812 Simplified calculation of income for the self-employed	0	0	0	0	0	0	0	0
813 Doubled penalties for violating Food Stamp program requirements	0	(*)	(*)	(*)	(*)	(*)	(*)	(*)
814 Disqualification of convicted individuals	0	(*)	(*)	(*)	(*)	(*)	(*)	(*)
815 Disqualification	0	−5	−5	−5	−5	−5	−5	−30
816 Caretaker exemption	0	0	0	0	0	0	0	0
817 Employment and training	0	2	6	9	11	13	15	56
818 Food stamp eligibility	0	−15	−21	−27	−27	−27	−27	−145
819 Comparable treatment for disqualification	0	−20	−20	−20	−20	−20	−25	−125
820 Disqualification for receipt of multiple food stamp benefits	0	−5	−5	−5	−5	−5	−5	−30
821 Disqualification of fleeing felons	0	(*)	(*)	(*)	(*)	(*)	(*)	(*)
822 Cooperation with child support agencies								
Option to require custodial parent cooperation:								
Food Stamps	0	−5	−10	−15	−20	−20	−20	−90
Family Support Payments	0	5	10	10	15	15	15	70
823 Disqualification relating to child support arrears	0	−5	−15	−25	−25	−30	−30	−130
824 Work requirement	0	−160	−830	−960	−1,010	−1,050	−1,100	−5,110
825 Encourage electronic benefit transfer system	0	(*)	(*)	(*)	(*)	(*)	(*)	(*)
826 Value of minimum allotment	0	0	−30	−30	−30	−35	−35	−160
827 Benefits on recertification	0	−25	−25	−25	−25	−30	−30	−160
828 Optional combined allotment for expedited households	0	0	0	0	0	0	0	0
829 Failure to comply with other means-tested public assistance programs	0	−25	−25	−25	−25	−25	−25	−150

FEDERAL BUDGET EFFECTS OF H.R. 3734, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE VIII—FOOD STAMPS AND COMMODITY DISTRIBUTION; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996—Continued

[Outlays by fiscal year, in millions of dollars]

Section	1996	1997	1998	1999	2000	2001	2002	1996–2002
830 Allotments for households residing in centers	0	(*)	(*)	(*)	(*)	(*)	(*)	(*)
831 Condition precedent for approval of retail stores and wholesale food concerns	0	0	0	0	0	0	0	0
832 Authority to establish authorization periods	0	0	0	0	0	0	0	0
833 Information for verifying eligibility for authorization	0	0	0	0	0	0	0	0
834 Waiting period for stores that fail to meet authorization criteria	0	0	0	0	0	0	0	0
835 Operation of food stamp offices	0	0	0	0	0	0	0	0
836 State employee and training standards	0	0	0	0	0	0	0	0
837 Exchange of law enforcement information	0	0	0	0	0	0	0	0
838 Expedited coupon service	0	0	0	0	0	0	0	0
839 Withdrawing fair hearing requests	0	0	0	0	0	0	0	0
840 Income, eligibility, and immigration status verification systems	0	−5	−5	−5	−5	−5	−5	−30
841 Investigations	0	0	0	0	0	0	0	0
842 Disqualification of retailers who intentionally submit falsified applications	0	0	0	0	0	0	0	0
843 Disqualification of retailers who are disqualified under the WIC program	0	0	0	0	0	0	0	0
844 Collection of overissuances	0	−25	−30	−30	−25	−25	−30	−165
845 Authority to suspend stores violating program requirements pending administrative and judicial review	0	0	0	0	0	0	0	0
846 Expanded criminal forfeiture for violations	0	(b)	(b)	(b)	(b)	(b)	(b)	(b)
847 Limitation of federal match	0	−2	−2	−2	−2	−2	−2	−12
848 Standards for administration	0	0	0	0	0	0	0	0
849 Work supplementation or support program	0	5	15	20	30	30	30	130
850 Waiver authority	0	0	0	0	0	0	0	0
851 Response to waivers	0	0	0	0	0	0	0	0
852 Employment initiatives program	0	−1	−2	−2	−2	−2	−2	−11
853 Reauthorization	0	0	0	0	0	0	0	0
854 Simplified Food Stamp program	0	0	5	10	20	20	25	80
855 A study of the use of food stamps to purchase vitamins and minerals	0	0	0	0	0	0	0	0
856 Deficit reduction	0	0	0	0	0	0	0	0
871 Emergency Food Assistance program	0	100	100	100	100	100	100	600
872 Food bank demonstration project	0	0	0	0	0	0	0	0
873 Hunger prevention programs	0	0	0	0	0	0	0	0
874 Report on entitlement commodity processing	0	0	0	0	0	0	0	0
891 Provisions to encourage electronic benefit systems [c]	0	0	0	0	0	0	0	0
Interactions among provisions	0	20	101	111	136	141	166	674
Total Food Stamp Program:								
Budget Authority	0	−1,792	−3,539	−3,918	−4,282	−4,580	−4,990	−23,103
Outlays	0	−1,792	−3,539	−3,918	−4,282	−4,580	−4,990	−23,103

*Less than $500,000.

Note: Details may not add to totals because of rounding.

a No savings are shown in fiscal year 1997 for setting the standard deduction at $134 because the fiscal year 1997 Agriculture Appropriations Act which cleared the Congress before this bill cleared, contained a similar provision.

b Any proceeds from this provision would be used to reimburse law enforcement agencies or for retail compliance investigations. Thus, CBO estimates no net effect on the federal budget, though funds could be received in one year and not spent until a later year.

c This provision is included elsewhere in the bill. If the exemption from Regulation ''e'' were not enacted, there likely would be costs to the federal government. CBO estimates these costs would be small.

FEDERAL BUDGET EFFECTS OF THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996; TITLE IX—MISCELLANEOUS; AS ORDERED REPORTED BY THE COMMITTEE OF CONFERENCE ON JULY 31, 1996; ASSUMES ENACTMENT BY SEPTEMBER 1, 1996.

[By fiscal year in millions of dollars]

Section	1996	1997	1998	1999	2000	2001	2002	1996–2002
Direct Spending and Revenues:								
908 Reduction in block grants to States for social services:								
Social Services Block Grant:								
Budget Authority	0	−420	−420	−420	−420	−420	−420	−2,520
Outlays	0	−375	−420	−420	−420	−420	−420	−2,475
909 Denial of earned income credit on basis of disqualified income: [a]								
Budget Authority	0	−170	−168	−151	−146	−152	−160	−947
Outlays	0	−170	−168	−151	−146	−152	−160	−947
Revenue	0	26	27	27	23	23	25	151
Net Deficit Effect	0	−196	−195	−178	−169	−175	−185	−1,098
910 Modification of adjusted gross income definition for earned income credits: [a]								
Budget Authority	0	−98	−106	−112	−120	−129	−138	−704
Outlays	0	−98	−106	−112	−120	−129	−138	−704
Revenue	0	15	18	20	22	25	28	128
Net Deficit Effect	0	−113	−125	−133	−141	−154	−166	−832
911 Abstinence Education:								
Budget Authority	0	50	50	50	50	50	50	300
Outlays	0	18	35	50	50	50	50	253
Interaction among revenue provisions:								
Budget Authority	0	47	50	36	28	33	34	229
Outlays	0	47	50	36	28	33	34	229
Revenue	0	−9	−13	−14	−10	−10	−6	−62
Net Deficit Effect	0	56	63	50	38	43	40	291
Total Miscellaneous—Title IX:								
Direct Spending:								
Social Services Block Grant:								
Budget Authority	0	−420	−420	−420	−420	−420	−420	−2,520
Outlays	0	−375	−420	−420	−420	−420	−420	−2,475
Earned Income Tax Credit:								
Budget Authority	0	−221	−224	−227	−238	−248	−264	−1,422
Outlays	0	−221	−224	−227	−238	−248	−264	−1,422
Maternal and Child Health Services Block Grant:								
Budget Authority	0	50	50	50	50	50	50	300
Outlays	0	18	35	50	50	50	50	253
Total All Accounts:								
Budget Authority	0	−591	−594	−597	−608	−618	−634	−e,642
Outlays	0	−578	−609	−597	−608	−618	−634	−3,644
Revenues: Revenue [a]	0	32	32	33	35	38	47	217

[a] Estimates provided by the Joint Committee on Taxation. Components may not sum to totals because of rounding.

CONGRESSIONAL BUDGET OFFICE: CONFERENCE AGREEMENT ON H.R. 3754, ESTIMATED COST OF INTERGOVERNMENTAL AND PRIVATE SECTOR MANDATES, AUGUST 1, 1996

INTERGOVERNMENTAL MANDATES

CBO cannot determine if the bill contains intergovernmental mandates that would impose costs exceeding the $50 million threshold established in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4). At issue is a provision dealing with an increase in child poverty.

Temporary Assistance for Needy Families (TANF). The bill would require a state to carry out a corrective action plan if it determines that the rate of child poverty increases by five percent in a given year as a result of carrying out its new program for needy families. Depending on how this requirement is enforced, it may constitute a mandate when it is combined with the reduction in federal funding for needy families and the work requirements of the bill. Under the work requirements, a state would be required to have 50 percent of certain families that are receiving assistance in work activities by fiscal year 2002.

Under Public Law 104–4, an increase in the stringency of conditions of assistance or a

reduction in federal funding for an entitlement program under which the federal government spends more than $500 million annually is considered a mandate only if state, local, or tribal governments lack the authority under that program to amend their own financial or programmatic responsibilities to continue providing required services.

The bill does not specify how this child-poverty requirement would be enforced. On the one hand, if a state would be allowed simply to submit a corrective action plan but would not be required to take action to reduce child poverty, then the requirement, by itself or in combination with the other changes, would not constitute a mandate because the state would have the flexibility to reduce caseloads and benefit levels in response to the federal requirements and reduced federal funding. On the other hand, if the bill would require a state to reduce child poverty (and a mechanism was developed to enforce that requirement) then it may constitute a mandate when it is combined with the funding reductions contained in the bill and the work requirements.

Even if the requirement is stringently enforced, however, states may still have sufficient flexibility to meet all the requirements of the bill without devoting more state funds to the TANF program. States, not an outside party, would determine whether the rate of child poverty has increased by 5 percent. In addition, the majority of people currently receiving Aid to Families with Dependent Child (the program that TANF would replace) are already in poverty, so that rate of child poverty might not increase significantly even if these people lose benefits.

Child support. The bill would mandate changes in the operation and financing of the state child enforcement systems. The primary changes include using new enforcement techniques, eliminating a current $50 payment to welfare recipients for whom child support is collected, and allowing former public assistance recipients to keep a greater share of their support collections. The net savings from these mandates would exceed the costs by $200 million to $500 million annually over the next six years.

Restricting Welfare and Public Benefits for Aliens and Supplemental Security Income. CBO estimates that the new mandates contained in the portion of the bill titled Restricting Welfare and Public Benefits for Aliens would not be significant. However, the bill would reduce the size of an existing mandate. Current law requires states that supplement federal Supplemental Security Income (SSI) either to maintain their supplemental payments levels at or above 1983 amounts or to maintain their annual expenditures at a level at least equal to the level from the previous years. Once a state elects to supplement SSI, federal law requires it to continue in order to remain eligible for Medicaid payments. Because the bill would restrict eligibility for SSI, primarily for aliens and disabled children, states would no longer have to maintain their supplements for these individuals. CBO estimates that states could save roughly $750 million annually by fiscal year 1998.

Other Titles. Two other titles of the bill—Child Nutrition and Food Stamps—contain intergovernmental mandates, but the total cost of the mandates would be significantly less than the $50 million threshold.

PRIVATE SECTOR MANDATES

The bill contains several private sector mandates as defined in Public Law 104–4. CBO estimates that the direct cost to the private sector of those provisions would be $65 million in fiscal year 1997 and would total about $1.0 billion over the five-year period from 1997 through 2001, as shown in the following table.

[Fiscal year (dollars in millions)]

	1997	1998	1999	2000	2001
Requirement on Employers	.....	$10	$10	$10	$10
Requirement on Sponsors of New Immigrants	$5	20	55	195	400
Changes in the Earned Income Credit	60	61	62	65	68

Requirement on Employers. The child support provisions of the bill include a requirement that employers provide information on all new employees to new-hire directories maintained by the states. This provision would impose a direct cost on private sector employers of approximately $10 million per year once it became effective in 1998. Based on data from the Bureau of the Census, CBO estimates that private employers hire over 30 million new workers each year. Even so, the cost to private employers of complying with this mandate would be expected to be relatively small. Many states already require some or all employers to provide this information, so that a federal mandate would only impose additional costs on a subset of employers. In addition, employers could comply with the mandate by simply mailing or faxing a copy of the worker's W–4 form to the state agency, or by transmitting the information electronically.

Requirement on Sponsors of New Immigrants. The bill would also impose a new requirement on individuals who sign affidavits of support for legal immigrants by making future affidavits legally binding. This requirement would impose a direct cost on the sponsors estimated to be $5 million in 1997, rising to $400 million in 2001. This estimate represents the additional cost to sponsors of providing the support to immigrants that would be required under the bill. The added costs are larger after the first three years because of the new responsibility sponsors would have to provide support after a three-year deeming period.

Changes in the Earned Income Credit. Finally, the bill would make several changes in the Earned Income Credit. The bill would modify adjusted gross income by disregarding certain losses, expand the definition of disqualified income and index the threshold, and strengthen compliance. The Joint Committee on Taxation estimates that the direct mandate cost of these changes would be $60 million in 1997, increasing to $68 million in 2001. These estimates include only the revenue effect of the changes in the credit, and not the effect on federal outlays.

Mr. DOMENICI. I yield the floor.

Mr. LOTT. Mr. President, I believe the Democratic leader is on his way and will be prepared to close on that side, and I will go immediately following that.

Until he arrives, 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. DASCHLE. 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. DASCHLE. Mr. President, after 18 months, we are about to pass welfare reform. It has been a long, divisive debate about the direction our Nation will follow on fundamental social policy. The initial bill, approved by the House last year, I think, by virtually any standard, was an extreme piece of legislation. As a result, it enjoyed very little public support. Twice the President vetoed extreme legislation, and that resulted in far more bipartisan cooperation in the ensuing months.

It is clear that there is a consensus on many concepts relating to welfare reform. Most of us believe the current system is not working, that welfare must be reformed, that welfare as a way of life must end. There is a consensus about the need for work, that able-bodied people should work, that there should not be welfare for those who are unwilling to work. There is a consensus about the need to allow States flexibility and a recognition that South Dakota is different from New York and different from California. There is a consensus that the lack of child care is a major barrier to work, that States need to provide adequate funds to help parents afford it, that the current law with regard to health and safety standards must be maintained and even improved, and that child care needs to become more available and certainly more affordable.

So there are points on which there is common ground and a great deal of agreement. The welfare debate has come a long way since those early months when the President felt compelled to veto that extreme legislation. There have been many areas where bipartisan progress in reducing the barriers that I have just discussed has been made. The debate began on welfare reform with not $1 for child care money, with not $1 for child care to be provided under any circumstances. Now, in this legislation, there is $14 billion to assist parents' efforts to secure child care.

The debate began over a House bill with absolutely no guarantee of Medicaid coverage for families under any circumstances. Now families moving from welfare to work will continue to receive health care during a 1-year transition period.

We have made bipartisan progress in other areas, too. This bill improves the Nation's child support enforcement system. It improves the Nation's supplemental security program for the disabled children of our country. We dropped the proposals to block grant food stamps and eliminate the national nutrition safety net, and we dropped proposals to block grant child abuse funds, which would have undermined our Nation's child protection system.

So, Mr. President, this bill does represent progress. In these areas, and in others, I think it is fair to say that we have come a good distance. But in a democracy everybody has to make their own assessment. We have our own internal comfort zone. We have our own sense of what is right. From phone calls I have received from my State of South Dakota, and letters I received from across the country, the views are as diverse outside Washington as they are here in the Senate.

Every Senator, every Representative, and the President of the United States must make his or her own judgment

and draw his or her own lines. It is better than when we started. We began having a threshold for which there could be agreement and consensus on items that I have discussed. Thoughtful people will disagree about where we go from here, how we can assess that progress, and whether or not this marks enough progress to stop now. For many, including this Senator, it is a tough call.

There is no crystal ball. Nobody can predict with certainty the effect of this bill. It will improve, in some ways, the welfare system that we have right now. I think that is a given. But will it help move welfare recipients to work? We can only hope that it does. Will it ensure that children are protected? We can only hope that it does.

Is there a guaranteed safety net for children in the future? On that answer, in my view, Mr. President, the answer is not even hopeful. The answer, in my view, is no. Is this the last point? Is this the only point? There are others. But the fact is that this important issue affecting 100 percent of the future population is not resolved. On that issue, we can do better.

We all want reform. We want to require people to work. But we also want to protect children who can't protect themselves.

We have to be careful to balance those goals. The need a meaningful safety net for children—a guarantee that they will not pay for the mistakes or circumstances of their parents—ought to be paramount for every one of us as we make our decision tonight.

Mr. President, we need vouchers to ensure children's basic needs are met when their parents reach the time limits, and you can't find vouchers in this bill—not to any meaningful extent. We need a contingency for emergencies. When we went through the last recession, this country drew down more than $6 billion in emergency AFDC funds an 18-month period. These were the resources necessary to provide the safety net, especially for children who otherwise had nothing—$6 billion. You know what is in this bill? We have about $2 billion in contingency funds. We may be more than $4 billion underfunded the next time we have a recession in this country. Then what happens?

The level of nutrition cuts continue to concern me as well. I am not comfortable reducing food stamp benefits for families with children who pay more than 50 percent of their income in rent. We do not treat the elderly that way, and we should not. And we should not treat children that way, either. Nutrition cuts have nothing to do with work, nothing to do with reforming welfare. It is an attack on the essential nutritional safety net in this country, and we ought to recognize it as that.

I support strong work requirements. But the work requirements in this bill are inadequately funded. This is something that we ought to be concerned about, and the Congressional Budget Office says that most States in the country, when this legislation passes, will fail to meet the work requirements. They will not even be close.

We all agree that the lack of affordable child care is a barrier to work. The Senate and House bills said mothers with elementary school children could not be sanctioned or terminated from assistance if they don't find child care or cannot afford it, but the conference bill precludes sanctions only for mothers with children under 6. The distinguished Senator from Connecticut addressed this point earlier this afternoon. I am concerned that this is an impossible choice for mothers. A mother's choice is to go to work in order to receive assistance, leaving a child of 7 or 8 alone after school, or not to go to work and lose the help she needs to feed and clothe her child. What a choice. Mr. President, that is not a choice that you and I and the rest of this body can be comfortable with.

Frankly, I am very troubled about the treatment of legal immigrants. There is no assistance for illegal immigrants, and perhaps that is appropriate. But this bill attacks legal immigrants. I am not talking about those who cross our borders in the dead of night. Individuals who have followed the rules, paid taxes in this country, and gone to fight in other parts of the world for this country are now going to be told that there is nothing, no help whatsoever, even when they desperately need it through no fault of their own.

It was 100 years ago that my grandparents came to this country with the promise of 160 acres of soil. They came with a lot of hopes and dreams about what this country could provide for them and their grandchildren and for all of the Daschles to follow. They came here for freedom. They came here in the belief that this would be a better life. We joked about the Government betting you 160 acres of land that you could not survive it on for 5 years in South Dakota. If you could survive for 5 years, it was yours. They got off the railroad, they built a sod house, and survived. But the Government gave them the opportunity to survive, gave them the license to be Americans, and I am here 100 years later because that happened.

We do not have any more land to give, but I sure hope we can still give dreams. I hope that there are still people out there who believe that the freedom that they can find in this great country of ours, for all of the things this country can provide, ought to be ample reason to come to this country and give it their best.

But we are saying we are not going to help you; we are going to punish you if you even try. That is not American. My grandparents could not have come with this law in effect 100 years ago.

So, Mr. President, it is with some sadness that we have come to the conclusion that we cannot do better than this. But we are going to pass this legislation tonight with the understanding that there are some very severe deficiencies. Is it an improvement over what we passed a year ago? Yes. Can we do better? I think we all know in our heart of hearts that the answer to that is also yes.

I hope that we can agree when it is signed into law that we will go back, without much time to waste, and attempt as best as we can to fix those deficiencies so we do not punish children, so we do not send the wrong message to people who want to be Americans, so we recognize that this country is still all that it can be, so we can work together to make it an even better one.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I believe we have some 2½ minutes left, and beyond that I will use my leader time.

Mr. President, over the years we have watched a program that we started some 60 years ago with very good intentions to help the weak and the genuinely poor people in this country to be able to get some degree of temporary assistance to help them exist.

We have watched over the years as the taxpayers of this country worked hard to try to look after their families, tried to get clothes to put their children in school, and pay their taxes. Then they began to wonder, who was thinking about them? Because they saw this program continue to grow and build, and they saw it continue to cost more and more billions of dollars, and they saw abuses. Then they started to worry. What about the children that are getting locked into this system of welfare dependency?

Over the years it moved in that direction—to where we have disaffection on all sides; those who pay the bills for the welfare program and those who are on the program. People ask: Who is it really helping? Is it really giving people a lift out of poverty, or it is it locking them in? Does it really help the children when the parents are not able to get a job, they do not have the training, the education, nor the day care to be able to really get a job? Who is the real loser? The children have become the losers of this program. It has become a program of dependency without a way out. That is what this bill is really about.

I am happy that the Senate is about to take this final action on this monumental accomplishment, a bipartisan accomplishment on a bill that is entitled ''Personal Responsibility and Work Opportunity Act of 1996.'' We call it welfare reform, but that is the real title. That is what it is really about—personal responsibility; taking advantage of the program when you really need it on a temporary basis, to give you an opportunity to exercise your responsibilities and get off the system and get into a job—work opportunity. That is the American way; to have an

opportunity to get what you need temporarily with training to go out and get a job and look after your family.

It has been a long haul with more than a few dead-ends. But we stuck with it. We forged the kind of compromises that were needed to move it ahead, and at last we have come to our destination: ending the destructive welfare cycle. That is what this is all about.

There is more than enough credit to go around. But I think special tribute clearly should be given to the Senator from Delaware, Senator ROTH. He has pulled off a gold medal performance this week. He was lead chairman on the welfare reform bill. He was the chairman that negotiated the agreement on the small business tax relief bill, and he was the lead participant in the health insurance reform legislation; a tremendous week. We are all indebted to Senator ROTH for that great work. I know it has been exhausting, but I know you are extremely proud of the accomplishment that you have in this bill and those other bills.

Of course, the venerable chairman of the Budget Committee, Senator DOMENICI, hangs in there. It was going to be maybe just a few hours and then it looked like it was going to be the full 10 hours. He has to do it over and over again. He has been a partner with the Senator from Delaware. They have done a great job. He is the most knowledgeable Member that we have on how we deal with these budget issues.

Senator NICKLES, at my request, was representative of the leadership in a lot of the negotiations. That youngster from Pennsylvania, Senator RICK SANTORUM, he was great. He came to the floor one night. He did his job. He knew his subject matter. He has been working on it for 2 years—actually longer than that. I guess about 4 years. He really knows the intricacies of this bill. It has been bipartisan, House and Senate. The vote in the House, 328 to 101. That looks mighty broad to me in its support and its bipartisanship.

In the Senate, Senator BREAUX was involved and helpful as we went along. Senator LIEBERMAN, I read his article, I believe, in a New York newspaper last week, an excellent article. So I think we have truly made this bipartisan. It is an effort of which we can be proud.

Also, I have to say this. A lot of credit goes to the man whom I succeeded as majority leader. Bob Dole worked on this effort, pushed this effort, would not let it end, helped get it through, not once but twice, and was committed to getting it done again this year for the third time. Without his leadership, without his determination, without his commitment, we would not be here tonight passing this welfare reform package. In my opinion, it should truly be called the Dole Welfare Reform Package.

The last time I spoke on the Senate floor about welfare, I expressed the hope then that President Clinton would not again veto the reform bill that we had come up with on welfare. And I did have an opportunity over the past 2 weeks to talk with him about it. There were some changes made that he had hoped for in the bill, and so I am, frankly, greatly satisfied that he has announced he will, indeed, sign this bill into law.

So now our country begins a great transition. It will be complicated and difficult and probably will require fine tuning on our part in the future, but we have made a start. We have made a commitment. We signed on to the blueprint for the most profound restructuring of public assistance since the New Deal.

This legislation will end the Federal entitlement to welfare and replace it with block grants to the States. All by itself, that makes this landmark legislation. But the flexibility for the States and the Governors, I think, will work well. They are close to the problems. They will be able to use the money where it is needed the greatest to help the people who need it the most.

More than that, for the first time ever we are legislatively imposing time limits on the receipt of welfare on an endless basis, and for the first time ever we are applying a meaningful work requirement that can help recipients make the move—and we know it is not always an easy one—from dependence to independence.

That is what we desire and we hope for all Americans. This bill responds to a consensus among the American people by ending most welfare for noncitizens. It strengthens our child support enforcement and paternity establishment requirements. It combats fraud and abuse of welfare programs and will save the taxpayers about $54.5 billion over the next 6 years.

We can be proud of this package, and we can build on it in the months ahead as we seek to improve Medicaid and other programs of assistance to the needy. We are going to be working with the Governors to make sure that this bill sets the pattern for a new era of cooperation between the States and the Federal Government.

Again, I thank everyone whose diligence and patience brought us this far. There is an old saying: ''Well begun is only half done.'' Today, the herculean task of comprehensive welfare reform is, indeed, well begun and much more than half done.

With the lessons we have learned in this effort, we can finish the job for the benefit of both the taxpayers of America and the poor in the months ahead.

I yield the floor.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. SMITH). 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 conference report to accompany H.R. 3734, the Budget Reconciliation Act of 1997. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

[Disturbance in the Gallery]

The PRESIDING OFFICER. The clerk will cease until order is restored.

The Sergeant at Arms is directed to restore order.

The Senate will come to order.

The clerk will resume the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 78, nays 21, as follows:

[Rollcall Vote No. 262 Leg.]

YEAS—78

Abraham	Ford	Lott
Ashcroft	Frahm	Lugar
Baucus	Frist	Mack
Bennett	Gorton	McCain
Biden	Graham	McConnell
Bond	Gramm	Mikulski
Breaux	Grams	Murkowski
Brown	Grassley	Nickles
Bryan	Gregg	Nunn
Burns	Harkin	Pressler
Byrd	Hatch	Reid
Campbell	Hatfield	Robb
Chafee	Heflin	Rockefeller
Coats	Helms	Roth
Cochran	Hollings	Santorum
Cohen	Hutchison	Shelby
Conrad	Inhofe	Simpson
Coverdell	Jeffords	Smith
Craig	Johnston	Snowe
D'Amato	Kassebaum	Specter
DeWine	Kempthorne	Stevens
Domenici	Kerry	Thomas
Dorgan	Kohl	Thompson
Exon	Kyl	Thurmond
Faircloth	Levin	Warner
Feingold	Lieberman	Wyden

NAYS—21

Akaka	Feinstein	Moseley-Braun
Bingaman	Glenn	Moynihan
Boxer	Inouye	Murray
Bradley	Kennedy	Pell
Bumpers	Kerrey	Sarbanes
Daschle	Lautenberg	Simon
Dodd	Leahy	Wellstone

NOT VOTING—1

Pryor

The conference report was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will come to order. Members will stop conversations so the Chair can recognize the majority leader.

Mr. WELLSTONE. Mr. President, can we have order in the Chamber?

The PRESIDING OFFICER. The Senate will come to order. Will Senators please take their conversations to the Cloakroom?

MEASURES PLACED ON CALENDAR—S. 2006, S. 2007 and H.R. 2391

The PRESIDING OFFICER. The clerk will now read three bills for the second time.

The assistant legislative clerk read as follows:

A bill (S. 2006) to clarify the intent of Congress with respect to the Federal carjacking prohibition.

A bill (S. 2007) to clarify the intent of Congress with respect to the Federal carjacking prohibition.

A bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees.

Mr. LOTT. Mr. President, I object to further consideration at this time.

The PRESIDING OFFICER. Objection is heard. The bills will be placed on the calendar.

The PRESIDING OFFICER. The majority leader.

THE SENATE'S SCHEDULE

Mr. LOTT. Mr. President, I know that Senators are waiting to see what might be the schedule for the remainder of the evening. There are a number of discussions underway now on a number of issues that we would like to get completed before we leave this weekend.

I want to say again tonight, as I did this morning, I really think that the last 2 days have involved a lot of tremendous legislative good work by Members on both sides of the aisle. I do not ever recall having ever seen as many bipartisan conferences in as many places at one time as yesterday.

Yesterday morning, I really didn't think it would be possible to reach an agreement on the conference report on health insurance reform, on safe drinking water, and, of course, we already reached agreement on welfare reform, and before the night was out, even the small business tax relief package and minimum wage. It looks like there will be an agreement also on illegal immigration.

I don't know exactly when all of those will move, but it is my fervent hope that all that work will not be for nought before we leave. We would like to be able to bring up some appropriations conference reports that have been completed. The legislative appropriations conference report is ready. We hope to be able to get to the military construction appropriations conference report, if not tonight, tomorrow.

That probably will require a vote, since we didn't vote on it when it went through earlier, and the District of Columbia appropriations conference report will also probably require a vote.

We would like to do those either tonight or in the morning. And we would like to also get the conference reports that have been agreed to: the health insurance conference report, the safe drinking water conference report, the small business tax relief package with minimum wage, and if there are other conference reports that could become available later on. The Department of Defense authorization conference report is available, too.

So we have several conference reports that we could get done tonight or tomorrow with just a little cooperation. There are some nominations that we think we can move forward. We have been working on those today. I think we can get some of those moved. So it is my hope that we could get those done.

Also, I would want to move to the HUD–VA appropriations bill. I know the chairman is here, Senator BOND, who has been very patiently waiting his appropriations opportunity. The Senator from Maryland is here ready to go. So if we could have a few unanimous-consent requests and work through those, then we would try to go to the HUD–VA appropriations bill.

I just want to make the Members aware of that. We need to have some additional discussions here in the next few minutes. If we could come to some agreements, then we should be able to notify the Members within 30 minutes what they can expect for the remainder of the evening and whether or not there would be any recorded votes tonight.

I would be prepared to yield the floor and observe the absence of a quorum, Mr. President, where we could work on a couple issues, and we would let the Members know as soon as possible thereafter. I yield the floor, Mr. President, and 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. LOTT. 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. LOTT. Mr. President, I do not believe we have been able to come to a satisfactory resolution of some of our concerns that Senators have on both sides of the aisle. We have had a very productive week and a good day. It is already 20 until 9. I know several Senators have had other things on their minds today, so I do not see any sense in pressing the point too far tonight.

I do feel constrained to ask for at least two unanimous-consent requests. We will see what happens. Then, depending on that, we will be able to make some further announcement.

UNANIMOUS-CONSENT REQUEST—CONFERENCE REPORT TO ACCOMPANY H.R. 3754

Mr. LOTT. Mr. President, with regard to the legislative branch appropriations conference report, I ask unanimous consent that the Senate now turn to the conference report to accompany H.R. 3754, the legislative branch appropriations bill, that the conference report be considered as having been read and agreed to, and the motion to reconsider be laid upon the table.

Mr. WELLSTONE. Mr. President, reserving the right to object, and I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. You did object? All right.

Mr. President, we have been hoping to go to the HUD–VA appropriations bill for over a week now, but because we were assured on various bills that they would take just a short period of time, we have been able to move through eight appropriations bills. I appreciate the success we have had with that. But this is the one that we need to go to and get done so that we do not have to have a Saturday session. It is my intent to complete this bill even if it does involve going to a Saturday session.

It would be nice if we could put that down tonight so that the chairman and the ranking member could get some work done. But we can do that tomorrow, and then we can finish up or we can work on that on Saturday. It is already in my mind that we are going to be here Saturday. So I have been feeling all day that this is really kind of Wednesday, and so tomorrow is only Thursday by my body clock.

UNANIMOUS-CONSENT REQUEST—H.R. 3666

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the HUD–VA appropriations bill, H.R. 3666.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. Reserving the right to object, and the majority leader has been working in very good faith. I appreciate it.

I just let my colleagues know that this is not my first choice, but month after month after month I have been very patient. The last several weeks I have been very patient. I think the majority leader would be the first person to say I have worked through the process.

We have a very gifted judge, Hennepin County Judge Ann Montgomery. I thought there was a clear agreement that she would be cleared last night. That did not happen. It is not my choice that somebody objected. I have heard no substantive reasons given to that objection, and that is why I object to moving forward.

I am going to fight very hard for Ann Montgomery because she is an immensely talented, gifted judge, with broad support in Minnesota, broad support in the legal community. What has been going on here is just or fair to her. That is why I object.

Mr. LOTT. Mr. President, if I could respond, first, let me announce that was the last vote tonight. There will be no further votes tonight. We will begin tomorrow morning at 10:30 on Friday morning.

I think all the Members know I have been trying to work through these judges. We have, I think, cleared 16 judges from across the country. Some of them had some problems. We were able to look into those problems, and

Senators have spent time working through those lists. That is how we have been able to move 16 of them. We are working on another one right now. I think maybe it will be cleared.

Let me emphasize this: Judges quite often are somewhat controversial. Senators have different views on that. Senators have a right to express themselves on it. The time may come when we will have to move some of these judges. My approach is always to see what the problems are and see if we can work through them. We will keep working on this one. I am hoping maybe tomorrow we can satisfy concerns.

Sometimes what happens with these, it is not just the judge, but it gets involved with other issues, other legislative issues, and you have to deal with those problems before you can deal with the next problem.

We worked on that. I think we made real progress. The Senate, I think, would have to acknowledge that I have worked steadily at it. I think we have approved an average of at least one a day for the last 3 weeks.

Mr. NICKLES. Will the Senator yield?

Mr. LOTT. I am happy to yield to the Senator.

Mr. NICKLES. I have been here a little while, and I cannot remember anybody objecting to moving to an appropriations bill because they did not get a judge confirmed.

