billion, and nobody is scrutinizing that expenditure and saying we cannot afford it.

The CIA, $28 billion is the estimate of CIA's budget. If you have to cut something, cut the CIA 10 percent every year for the next 5 years. You will not lose very much. Eldridge Ames and his kind will be taken care of in a less lucrative fashion, but you will not lose any ground in terms of America being secure and competitive. They do not contribute that much at this point. They would still have half of $28 billion, which is $14 billion.

Let us spread the pain where it hurts the least. Let us spread the pain by not building another *Seawolf* submarine, $2.1 billion. If we must make cuts, if we are worried about the future, if you do not want to mortgage our children's future, then there are many ways and places that cuts can be made.

There are a whole list of corporate loopholes that we can start closing. The Committee on Ways and Means has produced a proposal for tax cuts, and one set of analysts has looked at it and spoken to me and told me there is $1 trillion worth of tax cuts, $1 trillion worth of giveaways, loopholes in that proposal. One trillion dollars.

Let us take a close look at that bill and those loopholes. Let us look at the tax expenditures as closely as we look at the other expenditures.

In other words, we are going to resist. The Congressional Black Caucus budget is just a tiny part of the resistance. We will not stand by and allow $722 billion to be saved on the backs of the poorest people in the Nation. We will not allow people who consider themselves revolutionaries to wreck the civility of the Nation, to destroy 60 years of activity and programs. We will not let people go hungry, remain jobless, have less educational opportunity, without putting up the most stringent possible fight.

I appeal to the majority in this House, the people who represent the oppressive elite minority, to turn aside from their effort to create a budget and a game plan, a scheme, that envisages America only for a handful of people, only for a small class of people. We are looking at America for everybody, and we do not seek to throw overboard the most vulnerable. We will not continue to try to throw overboard the poor people in America. We will not continue to try to throw overboard the poor people in the cities. We will not continue to throw overboard the African-Americans among the poor people in the cities. We will not look at the most vulnerable population and attempt to demonize them and use them as a way of guaranteeing the next election.

There is a vicious set of activities in motion, and it is time for us to get angry and call them for what they are. We will challenge the oppressive elite minority, and in representation of the caring majority, we will prevail. The caring majority will counterattack in 1996, and those who are vicious, unyielding, uncivil, who refuse to try to create an America that belongs to everybody, will find that this democracy cannot be hoodwinked, the people cannot be stampeded into voting against their own interest. The caring majority will stand behind the most vulnerable in our society.

REPORT ON RESOLUTION PROVIDING FOR FURTHER CONSIDERATION OF H.R. 4, PERSONAL RESPONSIBILITY ACT OF 1995

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–85) on the resolution (H. Res. 119) providing for further consideration of the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence, which was referred to the House Calendar and ordered to be printed.

MEANINGFUL WELFARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Pennsylvania [Mr. FOX] is recognized for 60 minutes as the designee of the majority leader.

Mr. FOX of Pennsylvania. Mr. Chairman, tonight with me are the gentleman from Arizona [Mr. HAYWORTH] and the gentleman from California [Mr. RIGGS] in support of meaningful welfare reform that will help all of the people of the United States. We are here to speak out for a compassionate system which does not simply hand out cash and create a desperate cycle of dependence, but instead strengthens families, encourages work, and offers hope for the future.

As you can see from this diagram right here, the poverty paradox, the poverty rate and welfare spending. In the years of the Reagan administration, you will see we did not spend as much money on welfare, yet welfare went down. In the last 2 years, in the Clinton administration, more has been spent, and yet it has been a failed system of welfare.

We are offering an alternative here this week in the House of Representatives that we think is going to be meaningful for all families. We must bring an end to our current welfare system, which abuses its recipients. Nothing can be more cruel to children and families than the current failed policies.

Tonight my colleagues and I will discuss various sections of the Personal Responsibility Act which the House is considering this week. The bill addresses cash welfare, child protection, child care, family and school nutrition, alien eligibility, commodities and food stamps, SSI, and child support enforcement. Our bill, when it is passed, will allow millions of Americans to escape the cycle of poverty and learn the freedom, dignity, and responsibility that comes would work.

We need to evaluate the success of welfare, as the gentleman from Oklahoma, Mr. J.C. WATTS has said from our freshman class, not by how many people are on AFDC or on food stamps or in public housing, but how many people are no longer on AFDC, food stamps, and public housing.

In that spirit and with the help our good colleague from Arizona, the esteemed Member of the House of Representatives, J.D. HAYWORTH, I would like to yield to you to discuss the important cash welfare block grant program, of which you have been a leader.

Mr. HAYWORTH. I thank the gentleman from Pennsylvania, and really, Mr. Speaker, before we get into this discussion, I see our good friend uncharacteristically sitting to the left of me, the esteemed chairman of the Committee on Rules, the Honorable JERRY SOLOMON of upstate New York. You have something you would like to say now, at this juncture?

Mr. SOLOMON. I want to commend you for this special order, but I am still waiting for the papers to file on the rule that will take up exactly what you are talking about here tomorrow. I thank the gentleman.

Mr. HAYWORTH. I thank you very much. We all wait with interest to see what is hot off the presses in the Committee on Rules, and we thank the gentleman from upstate New York for his valuable service as the chairman of the Committee on Rules.

Mr. Speaker, it is good to see you in the chair tonight, as you represent so capably the good people of upstate South Carolina, and it is good to join my good friend from Pennsylvania standing in the well of the House, to address this topic.

It is not my intent to invoke any type of negativity in this debate tonight, Mr. Speaker, but I listened with great interest to the gentleman on the other side of the aisle who calls the State of New York his home, and listened to so much name calling, so much myth making, as we enter this great debate on welfare reform. And let there be no mistake, this will be a great debate.

But again, I would issue a challenge to our friends on the other side of the aisle to come forth with positive, positive welfare reform, because as my friend from Pennsylvania will attest, and indeed, since we are in our first term in the Congress, we have seen and certainly our friend who is the chairman of the Committee on Rules has been time and time again the phenomenon in this new 104th Congress of folks who I believe fairly could be referred to as the Yeah, buts. ''Yeah, we need welfare reform, but, the positive plan for change being offered inflicts too much pain.'' Indeed, I listened with interest to my good friend the Democrat from New York just a moment ago talk about the civility of this society being threatened.

Mr. Speaker, not only is the civility of our society being threatened, but

our very fiscal integrity and our entire society and the survival of that society is being threatened by a system which threatens to bankrupt this, the grandest of all republics, and which threatens to change the very core of our existence.

Some history is in order. Despite the comments of my good friend from New York earlier, the fact is that government at all levels has spent in excess of $5 trillion trying to eradicate poverty. And as the gentleman from Pennsylvania showed us, we have this poverty paradox, where the more we spend on poverty it seems, the numbers of the poor increase. It is an incredible paradox.

I see our friend the chairman of the Committee on Rules is prepared with a statement now. I would gladly yield time to the gentleman from upstate New York.

Mr. SOLOMON. I think the appropriateness would be for the gentleman in the well to yield time.

Mr. FOX of Pennsylvania. We both yield to you, our senior Committee on Rules chairman.