I will give one example. I remember we had a judge in Oklahoma that I was trying to get confirmed in 1992 and the Democrats were in control of the Senate. George Mitchell was the majority leader. I kept trying to get the judge moved, the nomination moved. The nominee was Frank Keating. There was no opponent, but we kept having a hold. To make the story short, we never could get his nomination placed before the Senate. He would have been an outstanding judge. There was kind of a roving hold on it, primarily inspired by my good friend and colleague from Ohio, Senator Metzenbaum, who is no longer with us.

The point being, we had an outstanding person, but we did not hold up any appropriations bill. We did fuss about it, and we groaned about it, and maybe griped about it, but I want to thank Senator Metzenbaum for putting a hold on Frank Keating because he is now the Governor of Oklahoma.

Judges have been held for different reasons, maybe good reasons, maybe bad reasons, but a lot of times it happens. However, I am not familiar with the holding of major pieces of legislation, particularly appropriations bills, hostage. I hope we are able to work through this and do our bills. We know we have to do the appropriations bills, and I am hopeful we will be able to move forward.

I congratulate the majority leader and the minority leader. I think this week has been a very constructive week. The welfare bill that just passed is certainly historic, and the legislation that we will have before the Senate tomorrow dealing with health care, dealing with small business tax relief, is also very important. I hope we will be able to complete that as well.

Mr. LOTT. I yield to the distinguished chairman of the HUD, VA Appropriations Subcommittee, if he would like to make a comment.

Mr. BOND. Mr. President, I appreciate very much the efforts of the majority leader. I assure you that the ranking member, Senator MIKULSKI, and I have worked long and hard with many Members to accommodate the interests Members have. We were prepared to negotiate time agreements so we could move this expeditiously.

The matters involved in this bill include the funding for the Veterans Administration, the funding for the Housing and Urban Development, funding for EPA—there seems to be a great deal of concern about drinking water facilities; those funds are appropriated in this bill—Environmental Protection Agency, NASA, National Science Foundation. It had been our hope that by working with and being responsive to the concerns of Members on both sides of the aisle, with respect to what is, frankly, a very complicated bill, that we could wrap this up so we would not have to impinge upon any Saturday or Sunday activities that our colleagues may have.

Mr. President, that is why I am deeply disappointed. The ranking member and I have been ready since last Wednesday to go forward on this bill. It is a complicated bill. I had hoped we would be able to go tonight. I am very disappointed, personally, and for the agencies and the people working with us.

Let me say at this point that we have worked together prior to the bill coming to the floor. The ranking member and I have agreed that we can accept a significant number of amendments that have been presented to our staff. If there are other amendments, we ask Senators to bring them to us or to our staffs tonight so we may determine if we can accept them or work with the Members to gain accommodation on them.

I have approved, as has my colleague, a number of colloquies that will be ready to go if we are able to move to this bill tomorrow. I think there are perhaps three or four issues which would require a vote, and we would like to work with the leadership and get short-time agreements on these votes, reserving everybody the right to submit additional comments for the RECORD so we can handle this in an expeditious manner. We understand how controversial the issues can be. We think we can deal with it in a timely fashion.

I ask that people who do have amendments, questions, colloquies, please contact us tonight and perhaps we can move expeditiously tomorrow.

I share the leader's disappointment that we are not able to do this tonight. With cooperation in bringing the amendments to us tonight, perhaps we can deal with the issues in a timely fashion tomorrow.

I thank the majority leader, and I thank the Chair.

Mr. WELLSTONE. I will take just 1 minute. I know the minority leader wants to speak on this.

Let me just say I heard the word ''controversial'' used. Judge Ann Montgomery has the support of both Senators from Minnesota. She has the broadest possible support in the legal community, the highest possible marks from the ABA. She is imminently qualified.

I would be more than pleased for someone to move this. I do not ask for unanimous consent, although I think that is the best way to do it. I would be willing to debate this nominee with anybody.

Just to be very clear, as far as the delay, I was not the one that put the hold on Judge Montgomery. I am not the one that has objected to moving forward. Other Senators have. I am just doing what any Senator would do from any State, which is that I am fighting hard for a woman who richly deserves to be Federal district judge. There is no reason in the world why anybody should be trying to stop this. This woman came out of committee back in March. She has been waiting and waiting and waiting, and I have patiently worked through the process.

I am absolutely convinced the majority leader is working in good faith, and I look forward to working this out tomorrow. I apologize to my colleague from Missouri, who is a friend whom I respect. I am not the one that has delayed this.

Mr. DASCHLE. Mr. President, we don't need to rehash all the history on this. I think it is fair to say that there has been a tremendous amount of cooperation this month. I pledged my efforts to the new majority leader when he became leader and indicated that I wanted to work with him. I think that fact has now been well-documented. The distinguished Senator from New Hampshire was in the chair last night, and I applaud him for his willingness to preside at late hours. As he was presiding last night, it seems to me that the cooperation stopped.

Before last night, we had another indication of the degree to which we were going to work on both sides to move things along, with the clear understanding on both sides that we had to finish the executive calendar on judgeships this month. The distinguished majority leader said that he would try to help us get that done. I said I would try to work with you to accommodate all of the specific pieces of legislation that need to be addressed so long as we can continue to work in good faith toward those ends. Last night, it stopped.

So, Mr. President, we have no choice but to continue to find a way with which to resolve this impasse. We need to finish the four circuit court judges,

plus the other district judges that remain on the executive calendar this week.

The distinguished Senator from Oklahoma made a good point that there have been holds in the past on individual judges. I will not deny that. But I think it is important that we emphasize that, in 1992, under similar circumstances, the majority at that time, the Democratic majority, confirmed 66 district and circuit judges. On July 1 of this year, not one, zero judges had been confirmed. Now we have confirmed, I believe, 16. So we are making progress. But we can't be expected to allow the balance that we had agreed to to be disrupted. If we can continue to find ways to cooperate and work together, all of the pieces of legislation that the distinguished majority leader mentioned, I think, are possible. Realistically, I don't think we are going to be able to do the VA–HUD bill this week, but I do believe that all of the conference reports and things that the majority leader mentioned are things we ought to be able to work together to achieve before we recess. But we have to get those judges done, as we earlier agreed to do. If we can do the judges, we can do the legislation. That balance is something that I think we have made very clear from the beginning. I hope we can work together to make that happen.

I yield the floor.

JUDICIAL NOMINATIONS

Mr. LEVIN. Mr. President, I wonder if the majority leader would help us out a bit with this question. It was my understanding that, early in July, the majority leader had indicated an intention to work through all of the judges on the calendar, and that if there was an objection, the objection would be required to be stated, and then the majority leader would attempt to move to the confirmation of each of the judges on this calendar. I am particularly interested in a court of appeals judge, Eric Clay, from Michigan, who has the support of both Senators from Michigan. I know the majority leader has spoken to my colleague, Senator ABRAHAM, and me about Mr. Clay.

My question is this: Is it still the hope of the majority leader to call each of the names of the judges that are on the calendar and see if there is an objection, and if there is, to move to the confirmation of each of the circuit court judges, as well as district court judges, on this calendar? Is that still the intention of the majority leader before we recess?

Mr. LOTT. It is my intent to continue to try to work through these matters. I never indicated, in any way, that I could guarantee that we would get them all done. There are objections to some of them, and multiple objections to some of them. But I will continue to work on them one at a time, because you can't work six or seven at a time. It has worked pretty well. And I am working on that one. I have talked to the other Senator from Michigan, Senator ABRAHAM, about this judge. We are looking into what might be the problems and what might be done. Let me say this. Circuit judges are viewed very differently than district judges for a lot of reasons, and we can discuss that some other night. But that is not to say that we will not continue to work on it.

Mrs. BOXER. Will the Senator from Michigan yield to me for a question?

Mr. LEVIN. Yes. I yield the floor.

Mrs. BOXER. I really want to thank the majority leader for doing all this. I want to make the point to the Senator from Texas, and others who have problems with this, that you are talking about real people when you stand here late at night and object. Sometimes we forget that. I think Senator WELLSTONE was very real last night when he came back and he was on the phone ready to tell this particular nominee that all was well.

I happen to know two judges on that list from California. Their lives are on hold. They are human beings, just as we are. Many have been waiting for months and months. I say to the majority leader, please, do all you can, because pretty soon we are going to come down here with photographs of the families that are in limbo. They don't know. Some of them are closing other practices up. It is a hardship on the families. These are wonderful people. These are people who came out of those committees, many of them without one objection. These are people who have support of both Senators, in many cases, Republican and Democrat alike. So we really changed course here when many of us understood it was going to go a certain way. It is very hard, I think, on the people whose lives are affected, their children and their spouses.

So I hope we can work together for the good of, frankly, these people and their families and the criminal justice system. I don't think it does any good to have these judgeships vacant. Justice needs to be done, and it is hard to serve it when you don't have the judgeships filled.

I yield the floor.

Mr. LOTT. Mr. President, I am going to have to respond to some of that. There are real people, also, whose lives would be affected by these appointments. These are not administration appointees who will serve at the pleasure of the President for a year or 4 years. These are lifetime appointments to the Federal judiciary, and it is very important who these people are—

Mrs. BOXER. Yes, it is.

Mr. LOTT. And how they are going to rule. We should look not only at their education, background, and qualifications, but also—particularly when it comes to circuit judges—what is their philosophy with regard to the judiciary and how they may be ruling. We have a legitimate responsibility to ask those questions. I have to tell you, we have all been through this. I have had a couple of judges that I have been interested in, one from the Fifth Circuit Court of Appeals. He is a great guy, a great lawyer, Harvard educated, with all the credentials. He did not make it in 1992. That is the way it goes. Some people did not like him because he was a very conservative lawyer. I think the philosophy does make a difference when it comes to the circuit.

I want to emphasize here that, when we start painting this mosaic about this person and the family going to be affected, we have a right to think about all the families whose lives will be affected by some of the ridiculous decisions we see in the Federal judiciary, and the activism where they start writing laws, which is our job. I never intended to infer, in any way, or imply that I could guarantee that all these would be done or that I would even vote for all of them. All I said was that I would work through this list and I would try, because I didn't know any of them, not a single one of them, when I started out.

I started down the list, at the direction of my predecessor, I got to know some of them and worked through them. I tried to move four en bloc one night, and because we did not have all of them on the list, it was objected to by a Senator. I thought we had worked it out. Later, I tried to move the same four judges again that nobody objected to, except when I brought it to the floor, a Democratic Senator objected because his judge was not on the list. And then the majority leader left, and I said, well, maybe I can work through more of them. I got it up to nine judges. One night, I came to the floor and we had 10 that had cleared on the hotline. I even talked to a couple Senators as they hit the ground at the airport trying to get them done. At the last minute, one of those dropped by the wayside. I tried nine judges, and I had an objection from a Democrat when I was trying to clear nine judges. I think at least five or six of those were supported by Democrats. So I said, OK, that hasn't worked. In an abundance of good faith, I said I will do them one-by-one.

I brought up one. It was objected to. But then I started working it with the minority leader. He started working it with his people. And then we started to move with the ones that were really not controversial. We got four or five done. Then we got five more done. And I think it is 15 or 16—16 that we are working through the process.

I really must say that the minority leader was fair in his remarks of how we talked about it. We work together on it. We will just keep moving through the process.

But again these are not insignificant. These are big-time, lifetime, high-paid jobs that are going to affect our lives, and, if we do not know who they are, if we do not ask questions, then we will be shirking our responsibilities.

But we will continue working on these judges. Just like the Senator

from Michigan said, we will talk more about that.

Mrs. BOXER. Will the leader yield?

Mr. LOTT. Certainly; I am happy to yield.

Mrs. BOXER. I thank the leader for yielding. I appreciate what he is saying. He is so right about that. I have to say having had the real, great privilege to get a number of judges through this U.S. Senate—

Mr. LOTT. There was one from California that we moved.

Mrs. BOXER. Absolutely. I want to say that the committee is doing its job. They were very clear with all of us—the Republican Senators—saying we want to make sure when you bring people up that they have Republican support as well as Democratic support in their committees. And it has been, frankly, a joy for me to work to bring these types of people who have that type of bipartisan support.

But I guess the one point that I just want to make—and I will not belabor this any longer—is that I heard the Senator from Minnesota say that he would be delighted to debate this. He is ready.

Mr. LOTT. Let me say in this case that I have already told him. If I could reclaim my time for a moment, it is relevant. If we can't get it worked out, I intend to move it, and we'll have a debate.

But here is one of my problems. We have a few hours left here. We have a lot of work that we need to get done that you want, and that we want. So I plead with everybody. Let us keep our heads cool. Let us keep talking.

Also, I again say that I think it would be a major mistake—a major mistake—for Senators to hold up health insurance reform, safe drinking water, small business tax relief, and minimum wage, if we can't work through all of these things tomorrow. I plead with you not to do that. I urge you not to do it.

Let us get these conferences that we have worked together on in a bipartisan way. I understand there is some objection maybe to the illegal immigration bill. I do not know the details of the negotiations there. But this is something the American people feel outraged about. We can't control illegal immigration in this country. But if there is some problem with the way it was handled we will take that into consideration.

There are three of these conference reports which everybody has pretty much signed on to. They have problems with them.

Mr. NICKLES. Will the Senator yield?

Mr. LOTT. Yes.

Mr. NICKLES. I just want to say that I appreciate the comments, and this has been informative.

In the last couple of months, if my figures are correct, there have been 23 judges on the Executive Calendar ready for confirmation by the Senate. We have confirmed 16. We have 7 still left on the calendar.

So I tell my colleagues on the other side who might be frustrated that is a pretty good batting average. That is 16 out of 23 in this period of time. I admit that hardly—I think maybe one judge was confirmed prior to that time.

Also, just while we are looking at this, I mention Frank Keating who was not confirmed in 1992. And my colleague, Senator DASCHLE, mentioned that we confirmed 66 judges in 1992, which is a lot. That is correct. But we also had 58 nominations pending at the end of 1992. Right now the total nominations of judges on the calendar—and that have been nominated—the total is 28.

So, if you look at the total percentage of those we have on the percentage—

Mr. LOTT. That is, those on the calendar and those still pending in the Judiciary.

Mr. NICKLES. Still pending before the Judiciary Committee.

So the only thing you have had on your plate is that there has been 23 judges on the Executive Calendar. The Senate has now confirmed 16. There are 7 remaining.

So I would say that in the past month the majority leader has been very cooperative in the fact that he has moved 16 out of 23. That is 70 percent of the judges.

So I think he has been very cooperative in working with all Senators.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank the President.

I just ask the majority leader to extend the courtesy, if he can. I want to add my compliments to those that he has already received for such a good job, and I think too in a most serious way. He has tried to—

Mr. LOTT. One of those was from New Jersey, if the Senator will yield.

Mr. LAUTENBERG. Absolutely.

Mr. LOTT. We ran into a little problem, and we worked it out.

Mr. LAUTENBERG. To use an expression, ''I don't have a judge in this fight.'' So I want you to know that.

[Laughter].

I enjoy not only working with him but my kind, friendly tete-a-tete with the majority leader.

I ask the majority leader whether or not in reality these judges did not move tonight because they had something to do with something else? Is there some legislative redress that is being sought here, a judge is being held hostage, and people seeking justice are being held hostage because we are not processing their cases in an expeditious fashion? I ask the majority leader because it was suggested to me that perhaps there was something that I might do to help it along here.

I just would like to know whether or not there is some particular piece of legislation that may have offended someone that has them out here saying, ''No. I am going to object to judges. I am going to object to anything that goes on in this place, and I do not care what the consequences are. I object to the legislation.'' Could I possibly be correct in my assumption, Mr. Leader?

Mr. LOTT. I do not think it has ever happened in the Senate before; that one matter would be impacted by an unrelated matter in another area. Why, of course, everything in the Senate is tangled up and related to something else. I do not guess there is any relationship between the judge not moving tonight and the objections to taking up the HUD and Veterans appropriations bill. Why, of course, they are related.

But I have found the way you do that, you get all tangled up, and you work with them, and quite often they manage to work themselves out and we get the job done. But they are related.

Look. You know that Senators on both sides of the aisle feel strongly not only about the judges but about the legislation. People are worried when you have a bill that involves a stalking of women and children that you really care about, and you think that there is a mistake there, and it is a bill that is universally supported. When that bill gets tangled up in the course of events, a Senator gets excited about that, and upset about that. When a Senator feels like his or her rights are trampled upon, they move and they take advantage of whatever rights they have.

My attitude with the Senator from Minnesota tonight was, ''Look. I understand. You are doing what you have to do.'' And we will see what we can do with his problem that has been affected by another problem. We will work them all.

Yes. They are all related. There is nothing new in that.

Mr. LAUTENBERG. The majority leader—like my name—is frank, and I appreciate that candor. Because, if we are talking about the stalking bill here that passed the Senate that is over in the House, it carries an amendment by me that says wife beaters, child beaters, spouse abusers should not have a gun. Apparently there is an objection. ''We are concerned about that. We want to give those guys guns. What did they do? Beat up their wives? That is not a crime.'' One judge said, ''I hate to give a noncriminal a criminal sentence.'' One judge was so tough that he gave a man who murdered his wife in Baltimore County 18 months with time to be served on weekends. He murdered his wife. The judge said, ''I do not like to really punish someone like the criminals. They are not really a criminal. All they did''—he did not say this. I am saying it. ''All he did was murder his wife.''

So I am asking for my amendment and that bill to be carried along, and now suddenly I hear that has something to do with the approval of judges, which now has us tangled up in appropriations bills. I think it is pitiful that someone would object as we saw here

last night; the Senator objected to an order that the minority leader requested and refused to answer a question—refused, turned around and walked out. This place is deteriorating into a sorry condition. But I know the majority leader is working on it.

I think it is very important that people across the country hear that eight judges are not being appointed because of a piece of legislation that would prevent wife beaters and child abusers from getting guns. I think that is pretty important. I hope the public hears it and listens to it, and I hope the press hears it and listens to it.

I say to the majority leader, my apologies for this little tirade, but I had to kind of get it off my chest.

I thank the Senator.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

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

THE RUSSIAN ELECTIONS

Mr. LEAHY. Mr. President, on June 16, something happened that has tremendous implications for the American people and for people everywhere. On that day, Russia, which just a few years ago was the greatest threat to democracy in the world, held a democratic election to select its President.

That alone, Mr. President, is reason to celebrate. Despite calls from people across the Russian political spectrum who still do not understand what democracy is about to cancel the election, the Russian Government stuck by its commitment to democracy—

No decisions were taken by secretive Politburos.

Parties representing the full spectrum of political sentiment participated.

Candidates crisscrossed that vast country making promises to win the votes of ordinary people.

And in the end, most stunning of all, there was a graceful concession speech by the losing candidate, the leader of the Communist party that only a little while ago we regarded as the personification of tyranny, committing the party to challenge irregularities in the election ''in the courts, not in the streets.''

Mr. President, this was not a perfect election. There were irregularities. There may well have been instances of ballot box stuffing. I was quite concerned about the extent to which media coverage of the election appeared to favor one candidate. But it also occurred to me that, if I were a newspaperman covering an election in which one major party had a record of advancing democracy and the freedoms associated with it and the other had a 70-year history of suppressing the freedom of newspapers like mine, I might have tended to advocacy rather than neutrality too. That is not an excuse, but despite the irregularities, there is general agreement that the will of the Russian people was heard in this election.

The Russian people voted for democracy, and the tremendous significance of that should not be lost on anyone. Despite all of the hardship they are experiencing. Despite the crime and corruption. Despite their loss of empire. Despite the fact that the standard-bearer of the forces of democracy has made many mistakes, the brutal war in Chechnya being the most egregious, and is in poor health.

The Russian people voted for freedom. Freedom to speak their minds. Freedom to associate. As ultra-nationalist Vladimir Zhirinovsky, who is not someone I admire, put it in explaining why he would not support the communists: freedom to decide where to spend his vacation. For some, it came down to things as simple as that, things which we take for granted.

Mr. President, the world has changed profoundly in the last decade. Communism as a world force is gone. Whatever the future may bring in terms of the distribution of power in the world, the age of ideological confrontation between communism and democracy is over. While there remain many aggressive forces in the world, I cannot help but feel that the world will be a safer place when its two greatest powers are both committed to democracy and the protection of individual rights.

And I think we owe credit to President Clinton, Secretary of State Christopher, and Deputy Secretary Talbott. Over the past three years, they have braved the attacks by those, including some in this chamber, who cannot bring themselves to give up their cold war notions about evil empires and would have us focus only on the vestiges of the old and ugly in Russia and ignore all that is new and promising.

Where do we go from here? As the ranking member of the Foreign Operations Subcommittee, I have watched as funding for foreign assistance has been slashed over the past 18 months, including assistance to Russia. Assistance to Russia is being phased out over the next 2 years, even though it is obvious that it is going to take the Russian people at least another decade to be able to take control of their own lives instead of expecting the government to do it for them, and that our assistance would be valuable to them.

President Yeltsin has won the support of his people to continue reform. But the Russian economy remains a shambles. The Russian Government has no money to finance its reforms. Crime is rampant. There are still pensioners on the streets of Moscow hawking pairs of children's rubber boots in order to survive.

Aid from the United States cannot possibly solve these problems directly. The problems are so immense that only the Russian people working together will be able to.

But what our aid can do is show them the way. Most Russians still have only a faint notion of what a market economy offers. Most also still carry the perceptions drilled into them by their Soviet masters that Americans are their enemies.

I have not been fully satisfied with the results of our aid program in Russia. There has been confusion, a lack of strategic thinking, and boilerplate approaches that did not fit the unique conditions there. Too much of the money has ended up in the pockets of American contractors, without enough to show for it.

But some programs have given the Russian people hope for a better future. People-to-people exchanges are an example of how we can help change old ways of thinking. I believe the thousands of exchanges of ordinary citizens that we have sponsored over the last 4 years played a role in President Yeltsin's victory. Farmer-to-farmer programs. Business exchange programs. Academic exchange programs. Civic organization development projects. They have shown the Russian people what is possible.

Americans have learned from these exchanges too. We have learned that the Russian people are not ogres. Like us, they are mostly worried about the welfare of their families. But they are learning for the first time that it is possible to have a system of government whose primary aim is the defense of individual rights, and which actually serves them.

Mr. President, there remains much to criticize in Russia. The democracy that exists there is fragile, and the future unpredictable. There will continue to be setbacks, and instances when Russia behaves in ways that are inconsistent with international norms. I have been horrified by the brutality of the Russian military in Chechnya. While it has been reassuring to see the outpouring of protest against this barbarity by the Russian people themselves, President Yeltsin and his security advisors need to recognize that Chechnya's future is not going to be decided by bombing its people into submission.

Having said that, let us today recognize how much has changed for the better in Russia compared to just a few years ago. And I hope we will also reaffirm our commitment to support reform in Russia. We know how to put our aid dollars to good use there, and there is much good yet to be done.

TRIBUTE TO THE LATE HARRY M. ''MAC'' JOHNSTON

Mr. THURMOND. Mr. President, the emergence of South Carolina as a center for business and industry is due to many factors including a temperate climate, a trained and enthusiastic

workforce, cooperative government officials, and not the least significant, community leaders committed to bringing new jobs into their towns, cities, and counties. One of the fastest growing areas of the Palmetto State is the region known as the Upstate, and a gentleman by the name of Harry M. ''Mac'' Johnston, played a key role in business development in Union County, until his recent and untimely death.

Mr. Johnston served as the director of the Union County Development Board for slightly more than 2 years, a short tenure to be certain. Despite the brevity of his administration, cut tragically short by a stroke, Mr. Johnston managed to achieve several important accomplishments that will be of great benefit to his fellow citizens. Thanks to the efforts of the late Mr. Johnston, the historic Buffalo Mill was purchased and re-opened, Union County was named as the home of South Carolina's new Juvenile Justice facility, and Upstate residents will celebrate community spirit this fall at the first ever ''Uniquely Union Festival.'' Without question, these are three excellent examples of Mr. Johnston's abilities as a civic booster and promoter of Union County, and had his life not been ended so abruptly, I am confident that he would have continued to have played an important role in the development of Union County.

Mr. President, the impact Mr. Johnston had in Union County was tremendous. He was a very capable and well liked man, and in memory of the many contributions he made to his community, the County Council recently voted to name the new county industrial park after this man. This is a fitting tribute to a person who dedicated so much of his efforts to making our State a better place to live. I commend the Union County Council on the honor they have paid Mr. Johnston and I extend my deepest condolences to his family on the loss they have suffered.

RETIREMENT OF AMBASSADOR DAVID COLSON

Mr. PELL. Mr. President, I take the floor today to pay tribute to a distinguished civil servant, Ambassador David A. Colson. Ambassador Colson is Deputy Assistant Secretary for Oceans in the Bureau of Oceans and International Environmental and Scientific Affairs. He will retire from 25 years of Government service on August 2; his departure is a loss to the Department of State and a loss to our country.

Dave Colson's career is an exemplar of public service. In 1966, he graduated from college and joined the Peace Corps, serving for 2 years as a teacher in Liberia. Thereafter, he enlisted in the United States Marine Corps. Upon completion of his tour of duty in 1971, he returned to law school. In 1975, he began working for the Department of State, the organization which has enjoyed the benefits of his efforts ever since.

Dave progressed rapidly up the career ladder at State. First as Attorney-Adviser, then as Assistant Legal Adviser, and finally as Deputy Assistant Secretary. He received a career appointment to the Senior Civil Service after only six years working in the Legal Advisers office. Since 1991, he has served with the rank of Ambassador.

Mr. President, those are titles and ranks. They are impressive, but they speak little to Dave's accomplishments and service to our country. The true measure of his contributions lies in the body of international law that he leaves behind and the people whose lives are better because of his work. In these areas, his achievements are legion.

At the Foreign Relations Committee, Ambassador Colson is best known for his expertise in the area of living marine resources. In the past three Congresses, he appeared before our Committee to testify on numerous marine resource treaties. Each of these advanced the interests of the United States and its citizens. Each of them improved the conservation of in the world's marine resources. Each of them developed further the framework of international law that governs the use of ocean space. And each of them was brought about either in large or partial measure through Ambassador Colson's efforts.

Dave Colson's accomplishments are not, however, confined to living marine resources. As Deputy Assistant Secretary for the OES Bureau at the State Department, he has been extensively involved in a variety of issues including the Law of the Sea Convention, the London Dumping Convention, a number of maritime boundary negotiations, navigation issues, and a range of matter associated with the Arctic and Antarctic.

Simply put, Dave Colson became one of the leading experts in the world on oceans. He is to be commended for his invaluable and lasting contributions. I wish him all the best as he embarks on this new phase of his life.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, July 31, the Federal debt stood at $5,188,888,625,925.87.

On a per capita basis, every man, woman, and child in America owes $19,550.80 as his or her share of that debt.

MAINTAINING OUR PARTNERSHIP WITH ISRAEL

Mr. PRESSLER. Mr. President, I want to take this opportunity to comment on our nation's continued support with its chief ally in the Middle East, Israel. Last week, the Senate completed action on the Fiscal Year 1997 Foreign Operations Appropriations Bill. The final legislation soon will be brought before us. This legislation represents the annual opportunity for Congress to demonstrate its clear support for the people of Israel.

This year is no exception. Both House and Senate bills would continue last year's investment levels to Israel—$1.2 billion for economic assistance and $1.8 billion in military aid. I commend the House and Senate Chairmen of the Foreign Operations Appropriations Subcommittee—Senator MCCONNELL and Congressman CALLAHAN for their efforts to maintain our full commitment to the people of Israel.

I have been a strong critique of foreign aid excess. However, I firmly believe that one of the wisest investments we can make is to the economic viability and national security of Israel. Failure to maintain that commitment could pose even greater costs in the future—costs in lost jobs, lost opportunities and far worse, even lost lives.

I have been concerned of late with the proliferation of advanced weapons to nations that traditionally have been hostile to Israel's existence. In the past year, Iran has acquired advanced cruise missiles from China, and has engaged in an aggressive campaign to develop a nuclear weapons and ballistic missile program. It also recently was reported that Syria may have obtained advanced ballistic missile technology from China. It is no secret that Syria is seeking to develop a far more capable ballistic missile than the Scud missiles that rained down on Israel during the Gulf War. Given these developments, it is crucial that Israel maintains a technological edge in its defense systems. Our continued support of Israel's defense, therefore, is vital.

Mr. President, as we all know, just a few weeks ago, a joint session of Congress was held in order to hear an address by the newly elected Prime Minister of Israel, Binyamin Netanyahu. We witnessed a stirring speech. Prime Minister Netanyahu deserves our congratulations for articulating a thoughtful vision for the people of his country.

Perhaps most important, the people of Israel deserve our congratulations for demonstrating their commitment to democratic values. For nearly a half century, the people of Israel have built and preserved a democracy despite constant hardship and hostility. The recent elections are proof that the people of Israel are determined to withstand pressures from without and within to maintain a democracy, build a vibrant economy and achieve peace and security in the entire region.

Prime Minister Netanyahu came to Washington as Israel's first popularly elected Prime Minister. Rather than be the choice of a governing coalition, Prime Minister Netanyahu is the people's choice. The people chose him to lead the Israeli government, rather than the government itself.

The Prime Minister's speech to Congress demonstrated his appreciation and understanding of the American-Israeli partnership—a partnership that

goes beyond common political and strategic bonds. Both nations share a common set of values —values of freedom, individual responsibility, and hope and opportunity. The Prime Minister noted that it was no coincidence that the birth of Israel coincided with the rise of the United States as the world's preeminent power. He is right.

I also was particularly heartened with the Prime Minister's assurances that he is committed to establishing real peace in the region. Indeed, he articulated a clear, commonsense vision of how peace can be established. He called this vision the ''three pillars of peace.'' The pillars being security, reciprocity, and democracy and human rights. Americans should understand and appreciate each one of these pillars.

It was Ronald Reagan who popularized the maxim ''peace through strength.'' Actually, as Prime Minister Netanyahu reminded us, that maxim has its origin in Hebrew verse, which when translated, reads as follows: ''God will give strength to His people; God will bless His people with peace.'' We are a nation long blessed with peace because we always made the defense of this nation a high priority. America's combined economic and military power provided the strength needed to secure a peaceful victory in the Cold War. Similarly, we cannot undermine Israel's security in the name of peace. That, in essence, was what the Israeli elections were all about.

Therefore, we should not question Israel's commitment to peace if it demands as a prerequisite an end to terrorist aggression, or state-sponsored attacks against Israeli citizens and cities. We should not second guess Israel's desire to move the peace process forward if it demands as a prerequisite that existing peace agreements be respected by all sides. We should embrace these conditions for they have at their core the values of any true democracy—the values of personal freedom and the rule of law. In essence, that is what Israel is seeking from its neighbors. American know peace cannot exist without respect for individual rights and the rule of law. The people of Israel should expect no less.

I applaud Prime Minister Netanyahu for being unwilling to believe that Israel will remain the Middle East's one lone democracy. There is no reason that the shared traditions of our two countries—human rights, democracy, free speech, religious tolerance—cannot be the growing traditions in any part of the world. Democracy has seen advances in Asia and Africa. The Middle East should not be immune to its benefits, one of them being a lasting peace.

Prime Minister Netanyahu understood and demonstrated to all of us that democracy is the ultimate method to achieve peace. After all, as he correctly pointed out, ''modern democracies do not initiate aggression.'' That being the clear case, and understanding the values inherent in democracies, there should be no question in the minds of those who seek peace, that the Middle East's lone democracy should be the sole sovereign of the city of Jerusalem. I am pleased that Congress took a stand for one, unified city of Jerusalem by voting to move our Embassy there. Is it no surprise that under a unified democratic system, Jerusalem has witnessed peace and protection to members of all nationalities that have come to worship there? Certainly, it is no surprise to Americans. We know, as Prime Minister Netanyahu said, that a city divided is not a city at peace or tolerant of its diversity.

Mr. President, let me conclude my remarks with the subject I started with—our continued support for Israel. Prime Minister Netanyahu has vowed that he would like to take Israel down the road of less reliance on U.S. economic assistance, and greater reliance on the powerful forces of capitalism and free markets. I commend him for setting his nation on this course of economic independence. This decision demonstrates his confidence with his fellow citizens of Israel to build a vibrant, strong, self-reliant nation. That being the course he has set, the best we in the United States can do is help him and the people of Israel achieve that admirable goal.

As a U.S. Senator, I have watched and admired a brave and determined people build a democracy under brutal circumstances that more than tested their resolve. This past year was no exception. It has been a year that witnessed the assassination of Israel's great leader, Yitzhak Rabin, repeated terrorist attacks, and a very contentious election. Through it all, the people of Israel stood strong, holding to its values and its belief that their home, their country, will stand strong, prosperous and at peace. The people of the United States cannot help but admire that determination. The people of the United States stand ready to help the people of Israel as they move down a road of peace, security and economic self-reliance.

OREGON COAST AQUARIUM

Mr. HATFIELD. Mr. President, for 30 years I have had the pleasure of representing a State known for its emphasis on educating its citizens on the importance of understanding and preserving their surrounding environment. The Oregon Coast Aquarium serves as a wonderful example of this unique spirit of conservation.

Visitors at the Oregon Coast Aquarium are able to experience the indigenous coastal habitat and view many examples of marine creatures and plant life. However, the aquarium is much more than a collection of exhibits, it is an education center. The theme chases a raindrop from the moment it drops from the sky and hits the Coast Range, until it reaches its final destination, the Pacific Ocean. By following this path through numerous interactive exhibits, theaters, and touch pools, children and adults alike are able to learn about the native Oregon coastal environment and its important function.

Located just south of Newport along the scenic Oregon coastline, the Oregon Coast Aquarium has recently become the rehabilitation center for the 16-year-old orca whale Keiko, known for his role in the movie ''Free Willy.'' The aquarium was selected by the Earth Island Institute, whose job it was to find a suitable new home for the 21-foot-long and 7,000-pound killer whale, as the only facility in the country that satisfied the necessary criteria. Keiko was transported, via a UPS B–130 cargo jet, to the aquarium from an amusement park in Mexico, where his health had been rapidly deteriorating. Since his arrival in January, Keiko has steadily improved and is moving ever closer to the goal of his eventual release.