Mr. SOLOMON. Mr. Speaker, let me commend both the gentlemen for taking this special order this evening. It is so terribly, terribly important. I could not help but listening to my associate from New York City speak before, and he used the word compassion, and that we have to spend money on people to be compassionate.

Well, I would just go back and say what I said the other day when we had the rescission package on the floor. What is compassionate about piling $4.5 trillion in debt on our children and grandchildren? What is compassionate about President Clinton's new proposals that offer the next 5 years to add another $1 trillion to that $4.5 trillion debt, thereby increasing the amount of interest that we have to pay to just support that accumulated debt? What is compassionate about that? And what is compassionate about a welfare program that we have been on now for 20 years which breeds second and third and fourth year welfare recipients? Those people want to get off welfare, and they need to do it with what we are planning here today. That is why I am so proud of you two for taking this special order this evening. I wish you well.

In the meantime, I have got the rule which will bring the most significant comprehensive welfare reform that has ever been brought to this House, we will bring on this floor tomorrow.

I thank you two gentlemen, and the best of luck to you. I salute you.

Mr. FOX of Pennsylvania. Chairman SOLOMON, we look forward to lively debate tomorrow, moving on to welfare reform with your leadership. We appreciate what you have done to work overtime on this proposal.

I would now like to yield back to let my colleague and good friend from Arizona [Mr. HAYWORTH] continue your discussion on the important reasons why welfare reform, meaningful welfare reform, is so important to the American people.

Mr. HAYWORTH. I thank the gentleman from Pennsylvania [Mr. FOX], and indeed I thank the esteemed chairman of the Rules Committee for again outlining the Rules of this House and indeed our Speaker pro tempore tonight for enforcing those Rules.

It is important to remember that we are a society of laws in this body. We are a society that follows rules. And it is worth noting that the Rules of this House in this new majority are far more open than anything offered during the previous 40 years of one party rule by the new minority.

I mentioned earlier the tale of the numbers. Would that it were only a fairy tale. Would that these numbers were not reflected in cold, hard facts. But it is time for straight talk with the American people.

I refer to the fact that in the last 30 years we have spent at all levels of government in excess of $5 trillion to try and eradicate poverty. We have failed miserably, and it is fair to ask the question why. Why have these programs, perhaps so noble in their intent, failed so abysmally?

No. In stark contrast to what the preceding gentleman from New York [Mr. OWENS] said, it is not a vendetta. It is not some demonization of one group of Americans. It is not our intent to set one group of Americans against another group of Americans. The gentleman himself said welfare reform is needed.

Well, as my friend, the gentleman from Pennsylvania [Mr. FOX], will attest, Mr. Speaker, the debate in coming days the rest of this week will articulate how we are prepared to make changes.

Marvin Olasky has offered a new book, entitled ''The Tragedy of American Compassion.'' And the Rules chairman referred to it just a moment ago when he talked about the true meaning of compassion.

What is compassionate about a system that leaves to our children and to generations yet unborn a debt of untold trillions that they will have to service, that they will have to pay off?

In the past, it was in grand American fashion, no matter if you hailed from the inner city or from rural America, that you would pay off the mortgage and leave a home for the children or leave a farm for the next generation. We have reversed the process under the guardians of the old order. We have basically enjoyed the fruits of the farm and the fruits of the homes and left the mortgage for our children to pay.

So your new majority in Congress, Mr. Speaker, has advanced some significant reforms. Let me delineate them for you right now.

Part of the problem has been that we continue to allow Federal programs to grow like topsy. We have programs that are duplicative, that are redundant and that, quite frankly, are not a good way to spend the hard-earned money of the American taxpayers.

So what the GOP welfare bill does is, first, consolidate for cash welfare programs, including AFDC and the JOBS Program, into one block grant. The idea again being that people on the frontlines, in the city, States, and towns know best how to spend that money, know best how to attack those problems, lets in the redundancy and allows these great laboratories of democracy to do what they do best.

Indeed, we have seen pilot programs in Wisconsin and in Michigan and we see other States like my home State of Arizona and the great State of North Carolina working to enact workfare programs working on these problems on the frontline. That is where we are talking about. Consolidate these programs into one block grant and allow this battle to be fought more effectively at the State and local level.

Our new majority welfare bill also requires recipients to work with 2 years and leave the cash welfare rolls after 5 years. Again, it is this notion, Mr. Speaker, what is reasonable? Is it reasonable to expect in a free economy where we look day after day at classified advertisements in a variety of publications touting the facts that jobs are available, is it fair or reasonable to allow someone to become a prisoner of this failed system?

No, we need to offer a way out, and indeed we need to offer incentive to leave the welfare rolls and get involved in work. And that is what our plan does by requiring recipients to work within 2 years and to leave the cash welfare rolls after 5 years.

Our plan requires 50 percent of single adult welfare recipients to work no less than 35 hours by the year 2003, a gradual program, not draconian but establishing clear guidelines in a period of time, altogether modest to allow these reforms to take place.

It requires 90 percent of two-parent families to have one adult work no less than 35 hours a week by 1998. In a 3-year period, a chance to get that done.

And we define work as real, private-sector jobs with concurrent education and training permitted. In other words, it is not the role of our society or our government to provide make-work. We want to grow this economy and allow people to find work in the private sector.

Now, in jobless areas it is worth noting, areas plagued by chronic unemployment, indeed many of the areas that our friend from the other side of the aisle mentioned and championed, we allow work to be defined as subsidized work, community work or on-the-job training. So we do provide for those areas where there is chronic unemployment. We do provide every American with the opportunity, the dignity and responsibility of work.

We bar Federal cash to unwed parents. Let me repeat this: We bar Federal cash to unwed parents under 18.

Now, let us emphasize what will transpire here. Because lost in the debate, with so many members of the liberal media failing to articulate and emphasize this point, while we bar Federal cash payments to unwed parents under the age of 18, this plan will still allow for noncash benefits.

Indeed, I refer to Marvin Olasky's book, ''The Tragedy of American Compassion,'' where he chronicles where our society has changed from a caring society to a caretaking society.

And I think it is so important to emphasize that, again, we do not seek to demonize or starve or deprive anyone who is truly needy. But what we believe, as we have taken a look at the failed system, that we ought to be able to provide in-kind benefits to those who deserve them, noncash benefits in the forms of staples and those materials vital for life itself to those, but we do cut out cash payments to youngsters. In other words, we don't have the Federal Government giving money to children who continue to have more children.

We would bar additional Federal cash for additional children born while the mother is on cash welfare. Why is that important? Again, because under this failed system what we have done in our society by any fair and objective measure is that we have subsidized illegitimacy to the point that one out of every three children is born out of wedlock.

My constituents of the Sixth District of Arizona and others I have talked to throughout this country point to illegitimacy as one of the factors, if not the key factor, that can totally undermine our society. So we move to change a failed policy that gives improper incentives to the increase in illegitimacy.

We would bar cash to unwed mothers who refuse to cooperate in establishing a child's paternity. Because we understand in our society that we have rights and we have responsibilities, and it is time for the fathers of this country to, if they are willing to father a child, to go through that biological action, to indeed take responsibility for the paternity of that child.