I am honored today to recognize the Oregon Coast Aquarium and welcome the most recent addition to our coastal waters.

On Sunday, July 28, 1996, the New York Times published a full page article on Keiko and the Oregon Coast Aquarium.

Mr. President, I ask unanimous consent that a copy of this article be printed in the RECORD.

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

[From the New York Times, July 28, 1996]

WILLY NOT FREE, BUT MENDING

(By Donald S. Olson)

On Jan. 7 of this year thousands of people lined Highway 101 south of Newport, Ore., to welcome a 7,720-pound, 21-foot-long celebrity from Mexico City. Keiko, the 16-year-old orca whale who starred in the movie ''Free Willy,'' arrived by U.P.S. B–130 cargo jet. He was loaded onto a flatbed truck and hauled past cheering crowds to his new home, the Oregon Coast Aquarium. Several aquariums wanted Keiko, but the Oregon Coast was chosen because it was the only one with the space to build a pool large enough to rehabilitate him for possible release into the wild—the first such attempt ever made with a captive orca.

Since it opened in 1992, the magnificent 37-acre facility, about two and a half hours southwest of Portland, has drawn me back to Newport and the coastal region around Yequina Bay several times. Situated on the bay's south side, adjacent to an estuary teeming with wildlife, the aquarium is designed in the vernacular of seaside buildings such as boat sheds, with imaginative interior detail. The pillars, for instance, are cast with sandy reliefs of marine life, and the doorhandles are octopus tentacles and heron heads cast in bronze.

A sculptured school of 150 thrashing coho salmon hanging in the front entry hall leads to the first exhibit, where a short video introduces the concept behind the aquarium. Following the course of a raindrop that falls in the Coast Range, trickles down streams, flows into rivers, washes through wetlands and finally reaches the sea, the galleries, arranged in a circular pattern, present a cross-section of various coastal habitats linked by water into one vast inter-connected marine ecosystem.

The first gallery focuses on Oregon's sandy beaches, which support crabs, shrimps, sea stars, sea pens and sand dollars. The flatfish, whose camouflage abilities are highlighted in a special tank, is one of the stranger creatures on view. As it grows it changes color, its eyes migrate toward one another, and it begins to swim sideways. A central floor-to-ceiling walk-around tank recreates the pier-and-pilings environment found along Newport's Bay Front. Leopard sharks, smelt and tubesnouts glide in and out among the piers, barnacles and anemones attach themselves to pilings.

A favorite spot for children (and many adults) is the Touch Pool in the next gallery, called Rocky Shores. Here, under the genial tutelage of aquarium volunteers, visitors can gently stroke starfish and chitons. Smaller tanks contain oddities like the grunt sculpin, which crawls or leaps across rocks with broad, fingerlike fins, the pea sized spiny lumpsucker and the decorated war bonnet. An array of delicate anemones wave their pulpy pink, white and purple tentacles in other tanks.

Visitors often gasp in surprise when they enter the Coastal Waters Gallery and see the central moon jellies exhibit. The glass of the oval-shaped tank magnifies these pink, brainless beauties as they gracefully palpitate up toward the top and drift down again. Sea nettles, another jellyfish species, look like aquatic, caramel-colored Art Nouveau lampshades, and the fragile bell jellies resemble tiny transparent light bulbs. For sheer creepiness, on the other hand, nothing compares with the hagfish, coiled like a pale, bloated sausage in its own tank. This repulsive creature covers dead fish with a glaze of slime, swims inside, and proceeds to eat its way out again. A close runner-up in the ugly department is the huge, primitive-looking wolf-eel, which uses its mouthful of buck teeth to crush shellfish.

The circular route of the galleries brings the visitor to the long covered portico near the entrance, beyond which are the outdoor exhibits—four acres of specially constructed caves, cliffs and pools that distinguish this aquarium.

Both aboveground and through underwater viewing windows visitors can watch sea lions, seals, sea otters, octopuses and seabirds. The otters, rescued as infants from the Exxon Valdez oil spill in Alaska, are the only animals not indigenous to Oregon. They look cuddly and playful, but they're very territorial and aggressive. Cody, the 80-pound male, has smashed the protective glass window on more than one occasion.

Keiko, of course, is now the star attraction, housed in his own state-of-the-art pool, 150 feet long, 75 feet wide and 25 feet deep. Although Keiko did not come to the aquarium to perform, his trainers have devised a series of brain games and high-energy remedial workouts—including breaches, barrel rolls, bows and high-speed swims—to improve his physical abilities and keep him mentally challenged. To the delight of visitors, he also spends a great deal of time at the underwater viewing windows, watching the people watch him.

The Free Willy-Keiko Foundation, which now owns the animal, will make the final decision regarding his release. After Life magazine brought Keiko's plight to the public's attention in 1993 and children around the world bombarded the Warner Brothers Studio with letters demanding to know why ''Free Willy'' was ailing and still in captivity the studio hired Earth Island Institute, an environmental advocacy group headquartered in San Francisco, to find a facility where the whale—then a ton underweight, with a collapsed doral fin and skin lesions—could be rehabilitated.

The institute set up the Free Willy-Keiko Foundation, and Warner Brothers donated $2 million of the $7.3 million needed to complete his new pool. The rest of the money, for relocation, veterinary care and

penses (such as the 120,000 pounds of fresh-frozen fish Keiko will eat every year), has come from private donations. The goal of the foundation and the Oregon Coast Aquarium is to make Keiko well enough to so that he can eventually be returned to his family pod. Already there are signs that his health is steadily improving, his veterinarian and others at the aquarium say. He is eating nearly twice as much as he did in Mexico City, and because of the change in water chemistry—he now swims in cold fresh seawater instead of warm chlorinated water—he's shed a layer of skin, including patches of lesions near his tail flukes and pectoral flippers.

Dr. Lanny Cornell, his veterinarian, recently stressed, however, that while the initial news is good, ''it's a very short time to make long-term predictions about his eventual recovery.''

Other factors beside Keiko's health must also be taken into consideration before he can be considered ready for life in the wild. For one thing, each orca pod communicates with its own ''dialect'' based on geographic location. Keiko can't be released into the Pacific because he wouldn't be able to communicate with the West Coast orcas. Willy had been captured off the coast of Iceland; marine biologists must find his original pod, and it's possible that they may no longer be alive. In the meantime, from underwater viewing windows, visitors now have a chance to see an orca explore an environment that recreates a portion of his natural habitat.

Since Keiko's arrival, Newport, a small coastal town on the north side of Yaquina Bay, has experienced a major tourist boom.

From the aquarium it takes about five minutes to reach the town via the Yaquina Bay Bridge, build in 1932 to 1936 as a W.P.A. project.

South Jetty, the oldest on the West Coast, extends far out into the Pacific, protecting the entrance into the bay. The section of Newport that stretches along Highway 101 is little more than an anonymous-looking strip mall, but a couple of areas still preserve remnants of the old fishing community's crusty past.

Nye Beach, a neighborhood that fronts on the Pacific Ocean just west of Highway 101, is full of the weathered, unpretentious cottages and beach shacks that until recently characterized Newport and most Oregon coastal towns.

The Sylvia Beach Hotel, a former boardinghouse that is now a cozy hotel, is perched above the broad, white-sand beach.

From Highway 101, the road curves down past a Coast Guard station to Bay Boulevard, the main street where Newport's beleaguered fishing industry is still headquartered. The Bay Front, with its assortment of seafood restaurants, is a good place to sample fresh local fish, oysters, shrimp, mussels, crabs, geoducks (pronounced gooey-ducks) and clams. White clam chowder, thick as pudding, is a staple in these parts. More seafood to go can be found, uncooked, at the indoor counters of the bayside canneries and fish-processing plants. In seconds they can clean, crack and package a whole Dungeness crab, one of the sweetest-tasting crustaceans in existence. The Bay Front is the liveliest spot in Newport.

In addition to local craft, antiques, gift and candy shops, there's Mariner Square, with a child-pleasing Ripley's Believe It or Not. Dozens of colorful trawlers still dock at Newport's marina, chugging out to fish for cod, flounder, tuna, shrimp and oysters. But the recent, federally imposed quotas on salmon and halibut has slowed the town's charter-boat business.

Strolling along the narrow bayside sidewalks, visitors are often surprised to hear the grunting gutteral barks of nearby sea lions. There are so many male sea lions in Yaquina Bay that residents call it the Bachelor Club. The females stay in the sea with their young, but the hulking males like to congregate on waterside docks.

The stretch of Highway 101 from Newport to Lincoln City, 22 miles north, is filled with a spectacular array of the saltwater habitats recreated at the aquarium. One of the best areas for viewing coastal wildlife is Yaquina Head, on the northern outskirts of Newport. Here, in the water and on the rocks below Oregon's oldest lighthouse, a gleaming white tower activated in 1873, a raucous assortment of harbor seals, sea lions, cormorants, murres, puffins and guilemots make their home.

This is also a good spot for whale watching in the wild. If the spring and early summer more than 18,000 gray whales pass by on their seasonal migration from Alaska to Baja California.

Once or twice a year orca whales, such as Keiko, also make their way into Yaquina Bay. After gulping down whatever fish is available—and often a sea lion or two they swim back to the open sea. They bay itself is a thriving oceanic ecocenter.

Not only does it support 200 species of birds, but it is so clean that every day at high tide the Oregon Coast Aquarium pumps two million gallons of water directly from the bay into their tanks and another two million into Keiko's pool.

IN TRIBUTE TO JOHN PAUL BOLLMAN

Mr. HATFIELD. Mr. President, today I come to the floor to pay tribute to a great man who has dedicated his life to helping people and families in need. John Paul Bollman has grown up in the small town of Dallas, OR. His family has made funeral service their life's work and as a result, he has helped thousands of people cope with the most difficult loss a family can experience. Over the past 4 decades he has worked tirelessly to help people in need by extending kindness and compassion to acquaintances and strangers alike, each as if they were an old friend. A man of conviction, he is deeply admired by his peers, respected for his principles, and highly regarded as a noteworthy civic leader. Throughout his life he has embodied the true sense of a Christian. He has helped all people, doing so humbly and with great adoration from his community.

John has spent countless hours working for the betterment of the community and has achieved a number of significant accomplishments as a result. Serving on the boards of the local school district, the education service district, the local hospital, along with numerous civic and professional boards, John has dedicated his time to improving the community at all levels. Whether he has taken the time to offer a helping hand, a kind word, or a heartfelt gesture, he is always available for those who need him. He recognizes that people are busy today and don't always

want to invest their time helping in a classroom or teaching a high school student about a business or profession, so John leads by example and hopes that his involvement will encourage others to give of their time as well. He realizes that an opportunity to explore a career path at a young age can make the difference between providing a child an incentive to stay in school and dropping out. For many young people, John has shown them the connection and the importance of receiving a good education.

Over the years, many fortunate people have had a unique opportunity to learn from this man who has made helping others his life's work. Following in the steps of his father, John entered the funeral service in 1960. It was with a great deal of pride, that John welcomed his son Michael into the family business 10 years ago, to follow in the footsteps of his father and grandfather before him. I share a great fondness for the Bollman family, for it was John's grandfather, Dr. L.A. Bollman that brought me into this world 74 years ago. I have known four generations of this family and have seen the attributes of his father and grandfather in John and have seen them passed on to his children. His daughter Amy worked in my offices in Washington, DC and Oregon and I saw in her the qualities of her father. She, too, is an outstanding role model in her community. We need more people like John Bollman—people willing to give their time and their hearts to help others. Mr. President, I would like to take this opportunity to thank John for his tireless service to those in need and let him know that his selfless dedication to his profession and his community does not go without recognition and appreciation. The town of Dallas, OR and all who know him are both fortunate and blessed. John Paul Bollman embodies the words of Ralph Waldo Emerson in his famous poem entitled Success:

To laugh often and much; to win the respect of intelligent people and the affection of children; to earn the appreciation of honest critics and endure the betrayal of false friends; to appreciate beauty, to find the best in others; to leave the world a bit better, whether by a healthy child, a garden patch or a redeemed social condition; to know even one life has breathed easier because you have lived. This is to have succeeded.

TRIBUTE TO NINA H. REEVES

Mr. HEFLIN. Mr. President, my friend Nina Reeves will soon be retiring from her position as youth director of the North Alabama Conference of the United Methodist Church after nearly 50 years. She will be leaving her post in August 1996 after the conference's international peace camp. The official publication of the North Alabama Conference, the Voice, published a tributary interview with Nina in its April issue, saying,

If the North Alabama Conference has an icon, then Nina H. Reeves definitely would be that person * * * From thousands of youth and hundreds of events, the ministry of Nina Reeves stretches from the lives of each youth she has touched throughout the years.

Nina Reeves grew up in Yazoo City, MS and was reared as a Presbyterian. She went on to attend Millsaps College and later graduate school at the University of Alabama, earning a master's degree in physical education and recreation. After working part time for the Wesley Foundation, she joined the North Alabama Conference at the early age of 22. She had planned to be a teacher, but, even though she didn't know that much about the Methodist Church at the time, took the position as youth director at the persistent urging of Brother V.H. Hawkins, who vowed to teach her everything she needed to know. Hawkins had seen her at work leading folk dancing, storytelling, and recreation at a Tuscaloosa Methodist Church. She calls herself the oldest living youth worker.

Each year, Nina has brought a large group of Methodist youth from all over north Alabama to Washington each year. While in the capital, they met with Government leaders to get acquainted with public affairs and the political process. They also visited the United Nations headquarters in New York City. The annual breakfast town meetings with the Alabama congressional delegation at the Capitol complex were truly outstanding and informative. I was always impressed with these young people, since they seemed to have a genuine interest in Government and world affairs. They also tended to be intellectually curious and quite progressive in their thinking, believing that they had the ability to make a real difference in their communities, State, Nation, and world. Nina Reeves deserves much of the credit for instilling these kinds of positive attitudes in the youth to whom she ministered and offered guidance over the years.

I am pleased to commend and congratulate Nina Reeves for her nearly 50 years of service to the Methodist youth of north Alabama. She has been their spiritual guide, their teacher, and their friend. She will be greatly missed, and never really replaced, but her immeasurable contributions and life of service in shaping the leaders of tomorrow will never be forgotten. I wish her all the best as she enters the well-deserved retirement phase of her life.

TRIBUTE TO GRADY LILES

Mr. HEFLIN. Mr. President, Grady Liles, the moving figure behind bringing the NCAA division II national championship game and with it national recognition to the Shoals area of north Alabama, will be honored for his outstanding community leadership on September 5, 1996, at the Florence, AL, Conference Center. He also originated the idea of the Harlon Hill Trophy to honor the top collegiate football player in division II. It is named after a former University of North Alabama player who went on to star with the Chicago Bears, winning the Jim Thorpe Award in the mid-1950's.

In 1985, Grady helped organize and establish the Shoals National Championship Committee, which made a successful bid to host the NCAA division II football championship game. The nationally televised game has been played in the Shoals for 10 years.

Grady Liles is a native of Florence and was the 1947 golden gloves boxing champion and the 1950 middle-weight champion in the U.S. Marine Corps. In 1957, he helped organize the Florence rescue squad, which was the first volunteer squad in north Alabama. He served as a firefighter for 13 years and was selected Alabama's fireman of the year in 1965. In 1963, he had successfully lobbied for the approval of the State fireman's bill, which regulates and controls the maximum working hours for city firefighters. This bill was the first to help firefighters on a Statewide level.

Grady is a man of many awards. He was named ''outstanding young man'' by the Jaycees in 1965 and 1967 and that same year was selected for outstanding personalities of the south in 1967. In 1968, he received the Distinguished Service Award after saving the life of an infant who had stopped breathing through mouth-to-mouth resuscitation. He was selected Shoals citizen of the year in 1987.

He is a member of the Florence Civitan Club, Shoals Chamber of Commerce, American Legion, Knights of Phythias, and Shrine Club. He is also president of the UNA Sportsman's Club and the National Harlon Hill Award Committee and chairman of the Shoals National Championship Committee.

I am pleased to commend and congratulate Grady Liles for all his energetic boosterism and tireless community leadership. I wish him all the best for a memorable night of honor and roasting on September 5 in Florence.

THE 39TH ANNUAL RED SALTSMAN PICNIC

Mr. FORD. Mr. President, next Monday evening will mark the 39th annual Red Saltsman picnic in Sorgho, KY. For a few hours that evening a little town of less than 100 people will be the hot spot for the evening; host to thousands of people listening to good music, eating barbecue and bringing each other up to date on the latest political happenings.

It's all thanks to the good will of Katherine and Red Saltsman who 39 years ago just wanted to say thanks to the regulars at their restaurant known as the fish house of the south. That little picnic for family and friends just sort of grew.

Now, you'll not only find friends and patrons of Red's restaurant, but politicians beating a path to the picnic as well. They know that if they want to

get their message out, they have to first convince the political movers and shakers who come to Red's.

But perhaps the best things about this picnic is that no matter how big the picnic gets, it's always Red's picnic. Oh there's a bigger spread and it's become a permanent stop on the Kentucky campaign trail, but the good intentions of one man and his family to say thanks and give back to the community are still at the heart of this picnic.

Red and his family are pillars of this community. They're constantly doing far more than their part to ensure Kentucky is the kind of place each of us can call home.

And so in a way, this picnic reminds us how much we each can do to make our communities thrive. And for that reason—more than the good food and music—we are all grateful to Red Saltsman.

AGRICULTURE CONFERENCE REPORT—PUBLIC LAW 480 FUNDING

Mr. LEAHY. In the Appropriations Committee's Subcommittee on Agriculture, Rural Development and Related Agencies' conference, on July 30, the conferees accepted a proposal to reduce the Senate's title III funding level by $10.5 million and increase title I funding by approximately $7.9 million. I do not serve on the subcommittee but I am concerned about the implications of this action. I would like to hear from the Senator from Iowa, who has expertise on the subject through his years of service both on the Agriculture Committee and on the Agriculture Appropriations Subcommittee. Senator HARKIN, what are your thoughts about this action?

Mr. HARKIN. I thank the distinguished Senator from Vermont for raising this issue. His work on food aid issues has been unsurpassed. It was under his leadership as chairman of the Senate Committee on Agriculture, Nutrition, and Forestry in 1990 and as ranking member during the 1996 farm bill, that the Public Law 480 Food for Peace program continues to benefit the world's starving and undernourished people.

I share the concerns of the Senator from Vermont regarding the funding level for the title III Food Aid Program adopted in conference. It would have been much better, in my view, to have retained the Senate level of funding for title III. Title III is an important tool in combating the long-term obstacles to food security, yet it has been cut significantly over the past several years. The title III fiscal year 1995 funding level was down by well over 50 percent from fiscal year 1994, and the number of countries receiving title III food aid dropped from 13 in fiscal year 1994 to 7 in fiscal year 1995.

Title III serves the poorest and most food-deficient countries. In times of shrinking budgets, it is especially important that in using the available funds priority be given to addressing the most pressing needs. Unfortunately, the $40 million contained in the President's budget and in the Senate bill already represented a substantial cut in title III funding, as compared to $50 million in fiscal year 1996, $117.4 million in fiscal year 1995, $255.1 in fiscal year 1994, and $333.6 million in fiscal year 1993. So I believe that at a minimum the title III funding should have been maintained at the $40 million level in the President's budget and the Senate bill.

Mr. LEAHY. I thank the Senator for his comments. I share his concern that by cutting this program we are cutting aid to those populations that are the most needy. I can only hope that this occurred because of a lack of understanding about what this program does and what populations it serves. These programs are now tightly focused on the poorest, most food-deficit countries in the world such as Bangladesh and Ethiopia.

Let me give an example of the way the program operates: Title III wheat in Ethiopia has been used to capitalize an emergency reserve. This has helped to stabilize grain markets, while providing a cushion against periodic drought. Under this program Private Voluntary Organizations such as Catholic Relief Services and Care can borrow from this reserve to meet emergency requirements, with a promise to replenish the reserve in the future. Without this facility we would have greater requirements for costly emergency feeding programs.

So here's a way, in a time when we are cutting back on total food aid dollars, that we can help alleviate problems before they become expensive emergency situations. I think the U.S. Congress should be in favor of this type of preventive activity.

Mr. HARKIN. The Senator from Vermont is certainly correct in his comments about the title III program. The focus of title III is on structural, policy reforms and activities that directly affect or improve food production and consumption, including nutrition. Helping the poorest, most food-deficient countries address these issues will help them see their way to food security. Reforms achieved through title III are an important tool in a longer term strategy for poorer developing countries.

Mr. LEAHY. I understand that the Senator from Iowa also shares my grave concerns about the consistent reductions in our funding of the Public Law 480 Food for Peace Program—a key part of our global effort to foster international food security throughout the globe.

Mr. HARKIN. The Senator from Vermont is correct. In addition to our discussion about title III, I would like to speak about my deep concern regarding the overall cuts in funding for the Public Law 480 Food for Peace Program in recent years. These cuts, combined with higher commodity prices and the virtual disappearance of surplus commodities, have caused a dramatic reduction in the volume of U.S. food aid. Since fiscal year 1993, total food aid provided by the United States has dropped by about two-thirds—from 8 million metric tons to about 2.8 million metric tons this fiscal year.

The United States has been generous in providing food aid. Since its inception in 1954, our Food for Peace Program has delivered over 372 million metric tons of food to needy countries—and Americans sincerely want to help alleviate world hunger. We also realize that Public Law 480 assistance works to our own benefit. It is a win-win proposition for our farmers and agricultural businesses. In the short term, purchases for Public Law 480 shipments strengthen markets for U.S. commodities. Over the long term, Public Law 480 helps develop world markets for U.S. agricultural exports. Forty-three nations that once received U.S. foreign aid are now among the top consumers of U.S. agricultural products.

It is very unfortunate that these cuts in Public Law 480 are occurring at a time when world food aid needs are growing dramatically. These needs are expected to double by 2002 according to a report by USDA's Economic Research Service issued in October 1995. Regrettably, as U.S. food aid tonnages have dropped, so have those of other donor nations, resulting in only about 6 million metric tons of food aid annually to meet need amounting to some 27 million metric tons of food.

Over 800 million people on Earth are now chronically undernourished. The people hardest hit are young children and pregnant and lactating mothers who are deprived of adequate nutrition at the most critical times in their lives because of abject poverty and horrible living conditions. They suffer from frequent illness, poor growth and development, lack of productivity, and early death.

Mr. LEAHY. The Senator is correct. Under the Public Law 480 program, each title addresses a vital, yet different need and population group. These titles are like tools in a toolbox. Each one has a vital function; each one is needed but at different times.

Mr. HARKIN. We have discussed the importance of title III in targeting countries with low incomes, high infant mortality, and low caloric intakes. Title II is similarly focused on addressing the critical needs of the hungry and malnourished. Title II saves lives through emergency assistance and improves health, incomes, and living conditions through development programs conducted by private voluntary organizations.

It is particularly important that title II have enough resources so that emergency food aid demands do not consume resources that would otherwise be available for the development component of title II carried out by

PVOs. Eroding these development programs—which are critical to alleviating poverty and hunger over the long term—to meet overriding emergency demands is surely a stark example of eating one's seed corn.

By contrast, the title I market development program serves a completely different population. Title I is important to U.S. agriculture and to foreign market development—and I am concerned about the funding cuts it has suffered—but I also believe that we must seek a reasonable balance among the three titles in light of pressing human needs.

Given the growing need for food aid and the reductions in Public Law 480 funding, I encourage the administration to make full use of its authority to focus the limited Public Law 480 funds on meeting the priority needs of the poorest and most food-deficient countries.

Mr. LEAHY. I agree with the Senator from Iowa and I know that we can work in concert with the administration and the Congress to ensure that our limited food aid resources are effectively used to promote food security.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Sherman Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:15 a.m., a message from the House of Representatives, delivered by Ms. Geotz, one of its reading clerks, announced that the House passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3006. An act to provide for disposal of public lands in support of the Manzanar Historic Site in the State of California, and for other purposes.

H.R. 2823. An act to amend the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes.

H.R. 2636. An act to transfer jurisdiction over certain parcels of Federal real property located in the District of Columbia, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 1051. An act to provide for the extension of certain hydroelectric projects located in the State of West Virginia.

H.R. 3663. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities, and for other purposes.

S. 531. An act to authorize a circuit judge who has taken part in an in banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes.

S. 1757. An act to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act, and for other purposes.

S.J. Res. 20. Joint resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland.

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

The message further 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. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

The message also 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. 3754) making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes.

At 6:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 3215. An act to amend title 18, United States Code, to repeal the provision relating to Federal employees contracting or trading with Indians.

H.J. Res. 166. Joint resolution granting the consent of Congress to the Mutual Aid Agreement between the city of Bristol, Virginia, and the city of Bristol, Tennessee.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2636. An act to transfer jurisdiction over certain parcels of Federal real property located in the District of Columbia, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2823. An act to amend the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 3006. An act to provide for disposal of public lands in support of the Manzanar National Historic Site in the State of California, and for other purposes; to the Committee on Energy and Natural Resources.

MEASURES PLACED ON THE CALENDAR

The following measures were read the second time and placed on the calendar:

S. 2006. A bill to clarify the intent of Congress with respect to the Federal carjacking prohibition.

S. 2007. A bill to clarify the intent of Congress with respect to the Federal carjacking prohibition.

H.R. 2391. An Act to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on August 1, 1996, he had presented to the President of the United States, the following enrolled bills and joint resolution:

S. 531. An act to authorize a circuit judge who has taken part in an in banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes.

S. 1757. An act to amend the Development Disabilities Assistance and Bill of Rights Act to extend the act, and for other purposes.

S.J. Res, 20. Joint resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3574. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Irish Potatoes Grown in Certain Designated Counties in Idaho, and Malheur County, Oregon,'' received on July 29, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3575. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Sweet Onions Grown in the Walla Walla Valley of Southeast Washington and Northeast Oregon,'' received on July 26, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3576. A communication from the Acting Under Secretary for Food Safety and Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Use of Trisodium Phosphate on Raw Chilled Poultry Carcasses,'' (RIN0583–AB65) received on July 25, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3577. A communication from the Secretary of the Department of Agriculture, transmitting, pursuant to law, a report on animal welfare enforcement for fiscal year 1995; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3578. A communication from the Under Secretary of Defense, transmitting, pursuant

to law, the report of a violation of the Antideficiency Act; to the Committee on Appropriations.

EC–3579. A communication from the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, a notice concerning a multi-function cost comparison; to the Committee on Armed Services.

EC–3580. A communication from the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, a notice concerning a multi-function cost comparison; to the Committee on Armed Services.

EC–3581. A communication from the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, a notice concerning a multi-function cost comparison; to the Committee on Armed Services.

EC–3582. A communication from the Clerk of the Court of Federal Claims, transmitting, pursuant to law, a report on two legal questions relative to cable television; to the Committee on Armed Services.

EC–3583. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation to provide for adjustments to capital and operating assistance grants for the public transit program, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC–3584. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of a rule entitled ''Management Official Interlocks,'' (RIN1557–AB39, 3064–AB71, 1150–AA95) received on July 25, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–3585. A communication from the Acting Director, Office of Management and Information, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''West Coast Salmon Fisheries,'' (RIN0648–ZA20) received on July 29, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3586. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives,'' (RIN2120–AA64) received on July 29, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3587. A communication from the Secretary of Transportation, transmitting, a draft of proposed legislation to renew and improve certain activities of the National Highway Traffic Safety Administration for fiscal year 1997; to the Committee on Commerce, Science, and Transportation.

EC–3588. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Northeastern United States,'' (RIN0648–AI02) received on July 26, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3589. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Atlantic Tuna Fisheries,'' received on July 26, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3590. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Atlantic Tuna Fisheries,'' (RIN0648–AI29) on July 26, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3591. A communication from the Office of the Managing Director, Federal Communications Commission, transmitting, pursuant to law, a report relative to the Telecommunications Act of 1996; to the Committee on Commerce, Science, and Transportation.

EC–3592. A communication from the Secretary of Energy, transmitting, a draft of proposed legislation relative to department assets; to the Committee on Energy and Natural Resources.

EC–3593. A communication from the Secretary of Energy, transmitting, pursuant to law, the report of rebates from the Low-Level Radioactive Waste Surcharge Escrow Account for calendar year 1995; to the Committee on Energy and Natural Resources.

EC–3594. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Horses From Mexico,'' received on July 31, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3595. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Dried Prunes Produced in California,'' received on July 31, 1996; to the Committee on Agriculture, Nutrition,and Forestry.

EC–3596. A communication from the Managing Director, Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled ''Modification of Definition of Deposits in Banks or Trust Companies,'' received on July 30, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–3597. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''National Flood Insurance Program,'' (RIN3067–AC26) received on July 30, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–3598. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Biological Warfare Experts Group Meeting: Implementation of Changes to Export Administration Regulations,'' (RIN0694–AB37) received on July 31, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–3599. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report on direct spending or receipts legislation within five days of enactment; to the Committee on the Budget.

EC–3600. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report on direct spending or receipts legislation within five days of enactment; to the Committee on the Budget.

EC–3601. A communication from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a rule concerning the groundfish of the Bering Sea and Aleutian Islands area; to the Committee on Commerce, Science, and Transportation.

EC–3602. A communication from the Director of the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a rule concerning fisheries of the Exclusive Economic Zone off Alaska, (RIN0648–AH03) received on July 30, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3603. A communication from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of six rules including a rule relative to a scallop fishery off Alaska, (RIN0648–AF81) received on July 30, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3604. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, a report relative to domestic, interstate, and interexchange telephone services; to the Committee on Commerce, Science, and Transportation.

EC–3605. A communication from the Chair of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a rule entitled ''Oil Pipelines Cost-of-Service Filing Requirements,'' received on July 26, 1996; to the Committee on Energy and Natural Resources.

EC–3606. A communication from the Director of the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior, transmitting, pursuant to law, a rule concerning the Wyoming Regulatory Program, (WY022FOR) received on July 30, 1996; to the Committee on Energy and Natural Resources.

EC–3607. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of three rules including a rule entitled ''Illinois: Final Authorization of Revisions to State Hazardous Waste Management,'' (FRL5544–9, 5540–6, 5545–2) received on July 31, 1996; to the Committee on Environment and Public Works.

EC–3608. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of three rules including a rule entitled ''Cypermethrin; Pesticide Tolerance,'' (FRL5544–8, 5389–6, 5387–5) received on July 26, 1996; to the Committee on Environment and Public Works.

EC–3609. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of eleven rules including a rule entitled ''Fenpropathrin; Pesticide Tolerance'' (FRL5388–1, 5372–6, 5388–2, 5387–2, 5385–3, 5386–8, 5543–7, 5539–9, 5543–6, 5535–3, 5535–2); to the Committee on Environment and Public Works.

EC–3610. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicaid Program'' (RIN0938–AH31), received on July 31, 1996; to the Committee on Finance.

EC–3611. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Notice 96–40,'' received on July 30, 1996; to the Committee on Finance.

EC–3612. A communication from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Commerce in Explosives'' (RIN1512–AB61), received on July 25, 1996; to the Committee on Finance.

EC–3613. A communication from the Chief of the Regulations Unit, Internal Revenue

Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Notice 96–38,'' received on July 29, 1996; to the Committee on Finance.

EC–3614. A communication from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, a report of the Treasury Bulletin for calendar year 1996; to the Committee on Finance.

EC–3615. A communication from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule concerning ammunition feeding devices (RIN1512–AB35), received on July 26, 1996; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATFIELD, from the Committee on Appropriations:

Special Report entitled ''Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1996'' (Rept. No. 104–347).

By Mr. MCCAIN, from the Committee on Indian Affairs, without amendment:

H.R. 2464. A bill to amend Public Law 103–93 to provide additional lands within the State of Utah for the Goshute Indian Reservation, and for other purposes (Rept. No. 104–348).

S. 199. A bill to repeal certain provisions of law relating to trading with Indians (Rept. No. 104–349).

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 1952. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works:

Nils J. Diaz, of Florida, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2001.

Edward McGaffigan, Jr., of Virginia, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2000.

(The above nominations were reported with the recommendation that they be confirmed.)

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. BREAUX:

S. 2009. A bill to amend the Oil Pollution Act of 1990, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HATCH (for himself, Mr. SANTORUM, Mr. GREGG, Mr. WARNER, Mr. SIMPSON, Mr. THURMOND, Mr. D'AMATO, and Mr. FAIRCLOTH):

S. 2010. A bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms, and for other purposes; to the Committee on the Judiciary.

By Mr. SIMPSON (by request):

S. 2011. A bill to ensure that appropriated funds are not used for operation of golf courses on real property controlled by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

S. 2012. A bill to redesignate the title of the National Cemetery System and the position of the Director of the National Cemetery System; to the Committee on Veterans Affairs.

By Mr. MCCAIN (for himself, Mr. COATS, Mr. STEVENS, Mrs. HUTCHISON, Mr. ABRAHAM, Mr. ASHCROFT, and Mr. LOTT):

S. 2013. A bill to amend title 31, United States Code, to provide for continuing appropriations in the absence of regular appropriations; to the Committee on Appropriations.

By Mr. JOHNSTON (for himself and Mr. BREAUX):

S. 2014. A bill to authorize the Secretary of the Interior to acquire property adjacent to the city of New Orleans, Orleans Parish, Louisiana, for inclusion in the Bayou Sauvage National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DOMENICI:

S. 2015. A bill to convey certain real property located within the Carlsbad Project in New Mexico to the Carlsbad Irrigation District; to the Committee on Energy and Natural Resources.