Mr. STOKES. Mr. Chairman, I rise today to express my strong opposition to H.R. 4 the Personal Responsibility Act. I believe that this piece of legislation is fatally flawed, and, if enacted, would shatter the lives of millions of our Nation's poor.

I believe there is general consensus that the goal of welfare reform is to move individuals out of dependency and into self-sufficiency. However, in order to achieve this goal, it is vital that the enacted proposal be both cost effective and compassionate to the needs of our Nation's low-income individuals. In addition, the proposal must effectively address the issue of job training to get people off of welfare and into meaningful work. The Personal Responsibility Act thoroughly fails in these areas and is a cruel and callous attempt to eliminate the most basic income support for desperately needy children and their families.

There is no doubt that many of our Nation's poor will suffer under this proposal. Almost 70 percent of the individuals currently receiving benefits, or 9.7 million people, are children. According to the Department of Health and Human Services, it is estimated that more than 6 million children would lose their financial support under this proposal. It is both cowardly and unconscionable to hurt the most vulnerable people in our population. Yet this is the very consequence of this plan.

H.R. 4 jeopardizes the health and well-being of children by making devastating assaults on many of our Nation's existing food assistance programs. Programs such as WIC and the School Breakfast and Lunch Programs would be consolidated into a State block grant, dramatically decreasing the funding available to these programs. It is estimated that in only 5 years, in the year 2000, 2.2 million American children will lose the benefit of a school lunch. In the State of Ohio, an average of 856,514 children eat a school lunch each day. Under the Personal Responsibility Act, 85,600 of these children will be dropped from this program by the year 2000. In addition, this bill eliminates a national nutritional standard which could ultimately mean 50 different nutritional standards—a situation which would be chaotic.

As set forth in the Personal Responsibility Act, States would be allowed to cut off all AFDC benefits after 2 cumulative years of receiving AFDC if the parent had participated in a work program for 1 year. After 5 years, States would be required to terminate both financial assistance and the work program. It concerns me that this provision does not take into account those individuals who earnestly attempt, but are unable to find jobs. In addition, the plan makes very limited exemptions or waivers for the 20 percent of mothers on AFDC with a temporary disability, or the 8 percent who are caring for a disabled child.

In fact, this plan also slashes funding for child care services by $1.7 billion over the next 5 years. Therefore, a person working to stay off of welfare would find themselves in the unenviable position of leaving their children home alone or in inadequate settings. Without the ability to pay for child care, low-income working families may find themselves returning to welfare.

H.R. 4 unfairly punishes children and their families simply because they are poor. In my community, we have a 20-percent poverty rate in a county of 1.4 million people. More than 228,000 people are recipients of food stamps and more than 137,000 rely on aid to families with dependent children. The average household of three on public assistance receives $341 per month, or $4,021 per year from the Government. This punitive measure will undoubtedly endanger their health and well-being.

Mr. Chairman, the pledge to end welfare as we now know it is not a mandate to act irresponsibly and without compassion and destroy the lives of people, who, through no fault of their own, are in need of assistance. On behalf of America's children and the poor, I urge my colleagues to vote against H.R. 4.

Mr. HOYER. Mr. Chairman, the current welfare system is at odds with the core values Americans share: work, opportunity, family, and responsibility. And too many people who hate being on welfare are trying to escape it—with too little success. It is time for a fundamental change.

Instead of strengthening families and instilling personal responsibility, the system penalizes two-parent families, and lets too many absent parents who owe child support off the hook.

Instead of promoting self-sufficiency, the culture of welfare offices creates an expectation of dependence.

Our society cannot—and should not—afford a social welfare system without obligations. Individuals—not the taxpayers—should be providing for their own families. It is long past time to ''end welfare as we know it.''

We need to move beyond political rhetoric, and offer a simple compact that provides people more opportunity in return for more responsibility.

I have a few commonsense criteria which any welfare plan must meet to get my vote: It must require all able-bodied recipients to work for their benefits; it must require teenage mothers to live at home or other supervised setting; it must create a child support enforcement system with teeth so that deadbeat parents support their children; it must establish a time limit so that welfare benefits are only a temporary means of support; it must be tough on those who have defrauded the system—but not on innocent children; and it must give States flexibility to shape their welfare system to their needs, while upholding the important national objectives I have just listed.

The Republican bill fails to meet these criteria. The Republican bill is weak on work. It requires only 4 percent participation in fiscal year 1996, far below the current rate established under the 1988 Family Support Act. It is outrageous that any new work requirement would fall below current law.

Moreover, under the Republican bill, States can count any kind of caseload reduction toward their work participation rate, whether those people are actually working or not. In no way does this practice make recipients responsible, or contribute to a change in their behavior.

The Republican bill denies benefits to children of mothers under 18.

We must make parents—all parents—responsible for taking care of their own children. But denying children support is not the best way to do that. Instead, teenagers should be required to demonstrate responsibility by living at home and staying in school in order to receive assistance.

In order for welfare to be truly reformed, it must send a clear message to all Americans: you should not become a parent until you are able to provide and care for your child. Having a child is an immense lifelong responsibility. Only those capable of and committed to shouldering the responsibility of parenthood should have children.

The Republican bill is tougher on children than it is on the deadbeat dads who leave them behind. The Republicans waited until the last moment to put child support enforcement provisions in their bill—and then removed the teeth that can bring in more than $2.5 billion—over 10 years—for kids. The driver's and professional license revocation provision they deleted would save taxpayers $146 million—over 5 years—while creating a better life for children.

Instead of attacking deadbeats, the Republican bill attacks children. It eliminates the

guarantee that every child in this country has at least one good meal a day. Despite rhetoric to the contrary, the Republican bill cuts spending for child nutrition programs $7 billion below the funding that would be provided by current law. The Democratic deficit-reduction amendment was ruled out of order in committee so that kids' food money could be used for tax cuts for the rich.

The Republican bill also changes the child nutrition funding formula to redistribute resources away from relatively poorer States to relatively wealthier ones. Funding for the Women, Infants and Children Program is also reduced compared to current law—and provisions requiring competitive bidding on baby formula have been removed. That decision alone will take $1 billion of food out of the mouths of children each year, and put the money in the pockets of big business.

This simply defies common sense. No one in America could possibly argue that this is reform.

Our foster care system, already overloaded, is also under siege. In committee, Mr. MCCRERY stated that, ''If a woman just can't find or keep a job, she will have the option to give her children up for adoption, place them in a group setting or foster care.'' Adoption and foster care services are failing our children. At a time when the need for foster care, group homes, and adoption is likely to rise dramatically, the Republican welfare plan would cut Federal support for foster care and adoption by $4 billion over 5 years.

We can do better. We must do better. This week, Democrats will offer NATHAN DEAL's bill as a substitute, which reinforces the family values all Americans share. It requires and rewards work over welfare. It makes the point that people should not have children until they are ready to support them. It gives people access to the skills they need, and expects work in return. It does not wage war on America's children. Most importantly, it is a commonsense approach, which gives back the dignity that comes with work, personal responsibility, and independence.

Mr. Chairman, I rise in opposition to H.R. 4, the Personal Responsibility Act.

Mr. Chairman, I strongly support honest and meaningful welfare reform that gives poor unemployed Americans a real opportunity to work and provide for themselves and their families. All welfare recipients should be given the opportunity to work; those who fail to seize that opportunity should not be rewarded with limitless governmental assistance.

Mr. Chairman, moving recipients off of the welfare rolls and onto a payroll means more than just handing them a copy of the help wanted pages from the local newspaper. Government, working with the private sector which has a real stake in expanding the pool of skilled labor, needs to provide education, job training and child care if we are to be successful in helping welfare recipients become productive gainfully employed citizens.

Mr. Chairman, I agree with President Clinton and many of my colleagues in the majority that argue we must end welfare as we know it. We must reform a welfare system that has trapped millions in a cruel cycle of dependency and despair.

However, ending welfare as we know it does not mean we should completely dismantle the safety net programs that protect our Nation's most vulnerable population: our children. Yet that is exactly what the majority's welfare reform plan would do. H.R. 4 would terminate current child welfare programs, including the child abuse prevention and treatment program, and the adoption assistance program, and replace them with a new State block grant at drastically reduced funding. The School Lunch Program would also be eliminated and replaced by a block grant. No longer would a hungry child be entitled to a nutritious school lunch, often the only decent meal they receive all day.

Unfortunately, under the Republican welfare plan, punishing our children for the unfortunate circumstances or unacceptable behavior of their parents goes much further than denying a child a hot meal or failing to protect them from abuse. H.R. 4 would deny benefits to children born out of wedlock to teenage mothers, and limit benefits to mothers who have additional children while receiving Federal assistance.

Illegitimacy is perhaps the most devastating social and moral dilemma confronting our Nation. Yet turning our backs on the real victims of this problem, the children, is a cruel and simplistic solution that seems to be based more on an effort to save money than to change behavior.

Mr. Chairman, we can require parents to act responsibly and become self-sufficient without abandoning our children. Sadly, H.R. 4 takes a radically different approach and will result in untold pain for our children while creating undesirable incentives for teenagers and mothers on welfare who become pregnant.

New York's Cardinal John O'Connor recently said the welfare plan proposed in the Republican Contract With America is immoral in its virtually inevitable consequences.

Mr. Chairman, children in poverty are not a burden on our society; they are the future of our Nation. We can end welfare as we know it, But we do not have to condemn poor children to do it. I urge my colleagues to defeat this legislation.

Mr. MOAKLEY. Mr. Chairman, I rise in opposition to the Republican's welfare reform legislation, entitled, the ''Personal Responsibility Act of 1995.''

I don't support the status quo. I fully believe that our welfare system needs to be changed. But, the Republican proposal is not strong enough in terms of work.

Under the Republican bill, individuals can receive welfare benefits for 2 years without meeting any work requirements. I don't know about my Republican colleagues, but my voters didn't send me to Washington to write a blank check to anybody. But this Republican proposal does just that. It gives billions of dollars to States without requiring that any of that money be used to put more people back to work.

Meaningful welfare reform can not be achieved unless we move more people from welfare to work. Democratic proposals encourage people to take care of themselves immediately—not 2 years later. From the day one, AFDC recipients would have to prepare for work and aggressively look for a job. Anyone who turns down a job would be denied benefits. The Democratic proposals are tough on work, but promote self-sufficiency, not dependency.

I am opposed to the Republican welfare proposal because it is weak on work and responsibility and tough on children. Children are the losers in this debate. Under the Republican proposal, 131,000 children in Massachusetts would lose Federal assistance. 400,000 children nationwide would lose child care assistance, and thousands more would no longer be guaranteed a nutritious meal. The Republican proposal punishes children and babies.

In order to make the transition from work to welfare a reality, we need to provide job training, affordable and safe child care, and most of all we need to create jobs. The Democratic alternatives give the American people what they want—an aggressive proposal that requires parents to work, but protects our Nation's children.

Mr. STARK. Mr. Chairman, the Personal Responsibility Act is a disheartening, empty charade. It does very little to foster personal economic independence and virtually nothing to reform a welfare system that is in serious need of repair. The Republican bill simply passes the buck to the States. We should call this legislation the Government Responsibility Abdication Act, because all this bill does is to drop the responsibilities of the Federal Government and to push poor people off a cliff. By drastically reducing some benefits and eliminating others, this legislation creates a gaping hole in the safety net we provide for our neediest citizens.

The Personal Responsibility Act misses the major point that any welfare reform should address—work. My Republican colleagues claim that they make people work under their bill. They claim that States are required to have 50 percent of one-parent welfare families and 90 percent of two-parent families in work programs by 1998. But what they do not tell us is that caseload reductions count toward this work requirement. So States can simply do nothing for 2 years, cut families off, and claim that they have put people to work. That is weak on work and tough on kids.

Perhaps the cruelest and most disappointing aspect of this legislation is that it actually punishes those children who, through no fault of their own, are born poor. The bill punishes a child—for his entire childhood—for the sin of being born to a family on welfare.

A child is also punished under this bill if he or she happens to be born to a young parent out-of-wedlock. Although I believe we should do everything reasonable to discourage teenagers from having out of wedlock children, this bill is not reasonable. It denies cash benefits to teenage mothers at a time when both the mother and child need support most. There is no evidence to suggest that teenagers get pregnant in order to collect welfare or that families on welfare have more children in order to collect more welfare benefits.

The most direct and sensible way to decrease out-of-wedlock pregnancies, and all unintended pregnancies, is to make sure that family planning services are available to all who want them. But the welfare bill does nothing to make voluntarily family planning more available or accessible.

Instead of offering our children a helping hand, this legislation introduces them to the harshest realities of life before they are able or prepared to cope. Reform of the welfare system should concentrate on healing families, not tearing them apart.

Without jobs, money, shelter or other assistance, dignity and hope is replaced with desperation and anger. This bill promotes a climate of social unrest and violence. The Personal Responsibility Act does what a responsible government should never do: it takes a difficult problem and makes it worse. There is no doubt that our current welfare system needs reform. But the Republican bill replaces a cruel system with a mean-spirited system. Welfare reform should not punish deserving residents and innocent children and must not take away the last vestiges of assistance that our Government provides.

Mr. EVANS. Mr. Chairman, in their zeal to balance the Federal budget, the new majority will be forcing working Americans to make sacrifices to cut the deficit. Sacrifices for a debt they did not create. Sacrifices that will cut their hard-earned benefits. And sacrifices that will threaten their future standard of living and that of their children.

While these cuts focus on supposed government waste, one thing has been ignored; Government giveaways or the $200 billion in corporate welfare we let big business and foreign multinationals pocket each year in the form of tax loopholes and shelters.

It strains belief that we can even start to talk about sacrifice to middle class Americans who have seen their earning power decrease, when industry is not doing its fair share towards reducing the deficit. We must do better.

Today, I am introducing the Corporate Welfare Reduction Act of 1995. The bill will close a number of loopholes that provide unfair tax breaks for multinationals and foreign corporations. For example, the bill would eliminate the following provisions that:

Allow multinationals to use excess foreign tax credits generated by foreign operations to offset U.S. income tax under the so-called ''title passage rule''.