By Mr. DORGAN (for himself, Mr. BYRD, Mr. HEFLIN, Mr. CAMPBELL, Mr. WELLSTONE, Mr. HOLLINGS, Mr. INOUYE, and Mr. D'AMATO):

S. 2016. A bill to assess the impact of the NAFTA, to require further negotiation of certain provisions of the NAFTA, and to provide for the withdrawal from the NAFTA unless certain conditions are met; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DODD (for himself, Mr. D'AMATO, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. WARNER, Mr. ROBB, Mr. BRADLEY, and Mr. LAUTENBERG):

S. Res. 286. Resolution to commend Operation Sail for its advancement of brotherhood among nations, its continuing commemoration of the history of the United States, and its nurturing of young cadets through training in seamanship; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BREAUX:

S. 2009. A bill to amend the Oil Pollution Act of 1990, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE OIL POLLUTION ACT AMENDMENTS OF 1996

● Mr. BREAUX. Mr. President, I introduce legislation to improve marine safety in the transportation of oil and petroleum products and to enhance the safety of our waterway navigational systems. It has been over 7 years since the Senate approved legislation addressing a comprehensive program regulating the transportation of oil and petroleum products, and mandating a system of responding to oilspills. Since the enactment of the Oil Pollution Act of 1990, there has been a marked improvement in the safety of maritime transportation of oil. According to a recent study, after 1990, the volume of oil pollution from maritime sources in U.S. waters dropped precipitously, and has been reduced by over 75 percent. In addition, there has been a decreasing number of large volume oilspills. For instance, in the 5-year period between 1986 and the end of 1990, there were an average of 25 major and medium oilspills per year, however, since 1990, the average number of large and medium spills decreased 33 percent to approximately 16 per year. Despite these increases in safety there are other steps that can be taken to improve safety, and the bill I am introducing today will continue the improvement of the safe transportation of oil and other petroleum products.

During consideration of the Oil Pollution Act, the Senate Commerce Committee held four hearings on the six different bills that were referred to the Commerce Committee. The end Senate legislative product incorporated the Commerce Committee's provisions on: The operations of oil tankers, enhanced Coast Guard authority to regulate the conduct of oil tankers and merchant marine personnel, requirements on Vessel Traffic Services [VTS] systems, marine oil transportation-related research, and oilspill contingency response plans as they pertain to vessels and offshore facilities. The Senate bill also included the Committee on Environment and Public Works provisions creating the Oil Spill Liability Trust Fund, increasing liability limits, and oilspill contingency response planning as it pertains to onshore facililities.

I am introducing this legislation today to build on the Commerce Committee marine safety improvements that were incorporated into the Oil Pollution Act of 1990. Title I of the bill would require the Coast Guard to finalize regulations on operational measures required for single-hull tankers, add certain new safety requirements for the tug-barge industry, and mandate a minimum underkeel clearance level for tank vessels. The bill also would create incentives to induce vessel operators to switch from single hulled vessels to double-hulled vessels in advance of their mandated phase out. The bill simplifies the procedures for resolution of oilspill claims, and allows vessel operators to consolidate all claims in one Federal proceeding.

Title II of the bill will provide the National Oceanic and Atmospheric Administration [NOAA] with the authority to allow emergency regulations for fishing grounds closures to respond to health emergencies and oilspills. The bill would also require NOAA to provide scientific support on oilspill information. Also included in title II are provisions which would authorize a grant program to establish a nonregulatory program for reducing the risk of oilspills, and authorize NOAA to

use the Oil Spill Liability Trust Fund for nautical charting. We are facing a critical juncture in the modernization of nautical charts, the United States has a responsibility to provide marine nautical chart users with accurate charts, and this provision would help NOAA to provide the shipping public with the most up-to-date navigational information. This provision also includes the authority to utilize private contractors to accomplish nautical charting objectives, and transfers the aeronautical charting responsibilities to the Federal Aviation Administration.

Title III of the bill modernizes the regulations governing deepwater ports. When the Deepwater Port Act was enacted in 1974, it was projected that there would be numerous deepwater port facilities. In fact, there is only one deepwater port in existence today. The provisions of this title will help modernize the regulations, and conform the existing regulations to the realities of deepwater port operation.

Mr. President, I look forward to continuing the effort to upgrade the safety of marine operations in the navigable waterways of the United States, and I ask unanimous consent that the 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. 2009

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Oil Pollution Act Amendments of 1996''.

TITLE I—OIL POLLUTION ACT AMENDMENTS

SEC. 101. COMPLETION OF FINAL REGULATIONS UNDER SECTION 4115(b).

The Secretary of the department in which the Coast Guard is operating shall issue a final rule under Section 4115(b) of the Oil Pollution Act of 1990 (46 U.S.C. 3703a note) with respect to operations elements not later than September 30, 1996.

SEC. 102. TOWING VESSEL SAFETY.

(a) SINGLE HULL BARGE REQUIREMENTS.—

(1) PREVENTION MEASURES.—Subtitle I of title IV of the Oil Pollution Act of 1990 (46 U.S.C. 3703a note), as amended by adding at the end the following:

''SEC. 4119. SINGLE HULL BARGE REQUIREMENTS.

''The Secretary shall issue rules to require that a single hull barge over 5,000 gross tons operating in open ocean or coastal waters that is affected by this section have at least 1 of the following:

''(1) a crew member on board and an operable anchor;

''(2) an emergency system on board the vessel towing the barge to retrieve the barge if the tow line ruptures; or

''(3) any other measure that provides comparable protection against grounding of the barge as that provided by a measure described in paragraph (1) or (2).

''SEC. 4120. MINIMUM UNDER-KEEL CLEARANCES FOR TANK VESSELS.

''The captain of the port for each port in which any tank vessel operates shall establish, in consultation with local marine transportation industry officials, a minimum under-keel clearance for the vessel when entering the port or place of destination and when departing port, taking into account local navigational considerations.''.

(2) CLERICAL AMENDMENT.—Section 2 of the Oil Pollution Act of 1990 is amended by adding at the end of the table of sections for subtitle I of title IV the following items:

''Sec. 4119. Single hull barge requirements.
''Sec. 4220. Minimum under-keel clearances for tank vessels.''.

(b) REQUIREMENT FOR FIRE SUPPRESSION DEVICES.—Section 4102 of title 46, United States Code, is amended by adding at the end the following:

''(f)(1) The Secretary—

''(A) in consultation with the Towing Safety Advisory Committee; and

''(B) taking into consideration the characteristics, methods of operation, and nature of the service of towering vessels,

may require, to the extent appropriate, the installation, maintenance, and use of a fire suppression system or other equipment to provide adequate assurance that an onboard fire can be suppressed under reasonably foreseeable circumstances.''.

SEC. 103. REPORTS.

(a) STUDY ON LIGHTERING REGULATIONS.—Within 12 months after the date of enactment of this Act, the Secretary of Transportation shall review existing requirements for lightering operations in the United States Exclusive Economic Zone to ensure the safe transfer of oil at sea while imposing no undue economic burdens, as compared to accepted international standards, on tank vessels transporting oil to or from the United States and report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(b) STUDY ON TANKER LANES.—The Secretary of Transportation shall coordinate with the Marine Board of the National Research Council on a study of how the designation of waters through which tank vessels transport oil, and the designation of shipping lanes for tank vessels, affect the risk of an oil spill. The Marine Board shall recommend to the Secretary any changes to designations of waters that would reduce the risk of oil spills to a minimum level of risk, and report its recommendations to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

SEC. 104. CASUALTY REPORTING REQUIREMENTS.

(a) SUBMISSION OF PLAN.—Not later than one year after enactment of this Act, the Secretary of Transportation shall, in consultation with appropriate State agencies, submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a plan to increase reporting of vessel accidents to appropriate State law enforcement officials.

(b) PENALTIES FOR VIOLATING REPORTING REQUIREMENTS.—Section 6103(a) of title 46, United States Code, is amended by inserting ''or 6102'' after ''6101'' Code, is amended by inserting ''or 6102'' after ''6101'' the second place it appears.

SEC. 105. DOUBLE HULL INCENTIVES.

(a) SECURED LENDERS AND CERTAIN OWNERS.—Paragraph (26) of section 1001 of the Oil Pollution Act of 1990 (33 U.S.C. 2710) is amended by striking ''the vessel,'' and inserting ''the vessel, but does not include (i) a person having a security interest in, or security title to, any vessel under a contract of conditional sale, equipment trust, chattel or corporate mortgage, or other instrument of similar nature, nor (ii) a lessor or charterer of any vessel under a bona fide lease or demise charter, unless such person, lessor, or charterer has actual possession or control, or participates in the management, of the vessel at the time of a discharge of oil,''.

(b) APPLICATION LIMITED TO SINGLE HULL TANKERS AND DOUBLE HULL TANK VESSELS MORE THAN 20 YEARS OLD.—Subsection (c) of section 1004 of the Oil Pollution Act of 1990 (33 U.S.C. 2704) is amended by adding at the end the following:

''(4) APPLICATION LIMITED.—Subparagraph (B) of paragraph (1) of this subsection applies only to—

''(A) single hull tank vessels; and

''(B) double hull tank vessels more than 20 years of age.''.

SEC 106. CONCURSUS.

Section 1017(c) of the Oil Pollution Act of 1990 (33 U.S.C. 2717(c)) is amended by striking subsection (c) and inserting the following:

''(c) PROCEDURE.—

''(1) The responsible party or guarantor may, within 6 months after a claimant shall have presented a claim under section 1013 for costs or damages under section 1002, file a petition in the appropriate United States District Court for limitation of, or exoneration from, liability pursuant to sections 1003 or 1004 of this Act. After an action is commenced under this paragraph in a court, that court shall retain jurisdiction over the actions without regard to whether the requested relief is granted. The responsible party or its guarantor shall demonstrate to the court evidence of financial responsibility approved by the Secretary, as required by section 1016.

''(2) Upon compliance with the requirements of paragraph (1), all claims and proceedings, other than claims presented to the responsible party under section 1013(a), shall cease, and, upon application of the responsible party, the District Court shall enjoin the further prosecution of any action or proceeding in any State or United States court against the vessel, responsible party, guarantor, or their property with respect to any claim arising under this Act. The court shall issue a notice to all persons asserting claims with respect to which the complaint seeks limitation or exoneration, requiring them to present their respective claims upon the responsible party pursuant to section 1013(a). If a claim is not settled by the responsible party or guarantor as provided in section 1013(c), then those persons may file their respective claims with the clerk of the court within such time and in such manner as the court may direct.

''(3) Nothing in this section shall preclude a person from filing a concurrent limitation action under section 4203 of the Revised Statutes of the United States (46 U.S.C. App. 183), commonly known as the Limited Liability Act.''.

SEC. 107. IN REM JURISDICTION.

Section 1002 of the Oil Pollution Act of 1990 (33 U.S.C. 2702) is amended by adding at the end the following:

''(e) IN REM JURISDICTION.—A vessel that discharges or poses a substantial threat of a discharge of oil, within the meaning of subsection (a) of this section, shall be liable for the removal costs and damages specified in subsection (b) that result from the incident. The costs and damages shall constitute a maritime lien on the vessel and may be recovered in an action in rem in the district court of the United States for any district within which the vessel is found.''.

SEC. 108. LIMITED DOUBLE HULL EXEMPTIONS.

(a) IN GENERAL.—The double hull construction requirements of section 3703a of title 46, United States Code, do not apply to—

(1) a vessel documented under chapter 121 of title 46, United States Code, that was equipped with a double hull before August 12, 1992;

(2) a barge of less than 1,500 gross tons carrying refined petroleum product in bulk as cargo in or adjacent to waters of the Bering Sea, Chukchi Sea, and Arctic Ocean and waters tributary thereto and in the waters of the Aleutian Islands and the Alaskan Peninsula west of 155 degrees west longitude; or

(3) a vessel in the National Defense Reserve Fleet pursuant to section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744).

(b) AUTHORITY OF THE SECRETARY OF TRANSPORTATION.—

(1) OPERATION OF BARGES IN OTHER WATERS.—The operation of barges described in subsection (a)(2) outside waters described in that subsection shall be on such conditions as the Secretary of Transportation may require.

(2) NO EFFECT ON OTHER AUTHORITY OF THE SECRETARY.—Except as provided in subsection (a), nothing in this section affects the authority of the Secretary of Transportation to regulate the construction, operation, or manning of barges and vessels in accordance with applicable laws and regulations.

(c) BARGE DEFINED.—For purposes of this section, the term ''barge'' has the meaning given that term in section 2101 of title 46, United States Code.

SEC. 109. OIL SPILL RESPONSE VESSELS.

(a) DESCRIPTION.—Section 2101 of title 46, United States Code, is amended—

(1) by redesignating paragraph (20a) as (20b); and

(2) by inserting after paragraph (20) the following new paragraph:

''(20a) 'oil spill response vessel' means a vessel that is designated in its certificate of inspection as such a vessel, or that is adapted to respond to a discharge of oil or a hazardous material.''.

(b) EXEMPTION FROM LIQUID BULK CARRIAGE REQUIREMENTS.—Section 3702 of title 46, United States Code, is amended by adding at the end thereof the following:

''(f) This chapter does not apply to an oil spill response vessel if—

''(1) the vessel is used only in response-related activities; or

''(2) the vessel is—

''(A) not more than 500 gross tons;

''(B) designated in its certificate of inspection as an oil spill response vessel; and

''(C) engaged in response-related activities.''.

(c) MANNING.—Section 8104(p) of title 46, United States Code, is amended to read as follows:

''(p) The Secretary may prescribe the watchstanding and work hours requirements for an oil spill response vessel.''.

(d) MINIMUM NUMBER OF LICENSED INDIVIDUALS.—Section 8301(e) of title 46, United States Code, is amended to read as follows:

''(e) The Secretary may prescribe the minimum number of licensed individuals for an oil spill response vessel.''.

(e) MERCHANT MARINER DOCUMENT REQUIREMENTS.—Section 8701(a) of title 46, United States Code, is amended—

(1) by striking ''and'' after the semicolon at the end of paragraph (7),

(2) by striking the period at the end of paragraph (8) and inserting a semicolon and ''and''; and

(3) by adding at the end thereof the following new paragraph:

''(9) the Secretary may prescribe the individuals required to hold a merchant mariner's document serving onboard an oil spill response vessel.''.

(f) EXEMPTION FROM TOWING VESSEL REQUIREMENT.—Section 8905 of title 46, United States Code, is amended by adding at the end the following new subsection:

''(c) Section 8904 of this title does not apply to an oil spill response vessel while engaged in oil spill response or training activities.''.

(g) INSPECTION REQUIREMENT.—Section 3301 of title 46, United States Code, is amended by adding at the end the following new paragraph:

''(14) oil spill response vessels.''.

TITLE II—MARINE SCIENCE ENHANCEMENT FOR OIL SPILL PREVENTION AND RESPONSE

SEC. 201. OPENING AND CLOSING OF FISHING GROUNDS.

Section 305(c) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1855(c)) is amended by striking paragraph (3) and by inserting the following after paragraph (2):

''(3) Any emergency regulation which changes an existing fishery management plan shall be treated as an amendment to such plan for the period in which such regulation is in effect. Any emergency regulation promulgated under this subsection—

''(A) shall be published in the Federal Register together with the reasons therefor;

''(B) shall, except as provided in subparagraph (C), remain in effect for not more than 180 days after the date of publication, and may be extended by publication in the Federal Register for an additional period of not more than 180 days, provided the public has had an opportunity to comment on the emergency regulation, and, in the case of a Council recommendation for emergency regulations, the Council is actively preparing a fishery management plan, amendment, or proposed regulations to address the emergency on a permanent basis;

''(C) that responds to a public health emergency or an oil spill may remain in effect until the circumstances that created the emergency no longer exist, provided that the public has an opportunity to comment after the regulation is published and, in the case of a public health emergency, the Secretary of Health and Human Services concurs with the Secretary's action; and

''(D) may be terminated by the Secretary at an earlier date by publication in the Federal Register of a notice of termination, except for emergency regulations promulgated under paragraph (2) in which case such early termination may be made only upon the agreement of the Secretary and the Council concerned.''.

SEC. 202. NOAA SCIENTIFIC SUPPORT.

Section 4202(b) of the Oil Pollution Act of 1990 (33 U.S.C. 1321 note) is amended by adding at the end the following:

''(5) SCIENTIFIC SUPPORT TEAM.—

''(A) ESTABLISHMENT.—Not later than 6 months after the date of enactment of the Oil Pollution Act Amendments of 1996, the Under Secretary of Commerce for Oceans and Atmosphere shall establish and maintain a scientific support team to respond, as required, to oil spills covered by this Act.

''(B) PURPOSE.—The purpose of the scientific support team shall be to provide useful or necessary scientific information and support to the Federal On-Scene Coordinator, primarily in coastal and navigable waters, and to recommend any measures that will serve to mitigate adverse ecological impact as a consequence of the spill.

''(C) PARTICIPATION BY SCIENTISTS WITH EXPERTISE.—The scientific support team—

''(i) shall be compromised of scientists who are experts in the trajectories of oil spills and hazardous material releases, oil and hazardous material behavior and transportation, environmental impacts, and recovery from spills, releases, and related removal actions, environmental trade-off analyses, environmental aspects of contingency planning, and association management tools; and

''(ii) may include local or regional scientists identified in the area contingency plan with expertise which would help ensure a more effective response.''.

SEC 203. ACCESS TO USEFUL AND NECESSARY INFORMATION.

(A) ESTABLISHMENT OF INFORMATION CLEARINGHOUSE.—Section 7001(a) the Oil Pollution Act of 1990 (33 U.S.C. 2761(a)) is amended—

(1) by striking ''may designate'' at the end of paragraph (3) and all that follows through ''representative'' and inserting ''may designate. A representative''; and

(2) by adding at the end the following:

''(4) DISSEMINATION OF INFORMATION.—The Interagency Committee shall disseminate and compile information regarding previous spills, including data from universities, research institutions, State governments, and other nations, as appropriate.''.

(b) REQUIREMENT THAT NATIONAL RESPONSE UNITS MAINTAIN INFORMATION ON ENVIRONMENTAL EFFECTS OF OIL SPILLS.—Section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)) is amended by adding at the end the following:

''(9) The Under Secretary of Commerce and the Secretary of the Interior, through the United States Fish and Wildlife Service, in coordination with appropriate agencies, shall maintain and update a body of information on the environmental effects of various types of oil spills an how best to mitigate those effects, which shall be kept in a form that is readily transmittable to response teams responding to a spill under this Act;''.

SEC. 204. NOAA PROGRAM TO REDUCE OIL SPILL RISK AND IMPROVE NAVIGATION SAFETY.

(a) REDUCTION OF OIL SPILL RISK—

(1) IN GENERAL.—The Administrator of the National Oceanic and Atmospheric Administration shall establish a cost-effective, nonregulatory program to reduce the risk of oil spills through improving navigation safety, promote prompt and effective response and remediation when oil spills occur, enhance recovery and restoration efforts, and advance other purposes of this Act. Such a program shall—

(A) focus on particular geographic areas at risk from spills of oil or hazardous materials;

(B) collaborate closely with local maritime commerce and coastal management interests, including private industry, local, state, and federal agencies, and other appropriate institutions;

(C) include a matching grant program to provide initial funding for local forums comprised of maritime commerce and coastal management interests to advance navigation safety and other oil or hazardous materials spill prevention activities, to improve response and remediation, and to enhance the restoration of coastal zone resources. Grants made under this section shall be matched with 25 percent nonfederal funds in the first two years of the program, and 50 percent thereafter;

(D) promote efficiencies by involving, to the extent appropriate and practical, capabilities offered by National Oceanic and Atmospheric Administration and other federal and state programs that could further the purposes of this section; and

(E) meet multiple navigation or coastal management needs to the extent practicable.

(2) LOCAL OR REGIONAL ELEMENTS.—Local or regional elements for this program shall be developed in consultation with local maritime commerce and coastal management communities. Program elements may include, but are not limited to—

(A) local forums to promote safe navigation, effective oil spill or hazardous material

spill response and remediation, restoration, and related coastal management activities;

(B) Physical Oceanographic Real Time Systems and other technologies that further safe navigation and oil and hazardous materials spill response and restoration, and other coastal management activities;

(C) research and development on means to improve the safety of oil transport, the efficacy of oil and hazardous materials spill response, remediation techniques, and restoration practices;

(D) activities to improve the delivery of navigation, weather, vessel traffic, and other information required for safe navigation;

(E) providing information collected pursuant to the National Oceanographic and Atmospheric Administration's navigation and positioning responsibilities in formats useful in oil spill response, remediation, and restoration activities; and

(F) other activities as appropriate consistent with the purposes of this Act, the Coastal Zone Management Act of 1972 and the National Ocean Service navigation and positioning and coastal management authorities.

(3) IMPLEMENTATION.—The Administrator shall phase the implementation of this program by region such that it is operating nationally within 5 years of the date of the enactment of this Act.

(4) AUTHORIZATION.—For purposes of this subsection, there is authorized to be appropriated $2,000,000 in the first year, $3,000,000 in the second year, and $5,000,000 for each succeeding fiscal year.

SEC. 205. NOAA MARINE SERVICES MODERNIZATION.

(a) IN GENERAL.—For the purposes of modernizing the Administration's services that support safe and efficient maritime navigation, and accelerating the public availability of improved navigation services and products, the Administrator is authorized to withdraw from the Oil Spill Liability Trust Fund established by the Oil Pollution Act of 1990 an amount not to exceed $15,000,000 per year to remain available until expended, for each of 10 fiscal years commencing with the first fiscal year after the enactment of this provision.

(b) USE OF FUNDS.—Funds available to the Administration pursuant to subsection (a) shall be used exclusively to pay the costs of enabling, modernizing, enhancing, or expanding the capabilities of the Administration to conduct, either directly or by contract, programs and activities related to commercial marine navigation, including—

(1) the nautical charting program;

(2) marine tides and circulation programs;

(3) charting survey ship support, including support provided by private contractors; and

(4) marine weather services applicable to commercial navigation safety in the waters of the United States.

(c) CHARTING SURVEY SHIP SUPPORT.—The Administration shall obtain charting survey ship support from private sector contractors to the maximum extent feasible consistent with—

(1) maintaining quality control over navigation products and services to protect the public interest in navigation safety and prevention of maritime accidents, and to protect the United States from liability for gaining to ensure such quality control; and

(2) maintaining within the Administration the scientific and technical capabilities necessary to perform, or oversee contractor performance of, all aspects of the development of marine navigation products and services.

(d) TRANSFER OF AERONAUTICAL CHARTING.—

(1) IN GENERAL.—The following functions are transferred from the National Oceanic and Atmospheric Administration to the Federal Aviation Administration:

(A) The functions vested in the Secretary of Commerce by sections 1 and 2 of the Act of August 6, 1947 (33 U.S.C. 883a and 883b) relating to aeronautical surveys for the purposes of aeronautical charting and the compilation, printing, and distribution of aeronautical charts.

(B) The functions vested in the Secretary of Commerce by section 1307 of title 44, United States Code, relating to establishment of prices at which aeronautical charts and related products may be sold.

(C) So much of the functions of the Secretary of Commerce and the Department of Commerce as is incidental to or necessary for the performance by, or under, the Administrator of the Federal Aviation Administration of the functions transferred by this subsection or that relate primarily to those functions.

(2) INCIDENTAL TRANSFERS.—

(A) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions transferred to the Administrator of the Federal Aviation Administration by this section as the Director of the Office of Management and Budget shall determine shall be transferred to the Federal Aviation Administration at such time as the Director shall direct.

(B) Such other measures as the Director of the Office of Management and Budget determines to be necessary in order to effectuate the transfers described in paragraph (1) of this subsection shall be carried out in such manner as the Director shall direct.

(3) EFFECTIVE DATE.—The transfers made by this subsection shall be completed not later than September 30, 1998.

TITLE III—DEEPWATER PORT MODERNIZATION

SEC. 301. SHORT TITLE.

This title may be cited as the ''Deepwater Port Modernization Act''.

SEC. 302. DECLARATIONS OF PURPOSE AND POLICY.

(a) PURPOSES.—The purposes of this title are to—

(1) update and improve the Deepwater Port Act of 1974;

(2) assure that the regulation of deepwater ports is not more burdensome or stringent than necessary in comparison to the regulation of other modes of importing or transporting oil;

(3) recognize that deepwater ports are generally subject to effective competition from alternative transportation modes and eliminate, for as long as a port remains subject to effective competition, unnecessary Federal regulatory oversight or involvement in the ports' business and economic decisions; and

(4) promote innovation, flexibility, and efficiency in the management and operation of deepwater ports by removing or reducing any duplicative, unnecessary, or overly burdensome Federal regulations or license provisions.

(b) POLICY.—Section 2(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1501(a)) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting a semicolon; and

(3) by inserting at the end the following;

''(5) promote the construction and operation of deepwater ports as a safe and effective means of importing oil into the United States and transporting oil from the outer continental shelf while minimizing tanker traffic and the risks attendant thereto; and

''(6) promote oil production on the outer continental shelf by affording an economic and safe means of transportation of outer continental shelf oil to the United States mainland.''.

SEC. 303. DEFINITIONS.

(a) ANTITRUST LAWS.—Section 3 of the Deepwater Port Act of 1974 (33 U.S.C. 1502) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraphs (4) through (19) as paragraphs (3) through (18), respectively.

(b) DEEPWATER PORT.—The first sentence of section 3(9) of such Act, as redesignated by subsection (a), is amended by striking ''such structures,'' and all that follows through ''section 23.'' and inserting the following; ''structures, located beyond the territorial sea and off the coast of the United States and which are used or intended for use as a port or terminal for the transportation, storage, and further handling of oil for transportation to any State, except as otherwise provided in section 23, and for other uses not inconsistent with the purposes of this Act, including transportation of oil from the United States, outer continental shelf.''.

SEC. 304. LICENSES.

(a) ELIMINATION OF UTILIZATION RESTRICTIONS.—Section 4(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1503(a)) is amended by striking the last sentence.

(b) ELIMINATION OF PRECONDITION TO LICENSING.—Section 4(c) of such Act (33 U.S.C. 1503(c)) is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraphs (8), (9), and (10) as paragraphs (7), (8), and (9), respectively.

(c) CONDITIONS PRESCRIBED BY SECRETARY.—Section 4(e)(1) of such Act (33 U.S.C. 1503(e)) is amended by striking the first sentence and inserting the following: ''In issuing a license for the ownership, construction, and operation of a deepwater port, the Secretary shall prescribe those conditions which the Secretary deems necessary to carry out the provisions and requirements of this Act or which are otherwise required by any Federal department or agency pursuant to the terms of this Act. To the extent practicable, conditions required to carry out the provisions and requirements of this Act shall be addressed in license conditions rather than by regulation and, to the extent practicable, the license shall allow a deepwater port's operating procedures to be stated in an operations manual, approved by the Coast Guard, in accordance with section 10(a) of this Act, rather than in detailed and specific license conditions or regulations; except that basic standards and conditions shall be addressed in regulations.''.

(d) ELIMINATION OF RESTRICTION ON TRANSFERS.—Section 4(e)(2) of such Act (33 U.S.C. 1503(e)(2)) is amended by striking ''application'' and inserting ''license''.

(e) FINDINGS REQUIRED FOR TRANSFERS.—Section 4(f) of such Act (33 U.S.C. 1503(f)) is amended to read as follows:

''(f) AMENDMENTS, TRANSFERS, AND REINSTATEMENTS.—The Secretary may amend, transfer, or reinstate a license issued under this Act if the Secretary finds that the amendment, transfer, or reinstatement is consistent with the requirements of this Act.''.

SEC. 305. INFORMATIONAL FILINGS.

Section 5(c) of the Deepwater Port Act of 1974 (33 U.S.C. 1504(c)) is amended by adding the following:

''(3) Upon written request of any person subject to this subsection, the Secretary may make a determination in writing to exempt such person from any of the informational filing provisions enumerated in this subsection or the regulations implementing this section if the Secretary determines that

such information is not necessary to facilitate the Secretary's determinations under section 4 of this Act and that such exemption will not limit public review and evaluation of the deepwater port project.''.

SEC. 306. ANTITRUST REVIEW.

Section 7 of the Deepwater Port Act of 1974 (33 U.S.C. 1506) is repealed.

SEC. 7. OPERATION.

(a) AS COMMON CARRIER.—Section 8(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1507(a)) is amended by inserting after ''subtitle IV of title 49, United States Code,'' the following: ''and shall accept, transport, or convey without discrimination all oil delivered to the deepwater port with respect to which its licensed is issued,''.

(b) CONFORMING AMENDMENT.—Section 8(b) of such Act is amended by striking the first sentence and the first 3 words of the second sentence and inserting the following: ''A licensee is not discriminating under this section and''.

SEC. 308. MARINE ENVIRONMENTAL PROTECTION AND NAVIGATIONAL SAFETY.

Section 10(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1509(a)) is amended—

(1) by inserting after ''international law'' the following: ''and the provision of adequate opportunities for public involvement''; and

(2) by striking ''shall prescribe by regulation and enforce procedures with respect to any deepwater port, including, but not limited to,'' and inserting the following: ''shall prescribe and enforce procedures, either by regulation (for basic standards and conditions) or by the licensee's operations manual, with respect to''.

By Mr. HATCH (for himself, Mr. SANTORUM, Mr. GREGG, Mr. WARNER, Mr. SIMPSON, Mr. THURMOND, Mr. D'AMATO, and Mr. FAIRCLOTH):

S. 2010. A bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms, and for other purposes; to the Committee on the Judiciary.

THE COMMUNITY PROTECTION INITIATIVE OF 1996

Mr. HATCH. Mr. President, today I am introducing the community protection initiative of 1996. This bill will exempt current and former law enforcement officers from State and local laws prohibiting the carrying of concealed firearms. In so doing, this bill will adopt a clear, uniform rule in place of the various State and local laws that are on the books today.

This bill has the support of many law enforcement organizations and individuals, including the Law Enforcement Alliance of America, Fraternal Order of Police, National Association of Police Organizations, National Sheriffs Association, National Troopers Coalition, Southern Police Benevolent Association, National Law Enforcement Council, the Salt Lake City police chief, the Salt Lake County sheriff, and the Utah Highway Patrol Association.

This bill will prove to be a useful addition to our laws in several ways. This bill will enhance public safety. It will do so by potentially placing thousands of additional police officers on the streets of America—at no additional cost to the public. Law enforcement officers are highly trained professionals. Their classroom teaching, as well as their experience in the field, are the most valuable weapons that they possess. But all of that skill and experience will be of little benefit for a police officer if he cannot prevent A crime from occurring because he is unable to carry the firearm his community has authorized him to carry as part of his job. This bill puts more police on the street, at no cost to the taxpayer.

That result alone is a valuable one. But there is more. The bill will help law enforcement officers protect themselves and their families when they travel interstate. By itself, that is a valuable benefit. Any one police officer may make scores of arrests throughout his career, and an officer may not always remember the face of every suspect that he apprehends. Many criminals, however, remember. They remember the face of the judge, the face of the prosecutor, and, most importantly, the face of the arresting officer. This bill enables police to protect themselves and their families in the face of these long memories. Currently, police officers can protect themselves when they remain within their jurisdictions on-duty. If those jurisdictions permit, officers can carry their firearms off-duty. This bill would allow each qualified police officer to travel out of State without being at risk of criminal assault.

A firearm is an important tool in a battle with a criminal, especially an armed one. A firearm in the hands of a trained police officer, when off duty, will make our streets safer. For private citizens, a firearm is best compared to a fire extinguisher, because each one is a piece of emergency, lifesaving equipment. But for police officers, a firearm is a necessary tool of his profession.

We expect that police officers will intervene to prevent crimes from occurring. No, we demand that police officers carry out that responsibility. That is why we train them in law enforcement; and that is why we give them a badge; that is why we give them a gun. This bill will ensure that we do not disarm the police just because they have traveled interstate.

There are more than 600,000 State and local law enforcement officers in more than 17,000 police agencies. This bill would allow those officers, and many of their retired colleagues, to carry firearms when they travel out of State. That puts each of those officers on the streets in the service of law enforcement in this Nation.

To be sure, only some police officers will take advantage of this provision. But we know that there will be some officers who prevent some crimes and who prevent some people from becoming victims.

At the same time, this bill achieves those benefits in a careful manner. It does not allow unqualified officer to carry firearms interstate. Rather, it requires current police officers to be in good standing to take advantage of the benefits of this bill. The bill also does not allow all retired police officers to carry firearms. Before a retired police officer can carry a concealed firearm under this bill, the bill requires that the retired officer be authorized by his or her State of residence to carry a concealed firearm within that State. Finally, this bill does not authorize the carrying of firearms on aircraft.

I look forward to working with my colleagues on a bipartisan basis in moving this legislation. In the House, Representative CUNNINGHAM of California has introduced a similar measure.

Together, we can bring about passage of a bill that will protect the public, our Nation's law enforcement officers, and their families.

By Mr. SIMPSON (by request):

S. 2011. A bill to ensure that appropriated funds are not used for operation of golf courses on real property controlled by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

VETERANS AFFAIRS LEGISLATION

Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 2011, a bill relating to the use of appropriated funds for the operation and maintenance of golf courses on real property controlled by the Department of Veterans Affairs. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated June 20, 1996.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter and the enclosed analysis of the draft legislation.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 2011

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SEC. 2. (a) The Secretary of Veterans Affairs shall ensure that no funds appropriated by Congress are used for the maintenance and operation of golf courses on real property within the control of the Department of Veterans Affairs.

(b) Notwithstanding any other provision of law, the Secretary may provide for the maintenance and operation of golf courses on real property within the control of the Department by—

(1) entering into leases or other arrangements for a period not to exceed 20 years with (i) Department of Veterans Affairs employee associations; (ii) other nonFederal nonprofit organizations; or (iii) private entities; or

(2) entering into enhanced use leases under section 8162 of the title 38, United States Code, without regard to sections 8163 and 8168 of title 38, United States Code.

(c) In making any arrangement under subsection (b), the Secretary shall, to the extent the Secretary considers appropriate, seek to provide for therapeutic work opportunities for VA patients and members participating in programs authorized by section 1718 of title 38, United States Code.