Exempt foreign investors from paying U.S. tax on the interest they receive from U.S. borrowing.

Allow multinational oil and gas companies to claim foreign tax credits for some of the ordinary costs of doing business in foreign countries.

Enable multinationals to hide behind alleged restrictions in local law in order to avoid complying with transfer pricing rules.

Allow multinationals to profit from the exemption from U.S. tax of their employees' foreign earned income regardless of whether or not that income is subject to foreign tax.

Exempt foreign investors from paying capital gains tax from the sale of the stock in U.S. corporations.

The savings from these provisions will then be applied to reducing the deficit, with a small portion going to export promotion programs for small and medium-sized U.S. businesses.

I urge my colleagues to join me in sponsoring this legislation and put an end to handouts for big business and foreign corporations.

□ 2310

We offer a funding bonus of up to 10 percent for States that reduce out-of-wedlock births. We provide level funding of $15.4 billion a year for 5 years. We create a $1 billion Federal rainy day borrowing fund for recessions or emergencies. In other words, we are not so dogmatic as to believe there will not be emergencies, we are not so dogmatic as to believe there will not be rolling readjustments in our economy, part of a free society from time to time, people encounter tough times, and we are willing to understand and deal with that.

We allow States to set up their own rainy day funds and pocket any savings over 120 percent of their annual grant amount. We set aside $100 million a year in a fund to ease pressures on States with rapid population growth. Indeed, the great State of Arizona and my own Sixth District is experiencing rapid population growth. This plan again accommodates those changes in our society. We will save untold billions of dollars over 5 years as opposed to the current system.

Mr. FOX of Pennsylvania. There are questions the press has asked and I just thought there is a myth out there that possibly the gentleman could explain and frankly let people know it is incorrect.

There is a myth that your pro-family provisions that we have in our welfare reform proposal will be cruel to children. How do you answer that?

Mr. HAYWORTH. As the gentleman from Pennsylvania knows and as I am glad to articulate here on the floor of the U.S. House tonight, I think by any objective standard, even the standards set by our friends on the other side of the aisle, the yeah-buts, the people who say, ''Yeah, we need welfare reform but,'' it is important to remember this. It is the current system that hurts children, because the current system encourages self-destructive behavior, it encourages dependency, it encourages out-of-wedlock births. Our bill does not end assistance to children. Let me repeat that for the mythmakers on the other side of the aisle who would try to gain unfair partisan advantage by wielding a campaign of fear unparalleled in our society, our bill does not, does not end assistance to children. It only terminates cash assistance.

No responsible parent would reward an irresponsible child with cash payments and an apartment. No responsible employer would give workers a raise simply because they have additional children. If people in the private sector, who care about the quality of work being done, who care about the future of their children, who seek to instill responsibility and responsible actions, if private businesses will not do those things, the taxpayers of this country who work from January 1 on through now almost 6 months of the year paying off their burdensome taxes, those taxpayers who work hard for their money should not be asked to do those things, either.

Mr. FOX of Pennsylvania. What about this further myth that has been propagated about the fact that this bill is not strong enough on work requirements? What do you say to that?

Mr. HAYWORTH. I think the record will show as the debate continues, our work requirements are very, very tough on work. We require States to make cash welfare recipients go to work after 2 years. Some States will choose a more stringent requirement. I know the great Commonwealth of Virginia has taken an action to actually offer less time. But that is the option of the State and indeed is that not truly federalism in action?

After 5 years, recipients would face the ultimate work requirement and that would be the end of all cash welfare. We require States to have 50 percent of adults in one-parent welfare families, that is about 2.5 million families, working by the year 2003. We require States to have 90 percent of two-parent families working by 1998. We define real work with only a few limited exceptions as real private sector work for pay. States that do not meet these standards would lose part of their block grant. That is truly being tough on work. That is truly workfare and not welfare.

Mr. RIGGS. Would the gentleman from Pennsylvania yield?

Mr. FOX of Pennsylvania. I yield to the gentleman from California.

Mr. RIGGS. I thank the gentleman for his leadership in organizing this very important special order tonight as we prepare to enter day two of what I think is probably the single most important debate that will take place on the floor of this House in the 104th session of Congress. But before we leave the subject of children, I simply want to point out that since it seems like really the ammunition from our opponents is primarily focused on what our plan might do to children, so let me point out that cash benefits going for drugs, generation after generation of dependency, children having children and children killing children, nothing could be more cruel to our kids than the current failed welfare system. Some statistics to back up what I am saying here, 70 percent of juvenile delinquents in State reform institutions lived in single-parent homes or with someone other than their natural parents before being incarcerated. Here is the really staggering statistic. Children born out of wedlock are 3 times more likely to end up on welfare themselves when they grow up than children born to married parents.

Clearly the system that we have in place today has been a monumental failure and a very cruel, cruel, almost inhumane system in terms of how it treats the children entrapped in welfare dependency and entrapped in the poverty that welfare dependency and entrapped in the poverty that welfare dependency generates.

Mr. FOX of Pennsylvania. The gentleman from California [Mr. RIGGS] is absolutely right. Your point it well-taken and your leadership is appreciated in trying to move what is truly pro-people welfare reform in this House forward.

I would like to ask if I may another question back to the gentleman from Arizona [Mr. HAYWORTH].

Repealing the entitlement to individuals has been said by those on the other side of the aisle will cause misery and a recession. How do you respond to that?

Mr. HAYWORTH. Again the current system, and this is the irony. As the gentleman from California mentioned and as indeed our good friend the gentleman from Oklahoma [Mr. WATTS] mentions, the current system rewards States for having additional people on cash welfare. In other words, under this not only bankrupt system financially but I would call it a morally bankrupt system, we gauge its success by the numbers of people we can add to the rolls.

Now think about this. Under a block grant, States will have a built-in incentive to move people off the cash welfare rolls and into jobs. And block-granting will give them the flexibility to do so.

If you doubt it, I would commend, Mr. Speaker, our friends on the other side and indeed all the American people to look to States like Wisconsin and Michigan where they are working hard to implement real change in the welfare system. So what we need is to unleash the creative power of States and localities to deal with this problem.

Additionally the bill creates, and this is worth noting for our friends who choose to deionize or mischaracterize our plans, let us repeat this. The bill creates a $1 billion Federal rainy day borrowing fund for recessions or emergencies, and it allows States to set up their own rainy day funds and pocket any savings over 120 percent of their annual grant amount. That is a powerful incentive for those respective States to save up voluntarily for a rainy day, or given the current level of government spending if we do not curtail it, the inevitable recession that will result.

Mr. FOX of Pennsylvania. Let me ask this further question. Your State is growing and many other States are as well.

How would you make sure the block grants will adjust for shifts in population, because the ladies and gentlemen on the other side of the aisle would have the public believe a misconception that in fact the block grants that we are proposing will allow for such shifts?

Mr. HAYWORTH. I think it is worth noting that our legislation creates a $400 million fund to help ease pressures in States with high population growth. It permits States to save unlimited amounts of cash from their block grant in the State rainy day fund for recessions and emergencies, amounts in the rainy day fund in excess of 120 percent of the State's annual block grant amount can be shifted into that Stat's general fund. That is another incentive to move welfare recipients into jobs. Then again the bill also lets States borrow from a billion-dollar Federal rainy day fund which they would have to repay with interest.