(d) Notwithstanding any other provision of law, funds generated in connection with the use of real property within the control of the Department of Veterans Affairs that is used for a golf course shall be retained by the Department for such uses as the Secretary deems appropriate.

(e) The Secretary of Veterans Affairs shall, before leasing a golf course on real property within the control of the Department, consider the option of excessing the golf course to the General Services Administration so that the property can be screened for redeployment by another Executive Agency.

ANALYSIS

The draft bill contains the enactment section, which is section one, and a section two which contains five subsections.

Subsection (a) prohibits the Secretary of Veterans Affairs from using funds appropriated by the Congress for the maintenance and operation of golf courses at VA health care facilities.

Subsection (b) would authorize the Secretary to provide for the maintenance and operation of golf courses at VA health care facilities by leasing the property to VA employee associations or other non-Federal nonprofit organizations. Examples of other nonprofit organizations are a local government, or a veterans service organization. Subsection (b) would also authorize the Secretary to enter into enhanced use leases of golf course properties without regard to limitations set forth in section 8163 and 8168 of title 38, United States Code. Section 8168 limits the number of enhanced use leases the Secretary may enter into, and could be a barrier to the leasing of the golf courses. Section 8163 establishes a process by which properties are designated for enhanced use leasing. It is unnecessary to follow that process for the golf courses as the bill itself designates the properties subject to such leasing.

Subsection (c) would provide that in exercising the authority in subsection (b) to make arrangements for the operation of golf courses, the Secretary may, if appropriate, seek to provide for therapeutic work opportunities for patients. Thus, for example, the Secretary might include in a lease, a provision calling for the lessor to enter into an arrangement with a VA compensated work therapy program to have patients perform golf course maintenance.

Subsection (d) would permit VA to retain any funds generated by VA real property used as a golf course.

Subsection (e) would require the Secretary, before leasing the property, to consider excessing the property for use by another Executive Agency.

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, June 20, 1996.

Hon. AL GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, ''To ensure that no appropriated funds are used for the operation and maintenance of golf courses on real property controlled by the Department of Veterans Affairs.'' We request that it be referred to the appropriate committee for prompt consideration and enactment.

For many years VA has operated golf courses at a number of its medical facilities to provide patient therapy and recreation. Generally, these golf courses were in existence at the hospital facilities at the time the Department acquired the facilities. The courses are often quite small with only 9-holes, and are located at facilities with large psychiatric patient populations. Currently 22 VA golf courses exist.

VA can no longer justify the expenditure of medical care appropriations for the operation of golf courses. Scarce resources used for maintenance and operation of the courses can be more appropriately used for the direct provision of medical care to veterans. In some instances opportunities may exist to use the property more appropriately. In other instances, continued operation of a golf course may be warranted, but a better mechanism may exist for maintaining and operating the course. Accordingly, the Department has determined that it will no longer directly operate golf courses using appropriated funds.

In the last several months, the Department has looked at various mechanisms for divesting itself of golf course operations. However, legal impediments exist to pursuing some options. The enclosed draft bill would statutorily authorize the Secretary to provide for the maintenance and operation of golf courses in various ways without using any appropriated funds.

The draft bill would prohibit the use of appropriated funds to operate golf courses, and would provide specific mechanisms for continuing golf course operations. The bill would permit the Secretary to lease or make other arrangements with VA employee associations or other non-federal nonprofit entities to have them operate the courses. Such a nonprofit entity might include the local community where the VA facility is located. The bill would also allow the Secretary to arrange for operation of a course by a private organization. Finally, it would also authorize VA to enter into enhanced use leases of golf course properties.

Another provision in the bill would provide that in making arrangements for operation of golf courses, the Secretary should, if appropriate, seek to provide for therapeutic work opportunities for VA patients. VA compensated work therapy programs are always searching for ways to provide certain patients with therapeutic work. In the lease of a golf course, it might be possible to require the lessee to make an arrangement with a VA work therapy program to use patient workers. Finally, the bill would require the Secretary to consider divesting golf courses altogether before entering into lease arrangements.

This bill would affect direct spending and receipts; therefore, it is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act of 1990. OMB estimates that the pay-as-you-go effect of this proposal is zero.

The Office of Management and Budget advises that there is no objection to the submission of this draft bill from the standpoint of the Administration's program.

Sincerely yours,

JESSE BROWN.

By Mr. SIMPSON (by request):

S. 2012. A bill to redesignate the title of the National Cemetery System and the position of the Director of the National Cemetery System; to the Committee on Veterans' Affairs.

NATIONAL CEMETERY ADMINISTRATION LEGISLATION

Mr. SIMPSON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at the request of the Secretary of Veterans Affairs, S. 2012, a bill to redesignate the National Cemetery System as the ''National Cemetery Administration,'' and to redesignate the position of Director, National Cemetery System as ''Assistant Secretary, Memorial Affairs.'' The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated June 24, 1996.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with the transmittal letter.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 2012

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION OF TITLE OF NATIONAL CEMETERY SYSTEM.

The title of the National Cemetery System of the Department of Veterans Affairs is hereby redesignated as the National Cemetery Administration.

SEC. 2. REDESIGNATION OF POSITION OF DIRECTOR OF THE NATIONAL CEMETERY SYSTEM.

The position of Director of the National Cemetery System of the Department of Veterans Affairs is hereby redesignated as Assistant Secretary for Memorial Affairs.

SEC. 3. ASSISTANT SECRETARIES.

Section 308(a) of title 38, United States Code, is amended by—

(a) in subsection (a) thereof, changing the period at the end of the first sentence of that subsection to a comma and adding the following at the end of that sentence: ''in addition to the Assistant Secretary for Memorial Affairs'';

(b) in subsection (b) thereof, by inserting ''other than the Assistant Secretary for Memorial Affairs'' after ''Assistant Secretaries''; and

(c) in subsection (c) thereof, by inserting ''pursuant to subsection (b)'' after ''Assistant Secretary''.

SEC. 4. TITLE 38 CONFORMING AMENDMENTS.

(a) Title 38, United States Code, is amended by striking out ''director of the National Cemetery System'' each place it appears (including in headings and tables) and inserting in lieu thereof ''Assistant Secretary for Memorial Affairs''.

(b) Section 301(c) of title 38, United States Code, is amended by striking out ''System'' in subsection (c)(4) and inserting in lieu thereof ''Administration''.

(c) Section 307 of title 38, United States Code, is amended—

(1) by striking out ''a'' in the first sentence and inserting in lieu thereof ''an'';

(2) by striking out ''Director'' in the second sentence and inserting in lieu thereof ''Assistant Secretary for Memorial Affairs''; and

(3) by striking out ''System'' in the second sentence and inserting in lieu thereof ''Administration''.

(d)(1) Section 2306(d) of title 38, United States Code, is amended by striking out ''within the National Cemetery System'' in the first sentence of subsection (d)(1) and inserting in lieu thereof ''under the control of the National Cemetery Administration''.

(2) Section 2306(d) of title 38, United States Code, is amended by striking out ''within the National Cemetery System'' in subsection (d)(2) and inserting in lieu thereof ''under the control of the National Cemetery Administration''.

(e)(1) The table of sections at the beginning of chapter 24 of title 38, United States Code, is amended by striking out ''Establishment of National Cemetery System; composition of such system; appointment of director.'' and inserting in lieu thereof ''Establishment of National Cemetery Administration; authority of such administration; appointment of Assistant Secretary.''.

(2) The heading of section 2400 of title 38, United States Code, is amended by striking out ''Establishment of National Cemetery System; composition of such system; appointment of director'' and inserting in lieu thereof ''Establishment of National Cemetery Administration; authority of such administration; appointment of Assistant Secretary''.

(3) Section 2400(a) of title 38, United States Code, is amended by striking out ''shall be within the Department a National Cemetery System'' in the first sentence and inserting in lieu thereof ''is within the Department a National Cemetery Administration responsible'' in the first sentence and by striking out ''Such system'' in the second sentence and inserting in lieu thereof ''The National Cemetery Administration''.

(4) Section 2400(b) of title 38, United States Code, is amended by striking out ''The National Cemetery System'' and inserting ''National cemeteries and other facilities under the control of the National Cemetery Administration'' in lieu thereof.

(5) Section 2402 of title 38, United States Code, is amended by striking out ''in the National Cemetery System'' and inserting ''under the control of the National Cemetery Administration'' in lieu thereof.

(6) Section 2403(c) of title 38, United States Code, is amended by striking out ''in the National Cemetery System created by this chapter'' and inserting ''under the control of the National Cemetery Administration'' in lieu thereof.

(7) Section 2405(c) of title 38, United States Code, is amended by striking out ''within the National Cemetery System'' and inserting in lieu thereof ''under the control of the National Cemetery Administration'' and by striking out ''within such System'' and inserting in lieu thereof ''under the control such Administration''.

(8) Section 2408(c) of title 38, United States Code, is amended by striking out ''in the National Cemetery System'' in subsection (c)(1) and inserting ''under the control of the National Cemetery Administration'' in lieu thereof.

SEC. 5. EXECUTIVE SCHEDULE CONFORMING AMENDMENT.

Section 5315 of title 5. United States Code, is amended by striking out ''(6)'' following ''Assistant Secretaries, Department of Veterans Affairs'' and inserting in lieu thereof ''(7)'' and by striking out ''Director of the National Cemetery System.''

SEC. 6. REFERENCES IN OTHER LAWS.

(a) Any reference to the National Cemetery System in any Federal law, Executive order, rule, regulation, delegation of authority, or document of or pertaining to the Department of Veterans Affairs, which reference pertains to the organization within that Department which controls the Department's national cemeteries shall be deemed to refer to the National Cemetery Administration.

(b) Any reference to the Director of the National Cemetery System in any Federal law, Executive order, rule, regulation, delegation of authority, or document of or pertaining to the Department of Veterans Affairs shall be deemed to refer to the Assistant Secretary for Memorial Affairs.

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, June 24, 1996.

Hon. ALBERT GORE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Transmittal herewith is a draft bill to redesignate the National Cemetery System (NCS) as the ''National Cemetery Administration'' and the Director of the National Cemetery System as the ''Assistant Secretary for Memorial Affairs.'' The legislation would elevate the NCS to the same organizational status within the Department of Veterans Affairs (VA) as the Veterans Health Administration (VHA) and the Veterans Benefits Administration (VBA). I request that this draft bill be referred to the appropriate committee for prompt consideration and enactment.

On March 15, 1989, the Veterans' Administration was redesignated as the Department of Veterans Affairs and elevated to cabinet-level status as an executive department. At that time, two of the three VA components that administer veterans' programs were also redesignated. The Department of Medicine and Surgery was redesignated as the Veterans Health Services and Research Administration (now the Veterans Health Administration) and the Department of Veterans' Benefits was redesignated as the Veterans Benefits Administration. The designation of the third program component, the National Cemetery System, was not changed.

On October 9, 1992, the title of the Chief Medical Director, the head of the Veterans Health Administration, was redesignated as the Under Secretary for Health and the title of the Chief Benefits Director was redesignated as the Under Secretary for Benefits. The title of the Director of the National Cemetery System was not changed.

The NCS was established on June 18, 1973, in accordance with the National Cemeteries Act of 1973, Pub. L. No. 93–43, §2(a), 87 Stat. 75. The fourfold mission of the NCS is: (1) to provide for the interment in national cemeteries of the remains of deceased veterans, their spouses, and certain other dependents and to permanently maintain their graves; (2) to mark the graves of eligible persons buried in national, state, and private cemeteries; (3) to administer the State Cemetery Grants Program to aid states in establishing, expanding, or improving state veterans' cemeteries; and, (4) to administer the Presidential Memorial Certificate Program.

NCS is the only one of the three VA components responsible for delivering benefits to veterans and their dependents that is referred to as a ''System'' rather than an ''Administration.'' The proposed redesignation ''National Cemetery Administration'' would more accurately recognize NCS' status as a benefit-delivery administration.

Section 307 of title 38, United States Code, establishes the position of Director of the National Cemetery System. The present position title implies that the Director's responsibility is limited to management of the system of national cemeteries and does not adequately reflect the responsibilities associated with the fourfold mission of the NCS. The proposed redesignation ''Assistant Secretary for Memorial Affairs'' would assure that the position receives the status commensurate with its responsibilities. The redesignation would not affect the duties and responsibilities of the position, which would remain the same.

Section 308(a) of title 38, United States Code, provides that VA shall have no more than six Assistant Secretaries. Under the draft bill, the position of Assistant Secretary for Memorial Affairs, so designated in section 307, would not be counted as one of the six Assistant Secretary positions referred to in section 308(a).

Currently, the salary level for the NCS Director is set by statute at Executive Level IV. The salary level for the other VA Assistant Secretary positions is also set at Executive Level IV. The proposed redesignation of the NCS Director as the Assistant Secretary for Memorial Affairs would not affect the salary level of the position, which would remain at Executive Level IV.

Although the proposed redesignation would require changes in some forms and publications, we contemplate making these changes as the documents are reordered or revised. For this reason, and because the Director's salary level would not change, no costs or savings are associated with this proposal.

The Office of Management and Budget has advised that there is no objection to the submission of this draft bill from the standpoint of the Administration's program.

Sincerely yours,

JESSE BROWN.

By Mr. MCCAIN (for himself, Mr. COATS, Mr. STEVENS, Mrs. HUTCHISON, Mr. ABRAHAM, Mr. ASHCROFT, and Mr. LOTT):

S. 2013. A bill to amend title 31, United States Code, to provide for continuing appropriations in the absence of regular appropriations; to the Committee on Appropriations.

THE GOVERNMENT SHUTDOWN PREVENTION ACT

Mr. MCCAIN. Mr. President, today Senators COATS, STEVENS, HUTCHISON, ABRAHAM, ASHCROFT, and myself are introducing the Government Shutdown Prevention Act. This bill would statutorily create what is in essence a permanent backup CR. This special CR would govern if any appropriations acts do not become law.

We all saw the effects of gridlock last year. The Government shut down and millions of people were affected. We want to ensure that another Government shutdown does not occur.

Mr. President, this permanent backup CR would set spending at the lower of spending levels contained in:

First, the previous year's appropriated levels; second, the House passed appropriations bill; third, the Senate passed appropriations bill; fourth, the President's Budget request; or fifth, any levels established by an independent CR passed by the Congress subsequent to the passage of this Act.

The bill specifically notes that entitlements such as Social Security—as obligated by law—will be paid regardless of what appropriations bills are passed. I want to emphasize that entitlements are protected.

This legislation does not erode the power of the appropriators and gives

them ample opportunity to do their job. As a matter of fact, we hope that Senators will realize that if they load up appropriations bills with nonrelated riders—which causes gridlock—that this permanent CR will kick in.

I want to especially note the support of my good friend Senator STEVENS. The Senator from Alaska is a senior member of the Appropriations Committee. His support of this bill is crucial and I thank him for it.

Mr. President, last year's Government shutdown hurt many. Many needed social services could not be offered. We must prevent that from occurring. Additionally, it cost the Government a considerable amount of money. We cannot and should not waste the taxpayers dollars in that fashion.

I want to raise one small example. During the last Government shutdown, I heard form people who work close to the Grand Canyon. These were not Government employees. They were independent small businessmen and women. They told me that the shutdown was costing them thousands of dollars because people couldn't go the park.

The shutdown was not fair to them—it was not fair to anyone. This legislation would prevent a similar shutdown in the future. This bill will prevent gridlock, save money, and preserve needed Government services. I hope the Senate will soon act on this matter.

I ask unanimous consent that the bill be printed in the RECORD.

S. 2013

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Government Shutdown Prevention Act''.

SEC. 2. AMENDMENT TO TITLE 31.

(a) IN GENERAL.—Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

''§ 1311. Continuing appropriations

''(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

''(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

''(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

''(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

''(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year,

''(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year,

''(C) the rate of operations provided for in the House or Senate passed appropriation bill for the fiscal year in question, except that the lower of these two versions shall be ignored for any project or activity for which there is a budget request if no funding is provided for that project or activity in either version,

''(D) the rate provided in the budget submission of the President under section 1105(a) of title 31, United States Code, for the fiscal year in question, or

''(E) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of that fiscal year or any funding levels established under the provisions of this Act.

''(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

''(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be, or

''(B) the last day of such fiscal year.

''(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

''(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

''(d) Expenditures made for a project or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

''(e) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

''(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period, or

''(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

''(f) For purposes of this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

''(1) Agriculture, rural development, and related agencies programs.

''(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

''(3) The Department of Defense.

''(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

''(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

''(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

''(7) Energy and water development.

''(8) Foreign assistance and related programs.

''(9) The Department of the Interior and related agencies.

''(10) Military construction.

''(11) The Department of Transportation and related agencies.

''(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

''(13) The legislative branch.''.

(b) CLERICAL AMENDMENT.—The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

''1311. Continuing appropriations.''.

(c) PROTECTION OF OTHER OBLIGATIONS.—Nothing in the amendments made by this section shall be construed to effect Government obligations mandated by other law, including obligations with respect to Social Security, Medicare, and Medicaid.

SEC. 3. EFFECTIVE DATE AND SUNSET.

(a) EFFECTIVE DATE.—The amendments made by this Act shall apply with respect to fiscal years beginning with fiscal year 1997.

(b) SUNSET.—The amendments made by this Act shall sunset and have no force or effect 6 years after the date of enactment of this Act.

Mr. COATS. Mr. President, I rise today with my colleague and friend, Senator JOHN MCCAIN, to introduce The Government Shutdown Prevention Act. This legislation will create a statutory continuing resolution [CR] that will ensure that the Government will not shut down again—ever.

The lessons from last year are clear. The public expects us to debate our differences vigorously but they don't want our differences to overwhelm our basic responsibility to govern. No one wins when the Government shuts down. Shutdowns only confirm the American people's suspicions that we are more interested in political gain than doing the Nation's business. People are tired of gridlock. They want the Government to work for them—not against them.

I believe the legislation we are introducing today will go a long way toward ensuring that we do not once again disappoint the American people. Last year, the Republican Congress tried to do the right thing. We passed fiscally sound appropriations bills and the first balanced Federal budget in a generation. Unfortunately, President Clinton was more interested in playing politics with the budget. President Clinton's irresponsible vetoes of numerous appropriations bills and a continuing resolution shut the Federal Government down. It is time to show the American people we can do better.

Now, we all know that the fiscal year ends on September 30 and we also know that day is approaching very quickly. Although the appropriators are working very diligently, the appropriations process is nowhere near complete. Not one of the appropriations bills has even

been sent to the President. My fear is that we are rapidly approaching a politically sensitive deadline in a political year—a virtual invitation for more budget gamesmanship on the part of the President.

Our legislation preempts this gamesmanship by a safety net CR that will allow the Government to operate even if the appropriations process is not complete and even if negotiations on a larger CR are stalled.

Neither party can afford another break of faith with the American people. Our constituents are tired of constantly being disappointed by the actions of Congress and the President. They are tired of us not being prepared for what appears to be the inevitable. This is why Senator MCCAIN and I have introduced this legislation. We want the American people to know that there are some of us in Congress who are thinking ahead and who do not want a replay of last year.

Both Senator MCCAIN and myself have been vigilant in our fight against wasting the taxpayers dollars. The legislation will save taxpayer dollars because the Government programs will be funded at the lowest of the following spending levels:

The previous year's appropriation bill or CR;

The House-passed level;

The Senate-passed level;

The President's budget request; or

The level outlined in the most recent CR.

This legislation will restore the bias in appropriations negotiations toward saving the taxpayers money not spending it. It is worth noting that last year every time Congress went to the negotiating table the President demanded more money. Although Congress saved the taxpayer nearly $19 billion last year, without President Clinton's demands we could have saved $27 billion. Passage of this legislation will guarantee that we are not faced with a choice between a Government shut down and spending taxpayer dollars irresponsibly.

Finally, the hammer of very low funding levels will keep pressure on both ends of Pennsylvania Avenue and both parties to get the appropriations work done.

Again, this is a preventative measure to ensure that politics or stalled negotiations will not stop Government operations. The time has come to show the American people that we will not allow a Government shut down, or the threat of a Government shutdown, to be used for political gain.

Time is running out. September 30 will be here in just 2 short months. We must be prepared in case election year politics get in the way of funding the Government. Senator MCCAIN and I will be offering this legislation as an amendment to the first appropriations bill the Senate turns to following the recess. Let's not continue to disappoint an already disenchanted electorate. The time has come to take control and pass this legislation.

By Mr. JOHNSTON (for himself and Mr. BREAUX):

S. 2014. A bill to authorize the Secretary of the Interior to acquire property adjacent to the city of New Orleans, Orleans Parish, LA, for inclusion in the Bayou Sauvage National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

THE BAYOU SAUVAGE NATIONAL WILDLIFE REFUGE ACT OF 1996

● Mr. JOHNSTON. Mr. President, I introduce a measure that would be the culmination of many years of negotiation and effort on the part of a number of interested individuals in my State of Louisiana.

Mr. President, the State of Louisiana is rich in wildlife and wildlife habitat, the flora and fauna of legend. The State is also home to numerous wildlife refuges, including the Bayou Sauvage National Wildlife Refuge, which is the subject of my statement today.

Bayou Sauvage is located in east Orleans Parish, LA, almost entirely within the corporate limits of the city of New Orleans and approximately 18 miles east of the central business district. It has the distinction of being the largest expanse of coastal wetlands in the United States that is easily accessible to city dwellers.

The refuge was created in 1986 by legislation sponsored by then Congressman JOHN BREAUX and Representative Lindy Boggs. The measure authorized the refuge at 19,000 acres. In 1993, fee title had been acquired on 18,397 acres. An additional 4,373 acres was under management lease from the Conservation Fund and the city of New Orleans.

After discussions with the city, the Conservation Fund and private individuals with interests in the additional acreage, I am pleased to report that a critical stage of acquisition is now ready to go forward. The acreage which is the subject of this legislation is key to the ability of the managers of Bayou Sauvage to achieve specific goals, including enhancing the population of migratory, shore, and wading birds; encouraging natural diversity of fish and wildlife species; protecting endangered and threatened species; and providing opportunities for scientific research and environmental education on ecological and wetland values to the public.

Mr. President, this is an important milestone for Bayou Sauvage National Wildlife Refuge, and I urge this body to support the completion of this long effort to protect a wonderful treasure for the people of Louisiana, and the Nation.

Mr. President, I ask unanimous consent that the 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. 2014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REFUGE EXPANSION.

Section 502 of the Emergency Wetlands Resources Act of 1986 (P.L. 99–645; 100 Stat. 3590), is amended by inserting following the first sentence in subsection (b)(1) the following sentence:

''In addition, the Secretary is authorized to acquire, within such period as may be necessary, an area of approximately 4,228 acres, consisting of approximately 3,928 acres located north of Interstate 10 between Little Woods and Pointe-aux-Herbes and approximately 300 acres south of Interstate 10 between the Maxent Canal and Michoud Boulevard that contains the Big Oak Island archeological site, as depicted upon a map entitled ''Bayou Sauvage National Wildlife Refuge Expansion'', dated August, 1996 and on file with the United States Fish and Wildlife Service.''

SEC. 2. NAME CHANGE.

Section 502 of the Emergency Wetlands Resources Act of 1986 (P.L. 99–645; 100 Stat. 3590), is further amended by deleting the word ''Urban'' wherever it appears in the section.●

By Mr. DOMENICI:

S. 2015. A bill to convey certain real property located within the Carlsbad project in New Mexico to the Carlsbad Irrigation District; to the Committee on Energy and Natural Resources.

CARLSBAD PROJECT LEGISLATION

Mr. DOMENICI. Mr. President, today I am introducing legislation that will convey tracts of land, referred to as ''acquired lands,'' to the Carlsbad Irrigation District in New Mexico.

This bill is a culmination of over a year's worth of work, addressing concerns that were raised over legislation that Senator CRAIG and I introduced early last year.

That legislation used a generic approach to direct the Secretary of the Interior to convey these acquired lands to the beneficiary districts, when those districts had completed their contractual obligations to the United States for project construction.

The administration is on record in support of the idea of transfer of facilities to the beneficiaries, ''where it makes sense,'' but it opposed that legislation, in part because of the generic nature in which it was drafted.

I hope that the legislation I am introducing today will address the administration's concerns with the earlier bill.

It is specific to the Carlsbad project in New Mexico, and directs the Carlsbad Irrigation District to continue to manage the lands as they have been in the past, for the purposes for which the project was constructed.

This bill also protects the interests that the State of New Mexico has in some of those lands, and a companion bill introduced in the House by Congressman JOE SKEEN has the full support of the Governor and the various Cabinet Secretaries who oversee those interests.

Finally, this legislation will return project lands, which were at one time held by the beneficiaries of the Carlsbad project and its predecessor, to the Carlsbad Irrigation District.

Mr. President, I encourage my colleagues to support this legislation, and

ask unanimous consent the 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. 2015

Be it enacted by the Senate and House of Representatives of the United State of America in Congress assembled,

SECTION 1. CONVEYANCE.

(a) OPERATION OF LAW.—

(1) IN GENERAL.—Except as provided in paragraph (2), and subject to the conditions set forth in subsection (c) and section 2(b), all right, title, and interest of the United States in and to the lands described in subsection (b) (in this Act referred to as the ''acquired lands'') in addition to all interests the United States holds in the irrigation and drainage system of the Carlsbad Project and all related lands including ditch rider houses, maintenance shop and buildings, and Pecos River Flume are hereby conveyed by operation of law to the Carlsbad Irrigation District (a quasi-municipal corporation formed under the laws of the State of New Mexico and referred to in this Act as the ''District'').

(2) LIMITATIONS.—

(A) In case of a tract of acquired land on which is located any dam, or reservoir diversion structure, conveyance to the District is limited to the right, title, and interest of the United States in and to the mineral estate.

(B) The United States shall retain storage and flow easements for any tracts located under the maximum spillway elevations of Avalon and Brantly Reservoirs.

(b) ACQUIRED LANDS DESCRIBED.—The lands referred to in subsection (a) are those lands (including the surface and mineral estate) in Eddy County, New Mexico, described as the acquired lands in section (7) of the ''Status of Lands and Title Report: Carlsbad Project'' as reported by the Bureau of Reclamation in 1978.

(c) TERMS AND CONDITIONS OF CONVEYANCE.—Any conveyance of the acquired lands under this Act shall be subject to the following terms and conditions:

(1) The acquired lands shall continue to be managed and used by the District for the purposes for which the Carlsbad Project was authorized, consistent with existing management of such lands.

(2) Except as provided in paragraph (3), the District shall assume all rights and obligations of the United States under—

(A) the agreement dated July 28, 1994, between the United States and the Director, New Mexico Department of Game and Fish (Document No. 2–LM–40–00640), relating to management of certain lands near Brantley Reservoir for fish and wildlife purposes,

(B) the agreement dated March 9, 1977, between the United States and the New Mexico Department of Energy, Minerals, and Natural Resources (Contract No. 7–07–57–X0888) for the management and operation of Brantley Lake State Park.

(3) EXCEPTIONS.—

(A) The District shall not be obligated for any financial support associated with either agreement under paragraph (2).

(B) The District shall not be entitled to any revenues generated by the operation of Brantley Lake State Park.

SEC. 2. LEASE MANAGEMENT AND PAST REVENUES COLLECTED FROM THE ACQUIRED LANDS.

(a) IDENTIFICATION AND NOTIFICATION OF LEASEHOLDERS.—Within 45 days after the date of enactment of this Act, the Secretary of the Interior shall provide to the District a written identification of all mineral and grazing leases in effect on the acquired lands on the date of enactment of this Act, and the Secretary of the Interior shall notify all leaseholders of the conveyance made by this Act.

(b) MANAGEMENT OF MINERAL AND GRAZING LEASES.—Upon conveyance, the District shall assume all rights and obligations of the United States for all mineral and grazing leases on the acquired lands, and shall be entitled to any revenues from such leases accruing after such date. The District shall continue to adhere to the current Bureau of Reclamation mineral leasing stipulations for the Carlsbad Project.

(c) AVAILABILITY OF AMOUNTS PAID INTO RECLAMATION FUND.—Receipts paid into the reclamation fund which now exist as credits to the Carlsbad Project under the Mineral Lands Leasing Act of 1920 (30 U.S.C. 181 et seq.), shall be made available to the District under the distribution scheme set forth in section (4)(I) of the Act of December 5, 1924 (43 U.S.C. 501; commonly referred to as the ''Fact Finders Act of 1924'').

By Mr. DORGAN (for himself, Mr. BYRD, Mr. HEFLIN, Mr. CAMPBELL, Mr. WELLSTONE, Mr. HOLLINGS, Mr. INOUYE and Mr. D'AMATO):

S. 2016. A bill to assess the impact of the NAFTA, to require further negotiation of certain provisions of the NAFTA, and to provide for the withdrawal from the NAFTA unless certain conditions are met; to the Committee on Finance.

THE NAFTA ACCOUNTABILITY ACT

Mr. DORGAN. Mr. President, the North American Free Trade Agreement has been a colossal failure. It epitomizes what is wrong with our nation's trade policies.

This Nation has focused practically all of its efforts on achieving some theoretical system of free trade, without giving any real attention to whether what is advanced also provides fair trade and fair competition. We open our borders and provide access to our markets, without ensuring that at the same time there will be reciprocal trading opportunities with our trading partners.

NAFTA has not produced the results that were projected. It has not lived up to its promises. Since NAFTA took effect our trade deficit with Canada and Mexico has ballooned by 368 percent.

Today, Canada and Mexico are the third and fourth largest trade deficits for the United States. Rather than stopping the flight of American jobs, it has accelerated the loss of jobs to our closest trading partners.

Today, I am reintroducing the NAFTA Accountability Act. This bill establishes benchmarks for measuring whether or not NAFTA has lived up to its promises. If it doesn't then the bill outlines the procedure for withdrawing from NAFTA.

In reintroducing this bill we are updating some of the information in the findings and we are adding a section on highway safety. In addition, we are adding a number of co-sponsors. Senators D'AMATO, INOUYE, HOLLINGS, and WELLSTONE are joining the list of original co-sponsors, including Senators BYRD, HEFLIN, and CAMPBELL.

The companion bill on the House side, sponsored by Representative MARCY KAPTUR now has 107 co-sponsors.

TRADE DEFICITS CONTINUE TO GROW

One of the untold stories of NAFTA is the growing trade deficit with Canada. Prior to NAFTA, the merchandise trade deficit was over $10 billion in 1993. In 1994 it grew to $14 billion, and last year it hit a record of almost $19 billion. In the first 5 months of this year, our trade deficit with Canada is already at almost $9 billion. At this pace the trade deficit this year can be expected to be over $21 billion.

The change in our trade position with Mexico is even more dramatic. Prior to NAFTA our trade surplus with Mexico peaked in 1992 at $5.4 billion. It then dropped to $1.6 billion in 1993. In the first year of NAFTA, the positive trade balance with Mexico dropped to $1.4 billion. In the second year of NAFTA, we ended up with a $15.4 billion trade deficit.

Much has been said about the role of the devaluation of the peso as the cause of this dramatic turn-around in trade flows with Mexico. The reality is that the problems of the overvalued Mexican peso were well known at the time of the passage of NAFTA.

Yet, there was nothing in NAFTA that provided any means to address the question of rapid changes in currency values. Our bill would require the opportunity for renegotiation in such circumstances.

This year the trade deficit with Mexico has already reached almost $7 billion during the first 5 months. At this pace, it will be very close to last year's record level of $15 billion.

Since NAFTA took effect, the United States has recorded a $42 billion trade deficit with Canada in the 2 years and 5 months for which we have statistics. During that time we have recorded a $20 billion deficit with Mexico.

We have accumulated a total trade deficit of $62 billion with these trading partners since NAFTA started regulating these trade relationships. In other words our trade deficit with our NAFTA partners is draining over $2 billion a month from our national economy. These trade deficits have serious consequences for our country.

U.S. JOB LOSSES DUE TO NAFTA

Today a study by Rob Scott on the relationship between NAFTA and jobs was released by the Economic Policy Institute. This study reveals that the trade deficits we have had during the first 2 years of NAFTA has meant a loss of almost a half-million jobs and job opportunities for American workers.

The study shows that as a result of our trade imbalance with Canada, we have lost 200,026 jobs during the past 2 years. In the same period the trade deficit with Mexico has meant a loss of 283,607 jobs. The total loss of jobs and job opportunities is 483,633.

When NAFTA was being debated, the predictions were that the United

States would gain something between 120,000 and 220,000 jobs. Now 2 years later, the reality is that our trade relationships under NAFTA have cost this country 484,000 jobs.

JOBS MOVING TO MEXICO

One week ago I co-chaired the Families First Forum here in the Nation's Capitol. At that forum, a union worker in North Carolina told us about the upcoming closing of his plant. That plant closing was to be completed today and the jobs moved to Mexico.

This is a plant that produces electrical transformers. These are the transformers that hang from electrical poles, sit on pads on the ground, and even some units that are made for use underground.

They have been producing transformers at that plant for 40 years, and have been a profitable operation for most of those years. There are 343 hourly workers and 250 salaried workers who today no longer have a job.

These workers will no longer be able to be employed using the skills they have learned and developed in building electrical transformers. Their jobs our moving to Monterrey, Mexico, to a facility that pays workers less than a $1 per hour.

There is another small industry in this country. It's scattered around in rural communities in the heart of the corn belt. This industry is dominated by small family business operations which make the brooms that we use to sweep out our houses. The future of this industry is in doubt.

Stan Koschnick, manager of the France Broom Co., told a news reporter, ''I don't want to worry my employees too much when they open their newspapers, but I would guess if it was left unchecked, within 10 years there wouldn't be any brooms made in the United States.''

Kenneth Quinn, the retired president of the Quinn Broom Works, states, ''It's hard to say you can compete with somebody when they're paying 30 or 40 cents per hour. We can do everything better except for wages. We can't compete on wages.''