But finally the bill lets the States shift 30 percent of other block grants, and this is something the other side has chosen to demonize, when in fact it really goes to help children and it really goes to help families who are looking for a hand up and a helping hand instead of a handout, it offers 20 percent of the nutrition block grant into the block grant and vice versa. It really is the ultimate in flexibility.

Indeed, and that is the other side of the nutrition issue, if I could digress for a second, when the other side talks about block grants being inherently evil and how 20 percent of those grants could be moved to other areas, that 20 percent provision is custom-made for this opportunity, not to starve children but ensure that their families who may be encountering tough times have the economic wherewithal to survive those times.

□ 2320

We offer the ultimate in flexibility, and I might add nothing in any act we have proposed restricts States from offering more of their resources gained either through income tax in some States or other revenue-accruing mechanisms in those States from offering even more money for nutrition programs or for helping the truly needy in those respective States.

Mr. FOX. I want to underscore what the gentleman from Arizona [Mr. HAYWORTH] just said and what Congressman RIGGS has pointed out on the floor many times, and the fact is under our compassionate welfare reform we are actually going to serve more people with less administrative costs and more money for direct services, and I think that is the bottom line.

I would like to yield, if I could at this time, to Congressman RIGGS to discuss not only with the American people, with us in a colloquy, about the alien welfare eligibility program, the food stamp reform, the child care block grants, and the SSI reform.

I know that you have done a great deal of work on this area, and I know your constituents from California appreciate the fact that you have sensibly provided the leadership necessary to move this debate forward so we can help everybody.

Mr. RIGGS. Well, I thank the gentleman from Pennsylvania for yielding.

And, obviously, the whole issue of alien welfare is very important to Californians, particularly those who voted last November for proposition 187, which would have imposed a flat prohibition on the providing of social welfare services to illegal immigrants. And, unfortunately, the statewide ballot initiative is now tied up in the Federal courts pending some sort of adjudication.

But it is very clear, just talking to voters and looking at the election results in California, that California voters are saying we need to put our own citizens first.

It is equally clear that as we look at a streamlined welfare system, a welfare system that allows us to achieve real reform, a welfare system that allows us to help move people from welfare to work, a welfare system that, yes, through dramatic reform and overhaul will contribute to our overall goal of reducing the deficit and ultimately balancing the budget, that that welfare system cannot provide welfare benefits to aliens.

So what we have attempted to do in the Economic and Educational Opportunities Committee on which I serve is come up with a provision that we think will reflect what Americans think and feel on the subject of welfare benefits for aliens, both legal and illegal.

So I want to take a moment because we are going to hear the argument, in fact, it came up today, that we on our side of the aisle are engaged in punitive, almost un-American activities in that we do want to restrict benefits for, particularly for illegal aliens and that we are engaged in a not-so-subtle form of immigrant bashing.

I want to respond to that. I said earlier today on the floor that we are not bashing immigrants. We are giving strength to the longstanding Federal policy that welfare should not be some sort of magnet for immigrants, legal or illegal. We should be putting out the welcome mat for those who want to enter our country legally, who want to go through the process of establishing residency and ultimately achieving citizenship.

But, on the same hand, we should not be encouraging through some sort of perverse incentive in the welfare system the hordes of illegal immigration that those of us who hail from and represent border States such as myself and the gentleman from Arizona have been seeing firsthand for several years.

Again, that is what really prompted the overwhelming response by California voters when they approved Prop 187 in California by a vote of nearly two-thirds to one-third.

So what we are trying to do to eliminate the magnet for immigrants is take four simple steps to reform welfare in this whole area. One, we prohibit legal aliens from participation in the big five magnet programs. And they are cash welfare that the gentleman from Arizona was talking about just a moment ago, food stamps that we are going to talk about in just a few minutes, Medicaid, Title 20, and the SSI program.

And, frankly, the SSI program has been one of the areas that has been most egregiously abused by any number of welfare recipients from legal aliens to children.

I also should point out that we talked a moment ago about AFDC, cash welfare payments, and we have not done a good job to date in bringing out in this debate that citizen children or so-called citizen children, children

of illegal immigrants who are born here in this country and who thereby immediately become American citizens, are the fastest growing group of AFDC recipients in America today.

So what we want to do is go back to the idea of sponsorship. We want to make the alien's sponsor financially responsible for the support of that alien.

We would require an affidavit of financial support that would be legally binding and in fact would be enforceable in court proceedings. We apply, this is an interesting fact. We apply the existing deeming rule to all Federal means-tested programs so that in these programs the income of an alien sponsor is deemed to be the alien's income when determining welfare eligibility.

And, lastly, we authorize Federal and State authorities for the first time in history to go after deadbeat sponsors.

Thus, if you look carefully at our welfare reform proposal in the area of welfare benefits for aliens, we are actually strengthening our current immigration policy, and we are not bashing anyone. That is not our intent.

Now, there are also those who say, well, if you cut off welfare benefits entirely to illegal immigrants, we will have children, the children of those illegal immigrants or the children in those families, literally dying on our streets. And nothing could be further from the truth. We allow both legal and illegal aliens access to noncash, in-kind emergency services.

That is, in effect, the case today in our emergency rooms around the country. So they will have access to emergency medical services at the State and Federal levels. And no alien, legal or illegal, will go without such humanitarian services as a result of our bill.

So as we have attempted to do throughout our welfare reform package, we are imposing stringent measures. We are sending a signal to those who would desire to aspire to emigrate to our country that they have to come through the door legally.

You know, just an anecdote from last fall's election campaign.

I was out actually precinct walking one day in my congressional district, and this was right at the peak of the controversy and the furor over proposition 187. I was walking down the street. I heard over my shoulder a gentleman calling out to me in broken English with an obvious Hispanic accent. And I turned around, and he came running down the street.

And he was very excited, actually, to meet me. And so we got into a nice conversation. And as I had a chance to probe a little bit, he was very excited that a political candidate had just come to his door because he was in his fifth and final year of qualifying for American citizenship, and he was overjoyed at the prospect that he would be able to exercise his franchise as an American citizen and vote in the election.

□ 2330

So I took that opportunity to ask him his feelings on proposition 187, and he looked me right in the eye and said that he was very much in favor of proposition 187. He was in favor of cutting off social welfare benefits for illegal immigrants, because he expected them to do it the right way, the legal way, the hard way, just as he had in qualifying for American citizenship.

So that is the message that we are sending here, and we are clearly stating to our fellow citizens that we really are going to put the rights and the needs of American citizens first.

Mr. HAYWORTH. If the gentleman will yield, I just think it is very important to take to heart the real-life experience of our friend from California and say that it is shared by so many immigrants who came in our open door, came into this country in a legal, orderly fashion, and it is not our intent to harm those who would immigrate to these shores legally but those who would come in through surreptitious means, those who would come here to enjoy the fruits of the labor of American taxpayers without being involved in the system in stark contrast to the fine example so many legal aliens set for us, whether they are immigrants from immediately south of our border who come here legally or so many folks who have immigrated here from Asia and from Europe, so many people from throughout this world who have come here legally seeking a better life and true freedom for their families. No one denies those who would come here legally an opportunity. But yet as the gentleman from California mentions, we must take action that is reasonable to stop the flow of those who would reach these shores illegally to take advantage of a system which we have proven tonight has failed miserably and lacks the very compassion the champions of that failed system so claim extravagantly in their rhetoric.

Mr. RIGGS. If the gentleman from Pennsylvania would yield on one more point related to, again, the provisions in our package dealing with alien welfare eligibility, I should also point out that we had considerable discussion and even some controversy within the ranks of House Republicans as to whether to deny legal aliens federally subsidized or Federal taxpayer-paid welfare benefits. And what we decided to do, and the proposal that will be before the House tomorrow open for amendment allows legal aliens to draw certain limited welfare benefits, but only if they have served honorably in the U.S. military, that is to say, they are an honorably discharged veteran of the U.S. military, or they are a naturalized citizen, and they have begun again the process of obtaining American citizenship.

I wanted to point out we do make a distinction between legal aliens who fit one or the other of those criteria and those again who break the law by entering our country illegally and who have put a tremendous drain on the Treasury of border States and, in the broadest sense, the Treasury of the Federal Government through again these waves of illegal immigration that have been invading our shores.

Mr. FOX of Pennsylvania. I believe that, based on what I heard from the gentleman from Arizona [Mr. HAYWORTH] and the gentleman from California [Mr. RIGGS], it seems clear to me what you have reached in your committee is a compassionate balance between those who are in fact legally here and deserve to have certain benefits and those who are illegal and who frankly the restrictions are appropriate and fair.

Mr. RIGGS. That is exactly the case, and we are again making a very blunt statement here, make no mistake about it. This action in this legislation puts the House of Representatives firmly on record in two respects. One, we obviously, by denying any welfare benefits at all to illegal immigrants, set a strict policy and a very clear standard for our country. We are, in fact, drawing a line.

And, secondly, we are sending a message that Federal immigration policy needs to be revisited and reformed, and the reason that I am so strongly in favor of these revised and stringent alien welfare eligibility standards is that with respect to legal immigration we are putting responsibility back where it belongs. We are putting the responsibility back on the shoulders of sponsors. We are telling the people who sponsor those legal immigrants into our country that they will bear a financial responsibility, and that is as it should be rather than substituting the Federal taxpayer for those sponsors.

So this is a good balanced compromise, and I believe it is one that is deserving of the support of our colleagues, and I would hope and expect that this particular part of the welfare reform package will receive strong bipartisan support from the House over the next few days.

Mr. FOX of Pennsylvania. I believe that it will, and I would ask that, if we could, for the purposes of making sure the Members of the House are aware of the further reforms, could we talk about how the food stamp reform proposal is actually going to make sure more benefits get to those in need and we eliminate some of the abuses and the fraud that have existed prior to now?

Mr. RIGGS. If the gentleman from Pennsylvania will yield, I think perhaps I should point out to my colleagues, and certainly for those viewers who are joining us now, that we do have a series of charts that show the principal elements of our welfare reform bill, and what I have put up here are the highlights of reform to the Federal food stamp program.

Now, many of our fellow Americans know that this particular area of the Federal law is overdue. It is overdoomed, but it is also overdue for

reform. What we are doing here is obviously we are preserving food stamps as an entitlement, a direct Federal entitlement, as a part of the Federal safety net for the poor, and we do anticipate and make provisions for participation in the program in the overall rolls, the overall number of food stamp recipients to grow in a recession. We do require able-bodied recipients, age 18 to 50, without dependents, to work, again, as part of our overall workfare approach to reforming the welfare system.

We let States deny food stamps to cash welfare recipients who refuse to work. The message is if you are able-bodied but unwilling to work or get job training or some form of vocational skills, then you will be denied benefits altogether.

Another keypoint, we allow States to convert food stamps to cash wage supplement for persons who agree to work. So what we are doing there is allowing food stamps to augment the basic welfare grant or the cash welfare grant for people who agree to work.

We allow States to engage in electronic transfers in lieu of a cash block grant.

There are stories that are renowned and quite legion about food stamp recipients exchanging their food stamps for all sorts of different items——

Mr. FOX of Pennsylvania. Drugs.

Mr. RIGGS. Liquor or drugs, obviously items that go far beyond the basic food supplies or foodstuffs that the food stamps are intended to provide. We limit cost-of-living adjustments to 2 percent-per-year, and as a result of reform in this area, again, since what we are attempting to do here now is through welfare reform and discretionary spending cuts, domestic discretionary spending cuts in the Federal budget, is making a significant down payment on deficit reduction that will, before the 1996 fiscal year is out, start our country on the path of balancing the Federal budget by the year 2002, and the reform to the food stamp program will contribute $18.2 billion over 5 years again as part of our overall deficit reduction effort.

Mr. FOX of Pennsylvania. I know that the gentleman from Arizona [Mr. HAYWORTH] and I are, on the Government Reform Committee, often talk about the problems that you have discussed in your committee, Education and Labor, dealing with the abuses in the system, where most of the people who receive the benefits of the program are in need and it is justified and applying for food stamps and compassion of the country does what it can.

What have we done in the system to intercede, to make sure that the problems you outline with illegal drugs and using the food stamp money for alcohol or other nonnecessities of life, what have we introduced into the system to make sure that those kinds of abuses do not continue?

□ 2340

Mr. RIGGS. Well, one of the primary reforms is the one I talked about where States can set up an electronic transfer system. That is to say where food stamp recipients can get credit at a grocery store or, you know, at a location where they would be buying food stamps, but it would be done again on a more of an electronic transfer basis, or almost like a credit card, in lieu of food stamps that could be converted for cash or converted for items that again would not be essential foodstuffs. That is one of the principal reforms that we have acquired here.

Another obvious reform is requiring able-bodied recipients, again ages 18 through 50 without children, to work in exchange for their food stamps, and then again allowing States to deny food stamps altogether to those aged 18 through 50 who do again not have dependent children, but who refuse to work.

So, there are again stringent standards in the food stamp reform area to cut down on the rampant abuse that we have experienced with this program and has been well documented back here in Washington for many years.

Mr. FOX of Pennsylvania. I yield to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Pennsylvania and listened with great interest to our friend from California outline many of the reforms.

One other reform that I think is so vital, because again, despite the propaganda and the labels of mean spiritedness about our proposal that the defenders of the tired old system continue to propagate, I think it is important also to note that this legislation would harmonize the aid to families with dependent children and the food stamp program, allowing States to use one set of rules for families applying for food stamps and AFDC, and, by providing that one-stop service, would actually make the entire process more recipient friendly, and it would make the programs more taxpayer friendly by eliminating red tape, and indeed, when you strip away all the hyperbole from the arguments and ask, I believe, a fairer question of the other side, why this constant defense of the status quo, we come to understand that in fact the minority party, many of the liberals in that party are in fact championing the continuation and the growth of the bureaucracy. They are championing the duplicative type of problems we have had.