Since NAFTA became reality, more than 200 jobs have been lost in this industry. These companies are paying in the neighborhood of $8 per hour to their workers. They are competing with Mexican workers who will be lucky to be paid $8 per day.

The question is whether such wage competition is good for our country. There are those who would say we are raising our standard of living by being able to buy a couple of cheaper brooms every year. However, what are we gaining if at the same time our wages are being lowered and our jobs are being lost?

This industry may get a second chance, because last Friday the International Trade Commission recommended restoring a tariff on Mexican brooms. Earlier this month, the ITC determined that unfair competition from Mexican factories posed a serious threat to the domestic broom industry.

The reason they are getting a second chance is that hidden away in the fine print of the NAFTA agreement was a provision that allowed tariffs to be restored if the U.S. broom industry got hurt. Other industries are not so lucky, and don't have such provisions. They are being swept under.

INDUSTRIES EXPERIENCING JOB LOSSES

Let's take a closer look at the industries in which we are losing jobs and job opportunities under NAFTA. The study released today by the Economic Policy Institute provides some estimates of where we are losing jobs.

Our exports to Mexico have been mostly capital goods and intermediate inputs which are used to build and supply factories that assemble final products for export back to the United States.

With Mexico, we have lost over 85,000 jobs and job opportunities in auto, auto parts, and vehicles. Another 60,000 jobs were lost in electrical equipment, such as televisions and other electronic equipment. Over 26,000 jobs in nonelectrical machinery and 20,000 jobs in scientific and professional equipment were lost to Mexico.

In our trade with Canada, we have lost over 53,000 jobs and job opportunities in the paper and allied products industry. We have also lost jobs in autos, auto parts, and vehicles to Canada. This accounts for some 38,000 jobs. Another industry where we have lost jobs and job opportunities to Canada has been in the production of primary metal products. That is a loss of 26,000 jobs.

Now, these are not what is normally considered unskilled jobs. These are jobs that traditionally have paid good salaries and provided an industrial base for our country.

The fact is that manufacturing jobs have been the hardest hit within the trade framework established by NAFTA. According to the Economic Policy Institute, 73 percent of the jobs lost to our NAFTA trading partners have been lost in the manufacturing sector.

That should be of great concern to this country. Our manufacturing base has been what has provided good paying jobs for the bulk of American families. As we shift to buying more and more of our manufactured goods from beyond our own borders, we are also experiencing both a shift in jobs and an overall loss in jobs.

According to the EPI study, the United States has had a net loss of 483,633 jobs to our NAFTA trading partners since NAFTA took effect. That reflects an total job loss of 883,717 jobs, while our trade with Canada and Mexico created 400,085 jobs. Since almost three-quarters of the net job losses were in the manufacturing sector, this further underscores that we are losing our better paying jobs.

NAFTA BENCHMARKS

As a nation we need to begin systematically measuring how our trade agreements are doing. Are they living up to their promises?

Are they providing mutually beneficial reciprocal opportunities that strengthen the economies of the participating countries? Are they helping to improve the standard of living in each of the countries or are they pitting one nation against another down to the lowest common denominator?

Those are the type of questions we are asking within the NAFTA Accountability Act. We are asking these questions in nine specific areas. In three areas we are requiring some renegotiation of NAFTA so it can deal with issues of significant trade deficits, currency exchange rates, and agricultural trade distortions.

The other six areas are matters of ensuring that the results are measured and certified. These include certifications in maintaining our manufacturing base; highway safety; health and environmental standards; jobs, wages, and living standards; rights and freedoms; and, controlling drug trafficking.

We need to make NAFTA accountable. If it doesn't measure up then we need to withdraw from it. We need trade agreements that work. America can no longer afford trade agreements that work against our long-term economic interests.

That is why I am pleased to be reintroducing this bill. I am also pleased that my colleagues, Senators BYRD, HEFLIN, CAMPBELL, WELLSTONE, HOLLINGS, INOUYE, and D'AMATO are joining in this effort to make NAFTA accountable.

ADDITIONAL COSPONSORS

S. 1014

At the request of Mr. NICKLES, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1014, a bill to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes.

S. 1317

At the request of Mr. D'AMATO, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of S. 1317, a bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 1995, and for other purposes.

S. 1493

At the request of Mr. LAUTENBERG, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 1493, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

S. 1540

At the request of Mr. BINGAMAN, his name was added as a cosponsor of S. 1540, a bill to amend chapter 14 of title 35, United States Code, to preserve the full term of patents.

S. 1735

At the request of Mr. PRESSLER, the name of the Senator from Vermont

[Mr. JEFFORDS] was added as a cosponsor of S. 1735, a bill to establish the United States Tourism Organization as a nongovernmental entity for the purpose of promoting tourism in the United States.

S. 1737

At the request of Mr. BUMPERS, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1737, a bill to protect Yellowstone National Park, the Clarks Fork of the Yellowstone National Wild and Scenic River and the Absaroka-Beartooth Wilderness Area, and for other purposes.

S. 1908

At the request of Mrs. FEINSTEIN, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1908, a bill to amend title 18, United States Code, to prohibit the sale of personal information about children without their parents' consent, and for other purposes.

S. 1954

At the request of Mr. HATCH, the name of the Senator from Kansas [Mrs. FRAHM] was added as a cosponsor of S. 1954, a bill to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment.

S. 1984

At the request of Mr. GRAHAM, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1984, a bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to require a 10 percent reduction in certain assistance to a State under such title unless public safety officers who retire as a result of injuries sustained in the line of duty continue to receive health insurance benefits.

S. 1999

At the request of Mr. NICKLES, the names of the Senator from Michigan [Mr. ABRAHAM] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 1999, a bill to define and protect the institution of marriage.

S. 2008

At the request of Mr. DASCHLE, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 2008, a bill to amend title 38, United States Code, to provide benefits for certain children of Vietnam veterans who are born with spina bifida, and for other purposes.

AMENDMENT NO. 5119

At the request of Mr. CHAFEE the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Ohio [Mr. DEWINE] were added as cosponsors of amendment No. 5119 proposed to H.R. 3754, a bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes.

SENATE RESOLUTION 286—TO COMMEND OPERATION SAIL

Mr. DODD (for himself, Mr. D'AMATO, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. WARNER, Mr. ROBB, Mr. BRADLEY, and Mr. LAUTENBERG) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 286

Whereas Operation Sail is a nonprofit corporation dedicated to building good will among nations and encouraging international camaraderie;

Whereas Operation Sail has represented and promoted the United States of America in the international tall ship community since 1964, organizing and participating in numerous tall ship events across the United States and around the world;

Whereas Operation Sail has worked in partnership with every American President since President John F. Kennedy;

Whereas Operation Sail has established a great tradition of celebrating major events and milestones in United States history with a gathering of the world's tall ships, and will continue this great tradition with a gathering of ships in New York Harbor on July 3 through July 8, 2000, called OpSail 2000, to mark the 224th birthday of the United States of America and to welcome the new millennium;

Whereas President Clinton has endorsed OpSail 2000, as Presidents Kennedy, Carter, Reagan, and Bush have endorsed Operation Sail in previous endeavors;

Whereas OpSail 2000 promises to be the largest gathering in history of tall ships and other majestic vessels like those that have sailed the ocean for centuries;

Whereas in conjunction with OpSail 2000, the United States Navy will conduct an International Naval Review; and

Whereas the International Naval Review will include a naval aircraft carrier as a symbol of the international good will of the United States of America: Now, therefore, be it

Resolved, That the Senate—

(1) commends Operation Sail for its advancement of brotherhood among nations, its continuing commemoration of the history of the United States, and its nurturing of young cadets through training in seamanship;

(2) encourages all Americans and citizens of nations around the world to join in the celebration of the 224th birthday of the United States of America and the international camaraderie that Operation Sail and the International Naval Review will foster; and

(3) encourages Operation Sail to continue into the next millennium to represent and promote the United States of America in the international tall ship community, and to continue organizing and participating in tall ship events across the United States and around the world.

Mr. DODD. Mr. President, it is my pleasure to rise today to submit a very special resolution in anticipation of OpSail 2000 and in recognition of the Operation Sail organization that has made events such as OpSail 2000 possible.

Mr. President, I am sure that many of my colleagues remember the glorious New York Harbor gatherings of the world's tall ships to mark several milestones in America's history: OpSail '76 celebrated the bicentennial of the Nation; OpSail '86 marked the centennial of the Statue of Liberty; and OpSail '92 commemorated the 500th anniversary of Columbus' discovery of the ''new world.''

In 2000, this grand tradition will continue. America, and indeed the entire world, will again be treated to the spectacular display of international friendship that is OpSail. OpSail 2000 will take place July 3–July 8, 2000 in New York Harbor to mark the 224th birthday of the United States of America and to welcome the new millennium. It is expected to be the largest gathering in history of the tall ships and other majestic vessels like those that have sailed the ocean for centuries.

As a symbol of good will of the United States of America, the U.S. Navy will conduct an International Naval Review, which will include a naval aircraft carrier. OpSail 2000 is endorsed by President Clinton, just as Presidents Kennedy, Carter, Reagan and Bush endorsed Operation Sail's previous endeavors.

Much like the Olympic games our country is currently hosting, OpSail events and Operation Sail are dedicated to building good will among nations, encouraging international camaraderie, and nurturing the leadership and athleticism of young people through training in seamanship. Furthermore, OpSail events and Operation Sail continually commemorate major events in the history of the United States, working in partnership with every American President since John F. Kennedy and representing and promoting the United States of America in the international tall ship community.

Mr. President, this resolution honors the tradition of the OpSail events—the advancement of international friendship and the celebration of milestones in U.S. history—and I urge my colleagues to embrace that tradition by supporting this resolution.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a field hearing has been scheduled before the Committee on Energy and Natural Resources to receive testimony on the issue of competitive change in the electric power industry. The hearing will focus on regional issues associated with competitive change.

The hearing will take place on Monday, September 9, beginning at 9 a.m. at the Champlain College Alumni Auditorium, on Maple Street in Burlington, Vermont 05401.

Those wishing to testify or submit written statements should write to the Committee on Energy and Natural Resources, United States Senate, Washington, D.C. 20510. For further information, please contact Shawn Taylor or Howard Useem.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 10 a.m. on Thursday, August 1, 1996, in open session, to receive an update on United States participation in implementation force mission in Bosnia.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, August 1, 1996, session of the Senate for the purpose of conducting a hearing on aviation security challenges.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, August 1, 1996, for purposes of conducting a full committee hearing which is scheduled to begin at 2 p.m. The purpose of this oversight hearing is to receive testimony on the implementation of section 2001 of Public Law 104–19, the Emergency Timber Salvage Amendment.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be granted permission to meet Thursday, August 1, immediately following the first vote in The President's Room, S–216, The Capitol, to consider the nominations of Nils J. Diaz and Edward McGaffigan, Jr., each nominated by the President to be a Member of the Nuclear Regulatory Commission and a committee resolution on a GSA public building proposal.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, August 1, 1996, at 10 a.m.

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

COMMITTEE ON THE JUDICIARY

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, August 1, 1996, at 10 a.m. to hold an executive business meeting.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. BURNS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, August 1, 1996 at 9:30 a.m. to hold an open hearing on Intelligence Matters.

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

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Mr. BURNS. Mr. President, I ask unanimous consent that the Subcommittee on Oversight and Investigations of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, August 1, 1996 for purposes of conducting a Subcommittee hearing which is scheduled to begin at 9:00 a.m. The purpose of the oversight hearing is to consider the propriety of a commercial lease by the Bureau of Land Management at Lake Havasu, AZ, including its consistency with the Federal Land Policy and Management Act and Department of the Interior land use policies.

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

ADDITIONAL STATEMENTS

COMMEMORATING THE BRAVERY OF THE 168th ENGINEER COMBAT BATTALION

● Ms. SNOWE. Mr. President, I rise today to pay tribute to the valor and courage of the 168th Engineer Combat Battalion, which celebrates the unveiling of its commemorative monument at Fort Devens, MA, later this month. During World War II, the 168th Engineer Combat Battalion was composed entirely of New Englanders, many of them residents of the State I have the good fortune to represent in this body: the great State of Maine. This brave group of soldiers defended freedom and democracy from the will of tyranny in the darkest days of World War II and the Vietnam conflict. As they reunite to remember their success and pay homage to their fallen comrades, I'd like to take a moment today to remember the unit's heroism.

Mr. President, any retelling of the pivotal events of the Second World War in Europe must include the deeds of the 168th. They were there with General Patton in July 1944 when the Allies landed on the beaches of Normandy as part of the D-day Invasion. For 10 hard but glorious months thereafter, the 168th provided the American ground forces in Europe with invaluable logistic support and an iron will that was crucial in turning back the ruthless advance of the Nazis across Europe.

Perhaps no single mission depicts the heroism, bravery, and grit of the 168th more clearly than its performance in the Ardennes offensive, also known as the Battle of the Bulge. When the forces of Hitler launched their desperate, last-ditch offensive into the heart of the Allied line during the winter of 1944, the 168th displayed the resiliency and courage for which it has come to be known. In hopes of fracturing the Allied line into its American and British components, the Nazi Army focused all of its lethal energy on breaking through the Allied line in Belgium. However, in doing so, the Nazis ran into the 168th, and the 168th stood fast. With their defiant stand at St. Vith, Belgium, the 168th was able to slow the Nazi assault and then provide the larger American force with the logistical support necessary to repel the Nazi war machine once and for all.

In remaining at St. Vith, the 168th endured the loss of half its personnel to casualty or Nazi apprehension. Yet, with the loss of every comrade, the depleted 168th exhibited even firmer resolve to drive the Nazis back across the line. They did so for each other, and they did so for America. But most of all, they refused to succumb to the Nazis because at that moment, the cause of freedom depended upon them. For its valor in battle and efficiency in duty, the 168th was deservingly awarded the Distinguished Unit Citation by the U.S. Army. The 168th was also awarded the Belgian Croix de Guerre, which was given to foreign forces by the Belgian Government for the defense of its nation during World War II.

As if the heroics of the 168th in World War II were not enough, it also served with distinction during the Vietnam conflict, 20 years later. Faced with the daunting task of establishing logistical lines of support in the harrowing jungles of Southeast Asia, the 168th again performed its tasks masterfully under heavy fire. For its repeated acts of bravery, the 168th received the Valorous Unit Citation and the Meritorious Unit Citation, and in doing so, reaffirmed its status as an elite unit of the U.S. Army Corps of Engineers.

Mr. President, as the remaining members of the 168th gather to unveil their monument at Fort Devens, I think it is appropriate that we all remember the intrepid nature displayed again and again by the members of the 168th when they were most needed. Whether they were ordered to forge roadways and cross rivers in the snowy countryside of Western Europe, or devise ways to destroy the vast tunnel systems underneath the steamy jungles of Southeast Asia, the 168th has performed its duties with honor and distinction. It is due to the heroism and sacrifice of people like the members of the 168th Engineer Combat Battalion that Americans enjoy the fruits of freedom today, and for that, we all owe them a deep and heartfelt debt of gratitude.

In honor of the contributions made by the 168th in the defense of freedom, I ask that the declarations honoring the 168th Engineer Combat Battalion made by the Governors of Maine and Massachusetts, as well as the Corps of Engineers poem be placed in the

RECORD in their entirety to commemorate the unveiling of the 168th Engineer Combat Battalion later this month.

The material follows:

PROCLAMATION—STATE OF MAINE

Whereas, the 168th Engineer Combat Battalion was activated in 1943, consisting of a large number of New England residents, many from Maine and Massachusetts; and

Whereas, since 1943, the 168th Engineer Combat Battalion has served with distinction in both World War II and the Vietnam War, earning five distinguished battle honors; and

Whereas, during the Battle of the Bulge, the 168th Engineer Combat Battalion held its position at St. Vith, Belgium from December 16 through December 23, 1944, and stopped the German thrust through the Ardennes; and

Whereas, following the Battle of the Bulge, the 168th Engineer Combat Battalion was awarded the Distinguished Unit Citation for extraordinary heroism against an armed enemy, and the Belgian Croix de Guerre for outstanding gallantry, heroic action, and bravery in the face of enemy action; and

Whereas, during the Vietnam War, the 168th Engineer Combat Battalion again served with distinction and was awarded the Valorous Unit Citation for heroic combat action on or after August 3, 1963, the Meritorious Unit Citation for outstanding service during a period of combat, and the Republic of Vietnam Civil Award for meritorious service and outstanding accomplishments over and above the call of duty; and

Whereas, it is appropriate that all Maine citizens recognize and honor the outstanding dedication, sacrifice, and tradition of the 168th Engineer Combat Battalion,

Now, therefore, I, Angus S. King, Jr., Governor of the State of Maine, do hereby proclaim the week of December 16–23, 1995 as the 168th Engineer Combat Battalion Days of Honor, throughout the State of Maine, and urge all citizens to recognize the many accomplishments of the 168th Engineer Combat Battalion.

PROCLAMATION—COMMONWEALTH OF MASSACHUSETTS

Whereas, the 168th Engineer Combat Battalion was activated in 1943, consisting of a large number of New England residents, many from Maine and Massachusetts; and

Whereas, since 1943, the 168th Engineer Combat Battalion has served with distinction in both World War II and the Vietnam War, earning five distinguished battle honors; and

Whereas, during the Battle of the Bulge, the 168th Engineer Combat Battalion held its position at St. Vith, Belgium from December 16 through December 23, 1944, and stopped the German thrust through the Ardennes; and

Whereas, following the Battle of the Bulge, the 168th Engineer Combat Battalion was awarded the Distinguished Unit Citation for extraordinary heroism against an armed enemy, and the Belgian Croix de Guerre for outstanding gallantry, heroic action, and bravery in the face of enemy action; and

Whereas, during the Vietnam War, the 168th Engineer Combat Battalion again served with distinction and was awarded the Valorous Unit Citation for heroic combat action on or after August 3, 1963, the Meritorious Unit Citation for outstanding service during a period of combat, and the Republic of Vietnam Civil Award for meritorious service and outstanding accomplishments over and above the call of duty; and

Whereas, 1994 marks the fiftieth anniversary of the 168th Engineer Combat Battalion's distinguished service during the Battle of the Bulge; and

Whereas, it is appropriate that all Massachusetts citizens recognize and honor the outstanding dedication, sacrifice, and tradition of the 168th Engineer Combat Battalion;

Now, therefore, I, William F. Weld, Governor of the Commonwealth of Massachusetts, do hereby proclaim December 16th through December 23rd, 1994, as the 168th Engineer Combat Battalion Days of Honor, and urge all the citizens of the Commonwealth to take cognizance of this event and participate fittingly in its observance.

CORPS OF ENGINEERS

(Author unknown, Korea, 1951)

They have a song about the Army, the Navy, and the Marines
They've got one for the Air Force, in fact the whole darn works, it seems
But they have never taken the trouble, though we have served them for years
To every write a poem, for the Corps of Engineers
We build the roads and airfields, their pipe lines and their camps
From underground munition dumps to concrete landing ramps
Railroads, dams and bridges, electric power lines
Canals, docks and harbors, even coal and iron mines
But the engineers aren't kicking, for when the Army is moving in:
We know it's just another place where we've already been
Before the Army got there, we had to break the ground
And build it all to suit their needs, solid safe, and sound
If the Army and Navy ever look on heavens scenes
They will find the streets guarded by the United States Marines
Who will guard the streets up there, we aren't disposed to say
But we offer this suggestion, if they look at a thing that way
When the Marines have taken over on the land that has no years
They will find it was designed by the Corps of Engineers.

RETIREMENT OF JOHN J. SHEEHAN

• Mr. DODD. Mr. President, I rise today to pay tribute to an outstanding labor leader and an outstanding American. John J. ''Jack'' Sheehan is retiring after 29 years as legislative director of the Steelworkers of America and a total of 45 years of service to his union and all working people. He has served as an assistant to three presidents of the Steelworkers: Lloyd McBride, Lynn Williams, and George Becker.

During his 10 years in the Steelworkers' Washington office, Jack Sheehan has been at the forefront of some of the most important legislative battles in our history, including the creation of the Occupational Safety and Health Act [OSHA], the Mine Safety and Health Act, the Employee Retirement Income Security Act [ERISA], the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, and much more.

Jack Sheehan was born and raised in the Bronx. He was the son of Irish immigrants. His father drove a truck for the New York City Sanitation Department. Jack learned early in his life about the daily struggles of working men and women who worked hard, who toiled through the Great Depression of the 1930s, and who fought and won World War II in the 1940s.

He saw the destructive effects of discrimination in our society and became a champion of the cause of civil rights and equal opportunity.

He saw how poverty deprived people of their dignity and became an advocate for social and economic development programs that promised millions of Americans a better life.

He knew how important a clean and healthy environment is to the lives and well-being of all Americans and became an environmental advocate.

He understood that the labor movement is a progressive force for social and economic change that could better the lives of millions of Americans.

Upon graduating from St. Joseph's College in 1951, he joined the administrative staff of the United Steelworkers of America. In 1952, he was appointed auditor under the secretary-treasurer's office and traveled extensively throughout the United States on behalf of the union. In 1959, Jack came to the Steelworkers' Washington, DC, legislative office and launched a career as a labor lobbyist that has been nothing short of spectacular.

Jack worked to ensure the passage of the Manpower Training and Development Act and the Area Redevelopment Act. He was one of the first labor leaders to stand with the environmental movement for clean air and clean water. He continues to serve as a board member of the Natural Resources Defense Council. He is also one of the founding members of the Consumer Federation of America.

Perhaps the single most important fight of Jack's long and distinguished career was the fight to save the lives and health of workers on the job. Jack committed himself totally to securing the passage of OSHA, despite strong business opposition and even some opposition within the ranks of the labor movement. OSHA recently marked its 25th anniversary. It has been estimated that since the passage of OSHA, more than 150,000 workers' lives have been saved because of this law. There probably would not have been an OSHA law passed in 1970 had it not been for the steadfast leadership and determination of Jack Sheehan.

ERISA was written in 1974 because thousands of American workers were losing their pensions and their right to retire with financial security when their employers went out of business. Jack worked tirelessly to see that Congress passed ERISA. America's working men and women are better off today because Jack Sheehan was here in the halls of Congress on their behalf.

Mr. President, Jack Sheehan's career is a tribute to his intelligence and determination. I know that my colleagues in the Senate join me in extending to Jack our very best wishes

upon his retirement from the Steelworkers. Jack Sheehan has truly been a ''Man of Steel'' for the Steelworkers and all American workers.●

S. 1729, THE INTERSTATE STALKING PUNISHMENT AND PREVENTION ACT OF 1996

Mr. FAIRCLOTH. Mr. President, I rise today in support of the Interstate Stalking Punishment and Prevention Act of 1996. For far too long, the victims of stalkers have lived in fear and insecurity. This legislation, introduced by Senator HUTCHISON, will give them the protection they need and deserve. At this time, this bill is awaiting action in the Judiciary Committee. I urge my fellow Senators on both sides of the isle to support bringing it to the floor as quickly as possible. The safety of stalking victims can not be delayed.

Experts estimate that there are close to 200,000 people who are currently stalking someone, and approximately 400,000 protective or restraining orders are issued each year. Currently, stalkers can follow their victims when they cross State lines, knowing full well that any restraining orders pertaining to them are rendered useless upon leaving the State that they were issued in. Common sense demands that this situation needs to be fixed.

This bill will make it a felony for a person to cross State lines in order to harass or injure their victim. We are not decreasing the power or role of the State authorities by making stalking a Federal crime. Stalking will remain a State crime. This legislation will allow local and State authorities to work with the Justice Department and apply all of their resources in the apprehension and conviction of these criminals. A stalker convicted under this law will be subject to one of several penalties: 5 years if State lines are crossed, 10 years if the victim is seriously harmed, 20 years if the victim is permanently scarred, and life imprisonment if the victim is killed. I have and always will be an advocate of matching the punishment to the crime. The strong penalties within this bill are steps in the right direction in the war against crime.

The Violence Against Women Act of 1993 defined a stalking victim as an ''intimate partner or spouse.'' This bill will change that term to ''victim,'' allowing protection for all people who are stalked, whether by strangers or otherwise. Again, common sense will prevail. Of course the protection of stalking victims should be universal and apply to all victims, whether they are a wife, a girlfriend, a coworker, or a total stranger.

Mr. President, this is a law that will protect stalking victims and allow them to travel, without fear, as all citizens should, throughout our country. With respect to family members, this bill will help ease their worries. I can only imagine the terror that families feel when one of their own is being stalked. With this thought, I urge my colleagues to stand with me in support of this bill and in support of all the victims who have suffered at the hands of stalkers.

MUTUAL AID AGREEMENT

● Mr. ROBB. Mr. President, I rise today to speak about House Joint Resolution 166, a bill we passed late last night, to grant the consent of Congress to the Mutual Aid Agreement between the city of Bristol, VA, and the city of Bristol, TN. Specifically, this bill would allow law enforcement officers in the cities of Bristol, VA, and Bristol, TN, when requested by the adjoining city, to cross State lines in the performance of their duties and operate with full authorization in the adjoining city once there.

Last May, I met with members of the Bristol Chamber of Commerce and discussed the need to alleviate Federal hurdles that keep the two cities from working together to address a host of municipal issues. The Virginia-Tennessee State line cuts across State Street in Bristol, which is the cities' main thoroughfare. Often, jurisdictional confusion and restrictions on law enforcement personnel caused by the location of the State line complicate anticrime activities on the bustling street. Under current law, the cities are prohibited from assisting each other in law enforcement efforts. To address the problem, the two cities adopted a mutual aid agreement to allow each city to provide law enforcement and emergency assistance to one another. Under the terms of the agreement, the responding city could provide a maximum of 50 percent of available personnel and resources to the requesting city.

The mutual aid agreement has been fashioned according to the cities' respective State statutory requirements. Because the mutual aid agreement is an interstate compact, it requires congressional approval. Additionally, section 15.1–131 of the 1950 Code of Virginia, as amended, also requires congressional approval for multi-state agreements to which Virginia or one of its localities is a party.

I am pleased that the Senate was able to move this bill quickly. This could not have happened without the full cooperation of the Senators from both States. Representatives BOUCHER and QUILLEN should also be recognized for introducing this legislation and sheparding it through the House.

The two cities of Bristol share common interests and common problems, and now with passage of this bill, the two cities will be able to work more cooperatively for the betterment of all the citizens of Bristol.●

NEW HAMPSHIRE OLYMPIAN LYNN JENNINGS

● Mr. SMITH. Mr. President, I rise today to pay tribute to Lynn Jennings of Newmarket, NH, for her competition in the 1996 Summer Olympic Games in Atlanta. Lynn competed in the 5,000-meter run Friday July 26 and was the first American to cross the finish line. New Hampshire is proud of her dedication and commitment to training for such a competitive sport.

At age 36, this is Lynn's third time to compete with the U.S. Olympic track team. Lynn's long career exemplifies marks of distinction and excellence. She competed in the 1988 Olympics in Seoul and in the 1992 Barcelona Olympics she became the only American woman to earn a distance medal when she took home the bronze in the 10,000-meter run. Previously, the greatest distance in which an American woman had medaled was 800-meters and Lynn broke that record. Lynn has also been the World Cross Country Champion three times, holding the title from 1990–1992. She is an eight time National Cross Country Champion and holds American records in the 10,000-meter, indoor 3,000-meter, and the 8- and 10-kilometer road courses.

Lynn's distinguished record is the mark of an Olympian and a champion. She has pursued her sport with determination, followed her dream, and embodied the Olympic spirit. New Hampshire has followed her career and she has made the Granite State proud. Many people from New Hampshire watched Lynn compete last Friday and join me in saluting her for representing them at the 1996 Summer Olympic Games. I commend her for her efforts in Atlanta and wish her other running successes at future competitions. Congratulations Lynn.●

THE 90TH ANNIVERSARY OF THE MUTUO CLUB OF BARRE, VT

● Mr. LEAHY. Mutuo Soccorso. In Italian, it means society of mutual aid. But for my Italian immigrant grandfather who worked in the granite quarries of Barre and South Ryegate, VT, it meant much, much more.

It meant financial security in the days before Social Security and Medicare. It meant affordable health care when they could not afford health insurance. It meant they had a second family when their families were thousands of miles away in their homeland. To Peter and Vincenza Zambon, my grandparents, Mutuo Soccorso meant the Mutuo Club of Barre, VT.

Mr. President, I am proud to celebrate the 90th birthday of the Mutuo Club, the Italian-American club of central Vermont. Since 1906, the Mutuo Club has represented the finest values of our immigrant heritage—a special sense of community and friendship.

The Mutuo Club was first established as an offspring of the old society clubs in Italy during the 19th century. Members of the Mutuo paid so much a week into a common fund to help when they and their families got sick. The Mutuo fund helped pay the doctor and hospital

bills. Members of the Mutuo pulled together to help each other. Each member was in effect his brother's keeper.

When my grandfather came to Vermont from Italy, he went to the granite quarries to earn a modest living. Life was not easy—tough work, low pay, and health hazards. But in this foreign land, he had the Mutuo Club as a special community to share friendships in good times and a helping hand in bad times.

I remember as a small child walking with my grandfather down the streets of downtown Barre. He would often stop in the street to visit with fellow Mutuo Club members. They would tell stories, plan to help each other, or just learn the latest joke. I remember sensing a special bond of community and friendship between my grandfather and the other Italian-Americans of the Mutuo Club.

Now, the Mutuo Club is open to Americans of all nationalities. And that same special bond of community and friendship enjoyed by my grandfather is still shared by members of the Mutuo Club today.

Mr. President, the Mutuo Club is a living tribute to that special bond. In celebrating the Mutuo Club's 90th birthday, we celebrate that special sense of community and friendship shared by the Mutuo Club members of yesterday, today, and tomorrow.●

STEPHEN NORTH, NEW HAMPSHIRE'S SECONDARY SCHOOL PRINCIPAL OF THE YEAR

● Mr. SMITH. Mr. President, I rise today to pay tribute to Stephen North for being named New Hampshire's Secondary School Principal of the Year. Steve is the principal of Profile Junior and Senior High School in Bethlehem, NH, a position he has held since 1977. As a former teacher and school board chairman myself, I congratulate him for receiving this prestigious award.

Steve celebrates a long and distinguished career in education. He has been a teacher at Hanover High School, Curriculum Coordinator for the Dresden-Hanover School Districts, and both principal and assistant principal at Frances C. Richmond Middle School in Hanover. Steve's 18 years in education have been marked with success and leadership in this regional school district. He has built a reputation for excellence and achievement in many areas, from teacher to administrator. An example of Steve's achievement is the completion of much needed additions and renovations for Profile Junior and Senior School. This project, under his leadership, was completed in just 5 years.

Steve's achievements can be seen in more than new buildings, he has earned the respect and admiration of his colleagues for his efforts. He is an excellent role model for his peers because of his professional activities, leadership abilities, and commitment to community. Steve is involved in various educational organizations including the New England Association of Schools and Colleges, the New Hampshire Association of School Principals, and the North Country Principals Association.

Teachers and students alike admire Steve for what he has done for the school. He is known as someone who mentors new teachers, encourages innovation, promotes professionalism, and creates a sound educational environment. Under his supervision, Profile Junior and Senior High won the 1995 Sportsmanship Banner for exemplifying the positive tenets of good sportsmanship. This type of achievement reflects the type of motivation Steve provides for his school.

Our children are very important to our future and I am proud to see that they are in such capable hands. New Hampshire is fortunate to have such a talented educator and administrator like Steve North. I commend Steve for his outstanding career in the field of education.●

WEST VIRGINIAN RECEIVES VA 1996 EXCELLENCE IN NURSING AWARD

● Mr. ROCKEFELLER. Mr. President, on June 6 of this year, the Department of Veterans Affairs presented four very prestigious awards recognizing excellence in nursing. I am proud to congratulate all of these nurses, but I am especially proud of a fellow West Virginian, Sharon Shade, the recipient of VA's 1996 LPN of the year award. Sharon's performance in the nursing home care unit of the Martinsburg, VA Medical Center is truly outstanding. As a member of the Martinsburg community, she has made a great difference.

Sharon has made many changes, both big and small, that have improved the lives of her patients. Because she works with the patients on a one-on-one basis, she learns about their interests while determining their needs. For example, she found out that a reclusive patient had an interest in music. With her help and encouragement, he began to DJ at the noon meals and is now a thriving member of the high-level communication group. A bedridden patient now joins the noon dining group with the help of a walker, due to Sharon's special attention. These are just a few examples of the changes Sharon has made in the lives of individual patients.

Sharon is truly creative and original in her approach to care, with ideas that benefit the entire program. One of her more innovative techniques includes an Adopt-A-Plant program. Here patients can adopt a plant to take care of, giving them a sense of hope. Another program includes a reminiscence group in which the patients talk about days gone by. Sharon also arranged to move wheelchair-bound patients nearer to the windows in the dining hall where they can get a better view of the outdoors. These simple, yet thoughtful acts have made an enormous difference in the overall morale of both the residents and staff.

Sharon is known for her dedication to her profession. She is constantly working to make things better for her patients and for the staff. In addition to attending meetings and training seminars, she took initiative in developing her own survey to evaluate the program. To lend support to her coworkers, she has implemented a monthly restorative LPN meeting where she shares ideas and literature. She is praised by fellow members of the staff, her patients, and their families for her tireless efforts. The human spirit needs support and encouragement, both of which Sharon has generously given.

I am proud to recognize Sharon Shade and her remarkable talent for making the lives of the veterans at Martinsburg better. It is clear that Sharon is a valuable asset to her staff, her profession, her patients, and our State of West Virginia. Her commitment to her profession and her community makes me enormously proud to say that she is a fellow West Virginian.●

MICHAEL TOCCI, NEW HAMPSHIRE'S ELEMENTARY SCHOOL PRINCIPAL OF THE YEAR

● Mr. SMITH. Mr. President, I rise today to pay tribute to Michael Tocci for being named New Hampshire's Secondary School Principal of the Year. Mike is the principal of Gilford Elementary School in Gilford, NH, a position he has held since 1964. As a former teacher and school board chairman in the Lakes Region myself, I congratulate him for receiving this prestigious award.

Mike celebrates a long and distinguished career in education. He received his bachelors in education in 1967 his masters in public school administration and Supervision in 1973 from Plymouth State University. Mike has served as teaching principal at Danbury Elementary and supervising elementary principal for Newfound Area School District in Bristol. In his 30-year career, he has built a reputation for excellence and achievement in many areas, from teacher to administrator.

Mike is known among his colleagues for his leadership, enthusiasm, dedication, and contribution to children's education. His honest and caring spirit is reflected in the school's positive atmosphere. As an individual of distinction, Mike provides an excellent role model for his students and his teachers. He is admired by his school and his community for his concern and his commitment to community development.

Granite State children are fortunate to have such a talented educator and administrator committed to their education. Gilford Elementary School's success and achievement is reflective of the outstanding leadership Mike has

provided. Our children are very important to our future and I am pleased to know that they are in such capable hands. I commend Mike for his outstanding career in the field of education and congratulate him for his dedication.●

SMITHSONIAN INSTITUTION NATIONAL AIR AND SPACE MUSEUM EXTENSION

● Mr. ROBB. Mr. President, I rise today to celebrate the Senate's passage last night of S. 1995, legislation I cosponsored to authorize construction of a Smithsonian Institution National Air and Space Museum extension at Washington Dulles International Airport. This Dulles center, which will be built without any Federal funds, will provide crucial additional exhibit space for displaying national aviation treasures to the public.

The current Air and Space Museum on the Mall is filled to capacity. There is no room to store any more of our large, invaluable aviation artifacts. These artifacts are currently stored in warehouses, hidden from the public, and some even stored outside, where they are exposed to the elements. The passage of S. 1995 places us on track to provide a safe and secure facility to house and preserve, for the public, these historical aircraft and spacecraft such as the B–29 *Enola Gay*, the Space Shuttle *Enterprise*, and the SR–71 *Blackbird*. This bill seeks to save these irreplaceable artifacts for our children and our future generations.

Mr. President, in 1946, President Truman, believing in the importance of preserving our historical aircraft, signed Public Law 722 establishing the National Air Museum. Twenty years later, in 1966, President Johnson understood the importance of this museum and signed the law authorizing construction of a National Air and Space Museum, which expanded the museum's collection efforts to include spacecraft and lunar artifacts. This museum was built on the National Mall here in Washington, opening its doors in 1976 and becoming the world's most visited museum, averaging over 8 million visitors per year.

In keeping with this tradition of preservation and planning for the future, the Senate has passed S. 1995. When it becomes law, we will be able to house historical air and spacecraft, underscoring the major advances we have developed and the contributions to history we have made. Construction efforts for the Air and Space extension at Dulles, estimated to cost $200 million, represents exemplary coordination between public funds from the Commonwealth of Virginia and private sources. It is expected that the Smithsonian Institution National Air and Space Museum Dulles Center could be completed by 2003, in time for the 100 year anniversary of the Wright Brothers' first flight. This Dulles Center is an incredible, historical effort that will be a benefit to us now and for generations to come.●

NEW HAMPSHIRE OLYMPIAN, BARBARA MAROIS

● Mr. SMITH. Mr. President, I rise today to pay tribute to Barbara Marois of Dover, NH for her competition in the 1996 summer Olympic games in Atlanta. Barb captained the women's field hockey team in their impressive series of games. This year's Olympic hockey team is the best team the United States has ever fielded. New Hampshire is proud of Barb's dedication and commitment to training for such a competitive sport.

Barb competed with the 1988 U.S. Olympic field hockey team in Seoul and this year she led the team into competition on home turf. Her long sports career, beginning 10 years ago, bears the marks of distinction and excellence. Barb has competed in 119 international contests and her team placed third in the 1994 World Cup. Field hockey has been gaining popularity over recent years, largely because of outstanding athletes in the sport like her.

The women's field hockey team gave an outstanding performance at this year's Olympic games. They defeated the No. 2 ranked South Korean team with a 3–2 victory and tied the well-respected Dutch team with a score of 1–1. Incidentally, the final point in the game with South Korea was scored by Barb from one of the penalty corners. She is known as a steady defensive force and a powerful weapon on penalty corners by her teammates. During the games she scored one goal and had 38 interceptions and 3 steals.

Barb is arguably one of the keys to the field hockey team's improvement over the last few years. This national team captain is the team mentor and maker of history in field hockey. She is a three time U.S. Field Hockey Association Female Athlete of the Year and has been an assistant coach at her alma mater, the University of New Hampshire.

Barb's distinguished record is the mark of an Olympian and a champion. Her driving sprit has enabled her to pursue her sport with determination and follow her dream. New Hampshire has followed her career and she has made the Granite State proud. Many people watched Barb lead the women's field hockey team. I join them in saluting her for representing them at the 1996 summer Olympic games and I commend her for her efforts in Atlanta. Congratulations Barb.●

NATIONAL SCHOOL NURSE OF THE YEAR

● Mr. ROCKEFELLER. Mr. President, I rise today to pay tribute to a West Virginian who serves as a model and inspiration for the entire Nation. On June 26, 1996, Denice Reese, of Hendricks, WV, was named ''National School Nurse of the Year'' by the National Association of School Nurses. Along with all the people of West Virginia, I am proud of the accomplishments of Denice Reese. She is an example of dedicated and skilled school nurses everywhere, and especially of the 127 school nurses of West Virginia. I join her colleagues in recognition and praise for her service to the children and families of the Tucker County, WV, school system.

Denice Reese is the first—and only—school nurse for the 4 schools and 1,400 students of Tucker County, whom she has served for the past 8 years. By naming her the ''National School Nurse of the Year,'' her peers have recognized her outstanding work in this rural school district with many needs but few resources.

Among her professional accomplishments, she helped get the Tucker County system designated as a pilot area for the Healthy Schools project. She has been an innovative leader, and has created model student and faculty health education programs. She has collaborated with other professionals to optimize the use of school system resources for health promotion and disease prevention.

At a time when health, nutrition, and education programs for our Nation's children are in jeopardy, the work of the country's school nurses stands as an inspiration and reminder that our children are our future. On behalf of all Americans who are working to ensure that the Nation maintains its investment in the health and well-being of its children, I express gratitude for the partnership of our school nurses. Mr. President, I congratulate Denice Reese on her accomplishments, and wish her all the best as she continues her important work on behalf of the people of Tucker County.●

BARRY ALBERT, NEW HAMPSHIRE'S MIDDLE SCHOOL PRINCIPAL OF THE YEAR

● Mr. SMITH. Mr. President, I rise today to pay tribute to Barry Albert for receiving New Hampshire's Middle School Principal of the Year award. Barry is principal of Franklin Middle School, a position he has held since 1990. As a former teacher and school board chairman myself, I congratulate him for receiving this prestigious recognition.

Barry has had a long and distinguished career in education. He graduated from Plymouth State College in 1970 with a bachelors degree in secondary education and earned a master's in learning disabilities and special education from Rivier College in 1977. In addition, Barry was a teacher at Merrimack High School and the coordinator of Raymond Middle School. For over 20 years he has been serving the students of New Hampshire and pursuing excellence in education. He has built a reputation for achievement among his colleagues in many areas, from teaching to administration.

Barry is known in his school for his leadership, initiative, and dedication to education. Among other achievements, Barry re-started and re-organized the Student Congress at Franklin Middle School. His first concern is always for the students and he is unfailing in his commitment to support school activities while constantly seeking to ensure that students are receiving the best possible education. Barry also created a positive action program at Franklin Middle School, just another of the many ways he serves his school and community.

Barry is the personification of an excellent middle school principal and the community can be certain that Barry is dedicated to his students. Franklin Middle School's success and development attests to Barry's outstanding leadership. The Granite State is fortunate to have such a talented educator and administrator devoted to the education of our children. I commend Barry for his exemplary career in education and congratulate him for his dedication.●

S. 1130—THE FEDERAL FINANCIAL IMPROVEMENT ACT OF 1996

● Mr. GRASSLEY. Mr. President, I rise today to support the Federal Financial Improvement Act. I want to thank Senator BROWN, and our 11 cosponsors, for their individual efforts. I believe that the business of the people should be done as efficiently and effectively as possible. Finding a uniform standard of accounting for the executive branch agencies will be an important element of that efficiency and effectiveness. This bill will lead us to that uniform standard.

It is impossible to measure the efficiency and effectiveness of the many Federal agencies when each may use a different accounting standard for making their records or books. For each to use a different standard is as if each speaks and writes in a different language that is foreign to the next. They cannot understand each other, and the story of their work cannot be written.

Therefore, the legislative branch cannot measure their efficiency and effectiveness. We cannot reconcile the consolidated Federal books. We cannot determine the presence of the relative financial failures or financial successes.

This is why this legislation is so important to the American people. The Federal Financial Management Improvement Act is crucial to efficiently and effectively doing the people's work, and it has my solid support.●

MAKING UP FOR LOST TIME

● Mr. SIMON. Mr. President, a former staff member of mine, Alice Johnson, now with the National Institute for Literacy sent me a copy of an article by Richard Wolkomir that appeared in the Smithsonian magazine.

It tells the story of Richard Wolkomir and another person teaching Ken Adams how to read at the age of 64.

In some ways it is a sad story, looking at his background and looking at all the years that could have been enriched.

But it is a story that ought to inspire all of us to do better.

We ought to have a national effort on literacy.

Mr. President, I ask that this article from the Smithsonian be printed in the RECORD.

The article follows:

[From the Smithsonian, August, 1996]

MAKING UP FOR LOST TIME: THE REWARDS OF READING AT LAST

(By Richard Wolkomir)

I decide simply to blurt out, ''Ken?'' I ask. ''Why didn't you learn to read?''Through the Marshfield community center's window, I see snowy fields and the Vermont village's clapboard houses. Beyond, mountains bulge. ''I was a slow learner,'' Ken says. ''In school they just passed me along, and my folks told me I wasn't worth anything and wouldn't amount to anything.

Ken Adams is 64, his hair white. He speaks Vermontese, turning ''I'' into ''Oy,'' and ''ice'' into ''oyce.'' His green Buckeye Feeds cap is blackened with engine grease from fixing his truck's transmission, and pitch from chain-sawing pine logs. It is 2 degrees below zero outside on this December afternoon; he wears a green flannel shirt over a purple flannel shirt. He is unshaven, weather reddened. He is not a tall man, but a lifetime of hoisting hay bales has thickened his shoulders.

Through bifocals, Ken frowns at a children's picture book, Pole Dog. He is studying a drawing: an old dog waits patiently by a telephone pole, where its owners abandoned it. He glares at the next pictures. Cars whizzing by. Cruel people tormenting the dog. ''Looks like they're shootin' at him, to me!'' he announces. ''Nobody wants an old dog,'' he says.

Ken turns the page. ''He is still by the pole,'' he says. ''But there's that red car that went by with those kids, ain't it?'' He turns the page again. The red car has stopped to take the old dog in, to take him home. ''Somebody wants an old dog!'' Ken says. ''Look at that!''

This is my first meeting with Ken. It is also my first meeting with an adult who cannot read.

I decided to volunteer as a tutor after a librarian told me that every day, on the sidewalks of our prim little Vermont town. I walk by illiterate men and women. We are unaware of them because they can be clever at hiding their inability to read. At a post office counter, for instance, when given forms to fill out, they say, ''Could you help me with this? I left my glasses home.''

Ken Adams is not alone in his plight. A 1993 U.S. Department of Education report on illiteracy said 21–23 percent of U.S. adults—about 40 million—read minimally, enough to decipher an uncomplicated meeting announcement. Another 25–28 percent read and write only slightly better. For instance, they can fill out a simple form. That means about half of all U.S. adults read haltingly. Millions, like Ken Adams, hardly read at all.

I wanted to meet nonreaders because I could not imagine being unable to decipher a street sign, or words printed on supermarket jars, or stories in a book. In fact, my own earliest memory is about reading. In this memory, in our little Hudson River town, my father is home for the evening from the wartime lifeboat factory where he is a foreman. And he has opened a book.

''Do you want to hear from Peter Churchmouse?'' my father asks. Of course! It is my favorite, from the little library down the street. My father reads me stories about children lost in forests. Cabbage-stealing hares. A fisherman who catches a talking perch. Buy my favorite is Peter Churchmouse, a small but plucky cheese addict who befriends the rectory cat. Peter is also a poet, given to reciting original verse to his feline friend during their escapades. I cannot hear it enough.

My father begins to read. I settle back. I am taking a first step toward becoming literate—I am being read to. And although I am only 2, I know that words can be woven into tales.

Now, helping Ken Adams learn to read, I am re-entering that child's land of chatty dogs and spats-wearing frogs. Children's books—simply worded, the sentences short—are perfect primers, even for 60-year-olds who turn the pages with labor-thickened fingers and who never had such books read to them when they were children.

''Do you remember what happened from last time?'' asks Sherry Olson, of Central Vermont Adult Basic Education, who tutors Ken and hour and a half each week.

I have volunteered as Sherry's aide. My work requires too much travel for me to be a full-fledged tutor. But I am actually relieved, not having sole responsibility for teaching an adult to read. That is because—when I think about it—I don't know how I read myself. I scan a printed page; the letters magically reveal meaning. It is effortless. I don't know how I do it. As for teaching a man to read from scratch, how would I ever begin?

Sherry, a former third-grade teacher, gives me hints, like helping Ken to learn words by sight so that he doesn't have to sound out each letter. Also, we read stories so Ken can pick out words in context. Ken reads Dr. Seuss rhyming books and tales about young hippopotamuses helping on the family farm. At the moment, we are reading a picture book about Central American farmers who experience disaster when a volcano erupts.

''The people had to move out, and put handkerchiefs over their noses!'' Ken says, staring at the pages. He starts to read: ''They . . . prayed? . . . for the . . . fire? . . .'' ''Yes, that's right, fire,'' Sherry says. ''They prayed for the fire to . . . go out?'' ''That word is 'stop,'" Sherry says.

I listen carefully. A few sessions ahead, it will be my turn to try teaching. ''They prayed for the fire to stop,'' Ken says, placing a thick forefinger under each word. ''They watched from the s . . .'' ''Remember we talked about those?'' Sherry says. ''When a word ends in a silent e, what does that silent e do to the vowel?'' ''It makes it say itself,'' Ken says. ''So what's the vowel in s-i-d-e?'' she asks. ''It's i, and it would say its own name, i,'' Ken says, pronouncing it ''oy.'' ''So that would be 'side.'" ''Good,'' Sherry says.

Ken reads the sentence: ''They watched from the side of the hill!'' He sounds quietly triumphant. ''They-un,'' he says, in backcountry Vermontese. ''That's done it.''

After the session, I stand a few minutes with Ken in the frozen driveway. He has one foot on the running board of his ancient truck, which he somehow keeps going. He tells me he was born in 1931 into a family eking out an existence on a hardscrabble farm. His trouble in school with reading is puzzling, because Ken is intelligent.

For instance, he says he was late today because he had to fix his truck. And now he launches into a detailed analysis of the transmission mechanisms of various species of trucks. Also, during the tutoring session, we played a game that required strewing

word cards upside down on a table and remembering their locations. Ken easily outscored both Sherry and me in this exercise.

Ken described himself as a ''slow learner,'' but clearly he is not slow. Sherry had told me he probably suffers from a learning disability. People with these perceptual disorders experience difficulties such as seeing letters reversed. Although their intelligence may actually be above average, learning to read is difficult for them. they need individual tutoring.

''It was a one-room school, with eight grades, so I didn't get much attention there,'' Ken tells me. ''It was just the same as the folks at home were doing when they kicked me along through the grades, and when you got to be 16, that's when they kicked you out.''

After he left school, he left home. ''Then you knock around, one farm to another,'' he says. ''I'd get $15 a week, and room and board.'' Besides farming, he worked in bobbins mills and sawmills and granite quarries. ''Then I was at a veneer mill in Bradford,'' he says. '' After that I was caretaker at a farm for six years until I had to give it up because I had heart attacks.''

Now he subsists on a $400-a month Social Security disability pension plus $90 a month in food stamps. He lives alone in a farmhouse he built himself more than 25 years ago, five miles up a mountain dirt road. He earns money for his medicines by cutting firewood, haying, digging postholes with his tractor, snowplowing an cutting brush. ''I'm doing odds-and-ends jobs where you can take your time, because the doctor told me I have to stop whenever I fell I need to rest,'' he says.

He cannot afford electricity from the power company, but he gets what current he needs, mostly for lights by—ingeniously—drawing it from car batteries. To recharge the batteries, he hooks them up in his truck for a day. He also can charge them with a diesel generator. He waits until prices dip to buy fuel for his generator and tractor. ''I've got a few maples around my house,'' he tells me. ''I'll find a rustedout evaporator, fix it up and make syrup—there's always a few things I can do, I guess.''

I ask how he's managed all these years, not reading. He says his bosses did the reading for him. And now a Marshfield couple, lifelong friends, help him read his mail and bills and notices. But they are entering their 80s. ''Now I've got to learn to read myself, as a backup,'' Ken says.

To find out more about what illiteracy does to people like Ken, I telephoned the U.S. Department of Education and spoke with the Deputy Secretary, Madeleine Kunin. She told me that only 3–5 percent of adult Americans cannot read at all. ''But literacy is a moving target,'' she said. ''We figure the 40 million who do read, but at the lowest proficiency levels, have difficulty handling some of the tasks they need hold a job today.'' Kunin, a former Vermont governor, cited that state's snowplow drivers: ''Now they have computers attached, and they need a high school degree just to drive a snowplow.''

Ken arrives for his next session in a dark mood. It turns out his tape recorder, used for vocabulary practice, is broken, ''I can't fix it because the money's all gone for this month,'' he says. ''I had to go to the doctor, and that's $30, and it was $80 for the pills, and they keep going up.'' He says one of his prescriptions jumped from $6.99 to $13 in two months. ''I don't know if I'll keep taking them,'' he says. Illiteracy has condemned Ken to a lifetime of minimum-wage poverty.

He brightens reading a story. It is about a dog, John Brown, who deeply resents his mistress's new cat. Ken stumbles over a word. ''Milk?'' Sherry and I nod. ''Go and give her some milk,'' Ken reads, then pauses to give us a dispatch from the literacy front: ''I was trying to figure that out, and then I see it has an i,'' he says.

My own first attempt at solo tutoring finally comes, and I am edgy. Sherry has wryly admonished Ken, ''You help Richard out.'' I show him file cards, each imprinted with a word for Ken to learn by sight. He is supposed to decipher each word, then incorporate it in a sentence. I write his sentence on the card to help him when he reviews at home. Ken peers at the first word.''All,'' he says getting it easily. He makes up a sentence: ''We all went away.''

''That's right,'' I say. Maybe this won't be so hard after all. I write Ken's sentence on the card for him. Then I flip another card. Ken peers at it, his face working as he struggles with the sounds. ''As,'' he says.

During our last session, he confused ''as'' and ''at.'' Now he has it right. So he has been doing his homework.

''As we went down the road, we saw a moose,'' Ken says, composing a sentence. That reminds him that the state recently allowed moose hunting, game officials arguing that moose have become so plentiful they cause highway accidents. ''Yesterday, I come around a turn and there was ten moose, a big male and female and young ones,'' Ken says. ''They shouldn't be shooting those moose—they ain't hurting anyone, and it ain't the moose's fault if people don't use their brakes.''

I flip another card. ''At!'' Ken says, triumphing over another of our last session's troublemakers. ''We are at the school.'' But the next word stumps him, It is ''be.'' I put my finger under the first letter. ''What's that sound?'' I ask. When he stares in consternation, I make the sound ''buh.'' But Ken is blocked. He can't sound out the next letter, even though he has often done it before. ''Eeeee,'' I say, trying to help. ''Now put the two sounds together.''

Ken stares helplessly at the word. I am beginning to understand the deep patience needed to tutor a man like Ken, who began these sessions a year before, knowing the alphabet but able to sound out only a few words. ''Buh . . . eeee,'' I say, enunciating as carefully as I can. ''Buh . . . eeee,'' Ken repeats. Abruptly, his forehead unfurrows. ''Oh, that's 'be,'" he says. ''Be—We should be splitting wood!''

''Was that what you were doing before the tutoring session?'' I ask, to give us both a break. ''Nope, plowing snow with my tractor for my friend who broke off his ankle,'' Ken says.

That is arresting information. When I ask what happened, Ken says his octogenarian friend was chain-sawing cherry trees when a bent-back branch lashed out, smashing his lower leg. Ken, haying a field, saw his friend ease his tractor down from the mountainside woodlot, grimacing in agony, working the tractor's pedals with his one good foot.

Ken himself once lost his grip on a hay bale he was hoisting. A twig poking from the bale blinded his right eye. Now learning to read is doubly difficult because his remaining eye often tires and blurs. These grim country stories of Ken's make my worries—delayed flights, missed appointments—seem trivial. I flip another card: ''But.'' ''Bat,'' Ken says, cautiously. ''Buh . . . uh . . . tuh,'' I prompt. ''But,'' he finally says. ''I would do it, but I have to go somewhere else.''

I write Ken's sentence on the card and he reads it back. But he stumbles over his own words, unable to sound out ''would.'' I push down rising impatience by remembering the old man in the woods, crawling toward his tractor, dragging that smashed leg.

Finally, I put away the cards, glad to be done with them. Tutoring can be frustrating. Why are even easy words sometimes so hard to get? Now we look at a puzzle. On one side it has pictures of various automobile parts. On the other side are printed the parts' names. The idea is to match the pictures and the names. Before I can start asking Ken to try sounding out big terms like ''connecting rod,'' he points to one of the drawings. It looks to me like deer antlers. ''Carburetor?'' I guess. ''Exhaust manifold,'' Ken says.

''What's this one?'' I inquire. For all I know, it might be something Han Solo is piloting through hyperspace. ''Starter,'' Ken says. It seems to me he is gloating a little. He points again. ''Camshaft?'' I ask. Ken corrects me. ''Crankshaft,'' he says, dryly.

It is a standoff. I know the printed words. Ken knows the actual objects to which the words refer. ''When I was a kid,'' he tells me, ''I bought an old '35 truck. Sometimes it had brakes and sometimes it didn't. I was probably 17. It made lots of smoke, so mosquitos never bothered me. But one day I got sick of it. I put it under a pine tree and I hoisted the engine up into the tree to look at it. The pressure plate weren't no good. And the fellow showed me how to fix it.

That reminds Ken of a later episode. ''One time we had to get the hay in, but the baler was jammed. We had the guys from the tractor place, but they could not fix it. Finally I asked the old guy for some wrenches and I adjusted it, and I kept on adjusting, and after that it worked perfectly. I just kept adjusting it a hair until I had it. And then we were baling hay!'' No wonder Ken's bosses were happy to do his reading for him. Even so, in our late 20th-century wordscape, illiteracy stymies people like him. And working with Ken has me puzzled: Why do so many people fail to learn to read?

I telephoned an expert, Bob Caswell, head of Laubach Literacy International, a nonprofit organization that trains tutors worldwide. He told me many nonreaders, like Ken Adams, suffer from perceptual reading disorders. But there are other reasons for illiteracy, and it is by no means confined to any one part of the population.

''People think adult nonreaders are mainly poor, urban minorities, but 41 percent are English-speaking whites,'' Caswell said, adding that 22 percent are English-speaking blacks, 22 percent are Spanish-speaking, and 15 percent are other non-English speakers. More than half of nonreading adults live in small towns and suburbs. Caswell cited U.S. Department of Labor figures that put illiteracy's annual national cost at $225 billion in workplace accidents, lost productivity, unrealized tax revenues, welfare and crime. One big reason for this whopping problem is parents who read poorly.

Well over a third of all kids now entering public schools have parents who read inadequately, he said. ''Everywhere we find parents who want to read to their kids, but can't,'' he added. ''And a child with functionally illiterate parents is twice as likely to grow up to be functionally illiterate.''

But as I met some of Ken Adams' fellow students, I discovered all sorts of causes for being unable to decipher an English sentence. For instance, I met a woman who had escaped from Laos to Connecticut knowing only Laotian. She learned enough English watching Sesame Street (''Big Bird and all that,'' she told me), and later from being tutored, to become a citizen.

I also met a man in his 30s who worked on a newspaper's printing press. He could not spell the simplest words. He said it was because, at age 10, he had begun bringing alcohol to school in peanut-butter jars. After his son was born, he turned to Alcoholics Anonymous and mustered the courage to seek tutoring.

I met another man who had dropped out of school in frustration. Not until he tried to enlist in the military did he discover he was nearly deaf. The operator of a creamery's cheese-cutting machine told me he never learned to read because his family had been in a perpetual uproar, his mother leaving his father seven times in one year. And I met a farm wife, 59, who rarely left her mountaintop. But now, with tutoring, she was finally learning to read, devouring novels—''enjoyment books,'' she called them.

In central Vermont, these struggling readers receive free tutoring from nonprofit Adult Basic Education offices, each employing a few professionals, like Sherry Olson, but relying heavily on armies of volunteers, like me. Other states have their own systems. Usually, the funding is a combination of federal and state money, sometimes augmented with donations. Mostly, budgets are bare bones.

Many states also rely on nonprofit national organizations, like Laubach Literacy Action (Laubach International's U.S. division) and Literacy Volunteers of America, both headquartered in Syracuse, New York, to train volunteers. Laubach's Bob Caswell told me that, nationwide, literacy services reach only 10 percent of adult nonreaders. ''Any effort is a help,'' he said.

Help has come late for Ken Adams. Reviewing his portfolio, I found the goals he set for himself when he began: ''To read and write better. And to get out and meet people and develop more trust.'' Asked by Sherry to cite things that he does well, he had mentioned ''fixing equipment, going to school and learning to read, trying new things, telling stories, farming.'' He remembered being in a Christmas play in second grade and feeling good about that. And he remembered playing football in school: ''They would pass it to me and I'd run across the goal to make a score.'' He mentioned no fond family memories. But he had some good moments. ''I remember the first time I learned to drive a tractor,'' he had said. ''We were working in the cornfields. I was proud of that.'' And a later notation, after he had several months of tutoring, made me think of Ken living alone in his hand-built farmhouse on ten acres atop the mountain. ''I like to use recipes,'' he said. ''I use them more as I learn to read and write better. I made Jell-O with fruit, and I make bean salad. I feel good I can do that.''

In our tutoring sessions, between bouts with the vocabulary cards, Ken tells me he was the oldest of four children. When he was small, his father forced him to come along to roadside bars, and then made Ken sit alone in the car for hours. Ken remembers shivering on subzero nights. ''He always said I'd never amount to nothing,'' Ken says.

I ask Ken, one day, if his inability to read has made life difficult. He tells me, ''My father said I'd never get a driver's license, and he said nobody would ever help me.'' Ken had to walk five miles down his mountain and then miles along highways to get to work. ''And,'' he recalls, ''I was five years in the quarries in Graniteville—that was a long way.'' Sometimes he paid neighbors to drive him down the mountain. ''They said the same as my father, that I'd never get a license,'' he says. ''They wanted the money.''

It was not until he was 40 years old that he applied for a license. He had memorized sign shapes and driving rules, and he passed easily. ''After I got my license I'd give people a ride down myself,'' he says. ''And they'd ask, 'How much?' And I'd always say, 'Nothing, not a danged thing!' ''

To review the words he has learned, Ken maintains a notebook. On each page, in large block letters, he writes the new word, along with a sentence using the word. He also tapes to each page a picture illustrating the sentence, as a memory aid. To keep him supplied with pictures to snip, I bring him my old magazines. He is partial to animals. He points to one photograph, a black bear cub standing upright and looking back winsomely over its shoulder. ''That one there's my favorite,'' Ken says. And then he tells me, glowering, that he has seen drivers swerve to intentionally hit animals crossing the road. ''That rabbit or raccoon ain't hurting anyone,'' he says.

We start a new book, The Strawberry Dog. Ken picks out the word ''dog'' in the title. ''That dog must eat strawberries,'' he says. ''I used to have a dog like that. I was picking blackberries. Hey, where were those berries going? Into my dog!''

We read these books to help Ken learn words by sight and context. But it seems odd, a white-haired man mesmerized by stories about talkative beavers and foppish toads. Yet, I find myself mesmerized, too. The sessions are reteaching me the exhilaration I found in narrative as a child, listening to my father read about Peter Churchmouse. Our classes glide by, a succession of vocabulary words—''house,'' ''would,'' ''see''—interwoven with stories about agrarian hippopotamuses and lost dogs befriended.

One afternoon it is my last session with Ken. We have wrestled with words through a Christmas and a March sugaring, a midsummer haying, an October when Ken's flannel shirts were specked with sawdust from chain-sawing stove logs. Now the fields outside are snowy; it is Christmas again.

My wife and I give Ken a present that she picked out. It is bottles of jam and honey and watermelon pickles, nicely wrapped. Ken quickly slides the package into his canvas tote bag with his homework. ''Aren't you going to open it?'' Sherry asks. ''I'll open it Christmas day,'' Ken says. ''It's the only present I'll get.'' ''No it isn't,'' she says, and she hands him a present she has brought.

And so we begin our last session with Ken looking pleased. I start with a vocabulary review. ''Ignition coil,'' Ken says, getting the first card right off. He gets ''oil filter,'' too. He peers at the next card. ''Have,'' he says. And he reads the review sentence: ''Have you gone away?''

He is cruising today. When I flip the next card, he says, ''There's that 'for.' '' It is a word that used to stump him. I turn another card. He gets it instantly. ''But.'' He gets ''at,'' then another old nemesis, ''are.'' I ask him to read the card's review sentence. ''Are we going down . . . street?'' he says. He catches himself. ''Nope. That's downtown!''

I am amazed at Ken's proficiency. A while ago, I had complained to my wife that Ken's progress seemed slow. She did some math: one and a half hours of tutoring a week, with time off for vacations and snowstorms and truck breakdowns, comes to about 70 hours a year. ''That's like sending a first grader to school for only 12 days a year,'' she said. And so I am doubly amazed at how well Ken is reading today. Besides, Sherry Olson has told me that he now sounds out—or just knows—words that he never could have deciphered when he began. And this reticent man has recently read his own poems to a group of fellow tutees—his new friends—and their neighbors at a library get-together.

But now we try something new, a real-world test: reading the supermarket advertising inserts from a local newspaper. Each insert is a hodge-podge of food pictures, product names and prices. I point to a word and Ken ponders. ''C'' he says finally. ''And it's got those two e's—so that would be 'coffee'!'' I point again. He gets ''Pepsi.'' Silently, he sounds out the letters on a can's label. ''So that's 'corn,' '' he announces. He picks out ''brownies.'' This is great. And then, even better he successfully sounds out the modifier: ''Fudge,'' he says. ''They-uh!''

We're on a roll. But not I point to the page's most tortuous word. Ken starts in the middle again. ''ta?'' I point my finger at the first letters. ''Po,'' he says, unsure. As always when he reads, Ken seems like a beginning swimmer. He goes a few strokes. Flounders.

''Po-ta . . .,'' Ken says. He's swum another stroke. ''To,'' he says, sounding out the last syllable. ''Po-ta-to, po-ta-to—Hey, that's potato!'' He's crossed the pond. ''Ken!'' I say. ''Terrific!'' He sticks out his chin. He almost smiles. ''Well, I done better this time,'' he says. ''Yup, I did good.''●

THE PASSING OF MR. KENNETH KOHLI

● Mr. KEMPTHORNE. Mr. President, I am deeply saddened at the tragic death of Ken Kohli, an outstanding individual with whom I have had the pleasure of working and knowing for years. Last Friday, the plane in which he and two others were flying crashed in the Cabinet Mountains of Montana, claiming all three lives.

It is a tragedy when one so talented, and with such a bright future, is lost at such a young age. Ken was only 35, and yet he had established himself as a leader in our State. He grew up in Coeur d'Alene, ID and attended Northern Idaho College, serving as NIC student body president. He then went on to complete his education at Colorado College and Rutger's University in New Jersey.

When Ken returned to Coeur d'Alene, he put his passion for public policy to work for the Intermountain Forest Industry Association as its communication director. Ken's colleagues and friends will always remember him for the intelligence, energy, and positive attitude with which he approached his work and his life. Ken understood the basic nature of Idahoans and their love for the land, and he recognized the important of our State's natural resources to jobs and families.

He had an appreciation for and a unique ability to work toward consensus and find that balance so that we were protecting our resources while at the same time making wise use of them for the benefit of all. Ken was a strong voice at the table, but he was always a reasonable voice.

My thoughts and prayers are with his family, in particular with his wife, Susan, and their three children, Kyle, Lauren, and Luke.●

RECOGNIZING OUR FOREIGN SERVICE OFFICERS

● Mr. AKAKA. Mr. President, I rise today to recognize two fine and outstanding foreign service officers stationed in our Beijing, China, embassy who went beyond the call of duty to help an American citizen in time of need. Ms. Stephanie Fossan and Mr. Kai Ryssdale exemplify the ''can do'' spirit that all our foreign service officers provide for many of our overseas citizens.

In a letter I received from a Hawaii constituent doing business in China, he

describes an incident where he lost his passport a day before his departure from Beijing. Without his passport he knew he would most certainly have to miss his scheduled flight. Because this was peak travel season for many Asians and the airlines were solidly booked, it would also mean an indefinite stay in China. This delay would become very difficult for this person because of health concerns and the lack of his daily medication.

Ms. Fossan and Mr. Ryssdale worked beyond normal working hours to ensure that this Hawaii resident could secure a temporary passport. With temporary passport in hand, my constituent went to the Chinese Security Office to get his visa stamped, and he was able to board his plane to Honolulu the next morning as scheduled.

All too often the hard work and dedication of our foreign service officers go overlooked. Many of these people live and work in very difficult conditions. The Secretary of State has testified before a committee of the Senate about ''sewer gases'' leaking into the embassy building in Beijing and the difficult living conditions under which the Americans who work there must endure.

Ms. Fossan and Mr. Ryssdale represent the best in foreign service personnel who serve and protect our citizens abroad. To all personnel serving in our embassies abroad and to the Honorable James Sasser, Ambassador to the Peoples Republic of China, and his staff, I say thank you for your dedicated work for our country.●

THE PASSING OF MR. ALFRED HALL

● Mr. KEMPTHORNE. Mr. President, among those tragically killed last Friday in a plane crash on Crowell Mountain southeast of Libby, MT, was Mr. Alfred (Al) Hall.

Al Hall worked as the pilot for Idaho Forest Industries [IFI], and flew with his son Cody, as his co-pilot. I speak from personal experience that Al was a fine pilot, as I was able to fly with him several times. I have to tell you that I enjoyed flying with Al and his son Cody because of the enthusiasm they shared for their work. I remember one particular flight during which Al commented that he was the luckiest man he knew. When I asked him why, he responded that it was because his co-pilot was his best friend, and also happened to be his son.

His supervisors at IFI were recently quoted as saying that Al ''probably had every rating that an aviator could have.'' He was known as an experienced and safe pilot, gained from years of experience beginning with his time as a Navy pilot, then as a pilot for the Forest Service, and for Empire Airlines before he went on to work for IFI.

Al leaves behind him his wife, Mary Mac Hall, and two adult children, his son, Cody, and his daughter, Laura. The thoughts and prayers of myself and my staff are with them all.●

TRIBUTE TO PAUL DENSEN

● Mr. LAUTENBERG. Mr. President, I rise today to recognize Paul Densen on his 80th birthday, which is on August 8. I want to honor Paul not simply because he has reached a milestone, but because his life has been a model of public service and philanthropy.

After fighting for his country in World War II, he headed a major packaging corporation until the 1970's. His philosophy has always been that success obligates us to give something back to the society that enabled us to succeed. When we succeed, we owe something to our community and to those who may be less fortunate. Densen's record of philanthropy and community service confirms that attitude.

He is associate governor of the international board of governors of the Hebrew University of Jerusalem, and a member of the board of directors and a vice-president of the American Friends of Hebrew University. He also serves as a board member of the Suburban Community Music Center in Madison, NJ.

Paul has been a member of the board of directors of the National Conference of Christians and Jews, a member of the dialog committee on interreligious affairs at Seton Hall University, and a budget committee member for the Jewish Education Association. He was also president of the West Orange Charter Association and a member of the West Orange Economic Development Committee.

Given this record, it's probably not surprising that it was public service which initially brought Paul and I together. Our first meeting took place decades ago, when we met to discuss the Lautenberg Center for General and Tumor Immunology at the Hebrew University of Jerusalem-Hadassah Medical School.

Since 1976, Paul has been chairman of the center's endowment committee, and he has been a driving force in its development and volunteer recruitment efforts. Without Paul's dedication and leadership, the Lautenberg Center could not have achieved the remarkable history of success of which we are all so proud.

Mr. President, many people have benefited from Paul Densen's work, and I have certainly benefited from our friendship. I congratulate Paul on his 80th birthday. Reaching this milestone is a cause for celebration. However, through his work, his public service and his civic involvement, Paul definitely proves that what's important isn't simply the years in our life, but the life in our years.●

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS BILL

● Mr. MCCAIN. Mr. President, last night I voted against the Department of Transportation appropriations bill. I would like to take a minute of the Senate's time to explain my reasons for my vote. I had intended to give the following remarks on the Senate floor last night. However, due to the late hour, I chose not to keep the Senate any longer than necessary and instead therefore ask unanimous consent that my statement appear in the RECORD at this time.

First, Mr. President, let me commend the chairman and the ranking member of the subcommittee for all their hard work on this important bill. Their diligence in bringing this bill up and passing it so quickly is ample evidence of their abilities.

I wish I were able to state that I could support their bill—unfortunately, I am not. As with other appropriations bills which I have voted against, I believe that we must begin to stop the practice of earmarking funds. Earmarking is not fair and disproportionately effects where the taxpayer's money is being spent.

For example, Mr. President, the discretionary grants account of the highway trust fund earmarks hundreds of millions of dollars for fixed quideway systems. The bill goes on to list where the money should be spent. To no one's surprise, the motherload of the funds goes to States represented by appropriators.

I am also very concerned that the proviso noting that funds are available for fixed guideway modernization notes that such funds will be available notwithstanding any provision of law. This language was added as a Senate amendment. I would inquire why the Senate felt this proviso was necessary?

I would hope that there was no intention here to insulate items from the line item veto or any other budget cutting tools. I would hope the managers of the bill assure me that such a result was not their intention.

Mr. President, I want to return to the subject of developing a system to determine national priorities. I have discussed this issue before and would like to return to it now. In the area of military construction, Senator GLENN and I have worked with the Department of Defense to develop a system where the Pentagon prioritizes their construction needs.

At the insistence of my good friends, Senator SHELBY, the courts have done the same. I want to point out that until Senator SHELBY took over the Treasury-Postal Subcommittee, courthouse construction in the country was based on no rational plan and hundreds of millions of dollars were wasted. Thanks to Senator SHELBY, the courts—against their will—now prioritize which courthourses should be built. This enables the Congress to spend the taxpayer's money in a more responsible manner.

I would hope we could institute a similar process for the Department of Transportation and the many projects and other earmarks funded by this bill.

Mr. President, such a system not only gives Members of Congress the information needed to make better

choices about how to spend appropriated dollars, but will hopefully take some of the politics out of the spending process. I hope we will move in this direction in the future.

Again, although I intend to vote against this bill, I want to thank the bill's managers, especially the chairman of the subcommittee, Senator HATFIELD.●

PRIVATE GAMBLING AND PUBLIC MORALITY

● Mr. SIMON. Mr. President, Prof. George Anastaplo of Loyola University School of Law in Chicago recently spoke at a convention in Las Vegas, commenting about legalized gambling and where we are going as a nation.

It is a thoughtful presentation that I am appending at the end of these remarks. I have condensed his original paper somewhat.

What is interesting to me particularly is to read a quotation from an 1850 U.S. Supreme Court decision, Phelan versus Virginia, in which the Court comments on lotteries as compared to private gambling. The Court said:

> The suppression of nuisances injurious to public health or morality is among the most important duties of government. Experience has shown common forms of gambling are comparatively innocuous when placed in contrast with the widespread pestilence of lotteries. The former are confined to a few persons and places, but the latter infests the whole community: it enters every dwelling; it reaches every class; it preys upon the hard earnings of the poor; it plunders the ignorant and simple.

Mr. President, I ask that the condensed version of Mr. Anastaplo's remarks be printed in the RECORD.

The condensed version follows:

''PRIVATE'' GAMBLING AND PUBLIC MORALITY

(By George Anastaplo)

Gambling is in evidence all around us. For example, Texas bingo halls took in $63,000,000 in 1994. The pervasiveness of gambling is evident to anyone who follows sports: the ''point spread'' helps make each encounter of even mismatched opponents ''interesting'' and hence the occasion for wagering. Officials of professional leagues used to worry about the influence of gambling. For example, it was once argued, ''The values of football are hard work, disappointment, and honest competition, which must exist in an honest environment.'' Gambling, it was feared, would ''accentuate'' the pressures on football players beyond a tolerable point, and change a sporting event into a gambling spectacle. Now, the officials of professional leagues cooperate with the gambling industry to make sure that games are not ''fixed.''

But, it can be noticed, the sports contests that are gambled upon may often be intrinsically interesting—and can attract attention without any organized wagering. But lotteries, slot machines, and the like are far less interesting in themselves. Even so, they can be quite entertaining, even thrilling, for participants. Thus, it has been observed, ''Unlike narcotics, which creates droves of criminals who prey on the generally poor black community, the numbers game seems to many people to be just a potent, daily titillation for poor people seeking a rainbow's end.'' The head of an off track betting corporation, upon being accused of taking money from the poor, asked rather rhetorically, ''Who's to say what's gambling and what's entertainment?'' But then, nicotine, too, can be engaging for the addict, however deadly cigarette-smoking may be.

We tend to be much more relaxed, as a community, about the damage done by gambling than were some of the earlier generations in this country. Tolerance for lotteries, in the first quarter of the Nineteenth Century gave way, because of growing abuses, to efforts by state governments to put lotteries out of business. In 1895 Congress provided support for these states with its own legislation, ''An Act for the Suppression of Lottery Traffic through National and Interstate Commerce and Postal Service, Subject to the Jurisdiction and Laws of the United States.''

A constitutional inquiry into what was indeed ''subject to the jurisdiction and laws of the United States'' elicited this question from the United States Supreme Court in Champion v. Ames: (The Lottery Case), 188 U.S. 121, at 356 (1903):

''If a state, when considering legislation for the suppression of lotteries within its own limits, may properly take into view the evils that inhere in the raising of money, in that mode, why may not Congress, invested with the power to regulate commerce among the several states, provide that such commerce shall not be polluted by the carrying of lottery tickets from one state to another?''

Further on the Court argued (ibid., at 357–58):

''[B]ut surely it will not be said to be a part of anyone's liberty, as recognized by the supreme law of the land, that he shall be allowed to introduce into commerce among the states an element that will be confessedly injurious to the public morals. . . . We should hesitate long before adjudging that an evil of such appalling character, carried on through interstate commerce, cannot be met and crushed by the only power competent to that end.''

It is evident how people in authority in the first decade of this century were expected to speak about such gambling as the lottery. The dissenting opinion in Champion v. Ames made no defense of lotteries, arguing instead that the power to suppress such ''a harmful business'' belong to the states, not to the national government.

The majority of the Supreme Court in Champion v. Ames insisted that Congress should be able to act:

''. . . to protect the country at large against a species of interstate commerce which, although in general use and somewhat favored in both national and state legislation in the early history of the country, has grown into disrepute, and has become offensive to the entire people of the nation. It is a kind of traffic that no one can be entitled to pursue as a right.''

I mention in passing the likelihood that the current indulgences in lotteries and the like will, because of emerging abuses and harmful consequences, eventually be subjected once again to severe restrictions, In fact, it is already likely that lotteries would not be approved in many of the states where they now operate, if put to a popular vote by referendum.

No one on the 1903 Court doubted that state governments could try to suppress lotteries if they wished. Phelan v. Virginia, 8 Howard (49 U.S.) 162 (1850) was cited to this effect. The opinion in that case, upholding an 1834 act of Virginia forbidding the sale of lottery tickets, includes this reminder of how lotteries were once regarded in this country:

''The suppression of nuisances injurious to public health or morality is among the most important duties of government. Experience has shown that the common forms of gambling are comparatively innocuous when placed in contrast with the widespread pestilence of lotteries. The former are confined to a few persons and places, but the latter infests the whole community: it enters every dwelling; it reaches every class; it preys upon the hard earnings of the poor; it plunders the ignorant and simple.''

This, then, is the sort of public opinion, running back to 1850 and earlier, that the Supreme Court could invoke in the opening years of this century. Now, at the end of the same century, not only are lotteries no longer spoken of in this fashion by officials, but the states of this Union are themselves in the business of running and vigorously promoting lotteries with ever-growing prizes. In Illinois, for example, the gambling industry contributed more than a million dollars to political candidates in 1995. Furthermore, it has been able to hire a former governor of the state and other former Illinois officials as paid lobbyists.

This is not just an American phenomenon, of course. State lotteries are very much in evidence in Europe and elsewhere. The ''pools'' have long been a feature of British life. And something is to be said for legalizing (or at least decriminalizing) what is likely to be done anyway, thereby permitting both regulation and taxation. But is not the state's doing it, and promoting it, something significantly different from toleration, taxation and regulation? Is it as if the state had gotten into the business of producing and selling firearms, prostitutes, alcoholic beverages, cigarettes, and other narcotics?

The newest gambling rage in this country, however, is not lotteries but rather casinos. These are licensed by states which count on a hefty cut of the revenues. Respectable newspapers prod their legislatures to take measures to counter the competition from the casinos in neighboring states. Consider, for example, the opening and closing sentences of a recent Chicago Sun-Times editorial (''Casino Shutdown in East Dubuque, Illinois Forces Gambling Issue,'' December 7, 1995):

''Two Illinois riverboat casino got no satisfaction from the Legislature last month when they asked for help in competing with Iowa boats across the Mississippi River. . . . While the Legislature fiddles, Illinois gaming revenue floats across the Mississippi to lucky Iowa.''

It is the practice of the gambling industry, by the way, to refer to the ''entertainment'' it offers as ''gaming,'' not as ''gambling.''

A recent Chicago Tribune editorial, supporting an effort to exact more revenues from riverboat casinos, begins with these observations (''Bet on Edgar's casino tax plan,'' March 8, 1996):

''Who says gambling doesn't pay?

''Last year the Empress Casino in Joliet hauled in $200 million, after paying off bettors. For Harrah's, also in Joliet, the figure was more than $190 million.

''Gov. Jim Edgar's proposed 1997 state budget would impose on those and other high-rolling casinos a graduated tax to tap some of the windfall for the state's schools—and rightly so.

''Under current law, all casinos are taxed a flat 20 percent of their adjusted gross receipts (that's what they have left after they've paid out winnings), regardless of how much money they're making.

''For a struggling operation (and there are some), 20 percent is too much; for the widely successful ones, it's a bargain, and for the state it's an inefficient approach to taxation of this protected industry.''

Immediately following this Tribune editorial about how the state should take further advantage of ''this protected industry'' is an

editorial, ''No more cosying up to gangsters,'' commenting upon the conviction of eight members of a gang for distributing narcotics in Chicago and the suburbs. There is much to be said, of course, for the decriminalization of drug sales in this country, just as there has been for the decriminalization of gambling. But ''cosying up'' to, and relying upon, such activities, and even promoting them for their revenues pose questions that we seem to have lost sight of about the role of law in sustaining morality.

Far from encouraging morality, we find ourselves catering to vices and trying to exploit them. To some extent, as we have noticed, gambling is a form of self-chosen entertainment less harmful in many ways than some other forms of entertainment. It tends to be for most of the ''players'' more self-correcting than several other forms of self-abuse, such as alcohol and drug addiction.

But this sort of entertainment is not intrinsically satisfying, requiring as it does constant intensification in order to maintain its interest for participants. Thus, it has been noticed by a Haverhill, Massachusetts newspaper (''Opinionline,'' USA-Today, November 13, 1995, p. 13A):

''We've gone from the Sweepstakes era, with a once-a-week, 50-cents-per-ticket drawing, to state-run and fostered gambling industry which is worth millions. The state government is addicted to gambling, as government finds ways to avoid dealing with the issues of how much money it should spend and what tax it ought to levy. But something is drastically wrong when government becomes increasingly dependent on the misfortunes of its people to finance its operations.''

There is something ''realistic'' in recognizing that people will gamble, however much government attempts to suppress it. The considerable lure of gambling, sometimes with catastrophic consequences, has long been known. But what seems to be forgotten from time to time is the price paid, even in economic terms, for widespread gambling. The next decade should see the publication of more and more studies which expose to public view the hidden costs of the revenues that are derived from the gambling industry. These include the effects upon small businesses as large sums of money are siphoned out of the community by casinos. These hidden costs include, as well, the social services that have to be provided the families that are victims of gambling addictions. (The University of Chicago library has extensive entries under the catalogue heading: ''Addictive disorders update: alcoholism, drug abuse, gambling.'')

Even more important than the economic and social costs of intensified addiction is what has been happening (but not only because of the gambling industry) to the authoritative opinions of the community. Hedonism is encouraged along with the notion of getting ''something for nothing.'' Self-centeredness is thereby legitimated, as may be seen in the growing scandal of the level of compensation these days for the chief executive officers of our major corporations (especially when their compensation is compared to that of their equally successful European and Japanese counterparts). It sometimes seems that shamelessness has become the order of the day. . . . A billboard recently on display in Chicago invited us to a Wisconsin Dells casino with the slogan, ''Come to the Land of Milk and Money.'' (This advertisement was illustrated by the drawing of a slot-machine showing three cows lined up: a real winner!) That, we are thus told, is the new Promised Land.

The public should be encouraged in these matters to face up to two sets of delusions. This can help us face up in turn to what we are doing and how best to accommodate ourselves to the vices that human beings are bound to have.

The first set of delusions has to do with what organized gambling depends upon: the systematic fleecing of the ignorant by the informed. Professional gamblers do not believe in gambling any more than professional panderers believe in love: gambling magnates are no more gamblers than casino riverboats are boats. The huge outlays that casino operators are willing to devote to securing licenses reveal what a treasure-trove the well-placed casino must be. The sooner that casino customers recognize that they are suckers, the sooner most of them are likely to entertain themselves some other way.

The second set of delusions has to do with the notion that revenues derived from the gambling industry are a painless substitute for the taxation required for schools and other essential community services. Thus, it can be said that ''money raised through legalized gambling is one of the few forms of taxation that people voluntarily and cheerfully pay.'' (Geis, Not the Law's Business?, p. 237) But for an action to be truly voluntary a minimum of understanding is required. Consider, for example, these observations (''Take a Hard Look at Costs of Gambling,'' Chicago Sun-Times, September 28, 1955:

''Some $330 billion was wagered legally in 1992, up 1,800 percent from 1976. In Mississippi last year, gamblers wagered $29.7 billion, whole total retail sales were only $27.6 billion. Since casinos opened in Atlantic City in 1978, 100 of the 250 restaurants have closed, as have all the movie theaters.''

''Despite evidence that gambling may not be the panacea once thought, legislators continue to legalize gambling as a way to bring money into state coffers. But what are its costs long-term?''

The need for reliable information here, to which I have already referred, may well be served by the current efforts in Congress, by Senator Paul Simon and others, to investigate gambling in this country. The thesis to be tested is that offered last year by a syndicated columnist (William Safire, ''New Evil Empire,'' New York Times, September 28, 1995, p. A17):

''Gambling is a [massive] industry that is inherently immoral, corrupting public officials, enriching criminals, addicting and impoverishing the young and vulnerable.

''But the gambling racket—whether in state-licensed casino, state-sponsored lotteries or on glitzy reservations of phony Indian tribes—has been promoted by public officials as a great way of painlessly raising revenues, with state voters acting as suckers. As a result officially endorsed and government-advertised gambling now has America by the throat.''

A report from Deadwood, South Dakota sums up the suicidal course we have followed in our delusions. A woman who has supported the effort to legalize casinos in 1989 is now appalled upon seeing that the casinos ''have all but wiped out [her] town's retailers'' (James Sterngold, ''Spread of Gambling Prompts Calls for Federal Study of It,'' New York Times, November 24, 1995, emphasis added):

''Strolling past storefront casinos that have replaced everything from the state social services office to the insurance broker and department store, [she] commented, 'I'm homesick all the time and I never left home. We were completely unrealistic.'''

Perhaps the most troublesome feature of all this may be that we have drifted into a much-changed way of life without much serious study or deliberate choice.

This paper was prepared for the Law Panels at the American Culture Association Convention, Las Vegas, Nevada, March 25, 1996. George Anastaplo is Professor of Law at Loyola University of Chicago.●

THE FORMATION OF THE FINANCIAL INSTITUTION MODERNIZATION WORKING GROUP

● Mr. GRAMS. Mr. President, I rise today to discuss something that probably has not been debated much in the Senate since this body considered the FDIC Improvement Act back in 1991. I want to talk about the need to modernize the outdated laws that govern America's financial services industry.

The vital role that financial services play in our daily lives cannot be understated. We take out loans to go to college, to buy a car, and to purchase a home. We buy insurance to provide greater security to ourselves and our families. We make investments throughout our life so that we may retire in comfort and dignity.

Today, technological advancements and increased innovation in the delivery of financial services make it easier than ever for consumers to get loans, purchase insurance, and invest their earnings. Unfortunately, our archaic and burdensome laws governing financial institutions continue to discourage, rather than encourage, such advancement and innovation.

The laws to which I am referring are not those governing the safety and soundness of financial institutions, such as setting minimum capital requirements or requiring periodic oversight by Federal or State regulators. Safety and soundness laws and regulations are beneficial and necessary, as they enhance the security of the consumer whenever he or she deposits money in a bank or purchases an insurance policy.

The outdated laws that I am referring to are the laws that create barriers to competition by artificially compartmentalizing the three major sectors of financial services—banking, securities, and insurance. For example, under the Banking Act of 1933, more commonly known as the Glass-Steagall Act, banks are generally barred from directly investing in corporate securities, underwriting new corporate issues, or sponsoring mutual funds. Under the Bank Holding Company Act of 1956, securities underwriters, insurance underwriters, and nonfinancial companies are generally prohibited from owning banks or being owned by a bank holding company.

These outdated financial institution laws hurt consumers by artificially increasing the costs of financial services, reducing the availability of financial products, and reducing the level of convenience in the delivery of financial services. These outdated laws hurt small businesses—an engine of job growth in the American economy—by artificially limiting the amount of equity capital available for expanded activity. And finally, these outdated laws weaken the international competitiveness of America's financial institutions

by prohibiting them from offering the range of financial services that foreign financial institutions may offer.

It should be noted that the Glass-Steagall Act—which created the compartmentalized structure of financial services that we have today—was based upon the false premise that the massive amount of bank failures that occurred during the Great Depression was caused by the securities activities that these banks conducted. However, just the opposite is true: Diversification in financial services actually increased the safety and soundness of the banks. Between 1929 and 1933, 26.3 percent of all national banks failed. However, the failure rate for those banks that conducted securities activities was lower. Of the national banks in 1929 that either had securities affiliates or had internal bond departments, only 7.2 percent had failed by 1933. The message from these statistics is clear: We should encourage competition and diversification, not discourage it.

Earlier this year, Congress passed a bipartisan and comprehensive legislative initiative to reform the Telecommunications Act and stimulate competition and innovation in the telecommunications industry. Similar action is needed to stimulate the growth and global competitiveness of our financial services industry.

There are currently three financial institution modernization bills that have been proposed: S. 337, the Depository Institution Affiliation Act, sponsored by Senator D'AMATO, Chairman of the Senate Banking Committee; H.R. 2520, the Financial Services Competitiveness and Regulatory Relief Act, sponsored by Representative LEACH, Chairman of the House Banking Committee; and finally, a proposal submitted at the beginning of this year by the Alliance for Financial Modernization, which consists of various financial services industry organizations.

It appears likely that next year, the Senate Banking Committee will consider the issue of financial institution modernization. So that Members of the Senate may have more information about the current compartmentalized structure of America's financial institutions, the three proposals for reforming this structure, and the issues that arise from these proposals, I am announcing the formation of the Financial Institution Modernization Working Group.

The purpose of the Financial Institution Modernization Working Group is not to endorse any one of the currently proposed bills. Rather, it will engage in analyzing the merits of the current proposals and the current controversies surrounding these proposals.

The Working Group will, however, endorse five principles that should be met by any financial institution modernization legislation package that is presented to the Senate:

First, the legislation should lower the costs to consumers for financial services by increasing competition in the provision of these services.

Second, the legislation should maintain the safety and soundness of the Federal deposit insurance system.

Third, the legislation should not create a new structure that prevents current financial institutions from conducting any activities that they currently conduct.

Fourth, the legislation should create a Financial Services Holding Company structure to increase competitive equality among all financial service providers.

And fifth, the legislation should definitively resolve the current concerns about the future of the Savings Association Insurance Fund by merging the bank and thrift deposit insurance funds, unifying the bank and thrift charters, and consolidating the bank and thrift regulators.

It is my hope that these five principles will provide a solid foundation for the Financial Institution Modernization Working Group's discussions in the coming months.

In closing, I look forward to working with Senators who are both on and off of the Banking Committee to make the Financial Institution Modernization Working Group a useful source of information and ideas. It is my hope that 1997 will be the year that we join together and create a bipartisan bill that will reform our financial institution laws so that America's financial institutions will be able to compete, innovate and grow to meet the challenges of the 21st century.●

THE 120TH ANNIVERSARY OF COLORADO STATEHOOD

● Mr. CAMPBELL. Mr. President, I take this opportunity to recognize the 120th anniversary of Colorado statehood. My home State has a rich and colorful history, having sustained itself as a mecca of cultural diversity, a geographic wonder, and the birthplace of numerous great men and women.

Colorado made several attempts at statehood, one in 1863 and another in 1866, before a convention was held in December 1875 to draft a third constitution for the people's ratification. On August 1, 1876, Colorado was finally admitted to the Union as the 38th State. It was titled the Centennial State for gaining admittance during the centenary of our Nation's independence.

Colorado was a progressive young State, leading the race to erect institutions of higher education, develop advances in mining and agriculture, and most notably, politics. In 1893, less than a generation after its admittance, Colorado became the second State to grant suffrage to women. Since its inception, the State of Colorado has continued to welcome people of all origins and serve as a source of progress and equality.

Colorado is home to two American Indian tribes, the Southern Ute and the Ute Mountain Tribes. The Ute Indians are Colorado's chief representatives of Shoshonean ancestry, and are the only tribe indigenous to Colorado. The Southern Ute reservation, of more than 300,000 acres, has spanned the southwestern corner of Colorado since 1868. The Ute Mountain Reservation occupies just under 600,000 acres in the far southwestern corner of the State, overlapping its borders with Utah and New Mexico.

Both tribes have laid their economic foundation on the land they inhabit, honoring it with memorials and symbolic events. While these tangible signs of reverence are a treasured part of Colorado's identity, the traditions of trust, respect, and honor are the true gift of these tribes to Colorado.

The geographic splendors of Colorado are simply breathtaking. I will never tire of the raw beauty of my State. From the mountains to the Grand Canyon to the massive expanse of virgin forests, Colorado may well be one of the most beautiful places on Earth. I know my sense of pride is shared by Coloradans and others alike.

While there is greatness in the history, culture, and land of Colorado, there is a shared greatness in many individuals hailing from the State. One woman is particular proved herself to be truly heroic to Colorado and the rest of the Nation. As a teacher, scientist, and humanitarian, Dr. Florence Rena Sabin was a pioneer for all women in the field of medicine, playing a critical role in the drafting and implementation of the Sabin Health Laws in the State. Her ground-breaking accomplishments earned her one of Colorado's two places in Statuary Hall in the U.S. Capitol, one of the Nation's highest honors.

Just this summer, the Colorado General Assembly designated that a statue of the Honorable John L. ''Jack'' Swigert, Jr., join Dr. Sabin in Statuary Hall. As a patriot to his country and a leader in the State, Jack Swigert is considered one of Colorado's most courageous and renowned citizens. As command module pilot of the Apollo 13 Mission, Jack Swigert carried out a heroic maneuver and saved the lives of his crew as he piloted the damaged spacecraft safely to Earth. The work of Jack Swigert has made a staggering contribution of Colorado's 120 years of excellence, setting the State apart in space operations and planetary environmental technology.

Aviation has been a field of continued outstanding achievement for the State of Colorado. Six years ago, the Colorado Aviation Hall of Fame welcomed another inductee, George ''Gib'' Nesbitt, for his remarkable contribution to improving aviation in Colorado and nationwide. His dedication to teaching people to fly safely spanned two decades and today serves as a benchmark by which all other flight instructors are measured. Having begun his flying career as a teenager, he went on to serve as flight commander in World War II, where teaching young

Army and Air Force cadets soon became his focus. He personally transformed two primitive air strips in rural Colorado into functional airports capable of opening vast segments of the State to air travel. The residents, businesses and visitors of Colorado will continue to benefit from his contributions.

The philanthropic efforts of one individual and his family have also left a lasting impression on Colorado's business and arts communities, children, and troubled populations. Bill Coors, chairman and president of Adolph Coors Co., is the senior employee at Coors with over 57 years of service. His contributions to the industry range from the introduction of now widely consumed products, to innovations in the technology and production of numerous industry standards. Bill Coors has been touted as a visionary in the areas of employee wellness and health care. Businesses, organizations and communities within the State and across the Nation have looked to the work of Bill Coors as a model to follow, a standard to meet.

Mr. Coors has lent his support in the areas of higher education, providing his expertise in business and community cooperatives. He has actively cultivated youth groups and associations accessed by children from across the country. His support of the arts, in a climate where the riches of our history and culture are considered an expense, has been instrumental to Colorado's continued recognition of its proud heritage. Bill Coors' tremendous success makes his consistent contributions to the State of Colorado that much more honorable. He is truly a man of integrity, whose devotion to the citizens of Colorado will continue to serve the State for generations.

I would be remiss if I did not mention the timely accomplishments of our Colorado Olympians. Although the games are still underway, there are two notable Colorado women who have touched our hearts and made us swell with pride. Amy Van Dyken will go down in the Olympic history books with her four gold medals in swimming. Susan DeMattei, competing in mountain biking, an event offered for the first time, won bronze after a grueling 22-mile trek.

Mr. President, I have just skimmed the surface of the incredible achievements made by Coloradans and their State. Even after 120 years, Colorado has not slowed in its accomplishments nor tarnished in its beauty.

I want to thank you for allowing me to speak for my fellow Coloradans in celebrating our 120th anniversary.●

THE PASSING OF SETH DIAMOND

● Mr. KEMPTHORNE. Mr. President, today I note the loss of a talented young man who's contributions to timber, wildlife, and natural resource management will be sorely missed in may home State of Idaho.

Mr. Seth Diamond was not from Idaho, but he was a strong advocate for balanced management of our natural resources, and the people of my State benefited from his thoughtful contributions to the debate over land and wildlife resource management.

Mr. Diamond was a skilled, experienced wildlife biologist. He studied at Duke University and Virginia Polytechnic Institute & State University before putting his interests in biology and wildlife management to work for the Forest Service. His later work with innovative management programs on the Lewis and Clark National Forest earned him recognition from the U.S. Department of Agriculture.

The people of Idaho were among those who were lucky that Seth chose to apply his skills help us find the solutions that will protect wildlife and ensure sustainable timber harvest into the future on Federal lands. His energy and dedication will be missed.●

UNANIMOUS-CONSENT REQUESTS

Mr. LOTT. Mr. President, I have a series of noncontroversial unanimous-consent requests that I thought maybe we could get done. One would be to name a post office in Chicago for Roger P. McAuliffe.

Mr. FORD. Could the Senator do those tomorrow night or tomorrow sometime?

Mr. LOTT. I did not think there was any controversy. There is one here that I thought the Senator might really be interested in. It is Senate Concurrent Resolution 554, which recognizes and encourages the convening of a ''National Silver Haired Congress.''

Mr. FORD. Well, I will have to object to that because the Senator could not attend.

Mr. LOTT. The Senator would be constrained to object to these?

Mr. FORD. I would be constrained.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. Not restrained but constrained.

ORDERS FOR FRIDAY, AUGUST 2, 1996

Mr. LOTT. Mr. President, I ask unanimous consent then that when the Senate completes its business today, it stand in adjournment until the hour of 10:30 a.m. on Friday, August 2; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day.

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

PROGRAM

Mr. LOTT. For the information of all Senators, there are still a number of important matters the Senate will complete action on before the August recess—the health insurance reform package, the safe drinking water conference report, the small business tax relief package, minimum wage. We are hopeful to have all those packages over in the morning so we can take them up early on Friday or Friday afternoon as well as the appropriations conference reports that are completed.

Senators can expect the Senate to consider any of the following matters as they are ready for consideration: appropriations conference reports—military construction appropriations conference report, D.C. appropriations conference report, the issues I already named, as well as an effort to go back to the Veterans and Housing and Urban Development appropriations bill, or any other legislative and Executive Calendar items that can be cleared for action.

Senators can expect a busy session on Friday with rollcall votes throughout the day as we attempt to complete the Senate's business.

Just one further note. I have been reminding Senators and urging Senators—I know the whip has been doing it on the other side—that Friday, August 2, is a red letter day and that we should all plan on being here and being here until we get our work done.

So I hope there will not be any panting and hoping to leave at 4:30 tomorrow afternoon unless we have gotten these conference reports done as we have listed here.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. LOTT. If there is no further business to come before the Senate tonight, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:13 p.m., adjourned until Friday, August 2, 1996, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 1, 1996:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

KEVIN L. THURM, OF NEW YORK, TO BE DEPUTY SECRETARY OF HEALTH AND HUMAN SERVICES, VICE WALTER D. BROADNAX, RESIGNED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

ARTHUR I. BLAUSTEIN, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2002, VICE JON N. MOLINE, TERM EXPIRED.

DEPARTMENT OF LABOR

IDA L. CASTRO, OF NEW YORK, TO BE DIRECTOR OF THE WOMEN'S BUREAU, DEPARTMENT OF LABOR, VICE KAREN BETH NUSSBAUM, RESIGNED.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DONNAL HOLT CUNNINGHAME, OF MARYLAND, TO BE CHIEF FINANCIAL OFFICER, CORPORATION FOR NATIONAL AND COMMUNITY SERVICE. (NEW POSITION)

FEDERAL COMMUNICATIONS COMMISSION

REGINA MARKEY KEENEY, OF VIRGINIA, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR A TERM OF 5 YEARS FROM JULY 1, 1995, VICE ANDREW CAMP BARRETT, RESIGNED.

MISSISSIPPI RIVER COMMISSION

BRIGADIER GENERAL ROBERT BERNARD FLOWERS, U.S. ARMY, TO BE A MEMBER AND PRESIDENT OF THE

MISSISSIPPI RIVER COMMISSION, UNDER THE PROVISIONS OF SECTION 2 OF AN ACT OF CONGRESS, APPROVED JUNE 1879 (21 STAT. 37) (33 U.S.C. 642).

DEPARTMENT OF JUSTICE

ROSE OCHI, OF CALIFORNIA, TO BE DIRECTOR, COMMUNITY RELATIONS SERVICE, FOR A TERM OF 4 YEARS, VICE GRACE FLORES-HUGHES, TERM EXPIRED.

WITHDRAWAL

Executive message transmitted by the President to the Senate on August 1, 1996, withdrawing from further Senate consideration the following nomination.

DEPARTMENT OF LABOR

JOAQUIN F. OTERO, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE MARTIN JOHN MANLEY, RESIGNED WHICH WAS SENT TO THE SENATE ON FEBRUARY 20, 1996.