That is all I can really draw from their arguments and their opposition, and we are trying to change that, not out of mean spiritedness, but out of public spiritedness, the idea being that even those recipients are entitled to more efficient service, though truly needy in our society should benefit from a program that will treat them with some dignity, not only inspiring those able-bodied folks to work, and to look for work, and to really be involved in our great, free market economy, but also on the governmental side to downsize, and I think much of the hue and cry comes from those who quite candidly would rather work in the public sector, would rather have these programs duplicated instead of appealing to what is—makes preeminent common sense from my viewpoint and what is just reasonable, and that is to combine these programs to serve the needy recipients and, again, to cut out excessive governmental waste, and I think that reform is vital to be mentioned.

Mr. FOX of Pennsylvania. Mr. Speaker, if the gentleman would yield, Congressman HAYWORTH, I think you are right on target with the message. I think part of what is important is what the gentleman from California [Mr. RIGGS] spoke about moments ago, goes to the work requirement, but it also carries with it job counseling, job training and job placement, and, where necessary, even day care to make sure that those who really want to work have the opportunity to do work, and, after all, everyone wants the right and the opportunity to be all they can be.

I would like to turn back, if I could, to the gentleman from California [Mr. RIGGS] to explain the kinds of abuses we have had with SSI and where the program that the Republican majority has presented tomorrow will help to solve the problem.

Mr. RIGGS. Well, I thank the gentleman from Pennsylvania [Mr. FOX] for yielding because the SSI, the Supplemental Security Income Program, has been just rife with abuse for years.

I am a little bit embarrassed to admit that one particular abuse, disability payments to drug addicts and alcoholics who refuse to get any kind of treatment or rehabilitation, that particular abuse was highlighted through a 60 Minutes segment that focused in on actually a local tavern in Eureka, CA, in Humboldt County, the largest county in my congressional district, where the friendly bartender or tavern keeper was actually cashing these checks for the local residents who had qualified for SSI.

So, we are focusing in on ending these glaring abuses, ending disability payments to drug addicts and alcoholics again who refuse to undergo any kind of treatment or rehabilitation program, who refuse to acknowledge that they have a problem and need help, which is the first step on the road to recovery.

We end cash payments for children made eligible through individualized functional assessments, IFAs, another growing abuse of SSI and the overall Federal welfare system. It has become almost common knowledge that one way to scam the system for families on welfare with children is to take them through this process wherein again they are diagnosed as individually—as individually impaired or functionally impaired and thereby enable the children to collect SSI benefits. We make

only children with severe medical disabilities eligible for disability benefits. We provide more SSI medical and nonmedical services to severely disabled children. We require States to conduct continuing disability reviews every 3 years for most children involved in the program, and we set aside $400 million for additional drug treatment and research to again help those who want help with their problem and who, in effect, should be eligible for SSI at least during the duration of their treatment and rehabilitation program.

We are not cutting SSI for kids. What we are doing, again, is trying to provide more funding for severely disabled children while protecting taxpayers against the growing abuse of the SSI program that has been well documented, again, in evidence presented to the Congress.

Mr. FOX of Pennsylvania. What of the child care block grant program? Is that your next proposal?

Mr. RIGGS. Well, we have touched on that at some considerable length, the job care block grant program, and it is quite likely that we will see an amendment here on the floor. The child care block grant is obviously very important to helping people move from welfare to work. Now we recognize that many single mothers struggle against heroic odds, and if we, in fact, are going to assist them in making that transition, we need to help them with adequate quality child care and health care benefits.

So what we have done in the child care block grant is consolidate eight child care and development programs into a single block grant. We actually enable States to direct more funds to child care services even while providing level funding, and I believe that that funding will be increased through an amendment to be offered by the gentlewoman from Connecticut [Mrs. JOHNSON]. We preserve parental choice provisions in the current child care development block grant. We require States to have and meet their own safety and health laws for day care providers, and again we poropose initially level funding of 1.9 billion a year for 5 years, although I believe the gentlewoman's amendment would increase that in the neighborhood of $750 million more, again recognizing that quality child care is paramount to helping people make that transition from welfare to work.

Mr. FOX of Pennsylvania. I will yield to the gentleman from Arizona.

Mr. HAYWORTH. I just want to thank our good friend from California for delineating so many provisions in our Welfare Reform Act that we will talk about tomorrow, and certainly many more provisions remain, and we invite, Mr. Speaker, all the American people to be involved in this debate in this new partnership, and I think it is fair to mention that people at home are saying, ''Well, what does this mean for me, for the taxpayers of America, for those who are working to provide for their families and who are providing through charitable sources, and also through their tax dollars, for the truly needy?''

What we are saying is it is time to change the system. And for those who find themselves entrapped in this system that would lead to a growing cycle of dependency, we are saying take heart. Benefits will remain for the truly needy, but we offer you an opportunity to truly become involved in this system, to understand and enjoy the dignity of work and the fruits of your labor and to really become involved in this grand experiment we know as the last best hope of mankind.

□ 2350

Mr. FOX of Pennsylvania. Our current system is so perverse to people, if they have savings, you cannot be on welfare. If you want to own property, you cannot be on welfare. It actually discourages the child's mother to marry the father because she will lose welfare. So what we have tried with these Republican proposals is frankly to give a better system to trim the fat from the budget, but to give the benefits where they belong, to those who really are in need, and not those who abuse the system that was outlined by the gentleman from California [Mr. RIGGS].

Mr. RIGGS. I would like to sum up. Again, as I said earlier today, several hours ago now on this very floor, it is time to get real. We all know the system is broken. We know that today's welfare system destroys families and the work ethic and that it traps people in the cycle of Government dependency and promotes intergenerational dependency on welfare. So what we are even deferring to do now in this historic debate is replace a failed system of despair with reforms based on the dignity of work and strength of families that move solutions closer to home and offer hope for the future.

Mr. FOX of Pennsylvania. With that final statement from the gentleman from California [Mr. RIGGS], I want to thank also the gentleman from Arizona for his leadership [Mr. HAYWORTH], in trying to move this Congress forward in meaningful welfare reform that is compassionate and cares for people and will respect the rights of all individuals in the United States. I want to thank the gentleman for participating in this special hour on behalf of the House of Representatives. I want to thank the Speaker for his leadership and assistance in this regard.

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Louisiana [Mr. FIELDS] is recognized for 60 minutes as the designee of the minority leader.

[Mr. FIELDS of Louisiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 60 minutes as the designee of the minority leader.

[Mr. WELDON of Pennsylvania addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 60 minutes as the designee of the minority leader.

[Ms. JACKSON-LEE. addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from California [Mr. RIGGS] is recognized for 60 minutes as the designee of the minority leader.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Vermont [Mr. SANDERS] is recognized for 60 minutes as the designee of the minority leader.

[Mr. SANDERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WALKER (at the request of Mr. ARMEY) for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HOLDEN) to revise and extend their remarks and include extraneous material:)

Mr. HOLDEN, for 5 minutes, today.

Mr. GUTIERREZ, for 5 minutes, today.

Mr. PETE GEREN of Texas, for 5 minutes, today.

Mr. POMEROY, for 5 minutes, today.

(The following Member (at the request of Mr. LATHAM) to revise and extend her remarks and include extraneous material:)

Mrs. SEASTRAND, for 5 minutes, on March 22.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to: