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House of Representatives

The House met at 10 a.m.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Remind us, O God, of the privilege of public service, a calling to represent people with wisdom and diligence and perseverance. May not the difficulties of any time cause us to lose the vision of those goals that unite us as one people, of those ideals that express our expectations and our yearning for justice. Give each person, gracious God, the strength of character and the integrity of the heart, that will enable us to be the people You would have us be. Bless us this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Illinois [Mr. GUTIERREZ] come forward and lead the House in the Pledge of Allegiance.

Mr. GUTIERREZ led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to announce that there will be 20 1-minutes on each side.

REPUBLICAN CONTRACT WITH AMERICA

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, for too long, this institution has lost faith because we have been unable to restore the integrity of this institution. But we are here now to restore the——

The SPEAKER. Will the gentleman suspend. The Chair notes a disturbance in the Visitors Gallery in contravention of the law and the rules of the House.

The doormen and police will remove from the gallery those persons participating in the disturbance.

The Chair will re-recognize for his full time the gentleman from Kansas.

Mr. TIAHRT. I thank the Speaker. I did not realize I would have such an impact on the audience today.

The SPEAKER. The Chair commends the gentleman from Kansas who can arouse such spirit of interest but recommends he start over.

Mr. TIAHRT. I thank the Speaker.

Mr. TIAHRT. For too long, Mr. Speaker, America has lost faith in this institution, because we were unable to focus on the integrity that is required on the floor of the House. We are here to restore faith in this institution, in America. Our Contract With America on the very first day of Congress changed the way business was done. We required Congress to live under the same laws as everyone else. We cut committee staffs by one-third. We cut the congressional budget.

Then during the first 100 days we have gone on to keep our promises: a balanced budget amendment; unfunded mandate legislation; line-item veto; a new crime package to stop violent criminals; National Security Restoration Act to protect our freedoms; Government regulatory reform, and commonsense legal reform.

We are now working on welfare reform so that we can encourage work, restore hope in people and not dependence on the Government. We are working on it now. We hope to have it passed by this week. We are cracking down on deadbeat dads.

In the near future we are going to be dealing with tax cuts for middle-American families.

There is going to be a Senior Citizens Equity Act, congressional term limits, all are going to be dealt with.

We are here to restore faith in this institution for the American public.

This is our Contract With America, Mr. Speaker.

TERM LIMITS

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute.)

Mr. GUTIERREZ. Mr. Speaker, today I want to send a special message to the people of the Sixth District in Georgia. I want to inform you that your Congressman, Mr. GINGRICH—whom you first elected in 1978—supports limiting members to 12 years of service.

In a press conference endorsing the 12-year limit, the Speaker, now in his 17th year, said: ''The balance of power in favor of professional politicians as incumbents * * * has made a mockery of the process of open elections.''

So, that must mean that each election held in Georgia's Sixth District since 1990, when Mr. GINGRICH's 12 years were up, has been a mockery.

If I lived in Georgia, I'd be concerned to hear that I had voted in a ''mockery'' of an election. In fact, three of them, since 1990.

But, there is a remedy. No, not a special election, and, no, we don't have to ask President Carter to monitor the elections, even though he lives right

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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there. The solution is real term limits, retroactive term limits. Now, it is hard work to be the Speaker, but, it should not be too much trouble to actually live by the words that you speak.

CHANGING THE FAILED WELFARE SYSTEM

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, one of our liberal Democratic colleagues, the gentleman from California [Mr. MARTINEZ], said during the general debate Tuesday that the welfare system was originally conceived to help children.

If that is the case, there has never been a clearer example of unintended consequences. For it is a sad fact that the current welfare system has been a disaster for children. Study after study shows that children on welfare do worse in school, are more likely to have other developmental problems, and are three times as likely as the average child to end up on welfare themselves.

Yet my liberal colleagues constantly parade to the floor to defend a system, their system, that has produced nothing but misery.

What do the liberals have against work? What do they have against personal responsibility? Why do they defend a system that has resulted in an explosion of illegitimacy in this country?

The American people are fed up with an immoral system that rewards personally destructive behavior. But this week, we finally begin to change the welfare system.

SUCCESSFUL WELFARE ALUMNI

(Mr. VOLKMER asked and was given permission to address the House for 1 minute.)

Mr. VOLKMER. Mr. Speaker, we Democrats are for welfare reform, but we are for meaningful welfare reform. We are not for mean-spirited, radical welfare reform. We are not for taking food away from children and infants and giving it to millionaires, because that is what they do.

They take the $70 billion that they cut from school lunch, from AFDC, from the food stamp bill, and they are going to give it to the millionaires and the big corporations.

I have heard anecdotal statements down here on the floor from that side about what kind of welfare mother we have out there. I want to tell you about some welfare mothers. I am going to give you names. I have not heard one name from that aside.

I am going to give you the name of Ms. Keneetha Jackson, I am going to give you the name of Ms. Reba Brown, and I am going to give you the name of Ms. Shauntel Freelon.

All three of them used to be on welfare, all three of them are no longer on welfare, and Keneetha come May gets a B.A. in business administration from the University of Missouri, my alma mater. She has worked her way out of it. She does not want to be on welfare.

That is the Democratic proposal. Get them off of welfare. Help them out.

ACTIONS SPEAK LOUDER THAN WORDS

(Mr. BOEHNER asked and was given permission to address the House for 1 minute.)

Mr. BOEHNER. Mr. Speaker, for years the American people have demanded that Washington reform welfare.

For years politicians have talked about reforming welfare.

But for years liberal politicians blocked consideration of an overhaul of our welfare system.

What a difference an election makes.

Before the Republicans were even elected, we promised America that we would reform the welfare state if we were elected to the majority.

Today we are keeping our word. We are replacing a system that abuses children, ensnares generations in dependency, and subsidizes illegitimacy and destructive behavior with billions of taxpayer dollars.

The Republican plan will put millions of people now on welfare back on payrolls. Our bill encourages families and stops paying kids to have kids. We will give power to the States so they can develop local solutions to local poverty problems.

The President may speak about ending welfare as we know it, but it took Republicans to actually turn those words into real and responsible legislative action.

Remember today, actions speak louder than words.

CONGRESS TURNS BACK ON GROWING TRADE DEFICIT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. January's trade deficit hit a record $12.3 billion, ladies and gentlemen.

This is absurd. Everyone in this body knows Japan rips us off. Mexico and China literally have slave labor wages. And Congress debates welfare. Congress debates budgets. Congress turns its back on the trade deficit.

Ladies and gentlemen, the Congress of the United States has betrayed the American worker. Harry Truman is rolling over in his grave.

I have never had one constituent ask me for welfare. My constituents want a job. It is a sad day in America when Congress turns its back and allows White House after White House to make false threats and do absolutely nothing.

Shame, Congress. Jobs is a 4-letter word but it is not a dirty word and it is time we start digging into it.

WELFARE REFORM

(Mr. JONES asked and was given permission to address the House for 1 minute.)

Mr. JONES. Mr. Speaker, we must remember that the American people sent us to Washington to downsize and streamline the Federal Government. Working people have consistently paid more taxes each year to combat the war on poverty—which we are losing.

The current system offers benefits to a record 14.3 million people, a 31-percent increase from 1989, which costs taxpayers $325 billion. Our proposal will save taxpayers $66.3 billion over 5 years by streamlining the administrative end and transferring authority over to the States.

This outdated and bureaucratic-laden system subsidizes illegitimacy, breaks up families, and promotes personally destructive behavior.

Let us continue fighting for the taxpayers of America and pass this much needed welfare reform bill.

SCHOOL LUNCH

(Mr. MEEHAN asked and was given permission to address the House for 1 minute.)

Mr. MEEHAN. Mr. Speaker, Democrats are for cutting spending and cutting the deficit, but do we really have to start with children?

There has been a lot of discussion about how much the Republican plan would cut the School Lunch Program. So when I went home this weekend, I went right to the source. I had lunch with the students at the Dutile Elementary School in Billerica, MA. They filled me in on the missing details.

According to school administrators, the Republican plan would cut $210,000 a year from the Billerica school lunch program which means that 600 students who now get free or reduced lunches will have to find some other way to make up the difference.

Chicken sandwiches and carrot sticks may not seem like much to some Members of Congress who are used to dining out with lobbyists at Morton's eating thick, juicy steaks. But for the kids at the Dutile Elementary School, school lunch is often the only way to get through their day.

There are plenty of places to cut spending on entitlements that will not hurt kids, but instead of cutting the wealthy by closing corporate welfare tax breaks, the Republican plan takes money away from low-income school children and hands it over to people making $100,000 a year.

AFFIRMATIVE ACTION'S TIME HAS PASSED

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute.)

Mr. FUNDERBURK. Mr. Speaker, of all of the destructive ideas invented by the American left, none has been more

pernicious than affirmative action. It has changed America from a country grounded in individual rights and merit to one where justice is determined by what is done for, and to, one's racial or ethnic group.

Originally affirmative action was designed to protect men and women who had actually suffered direct discrimination. But now, these laws are used to set aside jobs, contracts, and seats in our best colleges.

Bill Bennett notes that with the helping hand of Federal bureaucrats and an activist judiciary we have actually regressed in race relations because, ''you have a combination of resegregation, reseparation, and pseudopsychological nonsense about how skin color means a different identity psychologically.''

Mr. Speaker, discrimination is wrong period. It is always wrong and affirmative-action is nothing more than discrimination with the Federal stamp of approval. For the sake of every American it is finally time to end the cult of victimization. It really is past time to end affirmative action as we know it.

REPUBLICAN WELFARE PLAN HURTS CHILDREN

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, out of this debate has come a paradox—a puzzle. The Republicans say that they can save $70 billion through welfare reform. They say they can save that amount and increase spending, at the same time. We say that $70 billion in reduced spending is a cut. They want to use the money saved to give a tax break to the wealthiest Americans. We want to use the money cut to give a break to the children of America.

Who is right? Their bill ends entitlements; sharply cuts back aid to disabled children; allows below inflation growth for food stamps; puts a 5-year spending freeze on the largest cash program; reduces foster care; punishes fatherless children; and cuts off benefits after 5 years. They have the power to force this plan on the American people. Whatever piece of this puzzle you pick, the result is the same. They say they are saving money, but they are sacrificing children.

□ 1015

THE DEFINITION OF BIODIVERSITY

(Mr. GILCHREST asked and was given permission to address the House for 1 minute.)

Mr. GILCHREST. Mr. Speaker, what is biodiversity?

Biodiversity is the overwhelming diversity of life. Each species has a definite and specific role to play in sustaining the dynamics of ecosystem processes as producers, consumers, decomposers, parasites, and predators, and each species occupies a specific niche.

Biodiversity refers to the harmony and tension that exist between all species and ecological systems on the plant. Remove or sufficiently damage one of the components and the entire structure is weakened.

The value of biodiversity to humanity goes far beyond economic utility. Humans are a part of the diversity of life. We rely on it to sustain our existence on this plant. We cannot continue to exist without interaction with other species. We rely on diversity for the air we breathe and the water we drink. The value of biodiversity lies not only in the utilization value of resources, it lies in the intrinsic value of its ability to support life.

CHARGES AGAINST SPEAKER GINGRICH ARE NOT FRIVOLOUS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, Congresswoman NANCY JOHNSON is right this morning when she says that the charges against Speaker GINGRICH are not frivolous. The fact is from across the country the evidence and the calls for an investigation are mounting up. In this last week the Baltimore Sun, the Boston Globe, the Los Angeles Times, and the Chicago Tribune all raised questions about Speaker GINGRICH'S actions as Speaker and his service in the House of Representatives, raised questions about whether or not he has violated the gift rules in receiving gifts from corporate interests, whether or not he has violated the use of his staff in the production of his book and production of his TV show and his classroom, whether or not he violated the rules of this House by peddling his tapes on the floor of the House.

These are serious questions. Congresswoman NANCY JOHNSON, the chairman of the Ethics Committee, is quite right. These are not frivolous, but they also are so serious that they should call for a special counsel to provide for an independent investigation of whether or not the Speaker is peddling his office, his position, and his power.

ABRAHAM LINCOLN'S CAN-NOTS

(Mr. LAHOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAHOOD. Mr. Speaker, as the misinformation swirls around the welfare debate, it is important to remember a few principles that have passed the test of time. Our great President Abraham Lincoln had a list of ''Lincoln's Can-Nots.'' Mr. Speaker, here are just a few:

You cannot build character and courage by taking away a man's initiative and independence.

You cannot further the brotherhood of man by inciting class hatred.

You cannot help men permanently by doing for them what they could and should do for themselves.

But, Mr. Speaker, the failure that we call a welfare system snubs these principles. It saps initiative; it does for its victims what they should do for themselves; its defenders stir up class hatred to protect it. It replaces principle with pork, and confuses reason with regulation. As a result, children are born into a world without hope or independence.

Mr. Speaker, answers start with principles. Our welfare reform bill works because it is based on solid, enduring principles. Lincoln would have approved.

THE PHYSICS OF SCHOOL LUNCHES

(Mr. BROWN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I rise today to talk about a simple law of physics: ''For every action there is an equal, but opposite reaction.'' Although it is not a difficult concept to grasp, I would like to offer an example to help my colleagues who may not understand.

Last Friday, I had the opportunity to visit two schools in my district to observe the large number of children participating in the School Lunch Program. My district has been hard hit by a base closure, defense downsizing, and high unemployment.

At both Alessandro and Monterey Elementary Schools, over 80 percent of the children participate in the School Lunch Program. These schools are typical of the numbers of students whose nutritional needs are supplemented by the School Lunch Program in San Bernardino.

If we skimp on meals for hungry school children, we may save money in one area. But those savings will be lost due to increased medical expenses for undernourished children and higher education costs as children are held back in grades because they are not learning at the expected rate, unable to concentrate on an empty stomach. Our local schools may also lose much needed aid due to increased absenteeism due to sick, malnourished children having to stay home.

Throughout the balanced budget amendment debate in this House, my Republican colleagues took to the floor stating that unless we passed that one piece of legislation, our children and grandchildren would face a grim future. What could be more grim than 2 million children going hungry because congressional Republicans cut the School Lunch Program?

These may be simple cuts to make today, but the chain reaction set in motion could be disastrous for our country. Cutting school lunches is not the answer to this country's economic problems.

Let us be sure that we fully understand the opposite reaction to the action of cutting school lunches.

BUILDING BRIDGES

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute.)

Mr. GUTKNECHT. Mr. Speaker, I would like to read this morning a poem from Bill Bennett's book of virtues. It is entitled ''The Bridge Builder.''

THE BRIDGE BUILDER

(By Will Allen Dromgoole)

This poem speaks of each generation's responsibilities to its successors.

An old man, going a lone highway,
Came, at the evening, cold and gray,
To a chasm, vast, and deep, and wide,
Through which was flowing a sullen tide.
The old man crossed in the twilight dim;
The sullen stream had no fears for him;
But he turned, when safe on the other side,
And built a bridge to span the tide.
''Old man,'' said a fellow pilgrim, near,
''You are wasting strength with building here;
Your journey will end with the ending day;
You never again must pass this way;

The builder lifted his old gray head:
''Good friend, in the path I have come,'' he said,
''There followeth after me today
A youth, whose feet must pass this way.
This chasm, that has been naught to me,
To that fair-haired youth may a pitfall be.
He, too, must cross in the twilight dim;
Good friend, I am building the bridge for *him*.''

Mr. Speaker, balancing the budget is not some mean-spirited accounting exercise. It is about preserving the American dream for future generations.

OUR FAILED WELFARE POLICIES OF THE PAST

(Mr. HOKE asked and was given permission to address the House for 1 minute.)

Mr. HOKE. Mr. Speaker, the current welfare system is the $600 toilet seat of social policy. In fact, it is worse. At least after spending $600 on the proverbial toilet seat, we actually got one that did what it was supposed to do. You cannot say that about welfare.

We spend and we spend and we spend. Yet the problems we set out to solve 30 years ago have only gotten worse and worse and worse.

Illegitimacy and teen pregnancy have exploded, leaving in their wake drug abuse and crime. Family breakdown is a national crisis. Moral confusion and antisocial behavior is rampant.

Welfare has failed children more than anyone. Children on welfare do worse in school. They tend to have other developmental problems. They are three times more likely to end up on welfare themselves.

What a perverse and cruel form of compassion that encourages children to have children, and then condemns them to a dead end cycle of government dependency.

We could not consciously design a system that is more cruel to children which is what makes the liberals' defense of this current system all the more perplexing.

Hell hath no fury like a special interest masquerading as a moral principle.

GO AFTER THE CHEATS, NOT THE CHILDREN

(Mr. ROEMER asked and was given permission to address the House for 1 minute.)

Mr. ROEMER. Mr. Speaker, there is no doubt that the American people want us to fix the broken welfare system. There is too much fraud and abuse in it, especially in the Food Stamp Program. But they want us to go after the cheats, not the children.

A U.S.A. Today editorial the other day, not a Democrat or a Republican 1-minute speech, said this about the Republican proposal:

Today if people are thrown out of work by recession and their children's nutrition is jeopardized, Federal school lunch aid rises. The GOP plan erases that protection. It could divert up to 20 percent to other programs.

Mr. Speaker, this bill, this welfare bill does an amazing thing, it unifies the Children's Defense Fund and the Right to Life Organization who both oppose this bill because it is extreme and it is coldhearted to our Nation's children.

HELP—I'VE FALLEN AND I CAN'T GET UP

(Ms. PRYCE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE. Mr. Speaker, help. I have fallen and I cannot get up.

For 5 million families, the average length of stay on welfare is 13 years. The Democrats have coated the social safety net with glue and millions of Americans are crying for help to become unstuck.

Republicans want the social safety net to be a trampoline off of which people can bounce to new heights.

We simply want to return this money to the State level where people can be helped the most. We don't cut it, we send it back.

Democrats do not trust the States. But it is these same Democrats who are standing in the doors of the Nations ghettos, refusing to let people out.

I say to my friends on the other side of the aisle, ''Get out of the door. Give people back their dignity by providing them with hope, independence, and opportunity.'' They want these for more than a handout.

THE IMPORTANCE OF NUTRITION

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, you know being a nurse you understand the importance of nutrition. It did not start with children. Poor nutrition was recognized back during World War II when we found that our soldiers were not quite prepared and when they looked for the reason it was because they did not have proper nutrition. So it stands to reason if our soldiers were not prepared without proper nutrition our children simply cannot be. They cannot be healthy adults unless they have access to some nutrition as children.

We have heard that the nutrition programs for children will not be cut. I simply want to call our attention to this graph. If it is not going to be cut, then what does this mean? If it is going to be cut, this $13.6 billion dollars, $7 billion to bring it up to $13.6 billion by the year 2000, when it should be $15.9 billion, is that a cut with more and more children eligible for school nutrition?

We must look after the health of our children to have a healthy Nation. We are not asking for welfare for adults. We simply want attention being given to our children. Do not punish the children for what parents do not do.

THE PERSONAL RESPONSIBILITY ACT

(Mrs. FOWLER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FOWLER. Mr. Speaker, the Federal Government has spent $5 trillion in the last 30 years creating a safety net for the needy. Unfortunately, that net has become more like a spider web—trapping the poor, destroying lives, and crushing hopes and dreams.

The Personal Responsibility Act is an attempt to create a welfare system that really works—a system that provides a helping hand but also encourages work and self-reliance. This bill increases money for WIC and school nutrition, provides more direct resources for child care and child protection services, and allows resources to go directly to the poor—not bureaucrats. And it will end the perverse incentives that drive illegitimacy, destroy families, and punish work.

The time has come for us to recognize that there is dignity in work—not dependency—and create a welfare system that provides a hand up rather than a hand-out. Vote for H.R. 4.

AN APOLOGY DUE WELFARE MOTHERS

(Ms. WATERS asked and was given permission to address the House for 1 minute.)

Ms. WATERS. Mr. Speaker, this morning a Republican Member of this body, the gentleman from Florida, Mr. CLAY SHAW, was shown on national TV making a most irresponsible and outrageous statement disparaging welfare mothers by saying, and I quote, ''You wouldn't leave your cat with them on the weekend.''

CLAY SHAW owes the welfare mothers of this country an apology. How dare him single out welfare mothers and refer to them in such negative terms. There are responsible people in all segments of our society and there are irresponsible people.

Some politicians are responsible and some are irresponsible. Mr. CLAY SHAW falls in the category of the irresponsible.

There are many solid responsible welfare recipients who love and care for their children, who attend church on Sunday, who work part-time jobs, who search for jobs, who attend schools in an effort to better themselves.

Welfare mothers and fathers, it is time to speak up. Call NEWT GINGRICH at 202–225–0600 and tell him to help you with a job.

□ 1030

IN SUPPORT OF THE PERSONAL RESPONSIBILITY ACT

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, I rise today to speak in support of the Personal Responsibility Act.

This bill releases the welfare trap by empowering recipients to take charge of their lives and work their way off welfare.

The current system provides little incentive for individuals to work. As a result, only 20,000 individuals on AFDC are working in paid jobs. By rewarding recipients who remain idle and punishing those who try to lift themselves out of poverty, the current welfare system is trapping families in a life of dependency.

It is wrong to deprive individuals the dignity of work. The Personal Responsibility Act promotes work and requires able-bodied adults to work in exchange for their benefits. By 1998, one parent in at least 90 percent of two-parent AFDC families will be required to work. By the year 2000, 2 million single AFDC parents will be working.

The Republican welfare bill embodies the principles that make our Nation strong and provides hope, opportunity, and independence to those unfortunate Americans trapped in the current system.

Mr. Speaker, I urge my colleagues to support this bill.

PROPOSALS IMPACT ALABAMA'S CHILDREN

(Mr. HILLIARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIARD. Mr. Speaker, the Republican contract continues to cut and slash our child welfare programs and other essential-type programs which have never been accused of fraud or abuse.

The Republican bill simply goes too far. It eliminates many good, worthwhile programs which benefit pregnant mothers, infants, children, and the elders.

Yes, Mr. Speaker, the Republican welfare bill is a crude and cruel bill which is going to hurt many helpless Americans.

Mr. Speaker, as most Democrats, I, too, am in favor of a prudent, well-thought-out welfare reform bill. When it comes to cutting out welfare fraud and fat, I was one of the very first Members of this body to call for an investigation of the SSI welfare program which is referred to in the press as crazy checks or dummy checks.

But not since the Biblical days of King Herod have our children been in such grave danger. But unlike King Herod, who went only after the male child, the Republicans have targeted all of America's poor children.

Mr. Speaker, it is necessary for the Democrats to save our future, to save our children, to save America.

ENACT TERM LIMITS THIS YEAR

(Mr. NETHERCUTT asked and was given permission to address the House for 1 minute.)

Mr. NETHERCUTT. Mr. Speaker, I rise today in strong support for term limitations which this body will take up in the very near future.

Term limits will assure that new people with new energy and new ideas will come to serve in this body and serve the American people. Term limits will assure the intent that the Founding Fathers had of having people from the various districts come to this city and this body and serve with distinction the cause of good government and make a contribution to politics and good government, not to have a career here.

Term limits will encourage more people to serve in this body, to serve in Congress and run for Congress. Term limits will eliminate the automatic election advantage that incumbents have that perpetuates their existence.

Let us follow the example of Abraham Lincoln and the example of many States in this country which have adopted term limits.

Abraham Lincoln served one term. Let us follow his example and enact term limits this year.

IMPACTS OF THE REPUBLICAN WELFARE REFORM PROPOSAL

(Mr. CLYBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLYBURN. Mr. Speaker, I want to change our welfare system, and I was 2 years ahead of the curve in calling for reform of the current system.

But, Mr. Speaker, welfare reform should not mean help denied.

If this plan my Republican friends propose passes, in South Carolina 400,000 schoolchildren will be denied a lunch; in South Carolina, 20 percent of our children with disabilities will be denied SSI; in South Carolina, 5,000 additional children will receive less Federal child care assistance; in South Carolina, the State stands to lose $522 million for programs to help children.

Mr. Speaker, if this program is approved, over 60,000 people will be denied much-needed assistance.

FOOD STAMP BLOCK GRANTS

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, today an important amendment will come before us, an amendment that will block-grant food stamps and complete the historic transformation of the Democrat-created, heinous, disastrous, and destructive Federal welfare system.

We must pass this amendment to ensure that the Governors have all the tools they need to create welfare solutions for their States. Without this amendment, our work here will be incomplete.

Two out of three committees responsible for change stood fast and fulfilled their promise to the States, giving them the flexibility they need, but unfortunately one committee did not.

Food stamp block grants will repair that weak link and provide the States with the means to completely break down and bury a system whose time has long since come and gone.

Our Governors want, need, and deserve nothing less than full welfare reform.

IN SUPPORT OF THE DEAL SUBSTITUTE

(Mr. DOYLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOYLE. Mr. Speaker, I rise today in strong support of the Deal substitute which approaches welfare reform head on by moving people from welfare to work. Under the Deal substitute, each individual must sign a contract which requires them to begin a job search immediately. Benefits would be terminated for any individual who refused to work or refused to accept a job. States would have greater flexibility to develop and administer welfare programs. By providing transitional medical assistance, the Deal substitute provides concrete incentives needed to ensure that a welfare recipient is better off economically by taking a job than by remaining on welfare. The Republican approach has no requirement for work. Even worse, the Republicans would slash the School Lunch Program to fund tax cuts for corporations and the wealthy. The Deal substitute explicitly provides that all savings would be applied to deficit reduction. Mr. Speaker, the American

people—who are truly concerned with improving the welfare system by encouraging work, not abandoning people—are seeing through the charade. I urge my colleagues to vote for genuine, constructive reform by supporting the Deal substitute.

WELFARE REFORM PACKAGE REDUCES THE BUDGET DEFICIT

(Mr. NORWOOD asked and was given permission to address the House for 1 minute.)

Mr. NORWOOD. Mr. Speaker, I would like to talk for a moment about some children in my district. I would like to talk about the 20 students in Mary Mills' 5th grade class at Oconee County Intermediate in Watkinsville, GA. When I was sworn in, the share of the national debt owed by Mary Mills' class was $365,000. Since I have been here, a total of 80 days, they have incurred another $2,500 of debt. Mr. Speaker, everyday we are spending away the future of those children. Our welfare reform package does significantly reduce the budget deficit. My colleagues on the other side continue to whine and wail that we are hurting children. Some of my more irresponsible colleagues continue to compare our welfare reforms to Nazi Germany. Mr. Speaker, someone has to speak up for the children of the next generation. I would ask my colleagues on the other side one simple question, how will we be able to do anything for our children when we bankrupt this Nation? We can do nothing worse than to keep our current system.

WELFARE AND NUTRITION REFORM

(Mrs. THURMAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. THURMAN. Mr. Speaker, I want to talk about the real stories, not just the stories made up in people's minds, real people at home.

Here is a family, a husband, two teenage boys, one 11-year-old with cerebral palsy; husband works near minimum wage, Social Security for disabled child, receives food stamps. Says hardest time is last week of the month; never skips meals, but makes do with noodles and bouillon or grilled cheese sandwiches. She always worries that the kids are not getting enough protein and fresh vegetables. She feeds the kids first, then she eats, sometimes she does not eat. Delays bills to pay for food, had water shut off; a local program provided turkey and fixings last Christmas, also blankets and other things.

She says it hurts to hear that programs might be cut. She knows that some people sell their food stamps, and that makes others look bad.

She wants people to know that poor does not mean lazy. Her husband works, and she works hard taking care of her disabled son.

Things were better about 6 years ago, when her husband had a good job and she was working, too. Then her mother died, and they almost filed bankruptcy.

Kathleen says she never thought her family would be poor, but is thankful for the small things. ''I always tell my kids that we are not as bad off as some people. They should feel fortunate to have a roof over their heads.''

WELFARE PROGRAM

(Mrs. KELLY asked and was given permission to address the House for 1 minute.)

Mrs. KELLY. Mr. Speaker, the American people want us to get on with repairing our Nation's broken welfare system. They know, as we do, that what was intended to be a safety net has become a tragic snare for generations of our fellow citizens.

Today, Republicans will reform regulations on food stamps and commodity distribution. These are safety net programs that touch the lives of poor people every day.

Our food stamp proposals will target benefits to those who truly need them.

Our proposals will remove the humiliating piles of paperwork that now plague the poor in these programs. This means that resources now squandered on bureaucratic red tape will instead go to feed hungry Americans.

Mr. Speaker, our reforms reduce paperwork and regulations that weigh about this much to only about this much.

Most importantly, Mr. Speaker, our reforms will target our tax dollars where the American people want them—on the dinner tables of our Nation's needy children.

THE CHILD NUTRITION PROGRAM

(Mr. BARRETT of Wisconsin asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARRETT of Wisconsin. Mr. Speaker, I went to Lloyd Street School in my hometown of Milwaukee on Monday. I had the opportunity to eat lunch with children who depend on the School Lunch Program.

Republicans howl at the suggestion that their bill to eliminate this critical program and block-grant child nutrition programs is cruel. But their actions are cruel to the children at Lloyd Street School and 13 million children across America who rely on child nutrition programs each day for a balanced meal.

Republicans argue their bill does not cut child nutrition programs, but according to the Congressional Budget Office, this bill cuts nutrition programs by as much as $7 billion over the next 5 years. You cannot claim that you are spending more and spending $7 billion less at the same time.

Republicans also argue that their program will cut bureaucrats and will not hurt kids. They are dead wrong. Any savings in costs would be retained to pay for tax cuts and not sent back to help kids.

Mr. Speaker, today children in America are being asked to say no to many things, but it is dead wrong for Congress to ask them to say no to food.

SUPPORT THE TRUTH IN BUDGETING ACT, RESTORE HIGHWAY TRUST FUNDS

(Mr. COOLEY asked and was given permission to address the House for 1 minute.)

Mr. COOLEY. Mr. Speaker, as Members of the freshman class, we were elected to restore accountability and honesty to Congress. We have a unique opportunity, indeed an obligation, to fulfill our promise. In 1969, the Federal Highway Trust Fund became part of the unified Federal budget. Since that time, taxes paid by users of the system for the express purpose of improving and upgrading our roads and bridges, have been buried in the budget, masking the true size of the Federal deficit.

Prior to 1969, the Federal Highway Trust Fund was an off-budget program. The pay-as-you-go system allowed repairs to be made as the money was collected. Today, a surplus has amassed at the expense of much needed improvements.

H.R. 842, the Truth in Budgeting Act, seeks to restore the Federal Highway Trust Fund to its original off-budget status. This will put an end to the budget gimmick of hiding the deficit at the expense of motorists. I urge you to join me and nearly 140 cosponsors in supporting H.R. 842, a bill that answers the people's call to improve America's infrastructure, and to make Government fiscally responsible.

A promise is a promise, and it is time for us to live up to ours.

SUPPORT URGED FOR THE DEAL SUBSTITUTE

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, as the only former mother in this Congress that was ever on welfare with children, I rise today to urge my colleagues on both sides of the aisle to support Deal substitute that we will be voting on today. I support Deal substitute because it offers welfare recipients a fair deal.

As long as there are jobs and recipients are willing to work and play by the rules, the Deal bill will invest up front in education, job training, and child care to ensure that recipients get into jobs and off welfare permanently.

Unlike the Republican bill that does not invest in work and punishes children, the Deal welfare substitute protects children. It also guarantees help if the State experiences a recession or a national disaster, times when the needs are greatest.

Mr. Speaker, the choice comes down to this: We either punish poor people who play by the rules, as the Republican bill would do, or we invest in them so that they can get off welfare permanently.

CURRENT WELFARE SYSTEM HAS NEVER WORKED

(Mr. CHRISTENSEN asked and was given permission to address the House for 1 minute.)

Mr. CHRISTENSEN. Mr. Speaker, in the last few days I have seen an uproar from the friends on the left regarding the restructuring of the welfare system. I hear phrases like ''lacking compassion,'' ''mean spirited,'' ''cruelty to children.'' I am here to tell you that changing a system that does not work has nothing to do with lacking compassion.

What is lacking is maintaining a welfare system that has never worked and has only increased dependence to ensure the survival of a political party, lacking in responsibility, and, yes, lacking in compassion.

□ 1045

Yes, you know, in the last 30 years the Democratically controlled Congress has spent over $5 trillion on welfare. In that same 30 years AFDC recipients have more than doubled, the number of single parents has tripled, food stamp recipients have quintupled, while these same Democrats stand up and yell about compassion.

Today I join my fellow Americans and say we have seen the kind of work compassion you have offered these last 30 years. Give people back their dignity, give them hope, not a handout.

Pass the Republican welfare bill.

THE SAFETY NET

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute.)

Mrs. SEASTRAND. Mr. Speaker, the 104th Congress is not debating the fundamental restructuring of the failed welfare system. We have started one of the most important debates for the next generation. As a former elementary school teacher, I know and realize how important it is for the Congress to end the cycle of dependency and replace it with the dignity of work.

Mr. Speaker, we are ending a welfare system that is not compassionate and replacing it with hope and opportunity. We are ending a failed system and encouraging personal responsibility. These are ambitious goals yet they are achievable goals.

While we are making these changes to the welfare system, we also have to recognize that we will hit some rough spots. That is why our bill retains a Federal safety net called food stamps. This safety net insures that no American will go hungry while we change the system to bring opportunity and dignity. While we retain a safety net we also require personal responsibility in the form of work.

I urge all to call President Clinton, 202–456–1414, and ask him why he is not joining us to change it.

GOODBYE MILK, HELLO KOOL-AID

(Mr. POMEROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POMEROY. Mr. Chairman, while both parties support welfare reform, there is something terribly unseemly about the debate under way in the House. Well-fed speaker after well-fed speaker has gotten up and argued passionately for the Republican proposal which makes deep cuts in the nutritional program helping infants at home, toddlers in day care and kids in school.

My abundantly nourished Republican friends maintain they are not cutting anything. But the numbers tell quite a different story. The Congressional Budget Office, which they control, says more than $22 billion will be removed from the nutritional spending. The only way you get this much money from nutrition programs is by sharply reducing the quality and nutritional value of these programs which help these kids who need them so badly. For kids all across the country, it is goodbye milk, hello Kool-Aid. I wonder how my comfortable, well-fed colleagues would like a diet like that for themselves?

A DISAPPOINTING PERFORMANCE

(Mr. COLLINS of Georgia asked and was given permission to address the House for 1 minute.)

Mr. COLLINS of Georgia. Mr. Speaker, I too want to address the debate that is going on on the issue of welfare change. Only my position on this debate is that I am very disappointed in it. I am very disappointed in this Congress. This is the most important issue that we are going to debate in this whole entire 104th Congress. It is going to affect the lives of millions of people, even probably—or hopefully—will change the course of lives of millions of people.

But the debate has turned away from that aspect. The debate has turned to one of name-calling, finger-pointing, and distortion of the truth, all in an attempt to divide people of this country, to divide people by class, divide people by race, and divide people by nationality.

Mr. Speaker, that is wrong. And I can assure you that there is not one Member of this body who wants to do harm to any one child in this Nation. I hope the debate turns better.

H.R. 4 CUTS CHILD NUTRITION PROGRAMS

(Ms. PELOSI asked and was given permission to address the House for 1 minute.)

Ms. PELOSI. Mr. Speaker, I hold in my hand H.R. 4, the Republican so-called welfare reform package. I urge everyone to read this, to read this and weep. Because in the attempt to improve the welfare system, which we all agree needs to be reformed, our Republican colleagues have cut—yes, cut—the children's nutrition programs that have been an entitlement for America's poor and hungry children for over 50 years.

Our colleagues on the Republican side will wave a CRS report that says they do not cut the School Lunch Program, but they are avoiding the issue. Because what we are talking about is the children's nutrition program, which includes school lunch, which includes the afternoon program and summer programs for children whose parents work and who need child care, something we are trying to encourage: work.

And if you just want to talk about school lunch, let's talk about that. The funds that this bill, H.R. 4, puts in here gives the Governors the authority to spend only 80 percent of the money. They do not have to spend 100 percent. They remove the entitlement; they remove the nutritional standards. Poor children lose a lot in this bill, which rewards the rich, cheats the children, and is weak on work.

I urge my colleagues to vote against it.

PERSONAL EXPLANATION

Mr. DOYLE. Mr. Speaker, last night, during rollcall vote Nos. 257 and 258 on H.R. 4, I was unavoidably detained. Had I been present I would have voted ''no'' on H.R. 257 and ''no'' on H.R. 258.

PERSONAL RESPONSIBILITY ACT OF 1995

The SPEAKER pro tempore (Mr. DICKEY). Pursuant to House Resolution 119, and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 4.

□ 1055

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence, with Mr. LINDER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, March 22, 1995, amendment No. 11 printed in House Report 104–85, offered

by the gentlewoman from California [Ms. WOOLSEY], had been disposed of and the bill was open for amendment at any point.

It is now in order to consider amendment No. 13, printed in House Report 104–85.

AMENDMENT OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON of Connecticut. Mr. Chairman, I offer amendment No. 13, printed in House Report 104–85.

The CHAIRMAN. The clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. JOHNSON of Connecticut: Page 87, line 3, strike ''$1,943,000,000'' and insert ''$2,093,000,000''.

The CHAIRMAN. Pursuant to the rule, the gentlewoman from Connecticut [Mrs. JOHNSON] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Mr. MCDERMOTT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Washington [Mr. MCDERMOTT] will be recognized for 10 minutes.

The Chair recognizes the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to urge support of the child care amendment which I am offering along with Congresswomen PRYCE, DUNN, and WALDHOLTZ, which raises the authorization level for the child care grant by $150 million a year for 5 years.

Mr. Chairman, there are three main points I would like to make with respect to this amendment.

First, requiring adults to work in exchange for their benefits will increase the need for child care. This is inevitable. Fully 63 percent of families on AFDC have children age 5 and under. A significant number of children who are in school still need after-school care, since the school day and school year are much more limited than the typical workday and work year.

In an ideal world, extended family would be able to provide some amount of this care. But in today's world day care and the need for day care is a reality for those on welfare and those gaining independence.

Second, reduced child care funding puts the squeeze on the working poor. In recent years, AFDC participation rates have resulted in States offering the program tilting more and more toward welfare families and away from the working poor.

Thirty-five States reported last year that they have a waiting list for subsidized child care for working poor. My State of Connecticut does not even maintain a waiting list anymore, since all slots opened up are already spoken for.

As we require more women on welfare to work, this problem is going to get more serious, not less serious.

I am pleased to be proposing this amendment today because I think it expands our resources significantly to address the child care needs that will develop as we reform welfare. But this amendment is not the whole answer. That is a point that is very important to make because there was a lot of misunderstanding in recent days as we debated this bill about how we are going to manage the child care needs that welfare reform will impose upon society. The heart of the solution is actually not this amendment; the heart of the solution is moving welfare from a cash-gift basis to a cash-wage basis because if everyone receiving welfare were also working and we used our day care resources to pay very skilled administrators and lead teachers, child development experts to run these day care centers, with welfare recipients now being paid to staff them, then we would in fact have the child care slots that we need at the money that is currently available.

So this is simply one step forward, giving States time and resources to create really the much greater, broader child care opportunity, better connected to education, work, and training that real reform demands.

Mr. Chairman, I reserve the balance of my time.

□ 1100

Mr. MCDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, Members of the House, we have again a fig leaf on the other side. They have written the bill, they have gotten it out here. Then they did a poll. On Monday they did a poll; a Republican pollster did a poll, and found that 67 percent of Americans believe the Government should help pay for child care for mothers on welfare. They found that 54 percent of those surveyed opposed eliminating requirements to State-set minimum health and safety standards for child care. So they said, ''This is awful what we did. We've cut 400,000 kids out of child care.''

So they have come out here with an amendment today. It is a fig leaf. It puts 100,000 back on. There is still 300,000 kids who will not get welfare child care under this bill.

There should be no mistake about it; this does not solve the problem. The gentlewoman from Connecticut [Mrs. JOHNSON] is absolutely correct. It is a fig leaf because they got a poll that said they were in trouble.

Mr. Chairman, I yield 2½ minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, this goes right to the heart of the debate, and the gentlewoman from Connecticut [Mrs. JOHNSON] and I have worked on some of these issues over the years, but we part company today in addressing day care; the reason is that the Republican bill block grants and sends everything back to the State. What we would like to do in the Deal amendment is to make sure some of the programs that do work stay in the Federal purview.

H.R. 4 repeals a transitional child care program which guarantees day care for the children of parents who leave welfare. This is needed. It repeals an AFDC child care program which provides day care for parents attempting to get off welfare, and H.R. 4 repeals the at-risk child care program for people that try to stay off and do not want to go back on, and so we have this amendment before us which is a good amendment because it has additional dollars for day care.

However, Mr. Chairman, the amendment has the correct idea; unfortunately the vehicle is the incorrect vehicle. Block grants will not be able to provide more with less. If you are serious about taking people off welfare and putting them to work, in many cases you have to see there is adequate day care. That is what the programs we are ending tried to do.

One of the best parts of the Federal program is taking care of three groups needing child care: The family on welfare trying to get off, the family that was on welfare and doesn't want to go back, and the family in danger of going on welfare. If you work, want to work, or need to work, you often need help—especially if you are a single head of household. I commend the woman and Mrs. JOHNSON for putting forth this amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, before yielding to my colleague from Ohio, I yield myself such time as I may consume.

Mr. Chairman, I do want to mention that this amendment was put in well before that poll. This is not a poll response. This was put in after all the bills came out of committees. We had a chance to evaluate their interaction and how the program would work, and this is the money that then we decided was needed to be added in order to ensure that welfare reform will work for women and children and provide security and opportunity in the future.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. PRYCE].

Ms. PRYCE. Mr. Chairman, I rise in strong support of this amendment offered by my friend, the gentlewoman from Connecticut [Mrs. JOHNSON], commend her for her efforts, and in strong objection to the fact that there was a statement from the other side that this was the result of a poll. This is the result of mostly hard work, consultation with Governors and working the numbers, as the gentlewoman from Connecticut [Mrs. JOHNSON] just alluded to.

Mr. Chairman, moving people from welfare to work and toward self-sufficiency is the central goal of welfare reform. But only by removing the barriers to work can we achieve this goal.

It is clear that lack of affordable quality child care is a primary obstacle

to employment for many parents, especially single mothers. If we are going to require work, and we should, our Nation's children must not be forgotten. As the work participation requirements under H.R. 4 are phased in, the demand for child care will increase dramatically. Federal child care dollars will need to serve today's working poor, as well as the new welfare families who will be entering the workplace.

All Americans have an interest in meaningful welfare reform that encourages work. Our Nation also has an intense interest in ensuring that our children are cared for, especially in their early years so that they can grow into responsible, productive citizens. The investment H.R. 4 makes in child care will contribute to this goal. Young children watching parents go to work every day is a lesson in life that cannot be taught any other way.

Mr. Chairman, I urge my colleagues to support the Johnson-Pryce-Dunn-Waldholtz amendment to make sure we take care of America's children while their parents experience the dignity of work and move into self-sufficiency.

Mr. MCDERMOTT. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Chairman, this amendment is better than nothing, but it really is not good enough. Real welfare reform is critical. The status quo is indeed dead. The key to welfare reform is work, and important for getting people off of welfare into work is child care.

H.R. 4 would gut the child care provisions, and what this does is to try to retrieve some of that. According to one estimate, 32 percent of what is cut out of H.R. 4 would be restored here.

So, Mr. Chairman, a third of a loaf is better than none, but it is going to leave many people who are on welfare, who must get to work, without the provision of child care. The Deal bill goes all the way in terms of making work a reality and making day care available, and that is why I support the Deal bill.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GOODLING], chairman of the Committee on Economic and Educational Opportunities.

Mr. GOODLING. Mr. Chairman, I thank the gentlewoman from Connecticut [Mrs. JOHNSON] for giving me the time and also for sponsoring the amendment.

Mr. Chairman, when the legislation left our committee, I said to the Committee on Ways and Means that I had two concerns about what we had done in committee. One was that perhaps in the outyears we did not have sufficient money. I was not worried about the 1st year or the 2d year as far as day care was concerned, but I was worried about the outyears, and she is taking care of that. The other concern that I had dealt with legal aliens, which I believe will be taken care of later also.

Mr. Chairman, the beauty of the gentlewoman's amendment is that she goes way above what the CBO baseline projects for spending over this 5 years. CBO baseline says 9,396,000,000. With the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON] we are now up to 10,515,000,000. So there is a sizable increase over what the CBO baseline projects, and I am happy to support the gentlewoman's amendment.

Mr. MCDERMOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. KILDEE], and I ask unanimous consent that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. KILDEE. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON] because it makes the bill marginally better. But the structure that has been changed in this bill really will not permit me to vote for the bill itself, but I will support the amendment in case this bill passes, that we will have marginally recognized that this child care is very, very important. Let me give my colleagues an example.

I have been in public life for 30 years now, and of course for 30 years, like many of my colleagues in public life, I have been asked to try to get people jobs. I can recall in one instance I got a woman a job working in a restaurant in Flint, MI, and she had three children, and she was so happy to get that job, but she really did not have any reliable child care. She worked on that job less than 2 weeks and found that in less than 2 weeks she had four or five different arrangements for child care, with her grandparents, with a sister, with a neighbor. One day the kids were left alone—that was the last day she worked—left home alone, asking a neighbor to look in once in a while on them.

Mr. Chairman, that is a cruel choice to give to women, to tell them that they should work, and certainly work is much to be preferred to welfare, but to force a woman to have no reliable child care, to rely upon a neighbor, a sister, a grandparent, and then the worst choice, to leave them home alone, and that, for her, was the last she could choose, and she had to leave that job. Now we can do better than that.

Now I support the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON], but the structure and the cuts we have here in child care are enormous. By the year 2000, fiscal year 2000, in Michigan, Michigan will lose $16.1 million for this and lose almost 10,000 child care slots. Now, albeit the Johnson amendment does marginally improve that, under that Michigan, by the year 2000, will lose $12.1 million and lose only 7,400 slots. But I am concerned about those 7,400 slots. That is why I cannot support this bill, but the gentlewoman from Connecticut [Mrs. JOHNSON] is marginally improving the bill with her amendment.

So, Mr. Chairman, I would urge the support of the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON] but urge the defeat of the bill.

Mr. GOODLING. Mr. Chairman, as the designee of the gentleman from Texas [Mr. ARCHER], I move to strike the last word in order to receive the 5 minutes of debate time as provided for in the rule.

The CHAIRMAN. The gentleman has that right.

Mrs. JOHNSON of Connecticut. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. Eight and a half minutes.

Mrs. JOHNSON of Connecticut. Including the 5 minutes just yielded?

The CHAIRMAN. The gentlewoman is correct.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington [Ms. DUNN], a member of the Committee on Ways and Means and the chief sponsor of this amendment.

Ms. DUNN of Washington. Mr. Chairman, on behalf of some of America's neediest and yet valued citizens, we begin the process of ending welfare as a way of life and restoring welfare assistance to its original purpose, to provide temporary help to our neighbors in need.

Mr. Chairman, Americans are a generous people who have long demonstrated our commitment to help our neighbors, families and children in need, but the American people also ask for results for our efforts.

To the American taxpayers who have, so far, spent $5 trillion to support what has been described by both sides in this House debate as a failed welfare system, let me assure them that our bill is a botton-up review. The Republican bill will remove the incentives that encourage welfare dependency and provide new incentives that encourage work and lift people from the cycle of poverty.

As part of providing support to the soon-to-be working mothers, Mr. Chairman, we are offering an amendment that will provide an additional $750 million in child care funding to these parents. As people move off welfare the women with children, especially preschool children, could be caught in a trap. Rightfully they are required to enter the work force, and yet also rightfully they are worried about the safety of their children. Our amendment helps newly working mothers meet their personal responsibility obligations and address the legitimate concerns for their children.

Last Saturday, Mr. Chairman, at home in Washington State I met with a group of welfare mothers at a Head Start meeting. They were unanimous and emphatic in their desire to get off

welfare, but one thing they did ask for help on was the responsibility of funding day care. Help them find good day care, and they will take the responsibility of finding work in the private sector.

Mr. Chairman, as a single mother who raised two sons, I know the value of good day care and the peace of mind when it is found. I urge my colleagues to support this amendment.

Mr. KILDEE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, as the gentleman from Michigan [Mr. KILDEE] pointed out in his very poignant story about the mother who had to choose between leaving her child at home or going to work to provide for that child, nothing is more important in moving, transitioning, poor women from welfare to work than the availability of quality child care, and that is what is so sad about H.R. 4, because it eliminates child care assistance to more than 400,000 low-income children in the year 2000, it eliminates child care funding now guaranteed for AFDC recipients participating in education, training or work activities. It eliminates the child funding now guaranteed for 12 months to AFDC recipients making the transition from welfare to work, and it cuts more child care services by $2.4 billion over the next 5 years.

Now the amendment offered by our colleagues, the gentlewoman from Connecticut [Mrs. JOHNSON], the gentlewoman from Ohio [Ms. PRYCE] and the gentlewoman from Utah [Mrs. WALDHOLTZ], is a step in the right direction, and I commend the sponsors for offering it, but I recall a story by the former Governor of Texas who said, ''You can put lipstick on a sow and call it Monique, but it's still a pig,'' and this, I contend, is a cosmetic change to this terrible bill, H.R. 4.

□ 1115

In my State of California, H.R. 4 cuts out 35,000 child care slots. This bill would restore 9,000 of those. That, as I said, is a step in the right direction.

It is interesting to me that our colleagues keep saying why are you criticizing H.R. 4, it is a great bill, and then come to the floor with 25 amendments of their own to make the bill more acceptable, this being one of them, this not being enough, because it does not restore traditional, transitional child care services that have been proven essential to move mothers with young children from welfare to work, does not ensure that the additional funds it authorizes will even be available. It only raises the authorization level, and without it being an entitlement, the funds may never be there, and would continue to cut, I repeat, cut child care services for more than 300,000 low-income children in the year 2000. It would continue to pit poor parents and their demands to children and to work to provide for those children. It addresses the basic fundamental problem with this bill, it is weak on work, cheats children, and rewards the rich, all of this to give a tax break to the wealthiest Americans.

Mr. Chairman, I urge my colleagues to vote against H.R. 4. I commend the Members for introducing this amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I want to clarify the RECORD. The Deal bill sets aside $3.5 billion. The CBO baseline estimate is $4.8 billion, for a total of approximately $8.3 billion. With the Johnson amendment, our bill will provide $10.5 billion for day care. So there is absolutely nothing cut.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Utah [Mrs. WALDHOLTZ], a chief sponsor of this bill and an esteemed freshman colleague.

Mrs. WALDHOLTZ. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, one of the greatest failings of our current welfare system is that it forces people to choose between work and benefits.

One of the fundamental principles of this bill is that people should be encouraged and rewarded for work, and this bill gives them that opportunity.

But parents cannot reasonably be expected to work their way out of dependency if while they are working their children are not safely cared for.

The dangers of inadequate child care are obvious. And forcing low-income parents to make a choice between welfare and work based on their ability to afford adequate child care is cruel—and undercuts our efforts to encourage work and promote self-sufficiency.

This amendment increases the bill's child care block grant by $750 million, so that the States can fund their own affordable child care programs for low-income and working welfare parents.

It will help ensure safe care for our children, and help their parents go to work and stay at work by giving them peace of mind that their children are cared for.

I am proud to join with my colleagues in making this important change, and I strongly urge my colleagues to support this amendment.

The CHAIRMAN. The gentleman from Washington [Mr. MCDERMOTT], has 1 minute remaining and has the right to close.

Mr. MCDERMOTT. Mr. Chairman, to extend the debate I move to strike the last word, and ask unanimous consent to merge that additional time with the time I am presently controlling.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MCDERMOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. DEAL].

Mr. DEAL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, first of all, I commend the gentlewoman who has offered this amendment, because I think it does recognize a movement in the right direction to correct some of the provisions of H.R. 4. It will in fact add back additional funds. But as I look as the scoring on this, it appears to me that we are still talking about cutting the funding in this category by some $600 million below current levels. I think that is what places all of us on the horns of a dilemma in this debate about welfare reform. On the one hand, if we are going to try to move people off of welfare and on to work, especially is we are talking about mothers, the availability of child care is an essential ingredient in that formula.

If we are in fact under H.R. 4, even with the amendment, still cutting below current levels by $600 million, and if current levels are not adequate to change the status quo, then we still have a problem.

Our Deal substitute, on the other hand, adds $3.7 billion additional to the child care fund, and in addition to that we have some $424 million over a 5-year period to assist the working poor.

I think we all recognize that this is an essential ingredient in making the transformation from welfare to work, and I commend the gentlewoman for this effort. I think it is a movement in the right direction. I would like to think, however, that our substitute does a better job.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. DEAL. I yield to the gentleman from Tennessee.

Mr. FORD. Mr. Chairman, I want to associate myself with the remarks made by the gentleman from Georgia [Mr. DEAL] and just point out that in the Deal bill, putting work first, you really put mothers into the work force, and you provide additional child care dollars for those mothers to go to work, in change from what current law would do. The Johnson amendment would, I guess, bring about some help. It will reduce the overall package from 400,000 to 300,000 children who will be in need of child care, but the Deal bill provides additional resources to ensure proper child care.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. SHAW], the chairman of the subcommittee and the chief author of the welfare reform bill.

Mr. SHAW. Mr. Chairman, I thank the gentlewoman for yielding, and compliment her on a most-needed amendment.

Mr. Chairman, we have discussed this in the subcommittee, we have discussed this in the full committee, that the success of the jobs program in providing real jobs in H.R. 4 would require the necessity for additional money to be put into child care. I would like to also point out to the committee that under the Deal bill, the child care provision is $8.3 billion over 5 years. That

is a total over 5 years. With the Johnson amendment, H.R. 4 will be $10.5 billion.

So these are the figures. The Johnson amendment brings H.R. 4 far ahead of the Deal bill in the amount of money that is put into child care. The figures are plain, the figures are there, and you cannot argue with them.

So this bill is much richer in child care and recognizes the need for additional child care much more than the Deal bill. I certainly would urge all the Members to support the amendment.

Mr. MCDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just point out to the chairman of the committee that he is mixing apples and oranges. The gentleman has taken away the guarantee of child care.

Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. STENHOLM].

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I again want to come with one set of figures, only to hear what I believe to be true is totally wrong. It makes me very confused. But I do commend the gentlewoman for offering this amendment, because in my opinion, she makes a very badly flawed bill a little bit better. But I still believe very strongly the Deal substitute is much better, and I believe the debate will show this.

I want to quickly recount a little conversation that I had with a pastor in a church in my district. He said to me, ''Charlie, if you just do one thing for me, I have five unwed mothers, teenage mothers, in my church. If you do just one thing for me, give me the child care money so that I can provide child care while I tell that young mother, go back to school and get an education. I will tell her you get that education, you make your grades, if you will just help me get the money to take care of her child when we do it.''

That is what the Deal substitute is proposing, a workable—a workable substitute, not what we are being offered in H.R. 4.

Mr. Chairman, I commend the gentlewoman for seeking to make improvements in the base bill. Unfortunately, I fear that even were her amendment to pass, the child care provisions would be inadequate. Therefore, I rise in opposition to the Johnson amendment which falls far short of the child care provisions contained in Mr. DEAL's substitute.

The Deal substitute provides sufficient funding for child care to meet the increased needs under the plan's aggressive work requirements. H.R. 4, on the other hand, reduces child care funding $1.4 billion below levels provided for under current law and does not ensure that child care will be available to individuals who need it.

This amendment restores only slightly more than half of the funding needed to maintain current law. In addition, it still does not guarantee that funding will be available for welfare recipients who need child care assistance to move into work.

This lack of funding for child care assistance could mean that either welfare recipients won't move into work, or parents will be forced to leave their children in unsafe or substandard care if they do get work.

CBO estimates that the Deal substitute will provide $3.7 billion in child care spending to meet the increased demand for child care as more individuals move into work. The substitute also increases child care assistance for the working poor by $424 million over 5 years above the baseline projections.

The Deal proposal also consolidates child care programs under a uniform set of rules and regulations, rather than having to comply with a patchwork of rules under different programs.

The primary source of child care assistance under the Deal consolidated block grant would be in the form of vouchers that would be used by parents with the child care provider of their choice. Having worked on child care in past Congresses, I strongly believe we must continue to support parental choice as we have in the Deal substitute.

In addition, the Deal substitute contains the most aggressive work requirements of any bill we will consider today. We also support these work requirements with funding for the transitional tools recipients need to make the move from welfare to work. Child care is one of the most important tools available for working mothers and I believe we must provide the necessary funding to see that they are able to work.

Reluctantly, I urge opposition to the Johnson amendment and enthusiastic support for the Deal substitute.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I thank the gentlewoman for yielding, and I rise in very strong support of her amendment.

Mr. Chairman, I think child care is a vital function of our welfare reform efforts. If you are going to train people, have people work, you need to make a provision for children. But I think we should straighten out a few facts. One, is it the welfare reform bill that we are debating here actually has more money in it than the Deal bill as far as child care is concerned. I say that respectfully, because I do respect the Deal bill.

Second, a lot of welfare recipients do not even use State-supported child care. We need to understand that issue as we debate this also. Also the structure of all this has been criticized, the structure of going to a block grant. I would point out a few aspects of going to a block grant which I think help with respect to the providing of child care.

First, it provides States maximum flexibility in developing programs that best suit the needs of the residents. It promotes parental choice to help parents make their own decisions on child care to best suit their needs, and we get rid of State set-asides which gives us more money as well. It gives us flexibility, and I support the amendment.

Mr. MCDERMOTT. I yield 30 seconds to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Chairman, I have tried to check out the figures of the gentlewoman from Connecticut [Mrs. JOHNSON] and I truly think they are wrong. You are discussing just part of the Deal bill and not all of the pieces that fall in place under the Deal bill. Your approach provides less money when you take into account the whole picture than would be the entitlement provision under Deal. The analysis is that you provide only one-third of what is cut by H.R. 4, and the Deal bill would keep all of it. Those are the facts.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. ROEMER].

(Mr. ROEMER asked and was given permission to revise and extend his remarks.)

Mr. ROEMER. Mr. Chairman, I rise in reluctant support of this amendment, the Johnson-Pryce amendment. I think it is like throwing a bucket of water into Lake Michigan. We need that bucket of water; we need all the help we can get in child care. I wish that it was more.

We have heard countless times in our Committee on Education and Economic Opportunities that child care is directly connected to getting people to work. I strongly support a tougher work requirement. But we want people moving off welfare onto the work rolls. We want them to be good parents and good workers.

That is the way that you connect this together, by adequate funding in child care. We do not want them to say go to work and neglect your family, you cannot be a good parent. We want them to do both. This amendment helps in a small way do that.

I had an amendment before the Committee on Rules that would have allowed States to match more money into this program, but that was not allowed.

Mr. MCDERMOTT. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. DE LA GARZA.]

Mr. DE LA GARZA. Mr. Chairman, listening to the debate, a name burns in my mind and in my soul. Alejandrita Hernandez, 6 years old, her parents working in a field in Florida. She is found raped and killed under a truck.

These were poor working people, and if you reduce by one the availability of child care, I want it to burn in your mind, Alejandrita Hernandez. We are talking about savings to give tax credits to the rich. We are talking about not welfare, not revamping. We are missing the boat altogether.

As good intentioned as all of us might be, you have not done anything to help Alejandrita Hernandez. You cannot bring her back. But it would burn in my mind and soul that her name would be forgotten so that we can give tax credits to $200,000 and over.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BILBRAY], who has had a lot of experience in this area.

Mr. BILBRAY. Mr. Chairman, I stand here today not as a Member of Congress, but as somebody who operated a welfare system for a county that was larger than 30 States of the Union, San Diego County. I want to commend my colleague from Connecticut because she shows the awareness of the realities out there that have been ignored by the Federal Government for too long.

I appreciate my colleague from Texas being concerned about the tragedies that have occurred. Those tragedies have occurred, Mr. Chairman, because of the lack of innovative approaches being allowed by local government. This amendment will actually allow women to participate in the child care process, to be part of the answer rather than part of the problem. And rather than what our colleagues on the other side of the aisle would like to do, always finance a larger, bigger bureaucracy, this allows the recipients to be part of the answer, to participate, to actually earn part of their benefits by participating in child care.

Mr. Chairman, I think that the compassionate approach that our colleagues from Connecticut have shown should entice our colleagues on the other side to join us in this good amendment.

PARLIAMENTARY INQUIRY

Mrs. JOHNSON of Connecticut. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. JOHNSON of Connecticut. Mr. Chairman, is it not procedurally correct that I close?

The CHAIRMAN. The gentlewoman from Connecticut is choosing to amend the committee position. The gentleman from Washington [Mr. MCDERMOTT] took the committee position in opposition. He has the privilege of closing.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentlewoman from Kansas [Mrs. MEYERS].

□ 1130

Mrs. MEYERS of Kansas. Mr. Chairman, I rise in strong support of this amendment and of the whole concept of block granting.

We currently have seven different Federal programs: Child care for AFDC, Transitional Child Care, At-Risk Child Care, Child Care Development Block Grant, State Dependent Care Planning and Development Grants Program, Child Development Associate Credential Scholarship Program, Native American Family Centers Program.

This is certainly not a seamless program. There is a great deal of bureaucracy and money spent. It is confusing to the recipients.

I strongly support the block grant and the fact that the gentlewoman from Connecticut [Mrs. JOHNSON] is adding $150 million which will provide even more, certainly, that goes to child care than we are providing now. A great deal is lost in the confusion among the various programs. I strongly support the Johnson amendment.

Mr. MCDERMOTT. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. CLEMENT].

(Mr. CLEMENT asked and was given permission to revise and extend his remarks.)

Mr. CLEMENT. Mr. Chairman, I rise in opposition to the Johnson amendment.

Mr. Chairman, one of the biggest barriers to work for welfare recipients is their inability to provide their child with safe and affordable care while they work.

H.R. 4 will make it more difficult for single parents on welfare to move into work than it is right now.

H.R. 4 reduces child care funding and provides no guarantee that child care will be available to individuals who need it.

H.R. 4 as it is currently written reduces funding for child care services $1.4 billion below the current levels.

The Johnson amendment restores more than half the cut but still leaves funding for child care services $650 million below current levels.

Supporters of H.R. 4 claim that their bill has real work requirements and that they will put people to work. If this is true, they do not have enough money for child care and these people will not be able to go to work.

So which is it? Is H.R. 4 weak on work as we assert, or is it that H.R. 4 is weak on funding for child care?

Which is it? You cannot have it both ways?

Mr. Chairman, another day of debate, another hole exposed.

Mr. MCDERMOTT. Mr. Chairman, I yield myself the balance of my time.

We have talked about numbers here. The fact is that the bill that came out of the committee, proposed by the gentlewoman from Connecticut [Mrs. JOHNSON] and others, repealed $4.6 billion in child care. That, plus the $8 million that the gentleman from Georgia [Mr. DEAL] has, is more than $12 billion, which is more money than was presently in this bill. So there is no question.

The gentlewoman from Connecticut [Mrs. JOHNSON] assures us that there is no dealing with polls here, nobody is worried about polls. Well, I have a story from the Washington Times on the 5th of March where the gentleman from Pennsylvania [Mr. GOODLING] says, ''The only major area of concern I have is the area of day care.''

This has been known since the 5th of March, when it was in the committee of the gentleman from Pennsylvania [Mr. GOODLING]. He did absolutely nothing about it.

When it gets out here on the floor and the American public figures out what it is all about, suddenly they say, in the poll, the Republicans are cutting child care; they should not be doing that.

So we suddenly have this little fig leaf amendment. I urge that Members vote against this fig leaf amendment and for the bill of the gentleman from Georgia [Mr. DEAL].

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 15 printed in House Report 104–85.

AMENDMENT OFFERED BY MRS. ROUKEMA

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. ROUKEMA: Page 114, strike line 4, and insert the following:

''(b) ADDITIONAL REQUIREMENTS WITH RESPECT TO ASSISTANCE FOR PREGNANT, POSTPARTUM, AND BREASTFEEDING WOMEN, INFANTS, AND CHILDREN.—

''(1) MINIMUM AMOUNT OF ASSISTANCE.—The State shall

Page 114, after line 11, insert the following paragraph:

''(2) COST CONTAINMENT MEASURES REGARDING PROCUREMENT OF INFANT FORMULA—

''(A) IN GENERAL.—The State shall, with respect to the provision of food assistance to economically disadvantaged pregnant women, postpartum women, breastfeeding women, infants, and young children under subsection (a)(1), establish and carry out a cost containment system for the procurement of infant formula.

''(B) USE OF AMOUNTS RESULTING FROM SAVINGS.—The State shall use amounts available to the State as result of savings in costs to the State from the implementation of the cost containment system described in subparagraph (A) for the purpose of providing the assistance described in paragraphs (1) through (5) of subsection (a).

''(C) ANNUAL REPORTS.—The State shall submit to the Secretary for each fiscal year a report containing—

''(i) a description of the cost containment system for infant formula implemented by the State in accordance with subparagraph (A) for such fiscal year; and

''(ii) the estimated amount of savings in costs derived by the State in providing food assistance described in such subparagraph under such cost containment system for such fiscal year as compared to the amount of such savings derived by the State under the cost containment system for the preceding fiscal year, where appropriate.

The CHAIRMAN. Under the rule, the gentlewoman from New Jersey [Mrs. ROUKEMA] will be recognized for 10 minutes, and a Member in opposition will be recognized for 10 minutes.

Mr. KILDEE. Mr. Chairman, I am mildly opposed to the amendment.

The CHAIRMAN. The gentleman from Michigan [Mr. KILDEE] will be recognized for 10 minutes.

The Chair recognizes the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as you know, I am offering an amendment to H.R. 4 that will require States to carry out cost-containment systems for providing infant formula to WIC participants under the family nutrition block grant in H.R. 4.

Mr. Chairman, this issue rightfully has been the source of considerable debate over the past few months.

During the Opportunities Committee markup, an amendment was offered by my colleague from Michigan [Mr. KILDEE], that would have maintained the current system of competitive bidding for infant formula for the WIC Program. This amendment, which I supported—the only Republican to do so—was defeated, which is why I am standing here today.

Many Members, including myself, continue to be deeply concerned that, under the current system in H.R. 4, which eliminates the existing competitive bidding system for infant formula, States might no longer choose to carry out competitive bidding.

Mr. Chairman, under current law, States are required to have infant formula producers bid competitively for WIC contracts, or any other cost-containment measure that yields equal to or greater savings than those achieved under competitive bidding. And, currently, according to the USDA, this system achieves an estimated savings of over $1 billion annually which is used to provide WIC services to 1.6 million economically disadvantaged pregnant women, postpartum women, breastfeeding women, infants, and young children every month. This, of course, is why I support retaining competitive bidding.

And, although my amendment does not mandate competitive bidding, I believe that it takes a big step in ensuring that States achieve the necessary savings in their infant formula program so that eligible individuals can receive essential WIC services.

Importantly, Mr. Chairman, my amendment would require that States use the savings achieved under this system for the purposes of carrying out all services under this nutrition block grant—child and adult care food, summer food, and homeless children nutrition. As a result, States are given the flexibility to use these savings where they see the greatest need.

Moreover, my amendment would have States report annually to the Secretary of Agriculture on the system they are using, the savings achieved, and how this savings compares to that of the previous fiscal year. This is an important part of the amendment because it gives infant formula producers the incentive to keep their bids low. Without this safeguard, no one has to know what, if any, savings are being achieved. Nor can we assess whether fraudulent practices are adding to costs.

Mr. Chairman, I support the block grant approach. However, some block grant supporters argue that States are capable of carrying out their own cost-containment systems without Federal involvement, and that States will continue to carry out cost-containment systems that best serve those in need. But we should not assume that States will do the right thing when this kind of money is at stake.

That is precisely what this amendment attempts to do, Mr. Chairman. The Congress has an obligation—a fiduciary one—to evaluate and monitor how Federal tax dollars are being spent.

And, I would argue against those who claim that this would be a mandate on the States interfering with flexibility because my amendment neither tells the State what type of cost-containment measure to implement, nor does it tell the State how much savings to achieve.

Mr. Chairman, this is a good amendment, and a necessary one. I urge my colleagues to support it.

This amendment would require States to carry out cost-containment systems for infant formula included in food packages provided under the family nutrition block grant.

The State will report to the Secretary of Agriculture on an annual basis: the system it is using; the savings generated by this system; and how this savings compares to previous savings under the Federal system.

The State shall use whatever savings it achieves for the purpose of providing services to the programs under the family nutrition block grant.

While I am about to mention four current alternative cost-containment systems, States are certainly not limited to these options but can combine and/or devise new ways to contain costs.

One, multisource systems—State agencies procuring infant formula can award contracts to the lowest bidder as well as other manufacturers whose bids fall within a certain price range of this bid. States can determine how big this margin should be.

Two, open market rebate systems—State agencies can negotiate separate rebates with each infant formula manufacturer so that WIC participants can choose between those infant formulas being offered.

These rebates do not increase a manufacturers market share nor will choosing not to offer a rebate prevent a manufacturer from having less shelf space.

This merely assures smaller or newer infant formula manufacturers some access to the WIC infant formula market.

Three multistate systems—cooperative purchasing—States within a region of the U.S. can join together under one type of rebate system to procure infant formula.

Rebates tend to be higher in large States because in those States there are more people which means that there will most likely be more WIC participants and subsequently a larger market share at stake for which infant formula manufacturers are willing to pay a higher price.

Conversely, rebates tend to be lower in smaller States because these States have smaller populations most likely translating into fewer WIC participants which means that the market is smaller and, subsequently, less of an incentive for an infant formula manufacturer to offer a low bid.

It has been suggested that, as evidenced through past multistate systems, larger States join with other large States and that small States join with other small States because, when they cross over, smaller States will benefit with a higher rebate which might fall below the rebate that the larger States were originally receiving.

Four, fixed price procurement systems—State agencies purchase infant formula directly from the manufacturer at some type of discounted fixed price.

The infant formula can then either be distributed by the appropriate State agency or by the retail stores.

And, this fixed price could be determined by all three parties involved—manufacturer, agency, and retailer.

Mr. Chairman, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Chairman, to extend debate, as the designee of the gentleman from Florida [Mr. GIBBONS], I move to strike the last word and ask unanimous consent to merge that additional time with the time which the gentleman from Michigan [Mr. KILDEE] is now controlling.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am very disappointed that the Committee on Rules would not allow me to offer my amendment to require States to continue to use competitive bidding when purchasing infant formula for the WIC program.

That amendment would have saved $1 billion. Although I will support probably, if I am persuaded, the amendment of the gentlewoman from New Jersey [Mrs. ROUKEMA], as it is well-intentioned, I am skeptical that it will really do anything. There is a billion dollars worth of difference between the words ''cost containment'' and ''competitive bidding.'' A billion dollars worth of difference.

The amendment of the gentlewoman from New Jersey [Mrs. ROUKEMA] would require States to use cost containment measures. Prior to the enactment of the 1989 law requiring States to use competitive bidding, States were using a variety of cost containment measures. We found that they just did not work. The savings were minimal.

That is why in 1989, in a true bipartisan manner with the help of President George Bush, we enacted a law to require States to use competitive bidding in the WIC program. We found that when we required States to use that competitive bidding, Mr. Chairman, not mere cost containment, that we saved $1 billion a year, $1 billion, $1 billion that enabled 1½ million more

pregnant women and infants to be served each month under the WIC program.

Many of you will say, well, the States will continue to use competitive bidding. But only half the States were doing that before we mandated that by law. The other half were using industry-favored cost containment systems.

I would like to ask a question of the gentlewoman from New Jersey, who I know is the only Republican in committee who supported my amendment on competitive bidding.

Let us say that the State enters into a contract with one of the infant formula companies and gets a $10,000 rebate on a $5 million contract.

Would that qualify?

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I did not hear the gentleman. I could not hear the gentleman over the din.

Mr. KILDEE. The question is, under the gentlewoman's language, if a State entered into a contract with an infant formula company and got a $10,000 rebate on a $5 million contract, would that qualify under the gentlewoman's language?

Mrs. ROUKEMA. Mr. Chairman, if the gentleman will continue to yield, if that is the cost containment program, yes. I believe that money would then be reinvested back into the WIC program. I am sorry. WIC or any other part of the block grant, as I explained in my opening statement.

Mr. KILDEE. Mr. Chairman, $100,000 would qualify then, and $1 million would certainly qualify, right? If they entered into a contract with an infant formula company and say we will get a million dollars rebate on a $5 million contract, a fortiori, that would qualify under the gentlewoman's language?

Mrs. ROUKEMA. I think I am not quite sure what the gentleman is getting at, but I think he is talking about sole-source bidding, and maybe he is not going to make those same savings. That, of course, is one of the underlying reasons I supported the gentleman in committee.

We do not have all those benefits here, but this is a giant step, it seems to me, in the right direction of exercising, maintaining the flexibility of the States and still exercising our fiduciary responsibility.

Mr. KILDEE. My point is that under the gentlewoman's language, a $10,000 rebate would qualify for a $5 million contract, and a $1 million rebate would qualify under a $5 million contract. The fact of the matter is that we would do better under a competitive bidding than a $1 million rebate under a $5 million contract. We found that out. We would save much more under competitive bidding.

So the gentlewoman can see the markup they have on infant formula. We would do far more than even if we got a $1 million rebate on a $5 million contract, if we used the language I wanted to use and which the gentlewoman supported in committee, to her great credit, competitive bidding.

Competitive bidding saves $1 billion a year. We found that out as soon as we enacted this in 1989. So the most generous cost containment that could be used under the gentlewoman's language would be far less a savings than competitive bidding. There is a $1 billion worth of difference between cost containment and competitive bidding.

Mr. Chairman, I reserve the balance of my time.

□ 1145

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GOODLING], the chairman of the committee.

Mr. GOODLING. I thank the gentlewoman for yielding me the time.

I want to echo what she said because it is what I have said since day 1, that we do not believe in block grants as revenue sharing. We set the goals and that is what she is doing. The gentleman from Michigan is correct. Back in the old days, and it seems we cannot get beyond the old days. But back in the olden days, States did not know all those things. They learned all those things now. Would it not be kind of foolish now to walk away from the opportunity of getting an extra $1 billion, or $2 billion if you can get that? So what she does is give that flexibility to the States. I cannot imagine any State anywhere walking away from getting the biggest amount that they can possibly get. As I said, they have learned how to do that now. Ten years ago, they did not know that. But they have the experience. So I think the gentlewoman's amendment is one that should be accepted and it will go a long way to take care of those we wish to take care in a flexible manner that more can be served than have been served in the past. I would hope all would support her amendment.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

I would say that I certainly would hope that we all learn from subsequent actions. But I having served 12 years in State government know the influence of the infant formula companies on State government. They do various things on cost containment. They will promise the university hospital so much infant formula. They will promise the health department so much. They work very closely with the legislature too.

I know that there can be other inducements not nearly as advantageous to the taxpayers and to the women and the infants as competitive bidding. If you think they are going to do it, why are you so reluctant to put it into law?

The gentleman from Pennsylvania [Mr. GOODLING] worked with me in 1989. He, George Bush, and the gentleman from Oregon [Mr. WYDEN], worked with me to get that language in. I think we need that language because I know how the infant formula companies work in the various States.

Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. I want to thank the gentleman for his good work.

Let me start by saying that I brought to the floor a can of infant formula which costs a little bit over 30 cents a can to manufacture and sells retail in our stores for maybe $2.70 a can. As a result of the free enterprise system that we brought to WIC on a bipartisan basis in 1989, as my colleague has said, we get 1 billion dollars' worth of taxpayer efficiency on this program every year.

But what I want to say to my colleagues is that after all the talk of free enterprise that we have heard from the other side this session, as a result of this bill, even with the Roukema amendment, we will be going back to the old days of closed markets and backroom contracting.

We ought to note that the gentlewoman from New Jersey wanted to do this right and to keep competitive bidding. What will happen even with this amendment is a lot of States will not have to do sealed bids which is the way to have real competition. We will also see the infant formula companies going about this country offering inducements to the States to reject competitive bidding and go with cost containment.

I would like to mention that the Federal Trade Commission, the experts there, are alarmed not just about the negative aspects for WIC of eliminating competitive bidding, they have written to me and they have said that by eliminating competitive bidding, we will reduce competition for infant formula in our stores and for the general market.

The reason that is the case is the way these giant infant formula companies get known is to move into the WIC market and get the public familiar with their product.

I just say to my colleagues, particularly on the other side, let us reinvent Government where it does not work. This is an example of a program where free enterprise, that the parties worked on together in 1989, has worked. As a result, we are going to be eliminating competitive bidding. That is going to take milk from the mouths of poor infants and it is going to give cookies and cream to the infant formula companies and that is wrong.

Mr. Chairman, I include the following for the RECORD.

FEDERAL TRADE COMMISSION,
Washington, DC, March 16, 1995.

Hon. RON WYDEN,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE WYDEN: Chairman Steiger forwarded a copy of your March 8, 1995 letter to me and asked that I respond to your inquiries. In that letter, you indicated that the House Economic and Education Opportunities Committee had voted to end the competitive bidding requirement for infant

formula contracts that are part of the Special Supplemental Food Program for Women, Infants and Children (''WIC''). You also noted that three companies dominate the infant formula industry and you pointed to a possible effect in the general retail market from eliminating bidding requirements in the WIC Program, namely, that it might discourage new companies from entering the infant formula market. In this regard, you asked that, based on our experience in dealing with competitive issues related to the WIC and general retail market for infant formula, we respond to a series of questions.

I should point out that while I have not studied the proposed legislation to which you referred, I have been involved in lengthy litigations relating to the WIC and general retail markets for infant formula, and I am able to provide you with my views on the questions you have raised. These views, of course, are my own and do not necessarily reflect the views of the Commission or any individual Commissioner. This response does not provide any non-public information and, accordingly, I do not request confidential treatment.

1. Do you believe that eliminating competitive bidding for infant formula in the WIC market will discourage competition in the general market for infant formula? Please explain.

I agree with your assessment that competitive bidding in the WIC program makes entry into the infant formula market easier. I also agree that to the extent that competitive bidding in the WIC market is eliminated or made less likely, then competition in the general retail market for infant formula would be adversely affected.

The infant formula market is highly concentrated, with three companies accounting for the vast majority of sales. As I describe below, concentrated markets, sometimes referred to as oligopolies, often result in higher prices for consumers whether or not the companies have engaged in unlawful collusion, particularly where the companies sell a homogeneous product and there are high barriers to entry.

Entry into a concentrated market can have significant procompetitive effects in a variety of ways. First, new entry into a concentrated market will make it more difficult for the existing companies to collude. For example, in a given market otherwise susceptible to collusion, a price-fixing agreement among three companies is easier to achieve and maintain than would be an agreement among four companies. The fourth company not only adds a forth party that must be convinced to violate the law, but it also is likely to have different incentives than the other companies by virtue of its smaller market share. Expansion may be a more profitable strategy than collusion if the company's share is small.

Second, even absent collusion, companies in an oligopoly act interdependently. That is, each company recognizes that its pricing decisions affect others in the industry. For example, if one firm raises prices above the competitive level in an oligopoly, the other firms independently recognize that they have two choices. They can raise prices a similar amount, resulting in each company increasing profits. Alternatively, they can maintain their prices, resulting in the price leader being forced to withdraw its price increase so as not to lose market share, resulting in each of the companies forgoing the opportunity for increased profits. Prices in an oligopoly, accordingly, are often higher than they would be in a competitive market. If new entry occurs in such a market, the likelihood of the incumbent firms being able to continue their interdependent conduct is lessened.

Finally, in general, when additional productive capacity and supply created by a new firm is added to the market, that additional supply will also have a downward effect on price. Other things being equal, as the supply of a product goes up, prices tend to go down.

Competitive bidding in the WIC Program makes entry into the market easier because a new or small company can, by winning one bid, assure itself of a large portion of the market for an extended period of time. The WIC segment of the market accounted for approximately 40% of infant formula sales in the early 1990's. Winning a WIC bid also effectively assures the winning company of obtaining significant shelf space at retail outlets, which can result in what the industry refers to as ''spill-over'' sales in the non-WIC retail market. The brand name recognition resulting from the significant shelf space typically given to the WIC bid winner is a substantial benefit to the winning company. Finally, obtaining a large WIC contract also can help the company achieve economies of scale in the production of formula, allowing the company to sell at lower prices to non-WIC consumers.

2. What is your best estimate of the impact of eliminating competitive bidding for WIC infant formula contracts? Please explain the likely effects on WIC users and federal taxpayers.

Early in the history of the WIC Program, the USDA observed that individual state WIC programs that used sole source competitive bidding systems obtained larger savings than those that used ''open market'' systems preferred by the infant formula companies. Under an open market system, all companies can participate in the program, and WIC participants can choose any company's product.

Because of competitive pressures associated with bidding for a sole source contract, where sole source bidding was required the amounts of rebates offered by the formula companies escalated over time. These rebates allowed the states to add additional families to the WIC Program, thereby serving more people with the federal grant.

These sole source rebates benefitted people in other states as well. Under competitive bid procedures, the states often received rebates that were high enough that the state itself did not need the entire amount of the rebate. In such cases, rebate funds were returned to USDA where the money was reallocated to other states.

As described below, some state WIC programs, in the absence of a federal requirement that there be competitive bidding, preferred that open market systems be utilized. This preference for open market systems in some states existed despite the understanding that competitive bids resulted in lower infant formula prices and despite the understanding that the federal government preferred competitive bidding.

Competitive bidding has been shown to result in many millions of dollars in savings to the federal taxpayer. If competitive bidding requirements are eliminated, states may again choose to forego competitive bid programs in favor of open market systems that provide significantly lower levels of rebates. In other words, states may choose to opt for programs, paid for by the federal government, that result in higher infant formula prices.

3. What are the factors that tend to increase the likelihood of anti-competitive collusion by companies and are these factors present in the infant formula market?

Anticompetitive behavior is more likely in markets where sales are concentrated in the hands of few sellers, where the product at issue is relatively homogeneous, where the firms selling the product are relatively homogeneous, and where there are high barriers to entry.

The infant formula market has these very characteristics. The top three firms accounted for in excess of 90% of the market in the early 1990's. Federal standards for nutritional quality and safety make infant formula a relatively homogeneous product. Each of the top three firms selling infant formula is a pharmaceutical company; each is similarly integrated; and each markets formula in a similar fashion. Finally, barriers to entry into the manufacture and sale of infant formula are high.

4. Last year, the state of California decided rather than bid out a new WIC formula cost containment contract, they would extend the existing contract for another year. However, because of the 1987 competitive bidding statute, the USDA required them to re-bid the contract at the end of the year.

This process saved the taxpayer $22.4 million in the cost of infant formula. A similar situation in South Carolina ended up saving taxpayers $8.97 million in the cost of infant formula.

From past FTC investigations and current information you may have available, what pressures and incentives do the infant formula companies use to keep states from bidding out infant formula contracts?

Under the sole source competitive bid procedures, with exceptions being made for physician prescriptions, WIC participants must use one brand of formula. Although all of the brands meet statutory nutritional requirements, some parents prefer one brand over another and made their feelings known to the state WIC director. To avoid dissatisfaction of some WIC participants, some WIC directors prefer the open market system under which parents can choose any brand of formula.

Because the infant formula companies preferred the more profitable open market system, they were willing to provide the state WIC programs with rebates under an open market system. These open market rebates, though in some cases convincing state WIC programs to opt for open market programs, were considerably lower than the rebates that could be obtained through competitive bidding.

In addition, formula companies and state WIC programs can structure open market rebates in a way that may meet the state's needs but that result in smaller savings for the federal government. For example, in 1990 in Puerto Rico, a system was put into place under which an open market was permitted by the local WIC program as long as the companies were willing to provide payments, outside of the WIC program, to the Puerto Rico health care system. These side payments were not returnable to the federal government as would be rebate payments not used by the program. Under this system, the formula companies offered WIC rebates equal to approximately $6.5 million in 1991. In 1992, after a competitive bid, the winning company's bid was estimated to result in an annual rebate of approximately $23.4 million.

Thank you for giving me the opportunity to provide you with my views. If I can be of further assistance to you, please do not hesitate to call me at (202) 326–2821.

Sincerely,

MICHAEL E. ANTALICS,
Assistant Director for Non-Merger Litigation.

Mrs. ROUKEMA. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. BILIRAKIS].

(Mr. BILIRAKIS asked and was given permission to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I rise in support of the Roukema amendment.

Since coming to Congress, I have been a strong proponent of the Supplemental Food Program for Women, Infants, and Children [WIC]. WIC funding buys nutritious foods that are tailored to the dietary needs of participants and provides nutrition education for participants.

WIC is a cost-effective program that saves the Government money. Every dollar spent on pregnant women by WIC produces between $2 to $4 in Medicaid savings for newborns and their mothers. In 1992, WIC benefits averted $853 million in health expenditures during the first year of life of infants.

Under the current program, States are required to use a competitive bidding system or other savings mechanisms for the procurement of infant formula used in WIC packages. In 1994, $1.1 billion in rebate revenue was generated from the manufacturers of infant formula, allowing 1.5 million more participants to be served.

My home State of Florida earned over $53 million from its infant formula rebate contract. These funds were used to provide services to more than 100,000 additional clients. Clearly, cost-containment is an important component of the current WIC Program.

The family-based nutrition block grant does not require States to establish a cost-containment system. The Roukema amendment addresses this important issue and my State of Florida strongly supports her amendment.

Given the tremendous savings States are able to achieve through current cost-containment contracts, it is imperative that all States establish cost-containment systems and apply those savings to providing more services under the family nutrition block grant.

Over the last several weeks. I have heard from many constituents who are concerned about the impact H.R. 4 will have on the WIC Program. My constituents are very concerned that funding for WIC would be drastically reduced under a block grant.

Fortunately, the Committee on Economic and Educational Opportunities recognized the effectiveness of the WIC Program. The family nutrition block grant requires that 80 percent of available funds be used for WIC. This means that under H.R. 4, WIC funding will increase by $500 million more than is provided under current law.

The WIC Directors in my district also raised concerns that revisions to current nutrition programs will negatively impact the WIC program's effectiveness. Although H.R. 4 requires States to set minimum nutritional requirements for food assistance, they are concerned that under a block grant, nutrition standards will vary from State to State.

But as they point out, nutrition needs do not vary from State to State. The WIC Directors I have spoken to feel it is important to preserve the requirement for national nutritional standards.

WIC Directors are also concerned that State nutritional standards will not be based on science. However, H.R. 4 requires the food and nutrition board of the institute of medicine to develop model nutrition standards for food assistance provided to women, infants, and children.

These standards must be developed in cooperation with pediatricians, nutritionists, and directors of programs providing nutritional risk assessment, and nutrition counseling. Hopefully, all States will adopt these model standards.

When H.R. 4 is enacted into law, the Congress must conduct sufficient oversight of the implementation of the family nutrition block grant to ensure that women, infants, and children receive proper nutrition assistance.

I have seen what the WIC program can do for children and their mothers. We must make sure our reform efforts do not erode the ability of a proven program like WIC to provide essential services to women and children.

I urge my colleagues to support the Roukema amendment.

Mr. KILDEE. Mr. Chairman, I want to reiterate, under present law we require competitive bidding, not just cost containment.

Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. I thank the gentleman for allowing me to have some time.

I also want to commend the gentlewoman from New Jersey in her intention and support her effort and think that this is a step in the right direction but it does not correct the problem.

The problem is that the program works right now. We have competitive bidding. In fact, if part of the reason for reforming is to save money, this bidding process and procedure we have allows us now to save the money. It allows us to save money and it is fiscally responsible.

But I ask my colleagues in Congress to recall that the infant mortality rate in America before WIC was horrendous. We need to remind ourselves why the WIC program is important.

It is important, therefore, to increase the savings. We had rates much lower than we have now and in fact we have increased the rate by reducing the infant mortality by increasing the opportunity for children to live.

WIC works. We want to do everything possible to make this successful program work.

We also ask Members of Congress to recall a fact that since the institution of the nutritional program, we really have less of a gap between low-income diets and those who have affluence and have other means of getting their funds.

Spending has been increased by some 65 percent. Anemia has been drastically improved. In fact, low-weight babies have increased.

I visited my neonatal clinic of the hospital and found that the cost just of maintaining a low-weight baby is horrendous, $5,000 and $10,000.

Yet the investment we make in WIC makes all the sense. It saves lives. It saves money.

I urge my colleagues to note that what we are doing here really does not correct the issue. It is a movement in the right direction, but how we should correct it is keep the current bidding sealed.

Mrs. ROUKEMA. Mr. Chairman, I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, one thing I would like to say before I yield, there seems to be a pattern in the Committee on Rules on this bill. One Member goes up, asking for a substantive amendment, an amendment that makes a real difference, competitive bidding. Another Member asks what really is a cosmetic amendment and the Committee on Rules in every instance has granted the amendment for the cosmetic amendment, not the substantive. I object to that.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. I thank the gentleman for yielding me the time.

I would like to have permission to be a little bit more general in my approach to the discussion today. There has been lots of talk today and in the last couple of days about the block grant approach as was quoted by our gentlewoman from New Jersey as being the proper way to administer these programs for the unfortunate and the poor.

Let me tell Members about a community in the Commonwealth of Pennsylvania who had that option on a local level. This community had a substantial number of poor people living below the poverty line, but this community decided not to accept the School Lunch Program. Instead, I will tell you what they did. This community established a sharing table. They established a sharing table, a table in the middle of the lunchroom where the more affluent children would come in. If they did not finish their sandwiches, if they did not finish their cokes, they would leave what was left over on the sharing table for the poorer children. So that they could come in and eat the scraps of the sandwiches and what was left over of the sodas.

Could you think of anything more dehumanizing? Could you think of anything more destructive of self-esteem, of self-pride, and of self-worth than that kind of a program? There may be many things wrong with these programs, and we should be fixing them, and we should be correcting them. But sending them back to the States is not the answer.

Mrs. ROUKEMA. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentlewoman from New Jersey is recognized for 1½ minutes.

Mrs. ROUKEMA. Mr. Chairman, I would like to summarize what we have said here. This is a good amendment, it allows the States the maximum flexibility. It requires reporting to the Department of Agriculture so that Congress can continue their oversight responsibility here. I must say that I think if we had inquired with all the States that are represented here today, we would have found something similar to the endorsement that we got from our colleague the gentleman from Florida, namely that 100,000 more clients are served in the State of Florida using these types of cost containment measures.

I urge support. I think that it marries the best of the block grant approach with the accountability standards that we as a Congress must ensure.

Mr. KILDEE. Mr. Chairman, only because the gentlewoman from New Jersey had the courage to vote for my amendment in committee, the only Republican who had that courage to do so, I will support her amendment even though it is grossly inadequate.

Mr. Chairman, I yield the balance of my time to the gentlewoman from Colorado [Mrs. SCHROEDER].

The CHAIRMAN. The gentlewoman from Colorado is recognized for 1½ minutes.

Mrs. SCHROEDER. I thank the gentleman from Michigan for yielding me the time.

I say many will reluctantly support that amendment because I guess that is all that side could do.

I think the gentleman from Michigan made a very good point, that these are really cosmetic amendments that do not go to the core of real competitive bidding, but it is all they could get agreement on.

□ 1200

In a way you feel it is almost like we are putting lipstick on pigs here, but when you get all done you still got a pig and that is what the other bill is.

We know that we desperately need competitive bidding. I have spent 22 years on the Committee on Armed Services and believe me, that is where we got the $900 toilet seats. If you do not want that in infant formula, then what we really have to do is be voting for the Democratic bill because you are not going to get there with this.

We have letters written to Congressman WYDEN from the Federal Trade Commission talking about the experience of the State of California and the experience of the State of South Carolina in competitive bidding. I do not have time to go into it, but we have got data all over the place that is showing regretfully some of these companies who should have better intentions. If they think they can get away with spending more, they will.

Remember, we had $25 million worth of WIC cuts and rescissions, and here we go again; if we do not have competitive bidding fully, one more time we will be having another cut because we will be knocking people out.

Mr. GOODLING. Mr. Chairman, as the designee of Chairman ARCHER, I move to strike the requisite number of words in order to receive an additional 5 minutes of debate time as provided under the rule.

I yield myself the first 30 seconds. I want to assure my colleague from Pennsylvania that under our program he can be assured that that will never happen in his community again, because we have the rules and regulations on how they have to spend the money.

I would say to my friend from Michigan, cosmetics is a good term I suppose. The old Committee on Rules always used to say, ''Well, that makes good sense,'' and then you knew positively it would not be made in order.

So it is a little different from cosmetic that it makes good sense; it is not in order.

Mr. Chairman, I yield the remaining 4½ minutes to the gentleman from California [Mr. CUNNINGHAM].

PARLIAMENTARY INQUIRIES

Mr. MCDERMOTT. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MCDERMOTT. Mr. Chairman, is this amendment time on the amendment we are discussing or is this on the next amendment?

Mr. CUNNINGHAM. It is on the next amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] struck the last word on the Roukema amendment. The Chair would like to point out to the gentleman from Washington that most of the debate has not been on that amendment; it has been on the bill.

Mr. GOODLING. Mr. Chairman, I yield my time to the gentleman from California [Mr. CUNNINGHAM].

Mr. VOLKMER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. VOLKMER. Even though the debate in the past has not been on the amendment, is not the rule of the House, regular order, that the debate that follows would still be on the amendment even though others have not debated the amendment?

The CHAIRMAN. Unless a point of order is raised, since the Chair has been lenient with those who seek to address the bill rather than the amendment, the Chair is going to continue to be lenient.

Mr. GOODLING. Mr. Chairman, I understand this is coming out of my time, so I do not yield to any parliamentary inquiry if it is coming out of my time.

The CHAIRMAN. It is not coming out of the gentleman's time.

The gentleman from California [Mr. CUNNINGHAM] is recognized for 4½ minutes.

Mr. CUNNINGHAM. Mr. Chairman, I am not going to offer the next amendment, I would say to the gentleman, and I want to explain I had an amendment in the subcommittee. The illegal immigration, we cut out all 23 programs. This deals with legal immigration. I felt that a person, once they sign up to become an American citizen, should have the rights of American citizens, because the process is often delayed.

I have been told by the other side if I make a unanimous consent to have that improved it would be objected to. So I am not going to offer the amendment. It would go down.

But the gentleman from California [Mr. KIM] and myself have some concerns and I would like to yield to the gentleman from California [Mr. KIM].

Mr. KIM. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from California.

Mr. KIM. Mr. Chairman, I thank the gentleman for yielding. I presume the gentleman is yielding to me because he thinks I am a expert in this area. I am. Before I explain what my amendment will do, let me tell just a brief background story.

Under this bill there is one provision which prohibits all of the benefits to noncitizens. Who are the noncitizens? It could be anyone; it could be refugees, could be anyone staying here temporarily.

But my amendment is carefully crafted to those folks who are here legally and receive permanent residentship, those folks who came to this country in search of the American dream. Those folks took a long time to follow the legal process to come here and finally received a permanent residentship, and they are waiting for citizenship. Presumably they are soon going to be a citizen, they are citizens-elect.

Denying benefits to those folks, I can understand that. We are in a financial crisis with a $4 trillion deficit. I can understand that. Yes, we have to treat our citizens first before we deal with other noncitizens. I accept that.

But let me tell my colleagues, once those folks who are permanent residents and waited 5 to 6 years to finally apply for citizenship and that application is accepted, he or she should not be treated as a second-class citizen.

All my amendment does is to treat them just like the citizens, and not denying all of the benefits to those folks.

Mr. CUNNINGHAM. If the gentleman will yield back, he and I would like to enter in a colloquy with the gentleman from Texas [Mr. SMITH], the chairman of the Subcommittee on Immigration and Claims, and I would ask if the gentleman from Texas [Mr. SMITH] would agree to work with the gentleman from

California [Mr. KIM] and myself in the committee to resolve the problem,to make an amendment in order so that we can deal with this issue? And it is bipartisan. We have the task force which is made up of Republicans and Democrats, and we will be happy to work with the gentleman on this issue [Mr. KIM] and myself, if the gentleman would make that in order.

Mr. SMITH of Texas. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Texas.

Mr. SMITH of Texas. Mr. Chairman, I would like to reassure my friends from California, Mr. CUNNINGHAM and Mr. KIM, that if the amendment that they were planning to offer today is not accepted and if that amendment is offered in the Subcommittee on Immigration and Claims, of which I am chairman, when we, in the next several months, are considering other comprehensive legislation regarding immigration, we will certainly consider their amendment. If that amendment is not approved on the subcommittee level, I will certainly work with them and guarantee them that I will ask that it be considered on the House floor.

Mr. CUNNINGHAM. I agree with this approach, and I think Mr. KIM does, too.

I yield back to the gentleman from California [Mr. KIM].

Mr. KIM. I thank the gentleman for giving me his assurance. And I agree with this approach, and I think my amendment will ensure all permanent residents and aliens would be legal at the time of the acceptance of the application, and I think that is an important message we have to send to those folks out there. I thank the gentleman.

Mr. CUNNINGHAM. I think this is one issue I think we can work very well with the leadership on the Democratic side as well as ours, and I yield back the balance of our time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 18 printed in House Report 104–85.

AMENDMENT OFFERED BY MS. ROS-LEHTINEN

Ms. ROS-LEHTINEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. ROS-LEHTINEN: Page 157, after line 4, insert the following new paragraph:

(6) CERTAIN PERMANENT RESIDENT AND DISABLED ALIENS.—Subsection (a) shall not apply to an alien who—

(A) has been lawfully admitted to the United States for permanent residence; and

(B) is unable because of physical or developmental disability or mental impairment (including Alzheimer's disease) to comply with the naturalization requirements of section 312(a) of the Immigration and Naturalization Act.

The CHAIRMAN. Pursuant to the rule, the gentlewoman from Florida [Ms. ROS-LEHTINEN] and a Member opposed will each control 10 minutes.

Does the gentleman from Washington rise in opposition?

PARLIAMENTARY INQUIRY

Mr. MCDERMOTT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MCDERMOTT. Mr. Chairman, are we now doing amendment No. 18?

The CHAIRMAN. Amendment No. 18, that is correct.

Mr. MCDERMOTT. As printed in the RECORD?

The CHAIRMAN. As printed in the Rules Committee report.

Mr. ARCHER. Mr. Chairman I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Texas [Mr. ARCHER] may control the 10 minutes.

The Chair recognizes the gentlewoman from Florida, [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is a straightforward, simple humanitarian amendment, which would exempt any U.S. legal permanent residents who cannot take the naturalization exam because they suffer from mental disorders and physical impairments or disabilities.

Under title IV of H.R. 4 these people would be cut off from Federal benefits simply because they are not American citizens. These individuals would not be able to resolve this problem because of their inability to take the naturalization exam.

H.R. 4 currently makes no exemption for these individuals who would be the most affected by the elimination of these benefits. The elderly who suffer from Alzheimer's disease cannot possibly pass the citizenship exam given their debilitating disease. They cannot remember or memorize questions, nor are they physically able to present themselves many times before the citizenship examination.

Under this legislation these people unfortunately would be unfairly cut off. The same goes for a person who because of a physical disability cannot leave his or her home to take the naturalization exam. These individuals, many of whom have contributed years of hard work and labor to this country, would now be denied benefits simply because they cannot because of physically tormenting disabilities take the citizenship exam. Under my amendment the Immigration and Naturalization Service will be able to have the ability to determine if the person is unfit to take the naturalization exam due to this serious disability.

Mr. Speaker, in my south Florida community and indeed around our great Nation, many U.S. permanent residents, especially the elderly, suffering from such terrible diseases as Alzheimer's are unable to take the citizenship test because of their illnesses. This amendment would help these most vulnerable permanent residents, many of whom after years of hard work and making wonderful contributions to our great Nation rely on these benefits for their well-being.

This humanitarian amendment would exempt those who are the most vulnerable by allowing them in a calculated and limited manner to not have to take the unfair exam that they are unable to take. This will allow them to not be cut from the benefits they need in order to survive.

Mr. Chairman, I reserve the balance of my time.

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I reluctantly rise in opposition to the amendment. I understand what the gentlewoman is trying to accomplish, and I am very sympathetic to her.

Mr. Chairman, the problem is that the definition of disability or impairment is too broad, that like so many other areas where we have run into problems when we talk about disability within the welfare programs, we have found that it has been tremendously abused. We have tried to work with the gentlewoman for tightening up this language and have been unable to reach that conclusion at this time.

However, I would say to the gentlewoman from Florida [Mrs. ROS-LEHTINEN], that if it is possible to get more precise language that is not so general in conference, I would be more than happy to consider that.

There is the additional problem that CBO has not issued an estimate, a revenue estimate on this amendment. The rough understanding that we have been given because of the broadness of the definition is that it could cost $1 billion.

So, I would, as I said, reluctantly urge the Members to oppose this amendment and give us an opportunity to try to work on the language in the conference committee.

Mr. Chairman, I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the remarks of the chairman. We have in fact been working with the staff this afternoon to try to work up the language that specifically tracks section 312(a) of the Immigration an Naturalization Act, which already gives such waivers to those individuals who are suffering from disabilities.

Our attempt is not to broaden that current waiver any more than it is already on the books. It is not to say that anyone who is a drug addict and anyone who is an alcoholic would not be exempt from taking the exam and would then be able to apply for benefits. That is not the intent, nor does

our language I think in any way allow that to happen.

I think that the scourge has been unfair in the way they were calculating the effects, and in fact in our last discussion the calculations were that that scourge was going to come down considerably once they understood that section 312(a) already has similar language which exempts these individuals.

This amendment merely puts it in this welfare reform package so that it is clear to the INS officials that these individuals are also going to be exempt from the citizenship requirement if their disabilities are such that it will render them unable, physically, mentally unable, to take the exam.

We have an amendment already drawn up which would be acceptable, that we hope in conference would be accepted, to further specify that this is a very narrow limitation, and that the budget considerations are not as extreme as some would have us believe, and we are very confident that that is true because section 312(a) refers to naturalization.

What we want to do is make sure that we have it refer now to the exemption from welfare benefits for those people who suffer from these debilitating diseases.

Mr. SHAW. Mr. Chairman, will the gentlewoman yield?

Ms. ROS-LEHTINEN. I yield to the gentleman from Florida.

Mr. SHAW. I know you have been working on this for sometime and you and I may have spoken with regard to the noncitizen portion of the bill, which I know gives you and a few other Members great concern. I would just like to echo the words of my chairman, the gentleman from Texas [Mr. ARCHER], in saying we will be working closely during the conference process, and hopefully this is something that we can work together on.

□ 1215

I see that our colleague from south Florida has also come onto the floor, who has expressed great concern with regard to this portion of the bill, and I can assure you that we will do everything we can to be cooperative during the conference process. I am sorry that we were unable to change the amendment by unanimous consent, but we did run it by the minority, and they were not inclined to allow the change at this point.

So we will continue to work with you and the minority and the Senate in trying to resolve this problem.

Ms. ROS-LEHTINEN. I thank the gentleman. Yes, it is a shame; we had the language drawn up. I think it would have addressed the concerns that some individuals had about who specifically would be exempt from this exam.

Mr. Speaker, I yield to the gentleman from California [Mr. MINETA].

(Mr. MINETA asked and was given permission to revise and extend his remarks.)

Mr. MINETA. Mr. Chairman, I really appreciate my colleague yielding.

Mr. Chairman, I rise today in strong support of the amendment offered by our colleagues from Florida—and in strong disappointment that it has to be offered.

To me, it is absolutely reprehensible that this bill contains an attack on immigrants who were lawfully admitted to this country.

As the Chair of the Congressional Asian Pacific American Caucus, I can tell my colleagues that I have seldom seen an issue that has generated so much concern among the Asian Pacific American communities around the country.

The rhetoric surrounding this issue has been frightening to many in our community—61 percent are immigrants who arrived in this country since 1970 alone.

We began to fear where things were heading last year when Proposition 187 was being debated in California.

Asian Pacific Americans in California are second to none in our frustration with illegal immigration. Many in the community have waited patiently for years for spouses and children to join them through the legal process.

But it quickly became clear to us that the rhetoric and the emotion went far beyond the issue of illegal immigration alone.

Those who supported Proposition 187 told us repeatedly that legal immigrants had nothing to worry about.

But sure enough, here we are today, debating on the floor of the House of Representatives whether taxpaying, lawfully admitted immigrants will be eligible for the services their taxes pay for.

Many in our community, particularly those who arrived here fleeing Communist oppression and civil war, are frightened of where this will lead.

Already, the rhetoric surrounding this issue has been filled with assertions that we should ''take care of Americans first.'' When did we change the definition of American? When did this happen?

Mr. Chairman, my parents were born in Japan, but they chose to make America their home.

I can tell you that never in the history of this country have there been two finer Americans. They chose America to build a future for their children. There is no decision they ever made for which I am more grateful.

From Albert Einstein to Martina Navratilova; from An Wang, the founder of Wang computers, to Elie Wiesel, winner of the Nobel Peace Prize—all have come to this country and been accepted as Americans.

H.R. 4 flies in the face of that principle, and to me it's a sad commentary on the state of national debate in this country.

I urge my colleagues to join with me in opposing H.R. 4.

Ms. ROS-LEHTINEN. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Florida [Mr. DIAZ-BALART], who is a cosponsor of this amendment.

Mr. DIAZ-BALART. Mr. Chairman, I think that it is very important that I commend my colleague, the gentlewoman from Florida [Ms. ROS-LEHTINEN], for having introduced this amendment that I have cosponsored. It is very important that at the very least those who are physically or mentally disabled not be excludable from benefits even after being legally in this country because of their disability, and that is what this amendment, this very fine amendment, seeks to do.

I am very disappointed that a ban on SSI and AFDC and food stamps and Medicaid remains in the legislation, in the bill, with regard to legal residents. I think that ban is unfair. I think it is unnecessary. I think there is somewhat of an element of irrationality involved because a great percentage of those who may be ineligible, because they are not citizens, will become citizens, so the savings will be minimal at best from the point of view of those who say this ban will save the Government money.

So it is unfortunate it is in. We will continue fighting against the ban, against legal residents of the United States, from services and will continue working with the gentleman from Florida [Mr. SHAW] and the gentleman from Texas [Mr. ARCHER] and, of course, Members on the other side of the aisle to remedy this in the conference process.

But this inclusion, the ban's inclusion in the bill, makes it imperative certainly that people that feel like I do, as strongly as I do, and I know the gentlewoman from Florida [Ms. ROS-LEHTINEN] does on this issue, it is imperative that we oppose this legislation in its current form.

Mr. MCDERMOTT. Mr. Chairman, as the designee of the gentleman from Florida [Mr. GIBBONS], I move to strike the last word, and I ask unanimous consent to be allowed to yield blocks of time.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MCDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and Members of the House, this is another one of the figleaf amendments. Now, this place is starting to look like a fig tree. Every time they bring the bill out, people look at it and say, ''Well, this needs a figleaf.''

We took benefits away from legal immigrants in this country.

Now, I went to the Committee on Rules and asked for the right to give those benefits to legal immigrants, and I was joined by the gentlewoman from Florida [Ms. ROS-LEHTINEN] and the gentleman from Florida [Mr. DIAZ-

Balart]. But the Rules Committee denied that. So we get this little figleaf that does not do anything.

It knocks a half a million people off the aged and disabled rolls. It is a help for a few pitiful people who cannot walk into the office and file. Now, that, in my opinion, is about 1 inch when we ought to go a mile.

If you are a legal immigrant in this country, you are working here, you are paying taxes, and bad times come to you, you ought to be entitled to everything else that every American is, and I think that this is only a half a loaf.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BERMAN].

Mr. ARCHER. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. BERMAN].

(Mr. BERMAN asked and was given permission to revise and extend his remarks.)

Mr. BERMAN. Mr. Chairman, I wonder if I could get the attention of the manager of the bill for one moment, the gentleman from Texas [Mr. ARCHER]. I wanted to ask you to explain what I find to be one of the most astonishing features of this particular provision which the issue is raised by this amendment.

The majority has decided to deny a series of very important benefit programs to legal, taxpaying resident immigrants in this country, and has made one exception, that foreign farm workers, guest workers, H(2)(a)'s, people who come here on a temporary basis, will remain and will be the only group of immigrants that will remain eligible for Medicaid, housing, SSI, AFDC, and all of these programs. So that while you have thousands of domestic farm workers, many of them here as legal immigrants who are paying taxes and are ineligible for these benefits and are among the lowest-paid workers in American society, the agribusiness lobbyists will be able to, and their clients will be able to, bring in foreign guest workers to harvest crops instead of using the available domestic farm worker supply and still be subsidized for the health care and the housing and other benefits for these workers.

How could this bill contain such an exception to this provision?

Mr. ARCHER. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from Texas.

Mr. ARCHER. Are you talking about farm workers?

Mr. BERMAN. I am talking about foreign guest workers, farm workers, are the only group of immigrants left eligible for these benefits.

Mr. ARCHER. If the gentleman will yield, I would respond by saying these people come into this country under very special circumstances, under special provisions in the law, are invited in here to help the economy——

Mr. BERMAN. To work.

Mr. ARCHER. Under those special provisions. The average immigrant who comes to this country agrees, on entry, not the guest workers, but the other resident immigrants legally admitted to this country agree, when coming in, to be self-supporting. The guest worker does not make that agreement.

Mr. BERMAN. Reclaiming my time.

Mr. ARCHER. The gentleman does not wish a response?

Mr. BERMAN. I heard the response.

Mr. ARCHER. The response is more lengthy than that. If the gentleman wants to cut me off, he may.

Mr. BERMAN. The problem is I only have 3½ minutes. But I will yield as long as I have a little time to respond to your response.

Mr. ARCHER. Well, on your time. The immigration law of this country provides that when you seek residency here as a legal alien that you are agreeing to support yourself. If you do not and you become a charge of the taxpayers of this country, you are subject to deportation legally under the law today. A guest worker comes under a very different circumstance into this country and is protected by the law that relates to guest workers, and the gentleman should understand this.

Mr. BERMAN. I suggest a very different reason. I suggest that somewhere agribusiness stuck into this provision a bill to help subsidize the workers they want to import because they do not want to hire the domestic farm workers, and I find it just unbelievable that in a bill designed to encourage work you are helping to displace and subsidize foreign guest workers and displace American workers.

The CHAIRMAN. The Chair would like to point out that he has tried to be lenient on Members who go over their allotted time. If we start abusing it, the Chair is going to charge it against the manager's time.

Mr. MCDERMOTT. Mr. Chairman, I yield 1 minute, the remainder of my time, to the gentleman from Arizona [Mr. PASTOR].

Mr. PASTOR. Mr. Chairman, I would ask my colleagues that, as they consider this amendment, they would think of legal immigrants not as someone who recently arrived, not someone who only came over to receive benefits, but to think of the legal immigrant as a person who has been here for many years, who has worked, has paid their taxes, has raised their family and has been responsible.

The only thing that they do not have is the right to vote and are not citizens. But this amendment talks about a person who cannot take the examination, cannot be naturalized because they are physically or developmentally disabled or mentally impaired to take the test. So we are talking about a safety net for those legal immigrants who cannot take the exam because of their disabilities.

I would think that Members of this House on both sides of the aisle would show compassion to these people and support this amendment.

Ms. ROS-LEHTINEN. Mr. Chairman, I yield 15 seconds to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman and hopefully, when we have more time, we will be able to address the underlying motives behind this issue in this legislation.

I thank the gentlewoman.

Ms. ROS-LEHTINEN. Mr. Chairman, I yield 15 seconds to my colleague, the gentleman from New Jersey [Mr. MENENDEZ].

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, let me just say these people are the mothers and fathers, brothers, sisters, and sons and daughters of American citizens who came here and should not be denied. They work, they contribute, and they should not be denied simply because of their status when they have contributed all along, and at least in the gentlewoman's case, which I strongly support. We carve out a small exception to those people who should not simply be denied.

Ms. ROS-LEHTINEN. Mr. Chairman, I yield 15 seconds to the gentleman from California [Mr. BECERRA].

(Mr. BECERRA asked and was given permission to revise and extend his remarks.)

Mr. BECERRA. Mr. Chairman, I thank the gentlewoman for yielding a moment of time.

I also support this amendment. I think she is trying to do the right thing. We should not be denying people who do their darndest to work hard in this country and do the best they can ultimately to become U.S. citizens. They should have that opportunity.

I urge Members to support this amendment.

Ms. ROS-LEHTINEN. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, I hope the Members will support this humanitariian amendment to at least allow those individuals who are physically and mentally disabled to take their benefits that they deserve that they have worked hard to get.

I hope we can see clearly through this anti-immigrant, anti-refugee feeling and get on with the real issue of helping those people regardless of their citizenship status.

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, again, as I mentioned earlier, I understand what the gentlewoman from Florida is trying to do. I still have a great concern for the broader definition. I think that she actually believes the definition to be more constricted than it is.

What came out of the Committee on rules is so broad in what can be a disability or a impairment that I believe we will find the very same things happen there that we have already found

under ''disability'' in other parts of the welfare code of this country today. I do not want to see that happen with national TV exposés down the line for abuses under this definition.

I would hope that the members of this committee will vote this amendment down, that in conference we might have the opportunity to construct more constrictive language, but I would further say relative to this and any other amendments of this type, that the law of this land, the immigration law of this land, since the late 1800's, provides that anyone coming into this country as a legal alien understands that they cannot become a public ward.

□ 1230

They cannot throw themselves into the hands of the taxpayers of this country, and if they do, if they go on welfare, they legally, today, can be deported.

In addition, where they come in under the sponsorship of other relatives, those relatives take on the responsibility of maintaining and supporting their immigrating relatives into this country so that they will not become a burden on the taxpayers of this country.

Mr. Chairman, my ancestors and most of our ancestors came to this country not with their hands out for welfare checks, even if they were willing to work, they came here for the opportunity for freedom and the opportunity to work and to achieve the successes that this country offers more than any other country in the world.

Mr. VENTO. Mr. Chairman, I rise in support of the Ros-Lehtinen/Diaz-Balart amendment to exempt legal permanent residents who cannot take the U.S. naturalization exam because of a physical or mental disability.

Certainly the denial of benefits under this bill to legal noncitizens is unjust and unwarranted. This denial has nothing to do with sponsor support. In addition the measures to strengthen and extend deeming should be carefully considered.

The policy in the GOP bill denies benefits to people who have legally been in the United States 5 years and have not achieved citizenship, even though they may have paid taxes and rent or maybe even own a home and have children, who are U.S. citizens. In St. Paul, MN, we have a significant settlement of Southeast Asians, the Hmong, who fled Laos after fighting along with United States troops against the Communist forces of North Vietnam. Because the Hmong did not have a written language, many adults have had great difficulty learning English. Under the provisions of the GOP measure before the House, they would be denied most benefits; $20 billion of the anticipated cuts made by this GOP bill come from just such limits.

This amendment before the House would provide some modest relief to the harsh GOP bill which unfairly and arbitrarily discriminates against legal noncitizens. The circumstances in St. Paul, MN for the Hmong are extraordinary, but individuals who have not become citizens and remain in the United States generally are subject to unusual factors. Under what logic are they being denied benefits? I heard someone raise the notion of fraud and abuse but is there a demonstrated record of such a problem? Are legal noncitizens any different in this regard than citizens?

The policy being advanced in this GOP measure is inappropriate and while I commend this amendment to my colleagues, the GOP bill is not much changed by this amendment. We do not even have an up or down vote on the subject of benefits for noncitizens due to the restrictive Republican rule and these piecemeal amendments will not remedy this punitive measure.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentlewoman from Florida [Ms. ROS-LEHTINEN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. ARCHER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentlewoman from Florida [Ms. ROS-LEHTINEN] will be postponed until after the disposition of amendment No. 20.

It is now in order to consider amendment No. 19, printed in House Report 104–85.

It is now in order to consider amendment No. 20, printed in Report 104–85.

AMENDMENT OFFERED BY MR. MORAN

Mr. MORAN. Mr. Chairman, I offer amendment No. 20, printed in House Report 104–85.

The CHAIRMAN. The Clerk will designate the amendment.

The text of amendment No. 20 is as follows:

Amendment offered by Mr. MORAN: Page 170, after line 12, insert the following new section:

SEC. 442. PREFERENCE FOR FEDERAL HOUSING BENEFITS FOR FAMILIES PARTICIPATING IN WELFARE ASSISTANCE WORK PROGRAMS.

Section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended—

(1) by striking the section heading and inserting the following new section heading:

''DECLARATION OF POLICY AND PREFERENCE FOR ASSISTANCE'';

(2) by inserting ''(a) DECLARATION OF POLICY.—'' after ''SEC. 2''; and

(3) by adding at the end the following new subsection:

''(b) PREFERENCE FOR FAMILIES PARTICIPATING IN WELFARE ASSISTANCE WORK PROGRAMS.—

''(1) IN GENERAL.—In selecting eligible families for available dwelling units in public housing and for available assistance under section 8, each public housing agency shall give preference to any family who, at the time that such occupancy or assistance is initially provided for the family—

''(A)(i) is participating in a work or job training program that is a condition for the receipt of welfare or public assistance benefits for which the family is otherwise eligible, or (ii) is eligible for and has agreed to participate in such a program as a condition for receipt of such assistance; and

''(B) has agreed, as the Secretary shall require, to maintain and complete such participation and to occupancy or assistance subject to the limitations under paragraph (3).

''(2) PRECEDENCE OVER OTHER FEDERAL AND LOCAL PREFERENCES.—Occupancy in public housing dwelling units and assistance under section 8 shall be made available to eligible families qualifying for the preference under paragraph (1) before such occupancy or assistance is made available pursuant to any preference under section 6(c)(4)(A) or 8(d)(1)(A), respectively.

''(3) 5-YEAR LIMITATION ON ASSISTANCE.—Notwithstanding any other provision of this Act, the occupancy of any family in public housing or the provision of assistance under section 8, pursuant to the preference under paragraph (1), shall be terminated upon the expiration of the 5-year period that begins upon the initial provision of such occupancy or assistance to the family.

''(4) FAILURE TO PARTICIPATE.—If the applicable public housing agency determines that any family who is provided occupancy in public housing or assistance under section 8, pursuant to the preference under paragraph (1), has ceased participating in the program referred to in paragraph (1)(A) before completion of the program or failed substantially to comply with the requirements of the program, such cessation or failure shall be considered adequate cause for the termination of the tenancy or the assistance for the family and the public housing agency shall immediately take action to terminate the tenancy of such family in public housing or the provision of assistance under section 8 on behalf of family, as applicable.

''(5) LIMITATION ON AVAILABILITY OF PREFERENCE.—The preference under paragraph (1) shall not apply to any family that includes a member who—

''(A) has occupied a public housing dwelling unit or received assistance under section 8 as a member of a family provided preference pursuant to paragraph (1), which occupancy or assistance has been terminated pursuant to paragraph (3), or (4); and

''(B) was personally required to participate in the program referred to in paragraph (1)(A).''.

The CHAIRMAN. Pursuant to the rule, the gentleman from Virginia [Mr. MORAN] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Is there a Member in opposition claiming the 10 minutes?

Mr. MORAN. Mr. Chairman, I have not been informed of anyone opposed.

Mr. ARCHER. Mr. Chairman, I am unaware of opposition, but I would like to control the 10 minutes.

The CHAIRMAN. The gentleman from Virginia [Mr. MORAN] will be recognized for 10 minutes and, without objection, the gentleman from Texas [Mr. ARCHER] will be recognized for 10 minutes.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, what this amendment would do, depending upon whatever welfare bill is enacted—I happen to support the Deal amendment—but what this amendment would do is to say that when you enter a work program, then in fact you go to the top of the waiting list for public and publicly assisted housing, so there would be an

incentive for people who seek work to be able to enjoy the support of subsidized housing.

Currently, there is very little turnover in any subsidized housing. In fact, there are 13 million people who are eligible for subsidized housing. And less than 3.5 million actually receive it.

Mr. Chairman, the original intent of subsidized housing was that it be transitional, that people who needed some help to get their feet on the ground would be able to take advantage of subsidized housing in the interim until they achieved economic self-sufficiency.

What this is doing is providing a significant incentive for people to find work, to get themselves on the ground, so to speak, and then after 5 years they would lose their eligibility for this assisted housing.

So that it will create some turnover in assisted housing as well.

I would suggest to the Members they consider this with regard to welfare reform.

I will bet that Members are not aware of this.

Mr. PASTOR. Mr. Chairman, will the gentleman yield?

Mr. MORAN. I yield to the gentleman from Arizona.

Mr. PASTOR. I thank the gentleman for yielding.

Mr. Chairman, I support the gentleman's amendment. I think what he wants to do is great because we need a little bit of assistance to the people getting off welfare.

But with the rescissions and the new budget that is coming up and the budget for section 8 and the budget for public housing almost being destroyed, does the gentleman think it is really going to happen that you will be able to implement his amendment, knowing that the Republicans are going to destroy section 8 and public housing?

Mr. MORAN. I would respond to my friend, the gentleman from Arizona [Mr. PASTOR], the fact is this is a good amendment, regardless of what happens to section 8 or public housing. We cannot throw in the towel and ignore any improvements possible under the assumption that ultimately all housing subsidies programs are going to be eliminated. I do not think that is going to be the case.

In fact, those programs that continue to exist, we have all the more reason to prioritize who gets the advantage of them. This does not affect elderly or disabled people, because families need more than one-bedroom efficiencies, which is what is available to elderly and disabled.

I think many people may not be aware of fact that in terms of eligibility for housing subsidies, AFDC is counted as income. When welfare reform passes and people who choose not to go into a work program lose their AFDC, the other part of the Federal Government, HUD, is going to make it up for them. HUD is going to reduce their cost of subsidized housing so that there will be a reverse, a perverse incentive, if you are in public housing, not to participate in the work participation program.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. MORAN. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I too share some of the concerns raised by the gentleman from Arizona [Mr. PASTOR] with regard to the gentleman's amendment. I note he suggests it does not explicitly, does not affect the elderly and disabled, but there is no explicit exclusion in the amendment that the gentleman is offering.

Furthermore, as the gentleman from Arizona [Mr. PASTOR], our colleague, raised, the new proposals in terms of HUD, the reinvention blueprint actually asks to mix more people into housing. Of course, it normally leaves the preference decisions, with their long waiting lists, to the local control in many instances. This is contrary to that.

Furthermore, I think if this were to—it needs some work, I am sure—but it sets up a two-tier system for residents of public and assisted housing. It could displace many families currently on waiting lists or who are not enrolled in training programs, for a variety of reasons.

The gentleman mentioned the obvious ones in terms of age or disability. But others who have been waiting who are not on training programs and who have been on the list for years could be displaced. If the gentleman would continue to yield, and I appreciate his doing so, it makes no exceptions for families who may lose their jobs or whose economic situation changed within a 5-year period.

It makes no exceptions for families who go to work at jobs with wage levels that make them ineligible for housing.

I know the gentleman's contention is if they receive the income, that they would not be so affected in terms of still not being impacted. We would like to keep those benefits in place.

I think the intent of it is good. The effect of the amendment though, in terms of existing housing polices raises many questions.

Mr. MORAN. I say in response to my friend, the gentleman from Minnesota [Mr. VENTO], who has been very active in the housing area on the Subcommittee on Housing, it does not specifically exclude the elderly and disabled, but families looking for subsidized housing are not looking for one-bedroom efficiencies. They are not in competition with the elderly or disabled.

I would also say to my friend that one of the biggest problems in terms of subsidized housing being used for the people in greatest need is that the only area that most jurisdictions are willing to provide subsidized housing is for the elderly and disabled because they make more profit. The developer makes more profit in building a high-rise. They do not like to provide subsidized housing for families. That is where the greatest need is; that is, those who compose most of the waiting list, families with children, not the elderly or disabled, because most jurisdictions are more than happy to provide for the elderly and disabled. They do not want families with kids. They assume they are unruly, with kids and so on, when they come from a family of poverty. That is our biggest problem in making the best use of the limited subsidized dollars that we have.

But I would also suggest that those families that are on this waiting list, they ought to have an incentive to get a job, to pursue the ultimate objectives of welfare reform, which in fact both Democrats and Republicans agree is self-sufficiency. There ought to be an incentive. This is one of the most substantial incentives we can provide.

If you go out and search for a job and find a job, we are going to provide subsidized housing for a limited period of time, 5 years, so you can get on your feet. This is consistent with both Republican and Democratic philosophy. It also would make much greater priority use of the limited subsidized housing funds we have available.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MORAN. Is the gentleman speaking in opposition?

Mr. KENNEDY of Massachusetts. Yes.

Mr. MORAN. Mr. Chairman, 10 minutes is reserved on the other side, none of which has been used as yet. I would suggest the gentleman seek time there.

Mr. Chairman, I reserve the balance of my time.

Mr. ARCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, what I wanted to talk about is more the general rhetoric that we have heard on the floor in the last few days about this bill.

Mr. Chairman, I have been astounded and astonished to hear the harsh, unreal, and irresponsible talk coming from the Democrats about welfare reform. To do as they have done, call State and local governments cruel and heartless, is irresponsible. To do as the Democrats have done, call our neighbors and neighborhoods mean and insensitive, is harsh to the extreme.

To do as the Democrats have done, refer to the work of our churches and charities as uncompassionate, is out of touch with reality.

Mr. BAESLER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. WALKER] yield for the purpose of a parliamentary inquiry?

Mr. WALKER. I do not, Mr. Chairman.

The CHAIRMAN. The gentleman does not yield.

Mr. WALKER. Oh, the Democratic opponents of welfare reform will say they have called none of those Americans these names. They claim to be attacking the Republican welfare reform bill or the Contract With America.

But the underlying facts belie their caterwauling. We Republicans are not empowered by our welfare reform bill. The legislation turns power back to States and localities, to neighborhoods, to churches, and to charities. The only way that the results can be cruel and harsh, insensitive and mean, and uncompassionate is if you do not believe in the basic goodness of the American people and the American society. And the fact is—confirmed by this debate—the liberals do not believe in the basic goodness of the American people and American society.

The Democrats long ago came to the conclusion that goodness and mercy flow through Federal bureaucrats. Opponents of welfare reform truly believe in taxing working people more so that they can have more money to spend on spreading good will through Washington solutions.

That's why liberals are opposed to this legislation. It changes things. Democrats are in favor of keeping the present welfare system. They derive much of their political standing and power from the present welfare system. Their talk of meanness and insensitivity is status quo talk.

The opponents of welfare reform have done everything they can for 40 years to build the present system. It is the symbol of all they believe. They do not want to see it changed by a new majority.

That is the real choice before us in the bill on this House floor.

Do you agree with the present system that robs working people of the treasure of their work in order to support people who refuse to work?

Do you believe the Food Stamp Program is the best way to feed the needy or are you disgusted to see food stamps abused as you walk through the grocery store check out line?

Do you believe the School Lunch Program works well or are you disturbed to see the garbage truck haul away half the food, food the kids have thrown away?

What the Democrats are defending with their harsh, unreal, and irresponsible talk are programs that are immoral and corrupt. It is immoral to take money from decent, middle-class Americans who work for everything they have and give it to people who think they are owed the money for doing nothing.

It is immoral to run up our debt leaving our children and grandchildren to pay the costs of federally apportioned compassion.

It is immoral to consign poor people to lives of living hell as government dependents so that politicians and bureaucrats can maintain power.

It is corrupt to keep a system that is best known for its waste, fraud, and abuse.

It is corrupt to give money to Federal bureaucrats that should be going to truly needy people and call the spending compassionate.

It is corrupt to pick on the most vulnerable people in our society, the children and the poor, to maintain ones own political power base.

Yet that is what this debate has revealed about the opponents of welfare reform. They cannot accept good welfare reform because it changes the pattern of power in America. The immoral and corrupt system they have fostered comes to an end. What the Democrats speak on this floor is the language of fear—fear of the future, fear of change, and fear of the loss of their political power. The system no matter how corrupt is their system and they want to keep it. The system no matter now immoral is their system and they want to keep it.

What the rhetoric of the Democrats have spoken on this floor tells us is that anyone who wants the welfare system changed should support the welfare reform legislation that we have before us.

Sixty years ago, Franklin Delano Roosevelt told us that all we had to fear was fear itself. Today, Democrats tell us clearly in this debate that all they have left is fear itself.

Mr. RANGEL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Sure, I would be happy to yield to the gentleman.

Mr. RANGEL. I thank the gentleman from Pennsylvania for yielding.

Mr. Chairman, is it not a fact that the Republicans are not driven to reform the system which Democrats want to reform too but they are driven in order to save the money in order to pay for this horrendous tax bill that you have introduced on the Contract With America?

Mr. WALKER. The gentleman is absolutely wrong. What we are attempting to do is have economic growth and at the same time make certain we bring down the debt and deficit. It is corrupt and immoral what the Democrats are out here on the floor defending, I say to the gentleman from New York [Mr. RANGEL].

Defending this welfare system is actually corrupt and it is immoral.

□ 1245

This system is absolutely one of the most corrupt and immoral systems, and it is about time we reform it.

Mr. RANGEL. It is tax reduction, not welfare reform, and the gentleman knows it.

Mr. MORAN. Mr. Chairman, I yield 30 seconds to the gentleman from Kentucky [Mr. BAESLER].

Mr. BAESLER. Mr. Chairman, I would like to rise in support of the amendment offered by the gentleman from Virginia [Mr. MORAN]. It does provide incentives, and I do think it recognizes the importance of work over those who do not work, and I hope we pass it.

Mr. MCDERMOTT. Mr. Chairman, to extend debate, as Mr. GIBBONS' designee, I move to strike the last word, and I ask unanimous consent to be allowed to yield blocks of time.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

PARLIAMENTARY INQUIRIES

Mr. MORAN. Mr. Chairman, I have a parliamentary inquiry of the Chair as to the effect of granting the last request.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MORAN. In other words, Mr. Chairman, will the gentleman from Massachusetts [Mr. KENNEDY] have a block of time to explain his position?

The CHAIRMAN. The gentleman from Washington [Mr. MCDERMOTT] will control 5 minutes and be able to yield it, and the gentleman has 1½ minutes remaining in his time.

Mr. KENNEDY of Massachusetts. I have a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I am trying to understand. If we have a Democrat and a Republican that are both in favor of the amendment and we have a Democrat, a group of Democrats, that are opposed to the amendment, how has the Chair divided the time in aggregate?

The CHAIRMAN. Ten minutes went to the proponent of the amendment, 10 minutes to an opponent of the amendment——

Mr. KENNEDY of Massachusetts. The trouble is, Mr. Chairman, that the chairman of the committee is not opposed to the amendment.

The CHAIRMAN. He claimed the time by unanimous consent because no one else claimed it, and no one complained about it; no one objected to his unanimous-consent request, so the gentleman——

Mr. KENNEDY of Massachusetts. Did he ask for the unanimous-consent request, Mr. Chairman?

The CHAIRMAN. Yes, he did, and the gentleman from Washington [Mr. MCDERMOTT], as the designee of the ranking minority member, has the privilege of striking the last word, and having 5 minutes, and controlling it, and he just did that under unanimous consent.

Mr. KENNEDY of Massachusetts. I understand.

Mr. MCDERMOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I speak in strong opposition to this amendment, not for the intention that the gentleman from Virginia [Mr. MORAN] has for offering it, but

rather for some of the bizarre and unanticipated results that I think will occur if the amendment were accepted.

First of all, let us recognize that there in fact would be a disincentive to have families get into this program if the amendment offered by the gentleman from Virginia [Mr. MORAN] goes through as it is currently written with a 5-year time limitation. Why would any family want to get into a program that is going to limit them to 5 years in one of these housing programs when, if they do not go into the housing program under the 5-year provision, they would be able to stay in for a much longer period of time? This amendment only affects new section 8's that become available. There are very few new section 8's that are going to become available in this country in the next few years, particularly as a result of the budget process.

Second, it seems to me that we already have a situation where we are creating preference after preference. We have preference for victims of AIDS. We have preference for elderly. We have preference for disabled. I say to my colleagues, If you're just a regular poor person in this country, you can't get on any section 8 voucher list that actually will get you a section 8.

The fact is, in Massachusetts today, we have 17,000 people waiting on section 8. The only people that ever get a section 8 voucher are those at the very top who end up continuing to trade off between the special groups that have gotten these preferences, so it seems to me that what we ought to be doing is looking, as this housing committee is going to be doing in the next few weeks, not linking housing to the welfare debate, as this amendment unintentionally does, but let us review.

President Clinton has provided a blueprint through Secretary Cisneros to have a complete revision of the housing programs. The Republicans have done the same. The gentleman from New York [Mr. LAZIO] and I have an opportunity to look through these issues and get this issue resolved once and for all.

Mr. MCDERMOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I hope the amendment is defeated. We fall into an unfortunate pattern when we do things like this. We, outside the context of an overall consideration of a program, say this particular group is very worthy, and we give them a preference over everybody else, and Members vote on that thinking of the worthiness of the particular recipients of the preference. What they do not realize is that giving a preference to group A means giving a disadvantage to every other group.

So I say to my colleagues, You're not voting now, if you vote on this, as to whether or not this particular group is worthy of a preference. The question is: Is every other group in need of housing unworthy? Should every other group be put down? In fact, you have people who are very poor. You have people who have been working and not quite making enough wages to make it in the private market. Both groups get disadvantaged by this. It simply falls into a pattern that we have fallen into before. You hinder the law with a set of preferences that are often inconsistent, that don't harmonize, that don't, in fact, represent a rational preference system because you simply say this one group, and this one group is all you can deal with here because we're dealing with welfare. So this says this one particular group will be deemed by us more worthy than everybody else, and this is not a basis on which we should be deciding who everybody else is.

Mr. Chairman, I have served on the Housing Subcommittee, and I could not tell my colleagues who everybody else is, and I am sure other Members could not either. So the question is not whether we should do something for the people in this program. It is should we disadvantage everybody who is not in this program, should we decide that everybody not in this program is not worthy of getting housing or not worthy of a preference because, as the gentleman from Massachusetts pointed out saying, ''No, you get pushed down the list,'' meaning they do not get housing at all. I do not understand why we would say, without the ability to make comparisons, that we are going to single out one group to the inevitable disadvantage of every other.

Mr. ARCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Chairman, I thank the distinguished chairman of the Committee on Ways and Means.

Mr. Chairman, this is the where we are about to be introduced to the law of unintended consequences. I think that the gentleman from Virginia [Mr. MORAN] has the most noble of intentions, and I share his concern in regard to the general preferences, but I want to outline two things.

First of all, the area of preferences in, tenant preferences in particular, in housing will be addressed by the committee when we do the rewrite. It will be done in a very fundamental way, and it will be affecting many different people, many different groups, not just those people who are, say, victims of AIDS and the elderly, those people who have been dislocated as a result of Federal action. That will all be addressed in a more fundamental, more comprehensive, hopefully more thoughtful approach during the housing rewrite.

I also would like to say that we are going to be involved in placing seniors and disabled people who do not have the ability to go out to work who are disproportionately on the waiting lists. They are going to be bumped as a result of this amendment if it is offered.

So I would ask the gentleman if he would consider speaking with me and working with the committee to ensure that we target the area that he wants to target. I understand what he is trying to do, I think, and we would like to work with the gentleman in terms of addressing it in the housing bill. We think maybe he is dealing with some unintended consequences here in particular when it comes to single bedroom units and say that there are families interested in that. As a matter of fact, right now we are having families put in place in one bedroom units. Those are the same one bedroom units that the disabled, who cannot go out and work, or seniors who cannot go out and work, are seeking and are going to be bumped off the waiting lists, so I just simply ask the gentleman if he would consider possibly withdrawing it and working with me to ensure that we target the population that he is concerned with.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I thank the gentleman from New York [Mr. LAZIO] for his statement, and I think the same questions that he is raising are questions that are raised previously with the gentleman from Virginia [Mr. MORAN], and the good intentions of the amendment has to be looked at. As my colleagues know, content without context is pretext, and we got a problem here in terms of how this all fits together in terms of what we are trying to accomplish, and I would hope that I think the suggestion of trying to either withdraw this or at least address the concerns raised with the gentleman from New York [Mr. LAZIO], myself, the gentleman from Massachusetts [Mr. KENNEDY] and others, would be possible, and I hope the author would consider that.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield just briefly?

Mr. LAZIO of New York. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. I just also want to make the point that one of the difficulties with this issue is the whole notion of a 5-year sunset on all housing. I think the sunset that the gentleman from Virginia [Mr. MORAN] has written into this is a very different housing policy than we have ever had in this country, and I think to do this without having debate—as my colleagues know, I just found out about this amendment earlier today. I think this a very substantive change in our Nation's housing policy. It might make some sense under some circumstances, but let us have an opportunity to talk about it, to discuss it and to try to determine what the consequences are going to be. I want to just make sure that the gentleman from Virginia [Mr. MORAN] understands that there are going to be tens of thousands of people that are getting section 8 vouchers today that will have to get over $11 an hour in order to pay for 30 percent of their income that would qualify them

for housing in the private marketplaces.

So I say to my colleague, you're making a very big leap that somehow you're going to get from welfare to an $11 an hour job within 5 years. I don't know that we're going to be able to do that for the tens of thousands of people that could ultimately be affected as a result of this amendment. I think that it's well-intended, but I think it's shortsighted in terms of some of the perverse consequences that could result because of the way the amendment has been written.

Mr. LAZIO of New York. Mr. Chairman, I just want to expound on that again, what the gentleman from Massachusetts [Mr. KENNEDY] is saying again and the gentleman from Virginia [Mr. MORAN] I think again with the most noble of intentions, but we are talking about time limitations and upon the broad population, and I know this is not the intention, to possibly raise it in this context possibly some other time. We are dealing with people that do not have the ability to go out and go to work. The behavioral changes that we are seeking to adjust through welfare reform are not applicable when we talk about the disabled, the seniors.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from Minnesota.

Mr. SABO. Mr. Chairman, I would join in asking the gentleman from Virginia [Mr. MORAN] to withdraw the amendment and let the committee work on it. I do not know what its impact on senior housing is, plus in our community we have a very unique project with Indian preference, and I think this amendment would override what has been very difficult negotiations.

Mr. MCDERMOTT. Mr. Chairman, I yield 1 minute to the gentleman from Cleveland, OH [Mr. STOKES].

Mr. STOKES. Mr. Chairman, I, too, would hope that the gentleman from Virginia [Mr. MORAN] would consider withdrawing this amendment. I know he is well intentioned in this amendment, but it is really a bad amendment.

Mr. Chairman, this amendment would impact every individual in public housing. Public housing recipients include the most vulnerable persons in this Nation, our elderly and children. There are nearly half a million elderly—predominantly single and disabled women—and almost a million and a half children living in public housing. The effects of the Moran amendment on their lives would most certainly be severe. Under this measure, participants in welfare-to-work programs have preference over all other eligible households. Thus, many of the elderly and children in families with nonable-bodied adults would be in jeopardy of having their assistance terminated.

In addition, setting an arbitrary time limit on housing assistance is misguided and, while families receiving housing assistance should be encouraged, this amendment really discourages them from doing so.

Mr. Chairman, I would hope the gentleman would withdraw his amendment.

The CHAIRMAN. The gentleman from Virginia [Mr. MORAN] is recognized for the remaining 1½ minutes.

Mr. MORAN. Mr. Chairman, let me respond to my friends with whom I share many public policy objectives, but I would strongly disagree with the suggestion that we ought to stick with the status quo. Let me tell my colleagues about a family in Alexandria right across the bridge.

Mr. Chairman, the mother whose husband left her 4 years ago is sleeping in an automobile. Her 6-year-old is with her in the back seat. The 4-year-old is in the front seat. They have been on the waiting list for 4 years. She has no hope of ever getting subsidized housing, and she is not unique.

□ 1300

Because subsidized housing goes to people who have contacts, and in many urban areas, as it is in the District of Columbia, it went to people who were willing to bribe housing officials. In most suburban jurisdictions, subsidized housing goes to the elderly and the disabled, because that is where the profit margin is for building high-rise apartment buildings, and they are no threat to the community.

Families with children are in great need of subsidized housing today, and those families who are willing to participate in a work participation program ought to get some incentive and ought to get some support. There are 13 million families today who qualify for housing and people in housing have no incentive to leave it, and we have no regulation that requires them to leave it. They are in there for life.

Mrs. LOWEY. Mr. Chairman, I rise today in opposition to this amendment that would grant preference for obtaining Federal housing assistance to families that participate in required State welfare work programs.

While I share the goal of my colleague, the gentleman from Virginia—to assure that working people are rewarded for playing by the rules, I have concerns about the unintended consequences of this amendment as drafted.

By providing a housing preference for people participating in the State welfare work programs, this amendment will create a bias against women with young children. It should come as no surprise that when young children are involved, the primary caregiver often stays at home—especially when safe, affordable, child care is not available. If this amendment were to pass, those parents who are at home with their children for whatever reason—would be penalized—and could be denied of appropriate, affordable housing.

Furthermore, in discussing this amendment with housing officials in my district, I have heard serious concerns that this amendment might undermine preferences which have been carefully developed. For example, some communities have given preference for section 8 housing for residents of their own communities. I do not want to see this House run roughshod over reasonable requirements that have often been in place for some time.

While I know the intention of the amendment is to reward people who work, the unintended effect would be to penalize a parent who stays home with a young child. It could also damage perfectly appropriate locally established preferences. I urge my colleagues to vote "no" on this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. MORAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MORAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Virginia [Mr. MORAN] will be postponed until after the vote on amendment No. 18.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the rule, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 18 offered by the gentlewoman from Florida [Ms. ROS-LEHTINEN] and amendment No. 20, offered by the gentleman from Virginia [Mr. MORAN].

AMENDMENT OFFERED BY MS. ROS-LEHTINEN

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 18 printed in House Report 104–85 offered by the gentlewoman from Florida [Ms. ROS-LEHTINEN] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

Mr. ARCHER. Mr. Chairman, I withdraw my demand for a recorded vote.

The CHAIRMAN. The amendment stands as agreed to.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. MORAN

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 20 printed in House Report 104–85 offered by the gentleman from Virginia [Mr. MORAN] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 35, noes 395, not voting 4, as follows:

[Roll No. 262]

AYES—35

Baesler	Condit	Emerson
Baker (LA)	Cooley	Geren
Beilenson	Cramer	Gilman
Brownback	Davis	Green
Bryant (TX)	Deal	Hall (TX)

Hansen
Hayes
Klink
Lincoln
McCrery
Montgomery
Moran
Myers
Myrick
Norwood
Orton
Parker
Pastor
Payne (VA)
Pelosi
Roth
Souder
Stenholm
Tanner
Thornton

NOES—395

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Conyers
Costello
Cox
Coyne
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hancock
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Moorhead
Morella
Murtha
Nadler
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Paxon
Payne (NJ)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Reynolds
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Spence
Spratt
Stark
Stearns
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—4

Clay
Roukema
Salmon
Smith (WA)

□ 1321

Messrs. ROBERTS, GOSS, and SMITH of Michigan, Mrs. FOWLER, and Messrs. FOLEY, MILLER of California, WICKER, and TIAHRT changed their vote from ''aye'' to ''no.''

Mr. HANSEN changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SALMON. Mr. Chairman, I just wanted to say that I did miss rollcall No. 262. If I had been here, I would have voted ''no.''

The CHAIRMAN. It is now in order to consider amendment No. 21 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TRAFICANT: In section 7(i)(1)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)), as added by section 556 of the bill, insert '', except that each electronic benefit transfer card shall bear a photograph of the members of the household to which such card is issued'' before the period.

The CHAIRMAN. Under the rule, the gentleman from Ohio [Mr. TRAFICANT] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Is there a Member in opposition to the amendment?

Mr. ROBERTS. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Kansas [Mr. ROBERTS] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have a system right now with food stamps that has become street currency. Hard-earned taxpayers' dollars going to provide food and nutrition for programs will end up being trafficked on the streets of our cities in many cases.

But as Members know, there are abuses not only on the street. Citibank has just moved to incorporate a photograph in their credit card. If you go to Sam's Club now, Sam's Club requires a photograph on that transaction card. All the States in the union now require a photograph on their driver's license.

There was a time when individuals would take a driver's license and use a fraudulent driver's license in the wrong capacity. As a result, the States were moved to put that photograph on there.

The Traficant amendment requires that if a State opts for the electronic benefit transfer system, they can use that money, but the Congress of the United States says, That card shall have a photograph of the head of the household.

There has been some question if, in fact, my amendment would require everybody in the household to have a photograph. No, it would not. That would be up to the States and legislative history to date shall determine that.

But the point is, many times you will see a police car at an intersection and the police officer does not have a radar gun on anybody. Maybe he or she may be doing their paperwork. People approach that intersection, see that police car, they take added caution.

Everybody in this House is concerned about the limited dollars we have to apply to the needy people of our country. Let me say this, every dollar that can be saved by preventing abuse and fraud and the unintended purpose of the expenditures of these moneys is that much more for the people of our country who depend upon their food and nutrition from programs such as this.

I am not going to use up all my time in the beginning on this. I am saddened to see there are some in the Department of Agriculture, bureaucrats that oppose it. Well, those bureaucrats could not commit Sam's Club not to do it. They could not commit Citibank not to do it. The private sector is starting to put those photographs in because in the final analysis, they are cost effective. They save money. They stop abuse.

Mr. Chairman, I reserve the balance of my time.

Mr. ROBERTS. Mr. Chairman, I yield myself much time as I may consume.

Mr. Chairman, I rise in reluctant opposition to the gentleman's amendment. The gentleman from Ohio [Mr. TRAFICANT], as every Member knows, is the Buy American amendment champion of the House of Representatives and does yeoman work in that regard.

I agree with the gentleman's intent of the amendment. And the gentleman does describe a real problem we have in the Food Stamp Program where approximately $3 billion in expenditures, as itemized by the inspector general of the Department of Agriculture, is going to fraud, abuse, and organized crime.

□ 1330

We have stores in big cities that are not stores, they are just clearing houses in regard to using the Food Stamp Programs and the coupons as a second currency to bankroll organized crime.

We have a strong antifraud provision in this bill. It is bipartisan. The distinguished ranking minority member, the gentleman from Texas [Mr. DE LA GARZA], chairman emeritus of the House Committee on Agriculture, has contributed to that effort, and the administration has contributed to that effort.

We asked the inspector general of the Department of Agriculture whether or not the amendment of the gentleman from Ohio [Mr. TRAFICANT], from a practical standpoint, would be of help. I think from a perception standpoint there is no question that gentleman's amendment in terms of intent is very positive, but the amendment requires that the EBT cards contain a photograph of the family receiving food stamps.

In the first place, we have a problem here with an unfunded mandate, since the States pay half the cost of the EBT, or that card. By this amendment, they would be required to pay additional amounts for a system that includes the photographs.

In addition, in contacting the Inspector General, there is very little if any evidence, there is no evidence that having a photograph of the entire family of the EBT card will stop any kind of trafficking.

In order to traffic in Food Stamp Programs with an EBT card, there must be a willing participant and a willing person in the grocery store. Having a photograph on that card will not deter the trafficking, because the grocery store person is a willing participant. That certainly would not stop the case. Without a willing partner in the grocery store, there would be no trafficking with the EBT cards.

I want to make it clear that the EBT cards are instrumental in reducing the incidences of street trafficking of food stamps, but it does not eliminate the trafficking. However, EBT does provide a trail, so that law enforcement personnel can trace these violations, and then really prosecute all who violate the act.

I would say to my colleagues, Mr. Chairman, that while I admire the gentleman's intent, and I admire the gentleman, the cost of placing a photograph of a family on the EBT card, while unknown, is unlikely to pay off. I think it is going to slow down our efforts to have States adopt a criteria to put in place the entire system is regard to EBT.

Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. EMERSON], the distinguished chairman of the subcommittee in charge of food stamp reform.

Mr. EMERSON. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I, too rise in reluctant opposition to the amendment of the gentleman from Ohio [Mr. TRAFICANT]. I wonder if he might consider withdrawing it, and for this reason. We do create here an unfunded mandate.

The subsequent amendment is going to allow the States, if they wish, in pursuit of an EBT system to do what the gentleman wishes. I personally consider, I have been interested in the EBT approach to the management of our welfare system for a long time. I think it has very unique potential.

I intend, as the chairman of the relevant subcommittee on the Committee on Agriculture, to hold early oversight hearings into this subject, and I would like to work with the gentleman from Ohio and cooperate with him in seeing that his concerns are addressed. I would simply like to explore the issue that the gentleman raises here before we lock ourselves into doing it, and I am willing to pledge to him my cooperation in pursuing this idea.

There are a lot of aspects to EBT that in an oversight sense are going to need to be addressed. We will be back at the subject again in the farm bill, when that is before us in the committee in May. There are going to be opportunities this year to address the concerns of the gentleman from Ohio. I appreciate his interest and look forward to working with him as an ally in pursing the goals that he has in mind here.

Mr. Chairman, I just think there is a better way to do it down the road.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for his contribution, and I reserve the balance of my time.

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Let me see if I understand this. The inspector general who has been responsible for a food stamp program that is the laughingstock of the free world is now going to advise us as to what is evidence and what may prove to be a system that would provide some preventive mechanisms from fraud and abuse?

If the Congress of the United States, after the track record of food stamp programs, is going to accept advice of counsel, some bureaucrat in some office downtown who never had to cash a food stamp and does not know how important they are to the family, if we are going to follow their advice and counsel, we have made a great mistake.

Second of all, let me say this. There is a lot of technology coming into play. The Coburn amendment adds to that. The Traficant amendment deals with the streets. People on the streets do not have computers, they do have fingerprint scans, but one thing they know: If there is a photograph on that card, and they do not have permission to have that card, and they are at any time apprehended with that card, they are subject to problems.

I do not need evidence from the inspector general, who screwed up the food stamp program. If the food stamp program was OK, we would not have the EBT here being discussed on the floor.

Citibank, Sam's Club, driver's license; when you go to vote on the Traficant amendment, look at your voting card. My God, are we worried about trafficking in voting cards? The truth of the matter is, the Congress of the United States is saying ''Look, you do not have to adopt an EBT system. If you do, there are block grants. Go ahead and implement it.'' However, the Congress of the United States is saying as an added safeguard, to make sure that money that we are putting into food and nutrition goes to the people who need it, the Congress is saying we want a picture on it.

At Sam's Club they have a computerized system. You go in, they take your picture, and you get a computer printout card with a photograph on it. We are not reinventing the wheel here.

Mr. Chairman, I yield 1½ minutes to the gentleman from Colorado [Mr. MCINNIS].

Mr. MCINNIS. Mr. Chairman, I thank the gentleman for an opportunity to address this.

I think the gentleman is absolutely right, Mr. Chairman. He used to be a sheriff. I used to be a police officer. Let me tell the Members, it makes a difference on the streets. I think the gentleman from Ohio brings up a good point, that hey, it may not thrill the inspector general, but when is the last time the inspector general rode out there in a squad unit or was out on the streets? It is going to make a difference.

We have huge amounts of fraud going out there with food stamps. The food stamp program has lost its credibility across this country because of the fraud, and frankly, not only because of the fraud, but the failure of somebody to do something about the fraud.

This is a very simple maneuver. It is not going to require a lot. It is not going to require big cost. It did not require us much to put that picture on our voting card. That is our picture. I can bet the Members money none of them are going to take this. This is a small crowd.

We know that out on the streets you get that picture, and it is like the gentleman from Ohio [Mr. TRAFICANT] says, it is like an empty squad car. When we would go out for our coffee breaks we never parked our squad cars behind the building. We parked them right out on the street, because everybody coming up thought they were getting radared. It is the perception that counts.

The perception will count in cutting down on food stamp program fraud. I stand in strong support of the amendment of the gentleman from Ohio [Mr. TRAFICANT]. I think we have to move this argument to the street. What is the streets' perception?

Mr. ROBERTS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is always interesting to note in a debate when somebody starts to pillory another individual, when they do not know anything about the other individual.

The new inspector general of the Department of Agriculture is Roger Viadero. He has been on board for 4 months. He is the gentleman who took the tape and provided the House Committee on Agriculture the first hearing on fraud and abuse in years and years and years. It was the 1st of February.

Prior to 4 months ago, he spent a career in the FBI and as a street cop; street, street, I would tell the gentleman from Colorado [Mr. MCINNIS] and the gentleman from Ohio [Mr. TRAFICANT], he was a street cop. He knows full well what will happen in regard to this particular effort.

Let me remind the gentleman that an EBT card is not an ID card. I hope nobody around here is voting with an EBT card. It is not a driver's license. It is not a bank card. In addition to that, Mr. Chairman, in terms of the inspector general's advice, and he is in charge of it, he has indicated that it will not stop the trafficking that my colleagues hope would take place.

If you have an EBT card and you cheat, you have to have a willing participant on the other side. It will take more time for States to meet the criteria of an EBT system to provide an audit trail to stop fraud if we put a picture on the EBT card.

If we require it, it is an unfunded mandate. States will have to pay half of the cost. In addition, the gentleman's amendment is structured, and he cannot amend it, according to the rule, that the entire family has to be on the card. What do we do with a 10-member family, or 9 or 8 or 7 or 6? The picture would have to be larger than the card.

This does not serve any practical, useful purpose. It may send a message in terms of perception, but in terms of food stamp program reform and stopping crime and fraud, we should not use perception, we should use the best advice of a street cop, an FBI expert, and a gentleman who has come to the inspector general's office after it has been absent. The administration did not fill that position for the better part of 2 years.

Mr. Chairman, I reserve the balance of my time.

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if the Members will read the amendment, it stays ''The transfer card shall bear a photograph of the members of the household to which such card is issued.'' The States who enact that will make that determination. It does not necessarily mean they will have to have a photograph of everybody in that family. That is a misrepresentation.

I commend the fine background of this new inspector general, but let me say this, anybody who says this photograph will not be a deterrent is either smoking dope or never did work on the street, because the gentleman himself has said in his comments that it would take a willing participant, a willing second party, and a willing second party knows that they are holding, now, a transfer card with someone else's picture on it.

Mr. MCINNIS. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield 30 seconds to the gentleman from Colorado.

Mr. MCINNIS. Mr. Chairman, I agree with the gentleman, and I agree with the inspector general, whoever perpetrates the fraud walks into the store and has a willing participant on the other side of the counter. What we are talking about is before they walk into the store, there are people who will take that card with fraud intended, and with the photos on there, they are not going to go into the store.

Of course it is going to have savings. Of course it will cut down on fraud.

Mr. ROBERTS. Mr. Chairman, might I inquire of the Chair how much time we have remaining?

The CHAIRMAN. The gentleman from Kansas [Mr. ROBERTS] has 1½ minutes remaining, and the gentleman from Ohio [Mr. TRAFICANT] has 1½ minutes remaining. The gentleman from Kansas [Mr. ROBERTS] has the privilege of closing.

Mr. TRAFICANT. Mr. Chairman, I yield 30 seconds to the former sheriff, the gentleman from Pennsylvania [Mr. HOLDEN].

Mr. HOLDEN. Mr. Chairman, I thank the gentleman for yielding time to me.

First, I want to commend the gentleman from Missouri [Mr. EMERSON] and the chairman, the gentleman from Kansas [Mr. ROBERTS], for the work they did on this. I, too, have 14 spent years in law enforcement, 7 as a sheriff, and I support the amendment of the gentleman from Ohio.

We have pictures on drivers licenses, we have pictures on ID's, to identify people for alcohol. It works as a deterrent. The first EBT project program in the whole country was in Reading, PA, in my district.

I just hung up with the director of public welfare in Berks County, PA. They tell me this will work as an added deterrent to people trying to defraud the welfare system through EBT. I urge everyone to support this.

Mr. ROBERTS. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, I thank the gentleman for yielding time to me.

I simply want to point out we are a little into an apples and oranges argument here. The point of opposition that I have to the amendment of the gentleman from Ohio [Mr. TRAFICANT] is that it is an unfunded mandate.

A few weeks ago we passed an unfunded mandate bill and said States, we are not going to do this to you anymore. We are going to give you broad flexibility to figure things out. Here are the broad parameters of the program. Now, you devise it as best you can.

The next amendment to be offered is one that allows States to pursue the gentleman's idea, but does not mandate it.

□ 1345

Mr. ROBERTS. Mr. Chairman, I yield 30 seconds to the gentleman from Oklahoma [Mr. LARGENT].

Mr. LARGENT. Mr. Chairman, I rise in opposition to this amendment as well.

My opposition is simply based upon the fact that the subsequent amendment that we are going to be addressing introduced by the gentleman from Oklahoma [Mr. COBURN], who has done extensive work on this, really yields the opportunity, as my colleague the gentleman from Missouri just said, to the States.

If we are about anything in H.R. 4, it is about granting the authority and the power to make decisions like this back to the States where people really are on the street dealing with this issue.

I urge a ''no'' vote on this amendment on the basis that it will be addressed later.

Mr. TRAFICANT. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Ohio is recognized for 30 seconds.

Mr. TRAFICANT. I am going to support the Coburn amendment, but remember this: The Coburn amendment does not say there has to be a photograph.

The Traficant amendment says the Congress of the United States gives you the option of having this new system.

But the Congress of the United States says you can opt to use that block grant money for it. But the Congress of the United States wants a photograph on that card, because the Congress of the United States wants to ensure that the limited dollars that we have go to the hungry children in the families that we are here trying to help with the limited moneys that we have. I appreciate your support.

Mr. ROBERTS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Kansas is recognized for 30 seconds.

Mr. ROBERTS. Well, if we could lower our voice a little bit and indicate that Members who oppose the amendment are not smoking dope, it would be helpful. Maybe corn silk at one time but certainly not dope.

I would hope the gentleman would withdraw the amendment, that we could deal with this in regards to the farm bill when we reauthorize the Food Stamp Program. That is the appropriate time. It is an unfunded mandate.

The Inspector General of the Department of Agriculture who has done more to sift out fraud and point out the problem says from a perception standpoint maybe, from a practical effect no.

Consequently, I would hope that Members would oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. ROBERTS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT] will be postponed until after the debate on the amendment numbered 25.

It is now in order to consider amendment No. 22 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. COBURN

Mr. COBURN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. COBURN:

In section 556(a) of the bill, strike paragraph (2) and insert the following:

(2) in paragraph (2)—

(A) by striking ''effective no later than April 1, 1992,'';

(B) by striking ''the approval of'';

(C) in subparagraph (A) by striking '', in any 1 year,''; and

(D) by amending subparagraph (D) to read as follows:

''(D)(i) measures to maximize the security of such system using the most recent technology available that the State considers appropriate and cost-effective and which may include (but is not limited to) personal identification number (PIN), photographic identification on electronic benefit transfer cards, and other measures to protect against fraud and abuse; and

''(ii) effective not later than 2 years after the date of the enactment of the Food Stamp Simplification and Reform Act of 1995, measures that permit such system to differentiate items of food that may be acquired with an allotment from items of food that may not be acquired with an allotment.''; and

The CHAIRMAN. Pursuant to the rule, the gentleman from Oklahoma [Mr. COBURN] and a Member opposed will each control 10 minutes.

The Chair recognizes the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. Mr. Chairman I yield myself such time as I may consume.

After listening to the discussion that we just had, I think it is important that we bear in mind that the objectives of the gentleman from Ohio and my objectives are the same. That is, to try to return integrity to the Food Stamp Program at the point at which food stamps are used.

Several gentlemen have shown their congressional voting card here today that does have a photo ID on it. This amendment will allow that if a State so chooses to have a photo ID.

The Food Stamp Program was established to provide a level of nutritional sustenance for people who cannot afford to feed themselves. Oftentimes this does not seem to be the case when we observe how food stamps are used.

Everyone knows that the current system has loopholes that have allowed fraud, waste, and abuse to become rampant. Many States, including my home State of Oklahoma, are looking at electronic benefit transfer systems as an alternative way which have proven to be effective at saving administrative costs and cutting down on waste, fraud, and abuse.

H.R. 4 encourages States to establish EBT systems for distributing food stamp benefits. For this reason I wholeheartedly agree.

My amendment is intended to further help States make the transition to an EBT system while strengthening the ability of States to cut out the waste in the system.

The first part of the amendment addresses a concern that many States have voiced in setting up an EBT system. Current law states that an EBT system must demonstrate lower administrative cost than paper coupons in any one year.

Although costs have been shown to be considerably lower with EBT systems over time, the first-year cost may be higher in order to set up this new system.

The amendment drops the ''any one year'' phrase to give States the flexibility to set up a system that works properly while still keeping administrative costs far lower than the current system.

The second part of the amendment addresses one of the most common forms of food stamp abuse, their use by unauthorized persons.

With paper coupons or even EBT cards, there is danger that someone could steal the benefits we have provided.

There is also nothing to prevent a recipient from giving his coupons or EBT card to a noneligible person. We should ensure that the person to whom we have given the food stamp benefits is the only person who can use those benefits.

The Traficant amendment addresses this in one fashion, although the State should be allowed to determine how best to achieve security in their system, whether it is a photo ID, a PIN number, a fingerprint or a retinal scan, all of which companies are readily available to provide. The State can determine how to do it. But the system must be secure.

The most important part of the amendment, however, addresses the most visible problem people have with the current Food Stamp Program—people using food stamps for things other than food.

I cannot tell you how many times I have had people in my district talk to me about the abuse of food stamps. The whole purpose of this program is to make sure food stamps are used for their intended purpose, for nutrition and support, and not for items other than that.

Current law provides certain guidelines as to what can and cannot be provided. This system is intended to electronically and through computer technology force that into happening. It has a wide range of time on it, up to 2 years, and we will have a discussion about the benefits associated with this.

I would urge all of my colleagues to vote for this amendment.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Kansas.

Mr. ROBERTS. I thank the gentleman from Oklahoma for yielding. I thank him for his amendment. I would like to engage him in a colloquy if I might.

There could be a situation here when States are able to define the food items that are eligible, that conceivably that could slow down the conversion by States to the EBT system.

I know that that is not the outcome that the gentleman anticipates or wants and the body should understand that if it looks like this could occur, that the 2-year time frame can be extended to 5 years. I think the gentleman has stated this, but I wanted to make sure that that was the gentleman's intent.

Mr. COBURN. That is my intent, Mr. Chairman.

Mr. ROBERTS. I thank the gentleman for his contribution, and I support the amendment.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Tennessee.

Mr. FORD. To the author of the amendment, I want to support the amendment, but would the gentleman respond to a couple of questions if you do not mind?

The electronic transfer benefit, would this apply to food stamps as well as the block grant cash benefits of the AFDC recipients as well?

Mr. COBURN. This amendment does not address that, but it could be used in that fashion if a State wanted to use it. But it would be under a completely different set of circumstances. But this

amendment addresses only food stamp benefits.

Mr. FORD. But this electronic transfer would be through some sort of card; is that correct?

Mr. COBURN. That is correct.

Mr. FORD. States are going on-line now with the electronic benefit transfer; is that correct?

Mr. COBURN. That is correct.

Mr. FORD. With the Personal Responsibility Act, we are talking about block-granting the cash benefit to AFDC recipients and then in most cases they are recipients of food stamps as well.

With that, should we authorize or say to those States that the cash benefit should also be a part of this electronic card?

Mr. COBURN. We have not tried to make that a focus of this amendment and that has not been addressed. We were specifically addressing food stamps because of the significant amount of fraud that is seen and used with food stamps, both on the black market, the use of purchasing even cars or drugs.

The whole goal of the amendment is to eliminate the fraud in the Food Stamp Program and not address the other issues, although it is entirely possible that it could be used in that manner.

Mr. FORD. We just want to make sure that we can also look at this information superhighway, that we make sure that the cost savings that might be involved with the cash benefits. Now that we are only allocating the 1994 level under the formula of $15.4 billion, we want to make sure that States can also have savings here, that they will not have to mail out a check monthly to the AFDC recipients.

Mr. COBURN. Reclaiming my time, that is entirely possible with this system and States could do that.

Mr. Chairman, I yield 1½ minutes to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Chairman, I rise in strong support of the amendment offered by my colleague the gentleman from Oklahoma.

The Coburn amendment makes very modest changes to this legislation which will do a tremendous amount to solve the real threat to the credibility of the Food Stamp Program which is posed by fraud, waste, and abuse. Beyond that, it will save taxpayers dollars. We have to all be about that task.

The electronic benefit transfer cards save money over the current paper food stamps. Distributing food stamps by this method will also enable us to eliminate a great deal of the fraud.

There is indeed, today, a regrettable amount of black market in food stamps. Hundreds of millions of dollars of our taxpayers' money are going to be used right now not for food for the hungry but to buy drugs from black-marketed stamps and to buy beer and drugs that do not help the families who are supposed to be benefited. This program will give us an opportunity to stop that kind of fraud and abuse. But more importantly, it will let the States decide.

In the debate we just heard on the Traficant amendment, we saw the mentality of Washington, DC, that for too long, we, in the Congress, know the answer. Certainly a photograph is a right step in the direction of stopping fraud. But there are other mechanisms. There are retina testers, there are thumbprint screeners. There are lots of different devices. Technology moves faster than the U.S. Congress.

What the Coburn amendment does is it said, we don't have all that wisdom here. We should let the States, charged with the responsibility of administering this program, make those decisions.

I urge my colleagues to support the Coburn amendment.

Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. I want to commend my colleague on this very good amendment.

We have talked about it a lot in Florida and we have talked about it in other States. In fact, Maryland is going quickly to the EBT system. This amendment gives the States the flexibility to implement what I think is the most important aspect of reform in the Food Stamp Program; $1.8 billion has been shown to be wasted at least in the Food Stamp Program. This very good amendment will now strike some of that and bring the dollars to truly benefit the needy of our communities.

The Republican Party is about feeding the poor. We want to make certain they get basic nutrition.

This bill also provides that we can exclude cigarettes, alcohol, and hopefully ice cream, hopefully popcorn, hopefully junk foods that are taking our precious tax dollars and giving people food that is not nutritious in value.

I strongly support the Coburn amendment. I urge my colleagues to do the same.

Mr. COBURN. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Oklahoma [Mr. COBURN] is recognized for 1 minute.

Mr. COBURN. Mr. Chairman, I urge my colleagues to support the amendment.

If there is an emotional issue, it is that the money that we spend to help those who need it should go for what we intend it to do. This amendment goes very far in that regard.

I would urge all to support this amendment.

Mr. GIBBONS. Mr. Chairman, to extend the debate, I move to strike the last word, and I yield to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Chairman, let me try a couple of questions to the author of the amendment.

The way I read your amendment is that you require the States which would mean that this would be a mandate on the States to put in place. I am not opposed to your amendment at all. I am just trying to make sure that we clearly understand that we would require the States to do this which would mean that this would be a mandate; is that correct?

Mr. COBURN. If the gentleman will yield, what we are requiring is the States to be responsible for how they spend the money in terms of using the available technology that is available to them at any one period of time. It is our intention, and if you will see in the rest of the bill, that there is no mandate on States other than having the call. They can use any one they want, the cheapest one or the most expensive.

The most expensive happens to be retinal images presently. If they want to use that, they can. They are just required if they want to have block-granted food stamps that within a 2-year period, if the technology is available, which we think it will be, that they are going to use a system that secures it for the very purpose that the food stamp was intended for, that supplement.

Mr. FORD. I think it is a good amendment. I guess an amendment to your amendment would not be in order under the rule of the House today, but if this bill does go to the Senate in conference, hopefully the provision with the electronic transfer would be part of the cash benefit for the AFDC recipients as well that would be included at some point.

□ 1400

Mr. COBURN. I would very much agree with the gentleman on that. I think that is a good way to make sure those benefits are intended and spent, and intended in a direction. They cannot be spent on things we would not want, our support dollars going to support.

That is not part of this amendment and I think it is a wonderful suggestion. If the gentleman would bring that up when we do go to conference, we could do that.

Mr. FORD. Before I yield to my other colleagues, let me say that it is very clear that this is an area that we need to look at, the electronic on-line system with food stamps as well as AFDC.

Fraud, waste, and abuse is something we all are in opposition to and we want to do everything possible to cut it out, but we certainly do not want to confuse it with the vast majority of these recipients and try to suggest for one minute that people who are trying to make ends meet and to feed their children every day, and it is difficult for food stamps and other benefits to carry them through the month, that we want to lump everybody into some type of waste, fraud, and abuse situation. That is not the case. Those who are doing it, we want to stop it certainly, but we want to stop it immediately.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I thank the gentleman for yielding, and I agree with the gentleman's amendment. But make no mistake about it, this is not going to get to the problem of the people that do the massive abuses in automobiles and traffic in this. I say to the gentleman from Kansas City, you have to have a willing counterpart to engage in this, and I think what you have to do is go even further than this and get some real strong restrictions from the inspector general to get to the root because of the people that are ripping off the food stamp program. It is not the little old lady trying to get by and feed her children that is ripping off the food stamp program. And as noble as this is, you are not going to solve the big problems of ripping off the hundreds of millions of dollars until you get to some real strict enforcement like the gentleman from Kansas is talking about.

Mr. COBURN. Mr. Chairman, if the gentleman will yield, I would just remind the gentleman 10 days ago using the system in Houston, several gentleman were found through the use of the EBT securities system and will be making restitution of some $300,000 to $500,000 because we can now with the EBT system track for fraud and individual abusers. And the technology is there. There is technology to eliminate this fraud and abuse, even to eliminate willing providers because the computer chip will be hard to beat.

Mr. HEFNER. Good for them.

Mr. FORD. Mr. Chairman, I yield the remainder of the time to the gentleman from Texas [Mr. DE LA GARZA], who serves on the Committee on Agriculture.

Mr. DE LA GARZA. I thank the gentleman for yielding the time, and thank our colleague, the gentleman from Florida [Mr. GIBBONS].

Let me say everyone is in favor of cutting fraud and waste and abuse, and saving money. There is not problem in that. How we address it is part of the problem.

And I basically am in accord with what the gentleman is attempting to do.

The CHAIRMAN. The gentleman's time has expired. All time has expired.

The question is on the amendment offered by the gentleman from Oklahoma [Mr. COBURN].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 24 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. UPTON

Mr. UPTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 24 offered by Mr. UPTON: At the end of subtitle B of title V, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 581. DISQUALIFICATION RELATING OF CHILD SUPPORT ARREARS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end the following:

''(i) No individual is eligible to participate in the food stamp program as a member of any household during any period such individual has any unpaid liability under a court order for the support of a child of such individual.''.

The CHAIRMAN. Pursuant to the rule, the gentleman from Michigan [Mr. UPTON] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Does any Member seek control of the time in opposition?

The Chair recognizes the gentleman from Michigan [Mr. UPTON].

AMENDMENT, AS MODIFIED, OFFERED BY MR. UPTON

Mr. UPTON. Mr. Chairman, I ask unanimous consent for a very small modification in the amendment which, as I understand, the ranking member of the committee has agreed to.

The CHAIRMAN. The Clerk will report the amendment, as modified.

The Clerk read as follows:

Amendment No. 24, as modified, offered by Mr. UPTON: At the end of subtitle B of title V, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 581. DISQUALIFICATION RELATING OF CHILD SUPPORT ARREARS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end the following:

''(i) No individual is eligible to participate in the food stamp program as a member of any household during any period such individual has any unpaid liability that is both—

''(1) under a court order for the support of a child of such individual; and

''(2) for which the court is not allowing such individual to delay payment.''.

Mr. UPTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment, as modified, be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Is there objection to the modification?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. UPTON] is recognized for 10 minutes.

Mr. UPTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am very encouraged by the child support enforcement provisions that are part of this welfare reform bill. But we need to do more.

I have spent considerable time with a number of 14- and 15-year-old mothers who face a very hard life juggling school work, work and the demands of parenthood as well. Many of us take that responsibility very seriously, as we live for our kids and we want them to have a better life, and we are taken aback by parents who shirk this responsibility and refuse to make even a modest payment to help support their child. The result is that both the child and the attending parent suffer and are penalized.

This amendment will no longer reward parents who fail to fulfill their obligations to pay child support but continue to receive Government assistance through the Food Stamp Program.

Today there is $34 billion in unpaid child support due to more than 23 million children. More specifically, more than 30 percent of women with kids in poverty receive no child support whatsoever.

A survey of income and program participation found that of the 525,000 noncustodial parents receiving food stamps, 79 percent or 415,000 were not paying child support.

It is time to stop the free lunch. We are asking custodial single parents, who happen to be primarily mothers, to cover a lot of bases and carry the load, but what about the other parent? Where is the equity? We cannot forget that parenting is the responsibility of two people, and we certainly cannot forget the children who are in desperate need of assistance.

If this amendment passes, I fully intend to work to ensure that this amendment targets those who are dodging their parental responsibilities, not those who are making an honest effort to care for their child.

Mr. Chairman, we cannot continue to support deadbeat parents, and I urge Members to vote ''yes'' on this amendment.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. MARTINI].

Mr. MARTINI. Mr. Chairman, I thank the gentleman for yielding the time, and I congratulate him for the fine effort on this amendment.

To me, this amendment is a clear statement of right and wrong.

If there is one overriding message in our overhaul of the welfare system, it is that we as a government and as members of a compassionate society demand that all of us act as responsible citizens.

Well, as most of my colleagues know, parenthood demands responsibility.

Any person who brings a child into this world and then refuses to do everything in his or her power to ensure that child's well-being deserves punishment, not the taxpayers' generosity.

In Maine, it has been the case that the very threat of such sanctions as license forfeiture has produced a huge increase in the amount of child support that state has collected.

I would expect that the very threat of withholding food stamps from deadbeat parents would do the same.

I once again commend the gentleman from Michigan for his excellent idea, and urge my colleagues to support this measure.

Mr. UPTON. Mr. Chairman, I yield 1½ minutes to the gentleman from

Texas [Mr. DE LA GARZA], former chairman and now ranking member of the committee.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding the time, and I appreciate his interest and his effort. All of us are of course in favor of reducing fraud, waste and abuse, and certainly this is an area of very strong interest to us.

What I would like to ask of the gentleman is that there is concern that there needs to be further refinement of his amendment. Am I correct in that?

Mr. UPTON. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Chairman, I thank the gentleman for yielding back. I would like to say I want to work very closely with the chairman and others on his side, as well as our side, to make sure that the intent of this legislation, or that the actual language follows the intent.

In some cases, of course, an individual not making child support payments may be doing so in conjunction with the court, and those we do not want to penalize. We want to make sure those individuals who are in fact in arrears at the subjugation, I guess, of the courts, are in fact those who are penalized. This language does not permit that.

I would like to work with the gentleman and others as the bill moves forward to make sure we get the best language available.

Mr. DE LA GARZA. Mr. Chairman, we appreciate that. We support the gentleman's intent and motive, and hopefully we will be able to craft it in an appropriate manner so it can address effectively the intent. And I thank the gentleman.

Mr. UPTON. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for yielding time to me. I will not take the 2 minutes.

As indicated, the gentleman's amendment does require that no person can receive food stamps if that person is required by a court order to pay child support, and then dealt with the unpaid liability issue. The gentleman has amended his amendment so that becomes more flexible and certainly more practical.

Let me seek the gentleman's assurance that the effective date of this amendment will coincide with the implementation of the new child support enforcement system as described in H.R. 4.

Mr. UPTON. I accept that.

Mr. ROBERTS. I support the gentleman's amendment and I thank him for his contribution.

Mr. GIBBONS. Mr. Chairman, in order to extend the time of debate, I move to strike the last word.

The CHAIRMAN. Does the gentleman wish to control the 5 minutes?

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent, if the occasion arises, that I be allowed to allocate blocks of time to Members.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GIBBONS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is about the most tepid debate I have seen around here in years, and I think it is really by design.

Yesterday it was obvious that the Republicans wanted to move this bill quickly through the House without anybody really seeing what was in it and what it really did. But they have succeeded in cutting off all of the really spirited debate by what they have done here.

I wish the cameras would please pan the floor. I think there are 12 Members, maybe 13. Two just came in. Fourteen Members here on this debate, 14 Members out of 435 Members on this debate on the most important piece of legislation that will come before this body, a piece of legislation that takes about $70 billion from poor children to use in the crown jewel of the contract to give tax cuts that are not needed to people who do not deserve them.

There are 12 or 14 of us here. And the Committee on Rules I think did this deliberately. The amendments we have had have been nothing amendments. I do not impugn anybody's integrity about them, but they have just been nothing amendments. We have not even called for rollcalls on any of them. They do nothing. They could have been done by unanimous consent.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. No, I am not going to yield. But why did the Committee on Rules do that?

I have the floor and I would like to continue using it. If I have any time left over, I may yield it to you, sir.

The CHAIRMAN. The gentleman from Florida has the time.

Mr. GIBBONS. Mr. Chairman, the Committee on Rules had 164 requests for amendments up there. They granted 31 amendments, 5 of which came from the Democrats, and 2 of our amendments they stole from us and gave to the Republicans because they sounded so good that they could not resist that. I have a list of 13 really important amendments here that they turned down and would not even let be debated here, and yet there are 12 or 14 of us here on the floor to carry on this nothing debate today.

The Committee on Rules did not allow the Stenholm amendment to restrict the 70 billion dollars' worth of savings here to budget deficit reduction and not to spend it on tax cuts. They did not allow another 12 amendments, all sponsored by Democrats, that were good, substantive amendments, that were controversial. They put in all of these nothing amendments that we have had here all day.

You know, I do not blame the Republicans for wanting to duck this bill. I know they are embarrassed that they had to bring this dog to the floor. But that is the only way they could raise a part of the money so they can give it back to tax cuts that the Nation itself does not need, tax cuts that come at the wrong time in the American economic history.

□ 1415

America is at full employment right now. America is at maximum factory capacity utilization right now. The American dollar is unstable because the world currency traders are betting we do not have the guts to balance or reduce our budget deficit.

And so we come into this debate today on these nothing amendments so that people will be bored to death and so that 10 or 12 of us here will be here to take part in it. It is a travesty. It is a travesty that the time of Congress is wasted on what we have here before us today. It was deliberately done to bore the audience to death and the Members to death so that they would have no opportunity to make any important decisions.

The Committee on Rules did not allow the Matsui-Kennedy amendment.

Mr. UPTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, I appreciate the gentleman yielding.

And I want to say good job to the gentleman from Michigan [Mr. UPTON], good amendment.

You know, the breakdown of the family is a national tragedy, and when we do have time to discuss the amendments, let us discuss what is happening.

This is another notch. This is another foot forward in trying to control irresponsibility of parents that forsake their kids.

I just want to, in the U.S. News, read a couple of quotes out of it. It says:

> More than virtually any other factor, a biological father's presence in the family will determine the child's success and happiness.
>
> Rich or poor, white or black, the children of divorce and those born outside of marriage struggle through life at a measurable disadvantage. The absence of fathers is linked to the most social nightmares from boys with guns to girls with babies.

This is a step forward. We have the ability within H.R. 4 to identify these individuals. It is reasonable that we do not reward the individuals that have forsaken their responsibilities for their kids by giving them additional Federal handouts.

Mr. UPTON. Mr. Chairman, I yield 1½ minutes to my friend, the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. I thank the gentleman for yielding.

Ah, memories are made of this. It was just the other day when the gentleman from Florida was requesting of

the House in decibels a little higher than the ones he just used everybody to sit down and cease and desist, let us have a rational debate.

I would suggest that the amendments that we are considering are not nothing amendments. I would suggest the policy debate we had in the House Agriculture Committee that went 15 hours did not involve nothing. It involved tremendous policy decision in regards to food stamp reform.

Might I remind the gentleman from Florida that in October 1987 the Democrats first attempted to self-execute the adoption of their welfare reform bill into the reconciliation bill without a separate vote. The adoption of the rule was considered to be the adoption of the welfare reform amendment. That rule was rejected by the House. A second legislative day was created that same day by Speaker Wright. Memories are made of this.

And we brought forward a new rule for reconciliation minus the welfare reform component. The Committee on Rules subsequently reported a separate rule for the welfare reform bill making in order just one amendment, one amendment, not a series of amendments or nothing amendments that we are talking about here, in the nature of a substitute by the minority leader, but that rule was withdrawn from lack of support by the Democrats.

Finally we had a third rule.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

PARLIAMENTARY INQUIRY

Mr. TAYLOR of Mississippi. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. TAYLOR of Mississippi. At what point can I be recognized to offer an amendment so that whatever savings come from this bill, possibly $70 billion, would be dedicated for deficit reduction?

Mr. ROBERTS. Regular order, Mr. Chairman.

Mr. TAYLOR of Mississippi. I am making a parliamentary inquiry, sir.

The CHAIRMAN. The rule does not allow amendments to these amendments.

Mr. TAYLOR of Mississippi. How did that happen, Mr. Chairman.

The CHAIRMAN. It is in the rule.

Mr. TAYLOR of Mississippi. And a majority of Members voted to keep a Member from offering an amendment so that the savings from this bill could be placed towards deficit reduction?

Mr. ROBERTS. Regular order.

The CHAIRMAN. When the House adopted House Resolution 119, the rule governing this debate, the rule declared there were no amendments to be offered to these amendments being offered today.

Mr. ROBERTS. Mr. Chairman, as the designee of the chairman of the Committee on Ways and Means, I move to strike the last word.

The CHAIRMAN. The gentleman has that right.

The Chair recognizes the gentleman from Kansas [Mr. ROBERTS] for 5 minutes.

Without objection, the gentleman may control the time.

There was no objection.

Mr. ROBERTS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, so finally, a third rule, Mr. Chairman, as I continue with memories are made of this, and would call for the attention of the gentleman from Florida if he might, was reported which provided for 4 hours of general debate, only minority substitute, and a set of en bloc amendments by the gentleman from Texas [Mr. ANDREWS]. Both the Michel and Andrews amendments were subject to 1 hour of debate each. The rule made in order a compromise and reported bill put together by the four committees of jurisdiction, 1 hour, four committees, not what we are having here today, as the base text for the amendment purposes.

The rule was adopted 213 to 206, so there was just a tad bit of controversy in regards to that rule back in 1987 on the very same subject.

The manager of the rule, the gentleman from Texas [Mr. FROST], said that was a modified closed rule, and so here we are today after hours of debate, many hours of debate.

I would remind the gentleman from Florida that Members are in their offices. Members have heard this debate on and on and on, 15 hours in the Ag Committee, many, many hearings. I think the commentary is specious. I think it ill serves the House. I think it ill serves the intent of Members who brought to this title of the bill important amendments that they thought were important.

Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. UPTON] if he chooses to comment.

Mr. UPTON. Mr. Chairman, I yield, to close the debate on this amendment, to my friend, the gentleman from Arizona [Mr. KOLBE].

The CHAIRMAN. The gentleman from Michigan [Mr. UPTON] has 30 seconds remaining. The gentleman from Kansas [Mr. ROBERTS] has 3 minutes remaining. That is all the time remaining.

PARLIAMENTARY INQUIRY

Mr. VOLKMER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. VOLKMER. Has someone claimed time in opposition to the amendment?

The CHAIRMAN. No one has.

Mr. VOLKMER. I do so.

The CHAIRMAN. The gentleman has that right. The gentleman controls 10 minutes.

The Chair recognizes the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I yield such time as she may consume, but no longer than 5 minutes, to the gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Mr. Chairman, I thank the gentleman for yielding time to me.

I know that the gentleman from Texas [Mr. DE LA GARZA] has spoken with the gentleman from Michigan [Mr. UPTON] about this amendment, and I understand that he was given an opportunity to try to perfect the amendment without any opposition from the minority side, because we recognize how important it is to make this correct.

But I do want to make some points, because I think it is very important that we understand what we are trying to do and get this on the record.

When the amendment was drafted, it failed to distinguish between a parent who fell behind in payments but was making a good-faith effort to make payments, and a deadbeat dad who refuses to pay support even though he had the money. And if you denied food stamps to these individuals who were trying to make their payments, recipients would have likely spent their money on food than on child support payments, which is why we have tried to correct that, and I suggest the gentleman was correct in doing that, and I appreciate it, and I hope that if this language is not correct, that we continue to work on this.

However, let me just say to you all that I want to point out here on the table about the Deal substitute again.

Because I think it is important that we understand we even have a stronger child support enforcement where we are demanding an uncompromising, punitive measure for deadbeat dads. It is basically a stronger version of legislation than was even introduced by Representatives JOHNSON, KENNELLY, and others, and that the Deal substitute will strongly enforce income withholding and allow States to revoke licenses, and the substitute also enhances the paternity establishment by simplifying procedures in hospitals.

What I would like to just suggest is that while we all agree that this is a very, very, very important part of this debate, that if you have questions and you are not pleased with what is happening on the other side right now with strong enforcement, I would hope that you would all, please, support the Deal amendment.

Mr. VOLKMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the gentleman from Florida earlier had pointed out, this amendment, even though it may be somewhat meritorious on its face, but actually has very little to do with food stamp fraud. Very few people fit the category that the gentleman from Michigan is attempting to address to say to deny them food stamps, every benefit from food stamps, and yet we have within the proposal by the majority on that side provisions to reduce food stamps for needy families, people

out there that need it, by USDA, says by $24 billion. Even CBO says $21 billion we are cutting back.

And this little amendment is supposed to help it? This little amendment does not help those people who are going to be denied.

How are they going to be denied? Well, they are going to be denied because their proposal under the thrifty food plan does not give you 103 percent of the thrifty food plan. Oh, no, it says 2-percent increase a year, and as had been pointed out by USDA, that means by 1999 people are going to be getting less than they are getting today. Everybody, the working poor, are going to get less. Children at home are going to get less than under the lunch program. They cannot eat at school. They cannot get their breakfast food for breakfast. They cannot get food stamps at home.

Now, we were told in the Committee on Agriculture when we marked up this bill on this part of the welfare bill that it was only going to cost $16.5 billion. That is all they were going to take away. It is not through reform that money is taken away from people. It is through the thrifty food plan and the cap that they put on. They put a cap on there so that you cannot in times of recession, you are not going to have any increase. People are going to do away with food.

Here we are talking about an amendment that does very little to correct the situation. There were amendments that this gentleman and others on this side tried to offer to this bill so that hungry kids could eat. We were denied the opportunity to offer that amendment.

What is more important, to say that someone cannot get good stamps because he is not supporting the children? Yes, I agree, that is a good idea. But, gentlemen, that does not help the kids that are going to go hungry because of the cuts in this bill. That does not give them any more. You are not helping them a bit.

Our amendments that we wanted to do to help, we did not get to offer. We were denied those, to take the cap off. We were denied to put the thrifty food plan back in in whole. We were denied. Why? Because they need that $21 or $24 billion to give to millionaires, to give to the big corporations. That is where the money is going to go, out of the mouths of babes. That is where it is going to go, gentleman from Michigan.

This is where you are going to vote to put the money. Between now and 2 weeks from now you will have voted to say take away from them and give it over here.

Mr. UPTON. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Chairman, my amendment, the gentleman talked a little bit about fraud and how my amendment does not go after fraud. The gentleman is right. What my amendment does is this, it indicates that if there is a deadbeat parent that is out there that is not paying child support by order of the court and receiving food stamps, that is what it does.

Mr. VOLKMER. He should not get the food stamps.

Mr. UPTON. It does not go after fraud. It does not address a whole number of things you talked about. I was not able to add 100 amendments as someone would have perhaps liked on this bill.

Mine is a very small amendment that goes after folks who abuse the system who are trying to get a free lunch at the expense of the taxpayers, and I say enough is enough.

Mr. VOLKMER. Reclaiming my time, you are addressing more than one-tenth of 1 percent of the problem. You were given 20 minutes of the time of the House to do it. I cannot get 1 minute to address problems.

□ 1430

I would like to address one other problem here, that I took to the Committee on Rules an amendment which I was not given the opportunity to offer, and that is, under the language of the working requirements in this bill that you have before you today you could have people that are on welfare today that are not working, that should be working but they are not working, maybe they could not find a job, and if they have been on welfare for 90 days they do not meet the criteria in order to continue on welfare. They are off because they are not working 20 hours a week. They are given some time to find a job after this bill becomes law.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. No, I will not yield. I tried to talk to the gentleman about this. We tried to talk to his staff and discussed the amendment with him. We were not even allowed a colloquy on those who were sick and ill and because they got laid off by the employer involuntarily and could not work 20 hours a week. We tried to discuss this. We could not even get a colloquy on that. We could not get a colloquy worked out with the gentleman's staff.

So I will not yield. They will not even address the problem. What happens to the working poor, the man between 18 and 50 who is out there working trying to make it but for some reason or other he gets laid off by the employer, not because of his own fault, he could not work 20 hours a week. They say you do not get it anymore. Now, is that more important than this amendment we have here today? I think so, I think so. At least as important. But they say ''no.''

Mr. Chairman, I reserve the balance of my time.

Mr. ROBERTS. I yield 1 minute to the distinguished chairman of the Subcommittee on Human Resources of the Committee of the Ways and Means, the man who is most responsible for this welfare reform proposal, Mr. SHAW.

Mr. SHAW. I thank the chairman for yielding to me.

Mr. Chairman, I would say to my friend from Missouri, who has just consumed a great deal of time, do not trivialize the amendment that is presently on the floor. This is a very important amendment. There is nothing more frightening today than what is going on of the trend toward fathers not taking care of their children; fathers would have kids with unwed mothers and then disappear. In fact, we find they are having kids with a number of women and then disappearing and leaving the poor mothers to fend for themselves, to depend upon the life of dependence on welfare.

This is an important amendment, and this deserves the time of this committee, and I am proud to support it.

I say to my friend, the gentleman from Florida [Mr. GIBBONS] that this amendment process, these are not unimportant amendments. We just passed an amendment a few hours ago on a voice vote, I might say, that was very important, in which we put $750 million more in child care. If you need child care, that is an important amendment. It is an important amendment, and that is why we supported it.

The CHAIRMAN. The gentleman from Kansas [Mr. ROBERTS] has 2 minutes remaining, the gentleman from Michigan [Mr. UPTON] 1½ minutes remaining, and the gentleman from Missouri [Mr. VOLKMER] 1½ minutes remaining.

The gentleman from Missouri [Mr. VOLKMER] has the right to close.

Mr. ROBERTS. Mr. Chairman, I yield 35.2 seconds to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Chairman, I will add my 30 seconds to that which the gentleman just yielded to me, and I yield the balance of my time to my good friend, the gentleman from Arizona [Mr. KOLBE], to close in support of the amendment.

Mr. KOLBE. I thank the gentleman for yielding this time to me.

Mr. Chairman, a lot of things have been said here on the floor today. It reminds me of a bloodhound who is sent out after a convict out there but somebody gave him the wrong piece of clothing. So we are chasing up the wrong tree, we are going after the wrong thing here.

What we have heard is not what this amendment is about. It is very simple, as the gentleman from Michigan [Mr. UPTON] explained just a few minutes ago.

It is a good amendment. It says if an individual is getting food stamps now and under a court order to pay child support and he has not gone to court to get a delay because he cannot afford to make the payments under the court order, not having done that, no delay from the court, if he is not making payments, he should not be getting food stamps. The taxpayers should not

be subsidizing him. They are trying, but they cannot afford to. They have not done that. They are under an order from the court, they are supposed to be making payments, they should not be getting food stamps. The rest of the taxpayers should not be subsidizing them. They are supposed to be making child support payments to support their kids. That is what this says. They do not get the food stamps if they are not current in their child support payments.

It is as simple as that. It clearly fills a loophole, fills a gap in the bill. Something should be done. I do not know why all the discussion about other things.

Mr. ROBERTS. I yield the balance of my time to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank the chairman for yielding.

Mr. Chairman, I am somewhat puzzled here because the distinguished ranking member of the Committee on Ways and Means, who controls the debate on the other side, was up making the speech complaining about the quality of debate. Surely having made such a complaint, he should insure that at least his side follows his admonition. The gentleman from Missouri made a lot of very baseless allegations, rhetorical statements that have absolutely nothing to do with the point of debate here.

The gentleman says our staff denied him the right to find out some matters involved here. The gentleman's staff, so the record will be straight, the gentleman's staff discussed with our staff some questions relating to work requirements. The majority staff answered them. They added some language to a report which the gentleman was concerned about, in cooperation with the staff of the gentleman from Missouri, relating to retroactive work requirements.

So let us be clear between substantive debate and rhetorical flourishes here. I wish the gentleman from Florida, having admonished us to stick to quality, would get his own troops in line.

Mr. VOLKMER. Mr. Chairman, In order to have the outstanding quality in this debate, I yield the time remaining to the outstanding member of the Committee on Agriculture, the former chairman, now the ranking member of the full committee, the great gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, yes, perhaps we have gone a little astray of the debate on the amendment. But—and not in defense, but feeling the same way as the gentleman from Florida [Mr. GIBBONS]—the issue is the way that the rule is crafted, the inability for a ranking member to have sufficient time to discuss an issue.

But the underlying theme here is the motive and the reason. We are going about with little amendments that cut a little bit here, save a little bit there. What for? So that we can pay for tax breaks for the rich. That is what this is all about.

It is not what the chairman of the committee is intending to do. We have a good chairman. We have good members on this committee. But the underlying motive of the leadership is money to pay for tax breaks for the rich and take it from the children and take it from the elderly and take it from those that cannot defend themselves.

So, getting back to the amendment, I commend the gentleman for his amendment. I think it is a good amendment. But I disagree with what we are going to do with the funds: Give it to the rich.

The CHAIRMAN. All time has expired.

The question is on the amendment, as modified, offered by the gentleman from Michigan [Mr. UPTON].

The amendment, as modified, was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 25, printed in House Report 104–85.

AMENDMENT OFFERED BY MR. HOSTETTLER

Mr. HOSTETTLER. Mr. Chairman, I offer amendment No. 25, printed in House Report 104–85.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HOSTETTLER:

In title V of the bill, strike subtitle B and insert the following:

Subtitle B—Consolidating Food Assistance Programs

SEC. 531. FOOD STAMP BLOCK GRANT PROGRAM.

(a) AUTHORITY TO MAKE BLOCK GRANTS.—The Secretary of Agriculture shall make grants in accordance with this section to States to provide food assistance to individuals who are economically disadvantaged and to individuals who are members of economically disadvantaged families.

(b) DISTRIBUTION OF FUNDS.—The funds appropriated to carry out this section for any fiscal year shall be allotted among the States as follows:

(1) Of the aggregate amount to be distributed under this section, .21 percent shall be reserved for grants to Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and Palau.

(2) Of the aggregate amount to be distributed under this section, .24 percent shall be reserved for grants to tribal organizations that have governmental jurisdiction over geographically defined areas and shall be allocated equitably by the Secretary among such organizations.

(3) The remainder of such aggregate amount shall be allocated among the remaining States. The amount allocated to each of the remaining States shall bear the same proportion to such remainder as the number of resident individuals in such State who are economically disadvantaged separately or as members of economically disadvantaged families bears to the aggregate number of resident individuals in all such remaining States who are economically disadvantaged separately or as members of economically disadvantaged families.

(c) ELIGIBILITY TO RECEIVE GRANTS.—To be eligible to receive a grant in the amount allotted to a State for a fiscal year, such State shall submit to the Secretary an application in such form, and containing such information and assurances, as the Secretary may require by rule, including—

(1) an assurance that such grant will be expended by the State to provide food assistance to resident individuals in such State who are economically disadvantaged separately or as members of economically disadvantaged families,

(2) an assurance that not more than 5 percent of such grant will be expended by the State for administrative costs incurred to provide assistance under this section, and

(3) an assurance that an individual who has not worked 32 hours in a calendar month shall be ineligible to received food assistance under this subtitle during the succeeding month unless such individual is—

(A) disabled,

(B) has attained 60 years of age, or

(C) residing with one or more of such individual's children who have not attained 18 years of age, but is not residing with any other parent of any of such children, unless that other parent is disabled.

(d) ANNUAL REPORT.—Each State that receives funds appropriated to carry out this section for a fiscal year shall submit the Secretary, not later than May 1 following such fiscal year, a report—

(1) specifying the number of families who received food assistance under this section provided by such State in such fiscal year;

(2) specifying the number of individuals who received food assistance under this section provided by such State in such fiscal year;

(3) the amount of such funds expended in such fiscal year by such State to provide food assistance; and

(4) the administrative costs incurred in such fiscal year by such State to provide food assistance.

(e) LIMITATION.—No State or political subdivision of a State that receives funds provided under this title shall replace any employed worker with an individual who is participating in a work program for the purpose of complying with subsection (c)(3). Such an individual may be placed in any position offered by the State or political subdivision that—

(A) is a new position,

(B) is a position that became available in the normal course of conducting the business of the State or political subdivision,

(C) involves performing work that would otherwise be performed on an overtime basis by a worker who is not an individual participating in such program, or

(D) that is a position which became available by shifting a current employee to an alternate position.

(f) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to carry out this section $26,245,000,000 for each of the fiscal years 1996, 1997, 1998, 1999, and 2000.

(2) For the purpose of affording adequate notice of funding available under this section, an appropriation to carry out this section is authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which such appropriation is available for obligation.

SEC. 532. AVAILABILITY OF FEDERAL COUPON SYSTEM TO STATES.

(a) ISSUANCE, PURCHASE, AND USE OF COUPONS.—The Secretary shall issue, and make available for purchase by States, coupons for the retail purchase of food from retail food stores that are approved in accordance with subsection (b). Coupons issued, purchased, and used as provided in this section shall be

redeemable at face value by the Secretary through the facilities of the Treasury of the United States. The purchase price of each coupon issued under this subsection shall be the face value of such coupon.

(b) APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.—(1) Regulations issued pursuant to this section shall provide for the submission of applications for approval by retail food stores and wholesale food concerns which desire to be authorized to accept and redeem coupons under this section. In determining the qualifications of applicants, there shall be considered among such other factors as may be appropriate, the following:

(A) The nature and extent of the food business conducted by the applicant.

(B) The volume of coupon business which may reasonably be expected to be conducted by the applicant food store or wholesale food concern.

(C) The business integrity and reputation of the applicant.

Approval of an applicant shall be evidenced by the issuance to such applicant of a nontransferable certificate of approval. The Secretary is authorized to issue regulations providing for a periodic reauthorization of retail food stores and wholesale food concerns.

(2) A buyer or transferee (other than a bona fide buyer or transferee) of a retail food store or wholesale food concern that has been disqualified under subsection (d) may not accept or redeem coupons until the Secretary receives full payment of any penalty imposed on such store or concern.

(3) Regulations issued pursuant to this section shall require an applicant retail food store or wholesale food concern to submit information which will permit a determination to be made as to whether such applicant qualifies, or continues to qualify, for approval under this section or the regulations issued pursuant to this section. Regulations issued pursuant to this section shall provide for safeguards which limit the use or disclosure of information obtained under the authority granted by this subsection to purposes directly connected with administration and enforcement of this section or the regulations issued pursuant to this section, except that such information may be disclosed to and used by States that purchase such coupons.

(4) Any retail food store or wholesale food concern which has failed upon application to receive approval to participate in the program under this sectionmay obtain a hearing on such refusal as provided in subsection (f).

(c) REDEMPTION OF COUPONS.—Regulations issued under this section shall provide for the redemption of coupons accepted by retail food stores through approved wholesale food concerns or through financial institutions which are insured by the Federal Deposit Insurance Corporation, or which are insured under the Federal Credit Union Act (12 U.S.C. 1751 et seq.) and have retail food stores or wholesale food concerns in their field of membership, with the cooperation of the Treasury Department, except that retail food stores defined in section 533(9)(D) shall be authorized to redeem their members' food coupons prior to receipt by the members of the food so purchased, and publicly operated community mental health centers or private nonprofit organizations or institutions which serve meals to narcotics addicts or alcoholics in drug addiction or alcoholic treatment and rehabilitation programs, public and private nonprofit shelters that prepare and serve meals for battered women and children, public or private nonprofit group living arrangements that serve meals to disabled or blind residents, and public or private nonprofit establishments, or public or private nonprofit shelters that feed individuals who do not reside in permanent dwellings and individuals who have no fixed mailing addresses shall not be authorized to redeem coupons through financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Credit Union Act. No financial institution may impose on or collect from a retail food store a fee or other charge for the redemption of coupons that are submitted to the financial institution in a manner consistent with the requirements, other than any requirements relating to cancellation of coupons, for the presentation of coupons by financial institutions to the Federal Reserve banks.

(d) CIVIL MONEY PENALTIES AND DISQUALIFICATION OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.—(1) Any approved retail food store or wholesale food concern may be disqualified for a specified period of time from further participation in the coupon program under this section, or subjected to a civil money penalty of up to $10,000 for each violation if the Secretary determines that its disqualification would cause hardship to individuals who receive coupons, on a finding, made as specified in the regulations, that such store or concern has violated this section or the regulations issued pursuant to this section.

(2) Disqualification under paragraph (1) shall be—

(A) for a reasonable period of time, of no less than 6 months nor more than 5 years, upon the first occasion of disqualification,

(B) for a reasonable period of time, of no less than 12 months nor more than 10 years, upon the second occasion of disqualification, and

(C) permanent upon—

(i) the third occasion of disqualification,

(ii) the first occasion or any subsequent occasion of a disqualification based on the purchase of coupons or trafficking in coupons by a retail food store or wholesale food concern, except that the Secretary shall have the discretion to impose a civil money penalty of up to $20,000 for each violation (except that the amount of civil money penalties imposed for violations occurring during a single investigation may not exceed $40,000) in lieu of disqualification under this subparagraph, for such purchase of coupons or trafficking in coupons that constitutes a violation of this section or the regulations issued pursuant to this section, if the Secretary determines that there is substantial evidence (including evidence that neither the ownership nor management of the store or food concern was aware of, approved, benefited from, or was involved in the conduct or approval of the violation) that such store or food concern had an effective policy and program in effect to prevent violations of this section and such regulations, or

(iii) a finding of the sale of firearms, ammunition, explosives, or controlled substance (as defined in section 802 of title 21, United States Code) for coupons, except that the Secretary shall have the discretion to impose a civil money penalty of up to $20,000 for each violation (except that the amount of civil money penalties imposed for violations occurring during a single investigation may not exceed $40,000) in lieu of disqualification under this subparagraph if the Secretary determines that there is substantial evidence (including evidence that neither the ownership nor management of the store or food concern was aware of, approved, benefited from, or was involved in the conduct or approval of the violation) that the store or food concern had an effective policy and program in effect to prevent violations of this section.

(3) The action of disqualification or the imposition of a civil money penalty shall be subject to review as provided in subsection (f).

(4) As a condition of authorization to accept and redeem coupons issued under subsection (a), the Secretary may require a retail food store or wholesale food concern which has been disqualified or subjected to a civil penalty pursuant to paragraph (1) to furnish a bond to cover the value of coupons which such store or concern may in the future accept and redeem in violation of this section. The Secretary shall, by regulation, prescribe the amount, terms, and conditions of such bond. If the Secretary finds that such store or concern has accepted and redeemed coupons in violation of this section after furnishing such bond, such store or concern shall forfeit to the Secretary an amount of such bond which is equal to the value of coupons accepted and redeemed by such store or concern in violation of this section. Such store or concern may obtain a hearing on such forfeiture pursuant to subsection (f).

(5)(A) In the event any retail food store or wholesale food concern that has been disqualified under paragraph (1) is sold or the ownership thereof is otherwise transferred to a purchaser or transferee, the person or persons who sell or otherwise transfer ownership of the retail food store or wholesale food concern shall be subjected to a civil money penalty in an amount established by the Secretary through regulations to reflect that portion of the disqualification period that has not yet expired. If the retail food store or wholesale food concern has been disqualified permanently, the civil money penalty shall be double the penalty for a 10-year disqualification period, as calculated under regulations issued by the Secretary. The disqualification period imposed under paragraph (2) shall continue in effect as to the person or persons who sell or otherwise transfer ownership of the retail food store or wholesale food concern notwithstanding the imposition of a civil money penalty under this paragraph.

(B) At any time after a civil money penalty imposed under subparagraph (A) has become final under subsection (f)(1), the Secretary may request the Attorney General of the United States to institute a civil action against the person or persons subject to the penalty in a district court of the United States for any district in which such person or persons are found, reside, or transact business to collect the penalty and such court shall have jurisdiction to hear and decide such action. In such action, the validity and amount of such penalty shall not be subject to review.

(C) The Secretary may impose a fine against any retail food store or wholesale food concern that accepts coupons that are not accompanied by the corresponding book cover, other than the denomination of coupons used for making change as specified in regulations issued under this section. The amount of any such fine shall be established by the Secretary and may be assessed and collected separately in accordance with regulations issued under this section or in combination with any fiscal claim established by the Secretary. The Attorney General of the United States may institute judicial action in any court of competent jurisdiction against the store or concern to collect the fine.

(6) The Secretary may impose a fine against any person not approved by the Secretary to accept and redeem coupons who violates this section or a regulation issued under this section, including violations concerning the acceptance of coupons. The amount of any such fine shall be established by the Secretary and may be assessed and

collected in accordance with regulations issued under this section separately or in combination with any fiscal claim established by the Secretary. The Attorney General of the United States may institute judicial action in any court of competent jurisdiction against the person to collect the fine.

(e) COLLECTION AND DISPOSITION OF CLAIMS.—The Secretary shall have the power to determine the amount of and settle and adjust any claim and to compromise or deny all or part of any such claim or claims arising under this section or the regulations issued pursuant to this section, including, but not limited to, claims arising from fraudulent and nonfraudulent overissuances to recipients, including the power to waive claims if the Secretary determines that to do so would serve the purposes of this section. Such powers with respect to claims against recipients may be delegated by the Secretary to State agencies.

(f) ADMINISTRATIVE AND JUDICIAL REVIEW.—(1) Whenever—

(A) an application of a retail food store or wholesale food concern for approval to accept and redeem coupons issued under subsection (a) is denied pursuant to this section,

(B) a retail food store or wholesale food concern is disqualified or subjected to a civil money penalty under subsection (d),

(C) all or part of any claim of a retail food store or wholesale food concern is denied under subsection (e), or

(D) a claim against a State is stated pursuant to subsection (e),

notice of such administrative action shall be issued to the retail food store, wholesale food concern, or State involved. Such notice shall be delivered by certified mail or personal service. If such store, concern, or State is aggrieved by such action, it may, in accordance with regulations promulgated under this section, within 10 days of the date of delivery of such notice, file a written request for an opportunity to submit information in support of its position to such person or persons as the regulations may designate. If such a request is not made or if such store, concern, or State fails to submit information in support of its position after filing a request, the administrative determination shall be final. If such request is made by such store, concern, or State such information as may be submitted by such store, concern, or State as well as such other information as may be available, shall be reviewed by the person or persons designated by the Secretary, who shall, subject to the right of judicial review hereinafter provided, make a determination which shall be final and which shall take effect 30 days after the date of the delivery or service of such final notice of determination. If such store, concern, or State feels aggrieved by such final determination, it may obtain judicial review thereof by filing a complaint against the United States in the United States court for the district in which it resides or is engaged in business, or, in the case of a retail food store or wholesale food concern, in any court of record of the State having competent jurisdiction, within 30 days after the date of delivery or service of the final notice of determination upon it, requesting the court to set aside such determination. The copy of the summons and complaint required to be delivered to the official or agency whose order is being attacked shall be sent to the Secretary or such person or persons as the Secretary may designate to receive service of process. The suit in the United States district court or State court shall be a trial de novo by the court in which the court shall determine the validity of the questioned administrative action in issue. If the court determines that such administrative action is invalid, it shall enter such judgment or order as it determines is in accordance with the law and the evidence. During the pendency of such judicial review, or any appeal therefrom, the administrative action under review shall be and remain in full force and effect, unless on application to the court on not less than ten days' notice, and after hearing thereon and a consideration by the court of the applicant's likelihood of prevailing on the merits and of irreparable injury, the court temporarily stays such administrative action pending disposition of such trial or appeal.

(g) VIOLATIONS AND ENFORCEMENT.—(1) Subject to paragraph (2), whoever knowingly uses, transfers, acquires, alters, or possesses coupons in any manner contrary to this section or the regulations issued pursuant to this section shall, if such coupons are of a value of $5,000 or more, be guilty of a felony and shall be fined not more than $250,000 or imprisoned for not more than 20 years, or both, and shall, if such coupons are of a value of $100 or more, but less than $5,000, be guilty of a felony and shall, upon the first conviction thereof, be fined not more than $10,000 or imprisoned for not more than 5 years, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not less than 6 months nor more than 5 years and may also be fined not more than $10,000 or, if such coupons are of a value of less than $100, shall be guilty of a misdemeanor, and, upon the first conviction thereof, shall be fined not more than $1,000 or imprisoned for not more than one year, or both, and upon the second and any subsequent conviction thereof, shall be imprisoned for not more than one year and may also be fined not more than $1,000.

(2) In the case of any individual convicted of an offense under paragraph (1), the court may permit such individual to perform work approved by the court for the purpose of providing restitution for losses incurred by the United States and the State as a result of the offense for which such individual was convicted. If the court permits such individual to perform such work and such individual agrees thereto, the court shall withhold the imposition of the sentence on the condition that such individual perform the assigned work. Upon the successful completion of the assigned work the court may suspend such sentence.

(3) Whoever presents, or causes to be presented, coupons for payment or redemption of the value of $100 or more, knowing the same to have been received, transferred, or used in any manner in violation of this section or the regulations issued under this section, shall be guilty of a felony and, upon the first conviction thereof, shall be fined not more than $20,000 or imprisoned for not more than 5 years, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not less than one year nor more than 5 years and may also be fined not more than $20,000, or, if such coupons are of a value of less than $100, shall be guilty of a misdemeanor and, upon the first conviction thereof, shall be fined not more than $1,000 or imprisoned for not more than one year, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not more than one year and may also be fined not more than $1,000.

SEC. 533. DEFINITIONS.

For purposes of this subtitle—

(1) the term ''coupon'' means any coupon, stamp, or type of certificate, but does not include currency,

(2) the term ''economically disadvantaged'' means an individual or a family, as the case may be, whose income does not exceed the most recent lower living standard income level published by the Department of Labor,

(3) the term ''elderly or disabled individual'' means an individual who—

(A) is 60 years of age or older,

(B)(i) receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or Federally or State administered supplemental benefits of the type described in section 212(a) of Public Law 93–66 (42 U.S.C. 1382 note), or

(ii) receives Federally or State administered supplemental assistance of the type described in section 1616(a) of the Social Security Act (42 U.S.C. 1382e(a)), interim assistance pending receipt of supplemental security income, disability-related medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or disability-based State general assistance benefits, if the Secretary determines that such benefits are conditioned on meeting disability or blindness criteria at least as stringent as those used under title XVI of the Social Security Act,

(C) receives disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq.) or receives disability retirement benefits from a governmental agency because of a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i)),

(D) is a veteran who—

(i) has a service-connected or non-service-connected disability which is rated as total under title 38, United States Code, or

(ii) is considered in need of regular aid and attendance or permanently housebound under such title,

(E) is a surviving spouse of a veteran and—

(i) is considered in need of regular aid and attendance or permanently housebound under title 38, United States Code, or

(ii) is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, United States Code, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i)),

(F) is a child of a veteran and—

(i) is considered permanently incapable of self-support under section 414 of title 38, United States Code, or

(ii) is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, United States Code, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i)), or

(G) is an individual receiving an annuity under section 2(a)(1)(iv) or 2(a)(1)(v) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(a)(1)(iv) or 231a(a)(1)(v)), if the individual's service as an employee under the Railroad Retirement Act of 1974, after December 31, 1936, had been included in the term ''employment'' as defined in the Social Security Act (42 U.S.C. 301 et seq.), and if an application for disability benefits had been filed,

(4) the term ''food'' means, for purposes of section 532(a) only—

(A) any food or food product for home consumption except alcoholic beverages, tobacco, and hot foods or hot food products ready for immediate consumption other than those authorized pursuant to subparagraphs (C), (D), (E), (G), (H), and (I),

(B) seeds and plants for use in gardens to produce food for the personal consumption of the eligible individuals,

(C) in the case of those persons who are 60 years of age or over or who receive supplemental security income benefits or disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq.), and their spouses, meals prepared by and served in senior citizens' centers, apartment buildings occupied primarily by such persons, public or private

nonprofit establishments (eating or otherwise) that feed such persons, private establishments that contract with the appropriate agency of the State to offer meals for such persons at concessional prices, and meals prepared for and served to residents of federally subsidized housing for the elderly,

(D) in the case of persons 60 years of age or over and persons who are physically or mentally handicapped or otherwise so disabled that they are unable adequately to prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their home by a public or private nonprofit organization or by a private establishment that contracts with the appropriate State agency to perform such services at concessional prices,

(E) in the case of narcotics addicts or alcoholics, and their children, served by drug addiction or alcoholic treatment and rehabilitation programs, meals prepared and served under such programs,

(F) in the case of eligible individuals living in Alaska, equipment for procuring food by hunting and fishing, such as nets, hooks, rods, harpoons, and knives (but not equipment for purposes of transportation, clothing, or shelter, and not firearms, ammunition, and explosives) if the Secretary determines that such individuals are located in an area of the State where it is extremely difficult to reach stores selling food and that such individuals depend to a substantial extent upon hunting and fishing for subsistence,

(G) in the case of disabled or blind recipients of benefits under title I, II, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq.), or are individuals described in subparagraphs (B) through (G) of paragraph (4), who are residents in a public or private nonprofit group living arrangement that serves no more than 16 residents and is certified by the appropriate State agency or agencies under regulations issued under section 1616(e) of the Social Security Act (42 U.S.C. 1382e(e)) or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies under such section, meals prepared and served under such arrangement,

(H) in the case of women and children temporarily residing in public or private nonprofit shelters for battered women and children, meals prepared and served, by such shelters, and

(I) in the case of individuals that do not reside in permanent dwellings and individuals that have no fixed mailing addresses, meals prepared for and served by a public or private nonprofit establishment (approved by an appropriate State or local agency) that feeds such individuals and by private establishments that contract with the appropriate agency of the State to offer meals for such individuals at concessional prices,

(5) the term ''retail food store'' means—

(A) an establishment or recognized department thereof or house-to-house trade route, over 50 percent of whose food sales volume, as determined by visual inspection, sales records, purchase records, or other inventory or accounting recordkeeping methods that are customary or reasonable in the retail food industry, consists of staple food items for home preparation and consumption, such as meat, poultry, fish, bread, cereals, vegetables, fruits, dairy products, and the like, but not including accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices,

(B) an establishment, organization, program, or group living arrangement referred to in subparagraph (C), (D), (E), (G), (H), or (I) of paragraph (5),

(C) a store purveying the hunting and fishing equipment described in paragraph (5)(F), or

(D) any private nonprofit cooperative food purchasing venture, including those in which the members pay for food purchased prior to the receipt of such food,

(6) the term ''school'' means an elementary, intermediate, or secondary school,

(7) the term ''Secretary'' means the Secretary of Agriculture,

(8) the term ''State'' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, Palau, or a tribal organization that exercises governmental jurisdiction over a geographically defined area, and

(9) the term ''tribal organization'' has the meaning given it in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l)).

SEC. 534. REPEALER.

The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is repealed.

Strike section 591 of the bill and insert the following:

SEC. 591. EFFECTIVE DATE; APPLICATION OF REPEALER.

(a) EFFECTIVE DATES.—

(1) GENERAL EFFECTIVE DATE OF SUBTITLE A.Subtitle A shall take effect on October 1, 1995.

(2) GENERAL EFFECTIVE DATE OF SUBTITLE B.—Except as provided in subsection (b), subtitle B and the repeal made by section 534 shall take effect on the date of the enactment of this Act.

(3) SPECIAL EFFECTIVE DATE.—The repeal made by section 534 shall not take effect until the first day of the first fiscal year for which funds are appropriated more than 180 days in advance of such fiscal year to carry out section 531.

(b) APPLICATION OF REPEALER.—The repeal made by section 534 shall not apply with respect to—

(1) powers, duties, functions, rights, claims, penalties, or obligations applicable to financial assistance provided under the Food Stamp Act of 1977 before the effective date of such repeal, and

(2) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from Indiana [Mr. HOSTETTLER] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Is there a Member in opposition?

Mr. DE LA GARZA. Mr. Chairman, I rise to oppose the amendment and seek the time allotted.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 10 minutes.

Mr. GIBBONS. Mr. Chairman, in order to extend debate time, I move to strike the last word and ask unanimous consent that I may yield that time to the gentleman from Texas [Mr. DE LA GARZA], the former chairman of the Committee on Agriculture, and that he be allowed to control the time and yield it in blocks.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HOSTETTLER].

Mr. HOSTETTLER. Mr. Chairman, for the past 30 years in this country we have conducted a social experiment. More than $5 trillion has been spent on this experiment, aimed at exterminating poverty in the United States. Despite this massive outpouring of taxpayer dollars, poverty actually has increased. The people sitting in the coffee shops in Vincennes, IN, understand from this data that letting Washington, DC, handle it is a bad idea. The people on the job site in French Lick understand that taking more and more of their tax dollars is not only bad for them, but it does not help the people it is supposed to help. The people dropping off their kids at school in Chandler understand the local officials and other residents of communities have a far better perspective on dealing with the problems of the economically disadvantaged than do career bureaucrats in a Washington, DC, office. Washington, DC, does not have the answers; the people of the eighth District of Indiana and all the other districts in the U.S. do.

This is why I am introducing an amendment calling for repeal of the Food Stamp Act of 1977 and block granting cash to be used by the States for food assistance to the economically disadvantaged. Funding would be frozen at fiscal year 1995 levels, around $26.25 billion. This would bring a savings of $18.6 billion over current Congressional Budget Office baseline levels. The savings come from ending the individual entitlements status of the programs. The amendment also includes a work provision calling for able-bodied individuals who are under the age of 60 and who are not at home alone with a dependent child to work at least 32 hours each month. Only 5 percent of the grant funds can be used for administrative costs, meaning 95 percent of the funds go to food assistance.

I signed the Contract With America, Mr. Chairman, not for political gain, but because I though the policies it espoused were good policies. This amendment returns to the original concept of H.R. 4, which included the block granting of food stamps. There are concerns raised by some about how well the States will administer the program. While I resist the temptation to answer this with ''They can't do any worse than has the federal government,'' I think the testimony from Ag Committee hearings, the track record of the Federal Government and the feeling of the public at large bear testament to the fact that it is time to give this program to the States—as the other committees have decided to do with many of the other programs.

It seems we need to be reminded that the taxpayers providing funding for

food stamps are residents of the States. It is the taxpayers' money, not money belonging to the Agriculture Committee or to the Congress or to the Federal Government. It belongs to the people. We should, therefore, take the administration of the program closer to the people. Governor Thompson and Governor Engler among others have shown just how innovative and effective welfare reform at the State level can be.

I do not question the sincerity of my Republican colleagues' belief that they can reform the program at the Federal level, rather I sincerely disagree with the policy itself. Under Federal guidance, food stamp spending has increased nearly 300 percent since 1979. Today more than 28 million people in the United States receive food stamps.

For true and comprehensive welfare reform to take place, we at the Federal level must let go and let the more local bodies of government—along with the private sector responsibility. This is what has been done in much of this welfare reform bill, and this is what should be done with food stamps.

With that, Mr. Chairman, I reserve the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I ask unanimous consent that I may yield en bloc half of my time to the gentleman from Kansas [Mr. ROBERTS], the distinguished chairman of the Committee on Agriculture.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to our distinguished colleague, the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, you know, the gentleman who is sponsoring the amendment is absolutely correct in his desire to cut spending. He just happens to be incorrect in the method which his amendment seeks to accomplish that end. The amendment under consideration, like the bill it amends, fails to take into account something pretty basic, something any consumer in any corner of any of our neighborhoods could tell us: The cost of food goes up.

Mr. Chairman, for goodness sakes, the cost of a box of cereal now is in excess of $4. That is more than it was last year, quite a bit more than it was the year before that. That is why the cost of the Food Stamp Program has to track the increasing costs in groceries. Food costs go up for all of us, including those on food stamps.

The amendment under consideration, like the bill it seeks to amend, fails to take into account another fact: If you have more people on food stamps, you are going to have to have more funds available for those people's needs. Only Jesus can feed the multitude from a single little boy's portion. For us mere mortals, if we are going to have more people, we are going to need more portions, it is as simple as that.

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Mr. Chairman, this is critically important, not for the people presently on assistance, presently on welfare, who have been so denigrated in the debate that has taken place, but working families hanging in there, standing on their own, but one recession away from losing their job, losing their pay check and needing the assistance of food stamps. A critical part of this Nation's safety net is the ability of programs to rise and shrink depending on economic cycles. We have had recessions before, and we will certainly have them again.

This chart indicates the difference between the Deal substitute and the bill that it seeks to amend relative to the costs of food. The red line shows that in years to come, under the bill before us, we do not keep up with the cost of food.

Mr. HOSTETTLER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I have a prepared text here, but there is something else that I really want to say as part of this debate here.

I began to realize there was something wrong with our food stamp program when I was in college. I worked my way through college, and I had a friend who did not work, but he went out, and he applied for and qualified for food stamps, and, when I was working on weekends from 11 o'clock at night until 7 a.m. in the morning and when I was working in the evenings in the dormitory, he was not, and he was qualifying for food stamps, and that is the problem with these programs. Some of the people who get them really do need them, and some of the people do not.

What we are saying here with the Hostettler amendment is we are going to put it out at the lowest level where the local officials can really seriously monitor who really needs these programs and who does not because we have a serious problem with fraud, and we are spending the people's money. We are not spending our money; we are spending the people's money, and most of the people work very, very hard for this, and my colleague here has come up with what I think is is very good idea, to help improve the efficiency of this program, and I throughoughly support the Hostettler amendment to this bill.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to our distinguished colleague, the gentlewoman from North Carolina [Mr. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, this amendment, like this bill, will hurt poor families and hurt children. But, the amendment goes further. It will also hurt farmers, hurt large and small grocery stores and hurt the economy. The Food Stamp Program feeds more than poor families. It feeds the farmers who feed America. It fees those who retail foods, along the dusty country roads and in the large urban shopping centers.

For most in the food business, up to 30 percent of their revenue comes from the Food Stamp Program. Cut food stamps and you cut commodities. Cut food stamps and you choke America's economy. Cut food stamps and you put people out of work and maybe into welfare. I say cut food stamps because a block grant is a cut. It is a cut because, unlike current law, there would be no automatic increases in funding to keep pace for inflation under a block grant program. It is a cut because, when populations rise, as they will over the next years, the funds do not rise. The demand rises, the funds are frozen. That is a cut.

A block grant is a cut because States will be able to use one-fifth of the money for things other than food. If a State spends 20 percent less on food in 1 year than was spent in a prior year, that is a cut. We confronted this issue of block granting food stamps in the Committee on Agriculture. In fact, we spent, as the Chairman said, 15 hours, into the early morning, when we considered title 5 of this bill. On a bi-partisan basis, Democrats joined with Republicans, and we soundly rejected the block grant proposal. That decision was wise then, and it is wise now. This amendment also requires work for food stamps.

In some instances, it requires 32 hours of work per week. Yet, it does not mandate the minimum wage as compensation for that work. That is another issue we confronted in the Agriculture Committee, and, again, on a bi-partisan basis, Democrats and Republicans, overwhelmingly rejected forced labor at less than the minimum wage. This amendment hurts everybody, Mr. Chairman. It hurts the rich, the poor, it is poorly conceived, ill-advised and goes against the considered, bi-partisan opinion of the committee of jurisdiction. It deserves to be rejected.

Mr. ROBERTS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment offered by the gentleman from Indiana [Mr. HOSTETTLER] does provide that the Food Stamp Program will be block granted to the States. I rise in reluctant opposition.

The committee considered several policy options as we were considering food stamp reform, and in contacting the Governors of the States and the National Governors' Conference, not to mention many experts in the field, the first policy option that we considered was that of the gentleman from Indiana [Mr. HOSTETTLER]. However the Republican leadership, along with the committee leadership, made the determination that the Food Stamp Program should remain at the Federal level as a safety net during the transition period while States begin to reform the entire welfare programs, and the committee strongly believes that the intent of the gentleman is very good, but that the Food Stamp Program should be reformed. After all, it

is our responsibility before it is converted into, into a block grant.

Fraud and trafficking, as we have heard, are serious problems in the program. We do have significant reforms, and they are bipartisan, and States will have the responsibility to institute reforms of the AFDC program and other State programs. They will be harmonized, and, while this is going on, we think it is important that there be a food program for needy families.

We have a provision allowing States that have implemented the EBT system that has been much discussed in this debate on a statewide basis to administer the Food Stamp Program in a block grant. Therefore States can have a block grant for food stamps, as the gentleman desires, if they have taken steps to reduce fraud and if they have really started to implement an efficient system to issue the food benefits. The EBT block grant in H.R. 4 says that food benefits can only be used for food. The Hostettler amendment will allow States to issue food benefits and cash. The gentleman has a very innovative amendment. It was a good amendment. This is a very sharp departure from our current practice. Food stamps should be used only for food. Under that amendment what has been food benefits can be used for any item.

My opposition to this amendment does not mean there will never be any block grant for the food stamp program, quite the contrary, but the Committee on Agriculture will continue its oversight of the program, monitor the State's progress of AFDC and other block grants.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Texas, the distinguished ranking minority member.

Mr. DE LA GARZA. Mr. Chairman, I associate myself with the gentleman's remarks and endorse his remarks in opposition to the amendment.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman from Texas for his comments, and I reserve the balance of my time.

Mr. HOSTETTLER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas, Mr. SAM JOHNSON.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I rise in strong support of the gentleman's amendment to block grant food stamps back to the States, and I understand that the chairman of the committee really says that he wants to do that, but he did not do it, and I believe this is a very important amendment because it will complete the historic transformation of the most disastrous, cruel, and mean-spirited and destructive Federal welfare system ever created. We owe it to the States, the counties, the local communities, and the people currently trapped in this system to pass this amendment. This amendment will ensure that the Governors and local officials have not just some, but all, of the tools they need to create real solutions to serious problems facing their communities. Without this amendment our work here is actually incomplete.

I remember when we first began the task of designing solutions to end the welfare bureaucracy. We agreed the best thing we could do for the truly needy Americans was to return control of all major programs back to the States. We agreed on this approach because the current system run by Washington is broke, it does not work. I cannot understand why we would now turn around and say, ''Well, block grants are good, but not for food stamps.'' That is what I just heard. If local control is the solution for school lunches, family nutrition and child protection, which we believe it is, then it must also be the answer for reforming food stamps. The Governors need and deserve all the flexibility we can give them to solve the problems that they understand best. I say to my colleagues, ''To only give them two-thirds of the tools they need is like playing golf without a putter. You can't finish.''

Two committees I served on stood fast, and fulfilled their promise and passed out a tough, but fair welfare bill. Despite all the Democratic rhetoric, I strongly support and believe in the block grant proposals contained in this bill, but I cannot believe the Committee on Agriculture caved in to the big farm lobbyists and failed to fulfill their Contract With America. By doing this they have put our entire effort at real reform at risk. This system was designed by the Governors and the Congress as an integrated system that works simultaneously, together. It was to work as one, each section supporting the next. This is why it is so important we pass this amendment.

Let us get back to the State authority that our U.S. Constitution demands, Mr. Chairman. The Governors would not need and deserve nothing less than full welfare reform.

Mr. DE LA GARZA. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I would just like to point out to the members of the committee that this amendment, when offered by the gentleman from Indiana in the Committee on Agriculture, got a total of five votes, and yet the Committee on Rules has made it in order while the amendment offered by the gentlewoman from Florida, which is very important to correct the thrifty food plan provision under this bill, got 18 votes. It was not made in order by the Committee on Rules.

Mr. Chairman, I just wanted to point out to my colleagues how this Committee on Rules of the majority is operating, giving an amendment that has no chance at all a chance, and yet would not give a good amendment a chance.

Mr. ROBERTS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the concern and the sense of frustration of the gentleman from Texas, Mr. SAM JOHNSON, who spoke here just a moment ago, and, as I tried to indicate, in regard to the policy options that we considered in the House Committee on Agriculture there were four. The first option that was suggested by the gentleman from Indiana was obviously supported by the gentleman from Texas in terms of his remarks, and we offered the Governors a block grant, and we said, ''What do you want? Here are the coupons. Here is the Food Stamp Program.''

They said, ''Thank you, but no thank you. We don't want to administer the Food Stamp Program. We want the tax, 27 billion dollars' worth.''

Well, with all due respect, Richard Nixon is no longer President, and we do not have any revenue to share.

So then we said, ''OK, you can't have the cash. That really wouldn't be responsible. But you can have the coupons.''

They said, ''We don't want the coupons.''

That may give my colleagues a little indication as to what they would do with the cash.

So then we considered a 40–60 split, and if you give them the 40 percent, and that amounts to the people on food stamps that are also on welfare, and we wanted to have one-stop service, streamline it, bring the cost down.

□ 1500

But the 60 percent on the other side would have grown. That is about a $6 billion expenditure, and we could not afford that. So we decided to do what we tried to do for decades, years, and that is establish food stamp reform. And we have done that, and we have a good bill.

I remind everyone on this floor that not one farm lobbyist came to this chairman and this committee and indicated that we should cave in in regards to food stamp reform. I am tired of hearing it, and it is not accurate. And the Committee on Agriculture measured up to its responsibility, and we have a fine food stamp reform package. If the package were considered a year ago, it would have been incredible in this House of Representatives.

Mr. Chairman, I reserve the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Mr. Chairman, when it comes to the question of block granting food stamps, I want to commend the responsible and thoughtful leadership of the gentleman from Kansas [Mr. ROBERTS] and the gentleman from Missouri [Mr. EMERSON] who both understand what a bad idea this is. The amendment was voted down 37 to 5 in the Committee on Agriculture just a few weeks ago.

The notion that without block grants States are powerless against Federal

bureaucrats is pure fiction. Block granting the food stamp program would place a terrible burden on States and take food out of the mouths of hungry children and the elderly.

The big difference with block grants is in that the programs are no longer entitlements, so in a slump States would no longer get a automatic boost in Federal aid. They would have to cut benefits or, more likely, place newly unemployed on waiting lists. Longer-term recipients would keep their benefits as would people with steady job histories, but those with a little bad luck would suffer.

This proposal would put hard-working families with children on waiting lists for food, just when they need it the most. It would actually put long-term recipients ahead of people with short-term needs. I thought we wanted to decrease long-term dependence.

The Deal substitute recognized that State flexibility is important, but that welfare reform will fail if States do not have the proper resources for State programs. The Deal plan provides States with flexibility to respond to economic downturns and increases in child poverty.

I would like to have my name associated with the chairman's remarks on the farm. Not one farmer came to me. Children came to me about this.

Mr. HOSTETTLER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Georgia [Mr. BARR].

Mr. BARR. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, when I looked at the amendment of the distinguished colleague from Indiana, Mr. HOSTETTLER, I asked myself certain questions. I asked do we want a program that is streamlined? I said to myself, yes. I said do we want a program that is consistent? I said to myself, yes. I asked do we need a program that reduces fraud? I said yes. I said do we want a program that requires the dignity of work by a recipient that is able, and I said yes. More important, my constituents said yes to each and every one of those questions.

I think this is a very well thought-out amendment, I think it is consistent with what we are doing here, and it has an added bonus of reducing the power of bureaucrats which I think is good, my constituents think is good, and the recipients of this important program think is good.

I rise in strong support of my distinguished colleague from Indiana's amendment.

Mr. HOSTETTLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to first state the reason why the Committee on Rules most probably ruled this amendment in order was given the fact the recent CNN–USA Today–Gallop Poll says that 60 percent of Americans believe the budget deficit should be cut by cutting food stamps. Not by reducing the increase in spending in food stamps, and not even by freezing the expenditures in food stamps as this amendment calls for, but by cutting food stamps. Sixty percent of Americans believe we have got to return to fiscal responsibility by reducing this program.

In conclusion, the staff of Governor Pete Wilson of California contacted our office today and said that this amendment was vital to the total welfare reform that must happen on the State level. It gives the States the ability and the capability to have real welfare reform on the local level.

Mr. ROBERTS. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Arizona [Mr. PASTOR], a valued member of the committee.

Mr. PASTOR. Mr. Chairman, I rise today to help set the record straight and talk about the actual cuts that the WIC Program would suffer under the Republican welfare proposal. To begin, the House has just passed a $25 million rescission to the WIC Program. Is this cut not to be considered a cut just because it was voted on separately? Second, under a block grant approach, WIC would be competing with other programs for funding and only 80 percent of its funds would be guaranteed for WIC-like services. Yet, how can we in good conscience say that WIC will not be cut when we are drastically cutting the other programs in its block grant? Is the remaining 20 percent that might be diverted to another program not to be considered a cut? Or, more to the point, if the child and adult care feeding program and the summer food program are cut, will that not lead some States to shift funds around to meet the various competing needs? What guarantees will we have to assure that funds for this program will be there when needed?

Lastly, I want to clarify how WIC funds are spent. To begin, WIC dollars are not spent on items such as disposable diapers, as was alleged last night on the floor of the House. Expenditures under WIC are used to promote good nutrition and to encourage eligible persons to participate in this program. To fulfill the spirit of the block grant approach, States have already been given some latitude in the administration of this program. States have the option of approving food items to meet the specific nutritional needs of a particular population group which may have certain nutritional deficiencies. This way, nontraditional foods may be permitted to meet these identified needs. The principal point to remember, though, is that WIC vouchers are used exclusively on nutritional products. Are we now switching the terms of the debate to say that States should not determine how to best encourage mothers and children to participate in this program? I would admonish this body to seek a modicum of consistency as we move forward with the year's legislative agenda.

PARLIAMENTARY INQUIRY

Mr. ROBERTS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROBERTS. Mr. Chairman, is it the Chair's understanding that as the designee of the chairman of the Committee on Ways and Means, I can move to strike the last word?

The CHAIRMAN. The gentleman has that right. If the gentleman is asking unanimous consent to combine it, he would have 6½ minutes remaining.

Mr. ROBERTS. Mr. Chairman, I move to strike the last word, and I ask unanimous consent to merge that additional time with the time I am currently controlling.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. ROBERTS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, again I want to say that I am rising in reluctant opposition to the amendment of the gentleman from Indiana. The intent of the amendment is to move immediately in regard to block grants to the States. The intent of the amendment is good. The bill as passed by the committee gives us the opportunity to do that once States can demonstrate they meet the criteria of an EBT program. So we are not at odds. It is merely a timing issue.

I would also like to add, in a calmer tone, that this perception that somehow the Committee on Agriculture did not address true food stamp reform is simply not accurate. I would like to stress again that no farm organization, no commodity group, no lobbyists in regard to the food chain, no one in the agriculture community, that I am aware, called the chairman in reference to changing any policy in regards to food stamp reform, whether it be a block grant or not.

The decision reached by the committee was reached by determining serious policy options: Will it work, can we achieve the reform, can it be done in a timely basis.

Now, I understand the blood pressure around this place in regards to the marching orders and the deadlines that have been suggested, not only with welfare reform but the entire Contract With America. There is nothing in the Contract With America, by the way, that specifies that block grants of cash be given to States. We are attempting, and I think we are actually achieving, true reform.

Now, my good friend from Texas, the chairman emeritus of the House Committee on Agriculture, and others on the minority side, have characterized the food stamp reforms as something that we have done in regards to saving money to pay for tax cuts. We had this discussion all during our committee markup, and I want to repeat what I said then: The food stamp provisions of H.R. 4 in title IV are for the purpose of badly needed reforms. These reforms

are to achieve policy changes, not to cut spending to pay for taxes.

The Committee on Agriculture held extensive hearings, and let me just read again the provisions that are contained in this reform package. I want all sides to listen to this. I want all of the folks who have been so vocal on that side in regard to the tax cuts and all the Robin Hood statements that we have had in that regard, and I want everybody on this side over here who claims instant purity in regards to whatever this legislation should or should not be.

We increase the penalties and procedures to curb the more than $3 billion annually that is lost to waste, fraud, and abuse. We have not done that for years. We are doing it now. We are harmonizing the welfare reform in regards to AFDC and food stamp programs so that States can provide a more efficient one-stop service. Not only for the taxpayer, but for the user.

In regards to the recipient, we have a promotion of real private sector work by requiring able-bodied individuals between 18 and 50 years of age who have no dependents must work at least part-time now to be eligible for food stamps, called workfare, jobfare. It promotes the adoption of a new and more efficient technology within something called the electronic benefit transfer system.

Finally, it takes the program off of autopilot that it has been on for years and years and years and years, to regain the control of the ballooning costs. This thing started about $1 million back in 1961. Four years later, we were up to $60 million. I remember the former chairman of the House Committee on Agriculture, Bob Poage said, ''You know, sometimes this is going to get to be expensive. We are going to get to real money here.''

Ten years later, $4.6 billion. Today, $27 billion, in terms of cost. Ten years ago, 19.9 million people. Today, 27.3 million people. The economy went up, these costs went up, automatically. The economy went down, and that is the time the Food Stamp Program should work. Why, of course they continued to go up.

So we have restored, as far as I am concerned, the congressional responsibility to at least come in and take a look at this with a 2-percent increase every year, and with real reform, as suggested by the gentleman from Missouri [Mr. EMERSON], in terms of adding $100 million in terms of the feeding programs to the homeless and the soup kitchens all around the country. Under these reforms there will be no more uncontrolled growth in costs. If there is a future need for funding, Congress will do its job, we will step up to that responsibility. No child will go hungry.

So I think it a good reform package.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Chairman, I want to associate myself with everything that the distinguished chairman of the Committee on Agriculture has just said, and to say to my conservative brothers and sisters that the bottom line here is accountability. The chairman stated that we offered the States the block grant in food stamps, which is the form in which the program now exists. You do have a much higher level of accountability with food stamps than you do with cash. Frankly, food stamps or cash are neither one any good, which is why we have the strong provisions in this act to move us toward an electronic benefit transfer system in which we will achieve the highest level of accountability.

Mr. ROBERTS. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments. There is sound policy for all of these reforms. It is time to stop building straw men and support the reform.

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I join the gentleman from Kansas in opposition to this amendment. There was a novel and innovative block grant program called revenue sharing. It did not work. Besides, if you give 50 States the money, you will have 50 different programs. Is that streamlining?

Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

The CHAIRMAN. The gentleman from Texas is recognized for 45 seconds.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Vermont.

□ 1515

Mr. SANDERS. Mr. Chairman, the chairman of the committee made a point when he said no child would go hungry. I believe he just said that.

Does the chairman deny that in America today, with the highest rate of childhood poverty in the industrialized world, 5 million children are already hungry?

Mr. STENHOLM. Mr. Chairman, I would just like to associate myself with the remarks of the chairman, the ranking member, and say that on the Hostettler amendment, I cannot believe that he would offer an amendment that reduces the work requirements. In a bill in which we have talked about work, this amendment would require recipients to work only 32 hours. The Deal substitute would require an average of 20 hours of work per week.

With all of the rhetoric going on on this floor, how we would have entered in an amendment that was defeated 37 to 5 in the Committee on Agriculture, I cannot believe.

Mr. Chairman, I rise in strong opposition to Mr. HOSTETTLER's amendment to block grant the Food Stamp Program and to freeze the spending level through fiscal year 2000. I believe it is very important that we maintain a very basic food safety net to ensure that children do not go hungry.

The fact is that 82 percent of food stamp households contain children and 16 percent have elderly members. In addition, 92 percent of food stamp households have gross incomes at or below the Federal poverty level. Freezing the funding levels, therefore, will most heavily impact poor children and the elderly and will not account for major shifts in the economy.

Not only does Mr. HOSTETTLER's amendment threaten this safety net, it also weakens the current work requirement in the base bill. This amendment would require recipients to work only 32 hours in a calendar month, whereas, the Deal substitute would require an average of 20 hours of work per week. The Deal substitute also provides funding for additional employment and training to help move people off welfare and into work.

Finally, I would like to remind my colleagues of the discussion we had yesterday regarding the deficit reduction issue. Members from the other side of the aisle pointed out to me that the committees had spoken on deficit reduction provisions during the markup process. I resent that characterization since my substantive deficit reduction amendments were not allowed to be voted on. However, the sense-of-the-committee resolution which stated savings should go to deficit reduction did unanimously pass the Agriculture Committee. On the other hand, I would like to point out that by a vote of 37 to 5, Members from both sides of the aisle in the Agriculture Committee rejected the Hostettler amendment. The committee has, in fact, spoken clearly on this issue.

I urge the defeat of this amendment and support of a food safety net for children and the elderly.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Indiana [Mr. HOSTETTLER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HOSTETTLER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Indiana [Mr. HOSTETTLER] will be postponed.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the rule, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 21 offered by the gentleman from Ohio [Mr. TRAFICANT]; amendment No. 25 offered by the gentleman from Indiana [Mr. HOSTETTLER].

AMENDMENT OFFERED BY MR. TRAFICANT

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 21 printed in House Report 104–85 offered by the gentleman from Ohio [Mr. TRAFICANT] on which further proceedings were postponed and

on which the ayes prevailed by voice vote.

Mr. ROBERTS. Mr. Chairman, I withdraw my demand for a recorded vote.

The CHAIRMAN. The gentleman from Kansas [Mr. ROBERTS] withdraws his demand for a recorded vote, and the amendment is agreed to.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. HOSTETTLER

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 25 printed in House Report 104–85 offered by the gentleman from Indiana [Mr. HOSTETTLER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 114, noes 316, not voting 4, as follows:

[Roll No. 263]

AYES—114

Archer
Armey
Bachus
Baker (LA)
Barr
Bartlett
Barton
Bono
Bryant (TN)
Bunning
Burton
Chabot
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Cox
Crane
Crapo
DeLay
Doolittle
Dornan
Duncan
Dunn
English
Ensign
Fawell
Fields (TX)
Flanagan
Forbes
Fox
Funderburk
Gallegly
Gekas
Geren
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Hefley
Herger
Hilleary
Hoekstra
Hoke
Hostettler
Hunter
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
King
Klug
Largent
Livingston
Manzullo
McCollum
McCrery
McInnis
McIntosh
Mica
Miller (FL)
Moorhead
Myers
Myrick
Neumann
Ney
Norwood
Paxon
Petri
Porter
Portman
Quillen
Radanovich
Ramstad
Riggs
Rohrabacher
Roth
Royce
Salmon
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shays
Smith (MI)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Taylor (MS)
Taylor (NC)
Thornberry
Torkildsen
Walker
Wamp
Weldon (FL)
Zimmer

NOES—316

Abercrombie
Ackerman
Allard
Andrews
Baesler
Baker (CA)
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Burr
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chambliss
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Coyne
Cramer
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Ford
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gonzalez
Gordon
Green
Gunderson
Gutierrez
Hall (OH)
Hamilton
Harman
Hastert
Hastings (FL)
Hayes
Hayworth
Hefner
Heineman
Hilliard
Hinchey
Hobson
Holden
Horn
Houghton
Hoyer
Hutchinson
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McHugh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Miller (CA)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Nethercutt
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Poshard
Pryce
Quinn
Rahall
Rangel
Reed
Regula
Reynolds
Richardson
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tauzin
Tejeda
Thomas
Thompson
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walsh
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff

NOT VOTING—4

Chapman
Hastings (WA)
Moakley
Williams

□ 1536

Messrs. BASS, KIM, BERMAN, and DICKEY changed their vote from ''aye'' to ''no.''

Mrs. MYRICK and Messrs. BARTLETT, CRANE, COX of California, HEFLEY, PORTER, MOORHEAD, RAMSTAD, DORNAN, PETE GEREN of Texas, TAYLOR of Mississippi, FOX of Pennsylvania, and RIGGS changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 26 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. BLUTE

Mr. BLUTE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BLUTE:

Page 37, after line 21, insert the following:

''(11) DENIAL OF ASSISTANCE FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 may not use any part of the grant to provide assistance to any individual who is—

''(i) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(ii) violating a condition of probation or parole imposed under Federal or State law.

''(B) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—If a State to which a grant is made under section 403 establishes safeguards against the use or disclosure of information about applicants or recipients of assistance under the State program funded under this part, the safeguards shall not prevent the State agency administering the program from furnishing a Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient if the officer furnishes the agency with the name of the recipient and notifies the agency that such recipient is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the recipient flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the recipient flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or is violating a condition of probation or parole imposed under Federal or State law, or has information that is necessary for the officer to conduct the official duties of the office, that the location or apprehension of the recipient is within such official duties.

Page 37, after line 21, insert the following:

''(11) DENIAL OF ASSISTANCE FOR MINOR CHILDREN WHO ARE ABSENT FROM THE HOME FOR A SIGNIFICANT PERIOD.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 may not use any part of the grant to provide assistance for a minor child who has been, or is expected by a parent (or other caretaker relative) of the child to be, absent from the home for a period of 45 consecutive days or, at the option of the State, such period of not less than 30 and not more than 90 consecutive days as the State may provide for in the State plan submitted pursuant to section 402.

''(B) STATE AUTHORITY TO ESTABLISH GOOD CAUSE EXCEPTIONS.—The State may establish such good cause exceptions to subparagraph (A) as the State considers appropriate if such exceptions are provided for in the State plan submitted pursuant to section 402.

''(C) DENIAL OF ASSISTANCE FOR RELATIVE WHO FAILS TO NOTIFY STATE AGENCY OF ABSENCE OF CHILD.—A State to which a grant is made under section 403 may not use any part of the grant to provide assistance for an individual who is a parent (or other caretaker relative) of a minor child and who fails to notify the agency administering the State program funded under this part, of the absence of the minor child from the home for the period specified in or provided for under subparagraph (A), by the end of the 5-day period that begins with the date that it becomes clear to the parent (or relative) that the minor child will be absent for such period so specified or provided for.

Page 235, after line 24, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 581. ELIMINATION OF FOOD STAMP BENEFITS WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) INELIGIBILITY FOR FOOD STAMPS.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 555, is amended by adding at the end the following:

''(j) No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household while the individual is—

''(1) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which he flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which he flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(2) violating a condition of probation or parole imposed under a Federal or State law.''.

(2) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT OFFICERS.—Section 11(e)(8) of such Act (7 U.S.C. 2020(e)(8)) is amended—

(1) by striking ''and (C)'' and inserting ''(C)''; and

(2) by inserting before the semicolon at the end the following: '', (D) notwithstanding any other provision of law, the address of a member of a household shall be made available, on request, to a Federal, State, or local law enforcement officer if the officer furnishes the State agency with the name of the member and notifies the agency that (i) the member (I) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which he flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which he flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State, or is violating a condition of probation or parole imposed under Federal or State law, or (II) has information that is necessary for the officer to conduct the officer's official duties, (ii) the location or apprehension of the member is within the official duties of the officer, and (iii) the request is made in the proper exercise of the duties, and''.

Page 266, after line 15, insert the following:

SEC. 606. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) IN GENERAL.—Section 1611(c) of the Social Security Act (42 U.S.C. 1382(e)), as amended by section 601(b)(1) of this Act, is amended by inserting after paragraph (2) the following:

''(3) A person shall not be an eligible individual or eligible spouse for purposes of this title with respect to any month if, throughout the month, the person is—

''(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(B) violating a condition of probation or parole imposed under Federal or State law.''.

(b) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Section 1631(e) of such Act (42 U.S.C. 1383(e)) is amended by inserting after paragraph (3) the following:

''(4) Notwithstanding any other provision of law, the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient of benefits under this title, if the officer furnishes the agency with the name of the recipient name and notifies the agency that—

''(A) the recipient—

''(i) is fleeing to avoid prosecution, or custody of confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in this case of the State of New Jersey, is a high misdemeanor under the laws of such State;

''(ii) is violating a condition of probation or parole imposed under Federal or State law; or

''(iii) has information that is necessary for the officer to conduct the officer's official duties;

''(B) the location or apprehension of the recipient is within the official duties of the officer; and

''(C) the request is made in the proper exercise of such duties.''.

Amend the table of contents accordingly.

The CHAIRMAN. Pursuant to the rule, the gentleman from Massachusetts [Mr. BLUTE] and a Member opposed with each control 10 minutes.

Mr. FORD. Mr. Chairman, I am reluctantly opposed to the amendment offered by the gentleman from Massachusetts [Mr. BLUTE].

PARLIAMENTARY INQUIRIES

Mr. SHAW. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SHAW. Mr. Chairman, I have noticed during the debate on at least one occasion, if not more, that a Member of this body has stood up to claim the time on the negative side of the amendment, and has not voted that way.

Is it the Chair's interpretation that those who claim to be voting or are against the amendment must have every intention to vote against it, also?

The CHAIRMAN. The Chair must assume that the Member seeking the time in opposition intends at the time he seeks it to vote against it. It is not the Chair's intention to double check everyone's vote.

Mr. VOLKMER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VOLKMER. Mr. Chairman, I am just curious if the gentleman from Florida [Mr. SHAW] could tell us the name of an individual who rose in opposition to an amendment and then did not vote that way.

Mr. SHAW. Mr. Chairman, I will tell the gentleman privately, if he wishes to know.

Mr. VOLKMER. I would like to know, Mr. Chairman.

Mr. FORD. Mr. Chairman, to extend debate, as the designee of the gentleman from Florida [Mr. GIBBONS], I move to strike the last word and ask unanimous consent to merge that additional time with the time I am currently controlling.

The CHAIRMAN. The Chair would ask, does the gentleman from Tennessee [Mr. FORD] intend to control the entire 15 minutes? Was that the gentleman's request?

Mr. FORD. Yes, Mr. Chairman, it was.

The CHAIRMAN. Without objection, the unanimous consent request is agreed to.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, the need for welfare reform in our country is obvious. The system is broken and it just does not work. There are aspects of our welfare system that are downright silly.

Recently, many of us saw the movie ''The Fugitive,'' with Harrison Ford. In the movie, the fugitive gets financial help from a friend. However, a more real world scenario would have the taxpayer financing the fugitive's flight from justice, because that is exactly what is happening in the streets of America today.

□ 1545

The truth is indeed stranger than fiction because in the real world fugitives do in fact go to the taxpayers to subsidize their life on the lam. Sting operations in Ohio, Pennsylvania, and other States have found anywhere from one-third to three-fourths of fugitive felons collecting welfare benefits. Last year, then Congressman and now Senator RICK SANTORUM and I introduced legislation to address this situation. This amendment, the Blute-Lipinski-Johnson amendment, is based on that bill and would solve this problem by doing two things.

First, Mr. Chairman, it defines the term ''fugitive felon'' and cuts off benefits to those who fit the definition. Second, it forces Federal agencies to share certain information with law enforcement officials who request it, enabling them to better track down fugitives. Under present law, Federal social service agencies routinely deny information to the police regarding the whereabouts of criminals who have committed felonies and later fled justice, even though in many cases they are sending a check to the fugitive's

new address. This amendment would end that scenario by requiring social service agencies that administer SSI, food stamps, and AFDC to turn off the spigot of free money once they are made aware that an individual is a fugitive felon. Presently there are about 392,000 fugitive warrants on file at the National Crime Information Center. So if only 30 percent of this total is collecting an average welfare benefit package of $300 monthly, a very conservative estimate means that taxpayers could be shelling out almost $400 million annually. We have got to stop making crime pay.

My amendment would take us a step closer to a smaller, more efficient welfare system that benefits those who truly need it.

This legislation has been endorsed by the National Association of Chiefs of Police and the Fraternal Order of Police.

Let's put an end to this taxpayer ripoff that allows criminals to benefit from the tax dollars of law-abiding Americans, and let's put an end to protecting these criminals from being thrown back into jail because our own government agencies are denying information about their location to law enforcement.

Support the Blute-Lipinski-Johnson amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. FORD. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. I thank the gentleman from Tennessee for yielding me the time.

Mr. Chairman, it is very apparent to me that on Tuesday night and then yesterday, we in this House have been presented with legislation which I would call as ugly as a sow's ear. They have tried yesterday and today to make a silk purse out of a sow's ear by trimming it on the edges.

We first had the amendment by the gentlewoman from Connecticut to improve on the child care provisions. But just marginally. We had amendments by the gentleman from Oregon [Mr. BUNN] and the gentleman from New Jersey [Mr. SMITH] in regard to unwed mothers under 18. We still have major problem, but it is just a marginal improvement.

In the debate on the Johnson amendment, the gentlewoman from Utah said was real cruel to mothers to deny them child care. That is what the bill did when it basically came out of the committees. It still does, because it does not fully fund the child care, so it is still cruel but maybe not quite as cruel. It is still a sow's ear.

We have adopted the Traficant amendment and the Upton amendment, and the Blute amendment is now before us and I am sure it will be adopted. But these, too, are just minor changes on the fringes. Still the problem remains, reducing school lunches, reducing food stamps for the working poor, the hungry kids, kicking people off welfare, actually, kicking them off programs that will help them so that they work themselves out of, not letting them have those programs.

Seventy billion dollars in total cuts. Where is it going to go? Major corporations, going to go to the wealthy in tax cuts when we do the bill next week.

It is still a sow's ear, folks, You have not made a silk purse out of this sow's ear. The only silk purse that is going to be here today in my opinion is the Deal substitute. If you want a silk purse, you vote for the Deal substitute. You have got a sow's ear.

Mr. BLUTE. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. LIPINSKI], a coauthor of this amendment.

Mr. LIPINSKI. Mr. Chairman, I am very proud to stand up and support this amendment. I believe this amendment is a silk purse amendment and not a sow's ear amendment. As you all know now, fugitives have been receiving welfare benefits. I found it hard to believe at first, but upon further investigation, I discovered that the Federal and State laws prohibited some welfare agencies from disclosing the addresses of recipients to law enforcement departments under the guise of confidentiality.

Does America really want to protect the confidentiality of a fugitive? Do the American people want to support these people with their tax dollars? I doubt it very seriously.

The amendment that we offer today not only ensures the exchange of information between police and welfare agencies but makes fugitives ineligible for benefits in the first place. Currently there is no provision in the welfare bill to prohibit States from passing confidentiality laws. Section 403(f) of H.R. 1214 says that the Federal Government may not regulate the conduct of States except to the extent expressly provided. We need to provide that, so no State shall hinder police in their search for fugitives.

It is estimated that one-third of those running from the law are receiving welfare benefits. Yet, in some States it is impossible or next to impossible to track them down by going to the agency and asking for an address. Lieutenant Griffin of the Chicago Police Department told me that it is a tremendous benefit to be able to access public aid lists. It is the only spot they really go to, he said.

The Federal Government has been just as guilty as the States in protecting the rights of criminals. Between the two, we have created a bureaucratic nightmare.

For example, the Food Stamp Act expressly prohibits the release of information of recipients. And the States build on this nonsense by either denying access of data or making the process of receiving data too prohibitive.

Another situation that I discovered is the inconsistency with which information is available. For example, in Illinois, police can access AFDC lists but not so food stamp lists. Depending on what kind of assistance someone receives depends on whether police can track them down. Does this make any sense? I do not think so.

Access of information should be consistent regardless of the type of assistance someone is receiving. Let's set a Federal standard. You break the law, you do not receive benefits, and the police can use these public aid lists if need be.

What will happen if this amendment does not pass? Fugitives will continue to receive welfare benefits and the police will not be able to track them down. Let's pass a little common sense. Let's pass the Blute-Lipinski-Johnson amendment today.

Mr. FORD. Mr. Chairman, I yield 2½ minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. I thank the gentleman for yielding me the time.

Mr. Chairman, let's introduce just for kicks, as we say, a note of reality into this debate. Welfare reform and the end of food stamp abuse, yes. Everybody is for that. Increased pain and suffering for America's children, no, many of us are opposed to that.

A little while ago, the chairman of the Committee on Agriculture stated that under his reform, no child in America would go hungry. Who are we kidding?

Today in America, before cutbacks to food stamps or to WIC or to other nutrition programs, 5 million children in the United States are hungry. Today, in this country, we have by far the highest rate of childhood poverty in the industrialized world. What kind of country are we when we are talking about more cutbacks for low-income kids, when we already have double the highest rate of childhood poverty in the industrialized world?

Mr. Chairman, if we were serious about welfare reform, and I do not think we really are, but if we were, we would be talking about a Federal jobs program to create real jobs so that poor people could then have real work and earn a real income.

If we were serious about welfare reform, we would be talking about raising the minimum wage so that when poor people work, they can escape from poverty, not abolishing the minimum wage as some would have.

If we are serious about talking about welfare reform, we must talk about improving child care capabilities, so that children of working mothers and working families are provided for. If we are serious about talking about welfare reform, we must talk about job training and transportation so that welfare recipients are able to get to the jobs that are open for them.

Last, today we are talking about welfare reform as it applies to the poor. I hope that in the future we will have the guts to talk about welfare reform as it applies to the rich and the multinational corporations.

I hope that we will say that the U.S. Government with its huge deficit and its enormous social problems can no longer afford to spend tens of billions of dollars a year providing tax breaks and subsidies to the rich and the large corporations. I look forward to that welfare reform.

Mr. FORD. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. RANGEL], one of the distinguished members of the Committee on Ways and Means.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Chairman, there has been a lot of concern about people calling each other mean-spirited and not being concerned about the welfare of children in this great country of ours. But also there has been a restriction that our Republican friends have, and, that is, a contract. That contract seems to be driving people to do things that are inconsistent with what they truly believe. What are they driving to do?

The first drive, the jewel in the crown, is to cut back taxes. That is the driving force. That is the engine. Whether it is $780 billion over 10 years or $200 billion that we have to cut back in taxes now, not that we have heard the American people screaming for it, but I assume the wealthy people know what is best for them and I assume you work closer with them. But assuming that you have agreed and you are committed in your contract to turn back $200 billion in revenues, then you have that same strong commitment to balance the budget, indeed, change the Constitution. Once you have reached those conclusions, the tax cut and to balance the budget, the only thing left to do is to cut, cut, cut, cut. And where do you cut? Did you go to the strongest that have been enjoying the subsidies? No, you went to our aged, you went to our sick, you went to our children, and you charged it all up to the lack of discretion of the teenaged mother for making God's child without having a legal contract.

□ 1600

How dare we in this body determine what a child should or should not have because of the lack of discretion of the mother? And how do we feel as federally elected legislators in saying we have messed up this program as Democrats, so our responsibility is to turn it over to the Governors, no strings attached? Oops, I made a mistake, there are strings attached.

Do not show enough compassion to give cash assistance to anybody that has a child if they are 18 or younger and they are not married. Oops, another thing that had strings attached.

If there is another child while you are on welfare, regardless of how it came or the conditions, the governors are restricted from giving cash assistance.

Oh, there is another restriction. No matter what the economic conditions are in the locality where the recipient is, no matter how hard he or she tries to get a job, if no jobs are available, then we say the governors cannot give them cash assistance because the time has run out.

I tell my colleagues this: If a political pundit had to find out how to win an election they would say go against affirmative action, go against immigrants, go against people who are poor, go against welfare, go against food stamps and make America feel that we have to reform the system. But then again, if you put that in a contract and you win, you can bet your life it is not enforceable, not in this great country it is not.

Mr. BLUTE. Mr. Chairman, I yield 2 minutes to the gentleman from Dallas, TX, Mr. SAM JOHNSON, one of the leaders of the welfare reform movement here in the Congress.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I say to the gentleman from New York [Mr. RANGEL], I heard him yesterday talking about how we had left out our felons who were getting welfare, left them out. That is what we are talking about right now is an amendment to correct that and make it happen.

The Deal bill does not even talk to that. In fact, it destroys any welfare reform that there is going.

I cannot believe that our Federal Government actually pays with taxpayers dollars, I might add, welfare benefits to criminals who are fleeing prosecution from the law. I heard the gentleman say that.

I would like to list for those who do not know the benefits criminals get while on the run: Criminals, criminals under current law can and do receive AFDC, SSI, and food stamps.

Instead of giving benefits to those who truly are in need we are giving them to individuals who have broken the law and are trying to escape from it.

The real question is why does this atrocity continue to happen. The answer is because current law prohibits Federal welfare agencies from sharing information with local law enforcement communities.

What this means, if your local police officer calls the Federal welfare agency that administers those benefits and asks for the address of a known felon, that welfare agency by law is forbidden even from giving the most current address to the police.

I cannot believe that this is happening in our country. It is just one more irritation that our police officers currently have to hurdle in their attempt to stop crime.

This is simply outrageous. Whoever said crime does not pay never understood how Government bureaucracy works. I urge all of my colleagues and I hope the gentleman from New York [Mr. RANGEL], too, will support this amendment and stop the flow of taxpayer dollars to criminals and allow welfare agencies to help our police officers fight the war on crime.

Mr. RANGEL. Mr. Chairman, will the gentleman yield for the purpose of my support?

The CHAIRMAN. The gentleman's time has expired.

Mr. FORD. Mr. Chairman, I yield 10 seconds to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I would be glad to support this well thought out amendment to stop welfare payments from going to fugitives who are fleeing. The only thing I ask is, where does the fleeing fugitive apply for welfare?

Mr. FORD. Mr. Chairman, may I inquire about how much time we have remaining?

The CHAIRMAN. The gentleman from Tennessee [Mr. FORD] has 7½ minutes remaining and the gentleman from Massachusetts [Mr. BLUTE] has 1½ minutes remaining.

Mr. FORD. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding and I want to take this minute to talk about what I am for, what our caucus is for in terms of welfare reform.

We are for a welfare reform package that is tough on work, that puts a work expectation for people receiving benefits.

We are for a welfare reform package that enforces personal responsibility, particularly the personal responsibility for your children.

Third, we are for a welfare reform package that does not punish kids because, for gosh sakes, it was not the kids that caused the problems we have with the present system.

These are meaningful responses, meaningful reforms and they are represented in the Deal substitute. By contrast, the bill of the majority fails on all three counts, most particularly the work requirement.

A Congressional Budget Office study put it on the front page of the Washington Post today talking about how States will fail under the GOP work rules.

We need to make a work program work, and that is the Deal substitute. Please support it this afternoon.

Mr. FORD. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I simply rise to ask of the sponsors two questions: No. 1, the question of the gentleman from New York [Mr. RANGEL]. If someone is a fugitive, how is it that we are paying him anything, since the definition of a fugitive is we do not know where he is and he is not declaring it because he is on the run from the law?

The second question is: The meaning of the amendment, where it says that if a child, a second provision of the

amendment that says if a child is absent for any length of time that you would not give the welfare to that family. My question is would you simply not give the welfare attributable to that child during the period of absence or for other children also who may be present in the home?

Mr. BLUTE. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Massachusetts.

Mr. BLUTE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, with regard to the first question, it is happening right now where fugitive felons are receiving welfare benefits and law enforcement agencies cannot get the information from social service agencies as to exactly who these people are or where they are.

Mr. NADLER. Could the gentleman answer the second question?

The CHAIRMAN. The time of the gentleman from New York [Mr. NADLER] has expired.

Mr. FORD. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE. Mr. Chairman, I thank my colleague from Tennessee for yielding the time.

Mr. Chairman, let me say I do not think there is a person in the House and certainly not in this great country that would say that criminals are by and large the ones getting welfare. I did not know that 2- and 3-years-olds were criminals, so I would certainly be supportive of keeping criminal fugitives from getting welfare, but I am really here to talk about is what I stand for in terms of how to make this program really work and really be welfare reform.

We have to have real welfare to work, we have to have a job creation program that is really sincere and offers to people the real opportunity to work. At the same time, we have to be sensitive to our infants and to our women and children, and I just want to emphasize that. We hear all of the talk about investment in the future and taxpayers' money. And ''I do not want to pay for those deadbeats.'' This is what an investment in our children is all about.

Just take the Women, Infants and Children Program. We can see what we would save if we were participating in the Women, Infants and Children Program some $12,000 to $15,000 per child that we invested in making sure that women, infants and children had good nutrition programs.

The Republican program does not have good nutrition programs, it does not focus on the child. It focuses on taking away from the child.

Let us move forward to a progressive standard for all people and that is vote for the Democratic alternative. Let us make sure welfare reform is that and not welfare punishment.

Mr. BLUTE. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. HEINEMAN], one Member who has had a real world experience with this issue, being a former police chief of Raleigh, NC.

(Mr. HEINEMAN asked and was given permission to revise and extend his remarks.)

Mr. HEINEMAN. Mr. Chairman, I rise in strong support of the Blute-Lipinski-Johnson amendment. As a former police chief I can tell you that we need to crack down on the number of welfare recipients who become fugitive felons and are now collecting welfare benefits at the expense of the American taxpayer.

Today there are almost 400,000 fugitive warrants on file at the National Crime Information Center—and it is estimated that one-third of those felons are receiving public assistance.

What's even worse is that law enforcement officers are prevented by privacy laws and regulations from tracking down these wanted felons.

Welfare and Social Security offices are prevented from telling law enforcement officials the whereabouts of a felon—even though they are sending him or her a Government check every month.

This is outrageous and an affront to the American taxpayer. We need to crack down on this kind of waste and abuse of our current welfare system—and help our law enforcement officials. This amendment will correct this ridiculous situation.

I urge my colleagues to support the Blute-Lipinski-Johnson amendment and I compliment my friend from Massachusetts for offering this amendment.

Mr. FORD. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, as a member of the Pennsylvania State Legislature in 1987, I sponsored the Employment Opportunities Act. Democrats and Republicans got together in Pennsylvania and created a joint job training initiative and moved 200,000 people off of the welfare rolls, not by punishing them but by providing job training and child care, and transportation subsidies so they could get to a multitude of training programs and they work. We do not have to be mean-spirited if we want to help Americans by moving them toward self-sufficiency. It has worked in a number of States.

It is unfortunate that the Republican majority thinks that the American people really do not understand. We have 9 million children on welfare, and they come to the floor talking about one set of abuses in Chicago with 19 children in which someone was not doing the right thing with the welfare check. Millions of families are doing what they should do with a welfare check, and that is helping children meet their needs every day and working and preparing for the moment in which they can be self-sufficient again in this land. We should be doing as much here in the U.S. Congress.

The Preamble to the Constitution says it is our responsibility to promote the general welfare. This majority today in this Congress is not moving to promote the general welfare. It is really moving to pull the carpet up from under millions of Americans who need the help so one day they can be in a position to be tax producers rather than recipients of subsidies from the Government.

Mr. ARCHER. Mr. Chairman, under the rule I move to strike the last word.

Mr. Chairman, I yield myself such time as I may consume.

It seems we always get distracted from the debate on the amendment at hand. But I must say the gentleman who just spoke in the well spoke of local answers to problems, and then he turns right around and says but do not give the States and the local communities more opportunity to do the kind of constructive job that he just spoke to.

Ironic, because our plan does precisely that. It puts more resources in the hands of the communities and the States where real success can occur, not where you have payment. And one thing my friend from New York forgot to mention is what are we doing here; we are cutting off Federal bureaucrats. We forget to use them in his litany and yes, we are doing that and we are creating more flexibility.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from Massachusetts seek to yield his last one-half minute?

Mr. BLUTE. Mr. Chairman, I yield the remainder of our time to the gentleman from Chattanooga, TN [Mr. WAMP].

Mr. ARCHER. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. WAMP].

(Mr. WAMP asked and was given permission to revise and extend his remarks.)

Mr. WAMP. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. BLUTE] and the gentleman from Texas [Mr. ARCHER] for yielding time to me.

Mr. Chairman, to keep convicted felons from receiving Government welfare benefits is through my eyes a no-brainer. This amendment will fix an injustice in the current system that I believe no one wants.

Mr. Chairman, no matter what side of the debate you fall on, I think you will agree that welfare dollars should not be spent on criminals, should not be spent on criminals who have successfully avoided the law. This is not the type of success we want to reward.

While you may agree this is wrong, the gentlewoman from Texas thinks this does not happen very much. It is an exception that is costing the taxpayers an estimated $1 billion annually.

The American people are frustrated. Mr. Chairman, I urge my colleagues to support this amendment and close a disgusting loophole in the welfare bureaucracy.

Two hundred years ago Benjamin Franklin said:

I am for doing good to the poor, but I differ in my opinion of the means. I think the best way of doing good for the poor is not making them easy in poverty but leading them or driving them out.

Mr. FORD. Mr. Chairman, could I inquire how much time is remaining?

The CHAIRMAN. The gentleman from Tennessee [Mr. FORD] has 2½ minutes remaining, and the gentleman from Texas [Mr. ARCHER] has 3½ minutes remaining.

Mr. FORD. Mr. Chairman, do we reserve the right to close?

The CHAIRMAN. The gentleman from Tennessee has the right to close.

□ 1615

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, I thank the distinguished chairman for yielding and commend him for his great work on this welfare reform bill.

We all know our welfare system is broken, that it needs to be fixed, that it creates dependency, victimization, and ultimately despair amongst our citizens, and we need to change that, and we need to tighten up the welfare system so it does what it is supposed to do.

And one of those things should not be giving welfare benefits to convicted felons who are on the lam from the law. I have with me a number of letters from the parole board in my State where they have been rejected from getting information from social welfare agencies on the whereabouts of felons that the parole board is looking for.

This is a system that is broken. It is wrong. It should not happen.

I urge all of my colleagues on both sides of the aisle to adopt this amendment, and let us restore some sanity to our welfare system.

Mr. FORD. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. MCDERMOTT], a very distinguished spokesman on welfare reform in this Nation, one who has been very active in this debate.

Mr. MCDERMOTT. Mr. Chairman, the fundamental difference between the Democrat and the Republican approach to what we do about welfare is what you believe is the fundamental problem. If you beat on people, they will go to work; that is what Republicans believe.

Now, if this bill were in effect in 1982 when Ronald Reagan, and we had that big sweep and we were close to the wall, the unemployment rate in the State of Washington was 12.1 percent. The national unemployment rate was 9.6 percent. The Bureau of Labor Statistics says the underemployment rate in the country at that time was 16.5 percent, and in the State of Washington it was 20 percent. That includes those people who were involuntarily working part-time and discouraged workers.

Now, when you say you are going to take a 16-year-old kid and drive them out into the street by taking away the money for their kid and that somehow they are going to magically find a job when there is 20 percent of the people unemployed or underemployed in the State of Washington, you simply live in a dream world.

This is a bad bill.

Mr. ARCHER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we have got to try to separate rhetoric from fact in this debate. It is very difficult to do.

When we talk about the supposed reductions in whether WIC or school lunches or whatever it might be, we are not talking about cuts at all. We are talking about increases of dollars based on the current level.

But from the Democrat side of the aisle, they think only Federal entitlement programs dictated in a straitjacket with Federal bureaucrats administering with pounds and pounds of regulations are the only way that you get help to people who need help. Just the reverse.

And as far as work habits or work requirements are concerned, you can go to Massachusetts or Virginia, and you can go to States today that are putting people on work as a condition of welfare within 60 days. That is what we want all of the States to be able to do, and we want to get through with this waiver process and these pounds of papers that have to be filed that take money away from really going to those who need help.

That is why we have got an outstanding welfare reform approach, and it is why the Democrat substitutes will not do the job.

Mr. Chairman, I yield back the balance of my time.

Mr. FORD. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, no one wants to see fugitives receive welfare in this country. You know, it is really amazing to see what the Republicans are doing and saying about children in this country. The Los Angeles opinion page on Sunday said that: ''Congressional Driveby: Gang-bangers Kill Innocent Kids. Republicans Just Kill Programs To Help Kids.'' And to quote the gentleman from Florida [Mr. SHAW], who is the chairman of the subcommittee, and the source is the CONGRESSIONAL RECORD of March 22, he said, ''We are talking about children you would not want to leave your cat with over the weekend,'' or you hear what the gentlewoman from Connecticut [Mrs. JOHNSON], who serves on the Committee on Ways and Means, says, ''It is not hard to clothe your kids, folks. Just go to the second-hand store to do so.''

The Republicans are so mean to kids in this welfare reform package just for the sole purpose of giving the well-to-do rich of this Nation a huge tax cut.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from North Carolina.

Mr. HEFNER. I do not think felons should get welfare.

But the numbers just do not add up, Mr. Chairman. If you are going to get $69 billion over 5 years to pay for a tax cut, somebody is going to get cut.

Bureaucrats are bureaucrats whether in North Carolina or Washington, DC, or North Dakota or wherever they are. You are not cutting out bureaucrats. You are going to cut $69 billion worth of benefits to the most vulnerable people in these United States to give a tax cut to the wealthiest people in this country, and that is what you said in your contract, and that is what you are trying to live up to. So why not brag about it?

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. BLUTE].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 30 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. SALMON

Mr. SALMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SALMON: Page 387, after line 10, insert the following:

SEC. 768. LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended to read as follows:

''(4) Procedures under which—

''(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by an absent parent who resides or owns property in the State; and

''(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, without registration of the underlying order.''.

Amend the table of contents accordingly.

The CHAIRMAN. Pursuant to the rule, the gentleman from Arizona [Mr. SALMON] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Does the gentleman from Tennessee [Mr. FORD] seek the time in opposition?

Mr. FORD. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Tennessee [Mr. FORD] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Arizona [Mr. SALMON].

Mr. SALMON. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, delinquent parents can no longer be allowed to shirk their responsibilities and expect the Government to act in their place. That is unfair to the child. It is unfair to the taxpayer. It is time we sent a message if you bring a child into this world that you are going to care for it. This is the

compassionate and sensible thing to do for our Nation's children.

In child support cases, liens are not used by States to their full potential. Upon locating property, many caseworkers still prepare individual liens and seek judicial approval for each case. This is a slow and ineffective process, and our Nation's children are the ones that are paying for it.

Our amendment makes it easier for States to collect or for States to issue liens to collect past-due support and to help each other collect child support debts by providing that child support liens are enforceable across State lines without going to court again unless contested. Past-due support in all cases already becomes a judgment by operation of law.

Many States support this amendment. In fact, just about every State we have talked to wants this amendment. This is not an unfunded mandate. In fact, the States will save money by this measure, and the Nation's children will benefit.

America cannot work unless its citizens take more responsibility for their own actions. It is time that parents fulfill not only their own emotional but also their financial obligations to their children. We can at least address the financial obligations in this body.

Mr. Chairman, this amendment has widespread support from the national child support enforcement advocates. Marilyn Smith, president of the National Child Support Enforcement Association, has campaigned tirelessly for the reforms in this amendment, and Jerri Jensen, president and founder of Aces, whose story was told this week in the TV movie ''Abandoned and Deceived,'' says that irresponsible parents should not be able to profit from selling out-of-state property while their children suffer due to lack of court-ordered child support.

Child support enforcement is a vital component of welfare reform. Delinquent parents can no longer be allowed to shirk their responsibilities and expect the Government to act in their place. That is unfair to the child, and unfair to the taxpayer. It is time we sent the message that if you bring a child into this world, you must care for it. This is the compassionate and sensible thing to do for our Nation's children.

The national collection rate of child support payments is abysmal. Regularly received collections average 18 percent in the United States. In my State, Arizona, the rate is only 10 percent, and even in the best States it reaches only as high as 27 percent. For this reason we have decided to adopt child support enforcement measures as part of the Welfare Reform legislation we promised in our Contract With America. The States will achieve a better collection rate though these provisions and thus lower costs to the States and Federal Government, who are left to provide the full financial care for children of delinquent parents.

States are already required to use liens to collect past-due support but do not use this remedy to its full potential. Upon locating property, they prepare individual liens and must go back to court for each case, which is burdensome and slows the process significantly. Thus deadbeat parents can indulge in luxury items such as boats and fancy cars, buy real estate, make investments, etc., while their children are left to endure life's hardships with not only the emotional, but also the financial support of only one parent. Most often the mothers are left with this heavy burden, and are forced to look to the State and Federal Government for a helping hand. Abandoning parental responsibility can no longer be tolerated if this country is to survive, and the Government should not bear the burden of deadbeats anymore.

The Salmon-Waldholtz-Torkildsen amendment is a simple, straightforward approach to the problems States are currently experiencing in collecting past-due support. It states that liens will arise by operation of law, which means that processing the thousands of delinquent cases will be much easier and cheaper by avoiding return visits to court. For example, since 1992, Massachusetts has issued administrative liens in every case where a noncustodial parent owed more than $500—liens to more than 90,000 child support delinquents with property as varied as workman's compensation claims, wages, bank accounts, and real estate. All were handled by computer on a wholesale rather than retail basis, collecting more than $13 million.

Not only has the collection process been difficult within a State, it is even more so when delinquent parents cross State lines to thwart efforts to track them down and collect. Although 30 percent of all child support cases are interstate, only 10 percent of all dollars collected originate from out-of-State. For example, if a deadbeat dad from Arizona moves to Utah to avoid supporting his children, currently it is extremely difficult to recover the money he owes across State lines. Under our amendment, if the lien is sent to another State to attach property owned in that State, it can be filed by the State agency in the second State without going to court to get accepted as a lien issued in that State. Again, this simplifies the process and thus it will be vastly easier for States to collect even across State lines. Arizona, Massachusetts, and Utah have come out in support of this amendment and other States have expressed great interest in such procedural changes.

The sections of the welfare reform bill that were reported out of the Committee on Ways and Means—primarily those sections dealing with child support enforcement reform—go far in solving the collection problems experienced at the State level. However, the Salmon-Waldholtz-Torkildsen amendment is fundamental to the successful reform of the system, according to child support associations and State agencies across the Nation. The National Child Support Enforcement Association, a leader is the reform movement, has called this amendment the basis for every other enforcement mechanism in this legislation. Time is of the essence in our efforts to end the cycle of dependency while ensuring the well-being of our children.

Mr. Chairman, I reserve the balance of my time.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL], one of the distinguished members of the Committee on Ways and Means and who handled an amendment similar to this, if not the same amendment, before the committee.

Mr. NEAL of Massachusetts. Mr. Chairman, I think one of the most significant options in this debate has been how a well-organized minority can, indeed, move the majority. I remind the listeners today and the viewing audience that there was no child support initiative offered by the Republican majority in this House until we convinced them that there should have been a strong child support component. I offered a similar amendment to this during the Ways and Means markup, and it was turned down on a party-line vote.

The gentleman from Massachusetts [Mr. TORKILDSEN], to his credit, had contacted my office and asked me to offer this amendment. It has the support of Bill Clinton and Bill Weld. I think that this goes to the heart of personal responsibility, paying for the children that you have.

During the Ways and Means Committee markup I offered an amendment to the child support enforcement title to include the use administrative liens to collect past-due child support. This amendment failed on a party line veto.

Now this amendment has bipartisan support. Congressman SALMON and Congresswoman WALDHOTZ are cosponsors of this amendment. This amendment is something both President Clinton and Governor Weld agree upon.

This is the type of amendment which should have bipartisan support. Under current law, a child support payment becomes a judgment by operation of law as it becomes due and unpaid and entitled to full faith and credit. This provision takes existing law one step further and allows States in interstate cases to move and to levy and seize assets without registering the underlying order in the sister States, unless the lien is contested on grounds of mistake of fact. Because the lien arises by operation of law, unlike current practice, which is ''case-by-case.'' It gives similar treatment in interstate cases to liens as has been already accorded to interstate income withholding order since 1984. An estimated one third of delinquent obligors own property eligible for a lien. With approximately 3.5 million delinquent support cases nationwide, that equals a million or more liens, easy to issue and transmit by computer, impossible to write by and send by hand.

Mr. SALMON. Mr. Chairman, I yield 30 seconds to the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman from Massachusetts for his efforts in committee and here on the floor to adopt this. As I told him during the committee, it was new to me. I just had to look at it, and a number of us have, and we are going to support it.

Mr. FORD. Mr. Chairman, I yield 15 seconds to the gentleman from Massachusetts [Mr. NEAL], a member of the Committee on Ways and Means.

Mr. NEAL. Mr. Chairman, I want to thank the gentleman from Louisiana [Mr. MCCRERY]. I think that the gentleman from Louisiana [Mr. MCCRERY] is an example of how this bill could have been accomplished in a bipartisan manner. From day 1, he indicated a willingness to work with the minority party to get a good, sound bill done, and his mind was always open in this debate.

I thank the gentleman for his kind words.

Mr. SALMON. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Chairman, nearly 2 years ago, a constituent of mine—Susan Brotchie, a divorced mother and president of Advocates for Better Child Support—met with me and requested that I work on legislation to address the issue of delinquent parents hiding their assets in real property, and thus avoiding child support payments. Out of that meeting was born H.R. 1029 and the substance of this amendment.

Let us face it. Child support enforcement will only be truly effective if we enforce cases across State lines. It is also important that we reduce the burden placed on parents left with little or no means of support. It is cost prohibitive for a parent whose children need support to chase a delinquent parent from State to State, hire lawyers, and wade through multiple State judicial systems.

This amendment attacks the interstate problem at its core by allowing States to give full faith and credit to liens placed in other States. It saves Federal and State taxpayer money, while leaving in tact all State enforcement procedures. This amendment improves existing law; it does not create new, unfunded mandates on the States.

My home State of Massachusetts remains a leader in the fight to make delinquent parents accountable. Since 1992, Massachusetts has issued administrative liens in every case where a parent owed more than $500. Massachusetts also set up reciprocal agreements with neighboring States, so that liens placed in Massachusetts are given full faith and credit in Vermont. These reforms have resulted in a 29-percent increase in child support collections in the last 3 years—a compliance rate that has risen from 51 to 60 percent—and 10,000 more families receiving support. Expanding this model nationwide would boost the rate of compliance in interstate cases up to 70 percent.

By not passing this amendment, we are endorsing the safe havens that currently exist for parents who own property in other States. This Congress must send a powerful message to delinquent parents: You can no longer enjoy the benefits of property and luxuries in other States and not fulfill your fundamental commitment to our children.

Welfare reform will only be complete if we boost compliance in interstate cases. Fewer children and single parents will turn to public assistance, making this amendment is win-win-win situation—a win for children, a win for custodial parents, and a win for taxpayers.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MEEHAN], who is a former prosecutor.

□ 1630

Mr. MEEHAN. Mr. Chairman, I rise in support of this amendment. This is a actually a very, very good amendment to a very bad bill.

We have been doing a lousy job in this country of holding people accountable when they have children. Mr. Chairman, as a prosecutor in Massachusetts, I prosecuted a case, the first criminal enforcement case in child support in Massachusetts under the revised statute. It was a defendant who was married, lived in Lowell, MA. This defendant took off to New York. He had 7 children at home. The bank began foreclosure procedures because the wife could not make payments. He was living in New York City, on 52d Street, and he had a place in the Caribbean.

The child support enforcement division in Massachusetts could not get at any of the assets.

We could do a much, much better job of collecting child support. State agencies do not have the ability to do long-arm statutes, go out and collect these assets. We could save $32 to $35 billion if we could just collect child support.

By the way, 90 percent of the money that is owed in child support in this country is men who owe women child support. I cannot help but think that if 90 percent of the money was women who owed men, this system would have found out a way to collect these payments.

This bill is part of a bill I supported and sponsored. It is long overdue. I would hope we could get something done to increase the effort to hold people accountable when they have children. We are doing a lousy job at it now.

Massachusetts, as my colleague indicated, is a leader in this area.

Mr. SALMON. Mr. Chairman, I yield 30 seconds to the gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.).

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman for yielding, and I want to extend my congratulations to our colleague, the gentleman from Arizona. This is a wonderful amendment.

Mr. Chairman, I speak now as the first person back 10 years ago who brought the issue of child support, and the national disgrace it had become, before our Congress.

We have had two reforms. I hope this third reform that is implicit in this bill—because child support enforcement is welfare reform—that is, his amendment, we will be recognizing that no child support system is any better than the individual States. So we have reached into the States. This is an interstate system, and we have to have reciprocity.

Mr. FORD. Mr. Chairman, before I yield additional time, in order to extend debate, as the designee of the gentleman from Florida [Mr. GIBBONS], I move to strike the last word and ask unanimous consent to merge that additional time with the time I currently control.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. NADLER].

Mr. NADLER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of this amendment which requires the States to adopt procedures under which liens may be imposed automatically against the property of persons who are delinquent in child support payments in another State, and also of the next amendment providing for suspension of drivers and professional licenses for child support delinquencies.

The nonpayment of child support is an urgent public crisis that compromises the economic security of a very large number of American children and families. In 1994, more than half the children living in single-parent families were poor, and the majority, the large majority of them were in families where the child support payments were delinquent.

Before I came to this House, I was the author of bills in the New York State Legislature which allowed for liens to be placed against the property of persons who were delinquent in their child support payments and which provided for suspension of drivers and professional licenses of delinquent payors.

The lien bill passed and resulted in a large increase in child support collections in New York.

The amendments before us today would improve the collection of child support in an area where we have serious collection difficulties, interstate collections. Interstate child support cases comprise 30 percent of all child support cases and a very large fraction of the failures of collection.

The effective child support enforcement helps many single-parent families make the move to independence, self-reliance. This approach has succeeded in New York, and it will improve the lives of single parents and their children across the country.

This amendment will let absent parents know we are serious about collecting due child support. It will contribute to improving the economic conditions of children and families and will

lessen the number of families forced to go on welfare to survive.

I urge my colleagues to support this amendment and the next amendment as two very worthy amendments to what is, unfortunately, a very bad bill but which will improve that bill significantly.

Mr. SALMON. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. WELLER].

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. I thank the gentleman from Arizona for yielding this time to me.

Mr. Chairman, I rise in strong support of the Salmon-Waldholtz-Torkildsen amendment, which further strengthens the essential child support enforcement provisions contained in the ''Personal Responsibility Act,'' our Republican welfare reform initiative.

It is unconscionable that 30 percent of dead-beat parents are able to shirk their responsibilities to their children because they reside in a different State than their children. In fact, in Illinois, little children were stiffed to the tune of $176.1 million in 1994 due to dead-beat parents who refused to meet their responsibility to their own flesh and blood. This has got to stop.

Provisions in H.R. 4 go a long way toward solving this problem, and this amendment works hand-in-hand with these improvements by providing a simple, straightforward method of processing interstate collection. It simply allows liens on personal property filed in one State to be honored in a second State without having to go back to court, thereby avoiding unnecessary delays and judicial red-tape. It is better for the child and the taxpayer.

Abandoning parental responsibility can no longer be tolerated—and the Personal Responsibility Act, with this amendment, brings us one step closer to providing America's children with the inherent parental support they need and deserve.

Mr. FORD. Mr. Chairman, may I inquire as to how much time remains?

The CHAIRMAN. The gentleman from Arizona [Mr. SALMON] has 4 minutes remaining and the gentleman from Tennessee [Mr. FORD] has 9 minutes remaining.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, the debate on this floor regarding welfare reform has been, in my opinion, as far from what is real in the real world as anything I have ever seen. I have heard what a lot of you call rhetoric. I have heard a lot of theoretical aspirations from many of you.

Many of you would not know a welfare mother if you saw her. Not only would you not know her, but you do not know how they live. You do not know what it takes to feed their children. You do not know what it takes to find a job.

You talk about getting jobs. Leaving the jobs out of the bill and not having a full track to find a job, it is not easy to find a job. Most people on welfare will not work. I have not seen in any of these bills any way that would lead to a job.

So all we are talking about here is vapor, vapor that does not really go any place. And we are looking at children in a very cruel way.

There is no mistake about it. Our welfare system needs to be improved. We all know that. But do we have to improve it by taking food out of children's mouths? Do we have to improve it by taking away the welfare help we are giving States now? You are talking about States' rights, but you are not giving them the autonomy they need. On the one hand you say here is autonomy; on the other hand you take away the money. Does that make sense? It does not work. If you want the States to do something with welfare reform, then give them the same amount of money you gave them before.

I stand here today to say to you that all of this is a bunch of baloney. It does not lead down to the neighborhoods where the people are poor and need help. All this about wearing second-hand clothes, where have you heard of such a mess before? Wearing second-hand clothes? It goes to show you where the mindset is. How can you make an amendment if you do not have the right mindset?

Mr. FORD. Mr. Chairman, I yield 1½ minutes to my distinguished colleague, the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. I thank the gentleman for yielding this time to me.

Mr. Chairman, once you get past all the rhetoric, you are left with just the facts. And the facts are that H.R. 4 does not fund its requirements.

Translation—H.R. 4 passes on a huge unfundated mandate to States, cities, counties and localities.

Just yesterday President Clinton signed the unfunded mandate legislation into law. During the debate and in the days which have passed since we sent this legislation on, many on the other side have been beating their chest and talking about how they saved our States, cities, and American taxpayers from the evils of the Federal Government. And now, before the President's signature is even dry we are being asked to support the mother of all unfunded mandates.

But do not just take my word for it. A letter from the United States Conference of Mayors ''* * * H.R. 4 will further strain local budgets. It basically shifts costs our way. We can expect general assistance expenditures to skyrocket in those states which provide it * * *''.

The League of Cities had this to say about H.R. 4, ''The bill could be one of the greatest mandates ever imposed upon our communities.''

And from a report issued today by the Congressional Budget Office on H.R. 4, ''the literature on welfare-to-work programs, as well as the experience with the JOBS program indicates that States are unlikely to obtain such high rates of participation.'' And June O'Neil, the Director who was recently installed by the Republican leadership said that ''given what is known about how these programs work, I was comfortable signing'' the report. ''We did this totally based on the evidence.''

Support the only responsible welfare reform bill. Protect your States and cities. Support the Deal substitute.

Mr. SALMON. Mr. Chairman, I am a little confused. I have not found that the gentlewoman from Florida or the gentleman from Tennessee have been—they have been going on and on—and I do not find any of this information in the Salmon-Waldholtz-Torkildsen amendment.

The CHAIRMAN. The Chair would inform the gentleman from Arizona [Mr. SALMON] that the Chair has been reasonably lenient because about 75 percent of the conversation has not been on the appropriate amendment.

Mr. SALMON. I am baffled. We seek child support enforcement.

Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. SCARBOROUGH].

Mr. SCARBOROUGH. I thank the gentleman for yielding this time to me.

Mr. Chairman, I will actually speak on the Salmon amendment. I am a strong supporter of it. I have been listening to this debate for a week, ''Help the children, the children, the children; you are mean-spirited.'' All you talk about is children, children. We finally have a bill before us, an amendment that will help children without increasing the Federal bureaucracy. It is about time. We have deadbeat dads going from State to State, running away from child enforcement authority, and here is a great idea. We can help children without funding a huge bureaucracy. The argument all week has been, ''You have got to vote more money, throw more money at a problem that we have not been able to solve for the past 30 years, by making bureaucracies larger. And if you are not for huge bureaucracies, then you are against children.'' That is garbage, and everybody here knows it is garbage.

That is the great thing about the Salmon amendment: It finally helps us do it without increasing the size of bureaucracy.

Let us cut down on deadbeat dads running away from their responsibility, and do it without creating a huge Federal bureaucracy.

Mr. FORD. Mr. Chairman, for the purpose of debate I yield 1½ minutes to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. I thank the gentleman from Tennessee for yielding the 1½ minutes.

Mr. Chairman, we would like to discuss just this one particular amendment. The problem is that on a lot of these small amendments that we see, when you take a look at the entire bill, what we have is a beast. And whether you put lipstick on it or not, it is still an ugly beast. It is difficult to talk just about one little aspect of this entire debate when the beast is out there hovering over your shoulders.

What we find in this entire debate is the fact that we are talking about cuts, cuts to kids, cuts to school lunch programs. And for what? We found out very clearly in an amendment that passed yesterday. These are cuts on kids, cuts on school lunch programs so that we could pay for cuts for tax breaks, cuts for the wealthy. That is what we are driving toward.

Billions of dollars will be saved, saved by cutting from kids and cutting from school lunch so we can send it over to give tax breaks for the wealthy. That is what this is all about. That is our concern.

But we have to talk about this entire legislation, not just about one particular amendment, because this is going to affect the entire country, not one individual.

So let us remember, when we start voting on these particular amendments, whether you are voting to pass it or not, you cannot improve the looks of a beast by putting some lipstick on it. I hope that we understand that, ultimately, the folks who are going to suffer at the hands of this beast are not the folks in this room, not the people that got elected, but the people who voted to elect us to office. That is, the children and the families who will suffer because school lunch programs will not be there and day care will not be there—all because Republicans wanted to give tax cuts to the rich.

Mr. FORD. Mr. Chairman, let me inquire as to how much time the Democrats would have and whether or not we reserve the right to close on this particular issue.

The CHAIRMAN. The gentleman from Tennessee [Mr. FORD] has the right to close, and he has 4 minutes remaining.

Mr. FORD. Mr. Chairman, I would like to also know whether or not my colleagues on the other side of the aisle will request the additional 5 minutes and if so, how will we handle that in the closing?

Mr. SALMON. Yes, we will request the additional 5 minutes.

Mr. FORD. Then I will yield to the gentleman.

Mr. SAM JOHNSON of Texas. Mr. Chairman, as the designated representative for Mr. ARCHER, I move to strike the last word.

The CHAIRMAN. The gentleman is entitled to 5 minutes on his pro forma amendment and, without objection, may control that time.

There was no objection.

Mr. SAM JOHNSON of Texas. I thank the Chair, and I yield to the gentleman.

□ 1645

Mr. SALMON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I am a little bit baffled. It seems that we are hearing that this amendment somehow benefits the rich. I am getting a little bit confused. Actually this amendment hurts the rich deadbeat dads and it helps the children that are not getting their child support, and I would really appreciate if we can understand that cogent point and stay on point.

I would like to point out, Mr. Chairman, how this amendment came about. It did come up in the Committee on Ways and Means. It was not successful. I think it should have been there. I will agree that it should be a bipartisan effort, and I am happy to say I believe now it is. The gentlewoman from Utah [Mrs. WALDHOLTZ] and the gentleman from Massachusetts [Mr. TORKILDSEN] and I put our heads together and came up with this idea. The gentleman from Massachusetts [Mr. TORKILDSEN] has been working on this issue for the last couple of years, and it is an important issue, not only to American families, but children everywhere.

The CHAIRMAN. The Chair would like to inquire from the gentleman from Texas, [Mr. SAM JOHNSON] whether he is going to control the 5 minutes or if he is yielding the control of the 5 minutes to the gentleman from Arizona.

Mr. SAM JOHNSON of Texas. I will maintain control of the time, Mr. Chairman.

Mr. Chairman, I yield 1½ minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I just think that this amendment makes a great deal of sense. Here we are talking about child support enforcement, and I can tell my colleagues that for instance in my State of Maryland $500 million plus is in arrears, and only $300 million has been aid.

I say to my colleagues, Now, if you're going to have this amendment in order, this means that, if somebody from Maryland has a deadbeat parent who may be in Florida in a marvelous palazzo which has been purchased, this will allow her to be able to put a lien, have a lien put on, that property in order to help to support the children that have been parented by both of them.

I think it makes a great deal of sense. Current law allows the imposition of liens by processing orders through the judicial system, but it is really a very difficult, if not impossible, process for an out-of-State parent to utilize. So this bill would eliminate such a system. It would order states to give full faith and credit to any lien imposed by another State in the pursuit of child support collection. When we cannot collect child support by utilizing all the means that we have available, and this is a means that is available, then taxpayers pay, and children, children, suffer.

So, Mr. Chairman, I certainly urge strong support of this amendment.

Mr. SALMON. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, I want to commend the authors of this amendment, including my colleague from Massachusetts. Our State has taken the lead on this issue. Governor Weld and his Lieutenant Governor Salucci believe this is absolutely essential to any welfare reform, but, speaking of all the States, I say to my colleagues, If you look around this country, and look at Massachusetts, and Wisconsin, State after State have engaged in stronger welfare reform than we're talking about here. The States are way ahead of this Congress in tightening up and changing this welfare system, and we better get our act together here, and pass this amendment and pass this bill so we can do what we said we're going to do, and reform our welfare system and catch up to all those State governments out there.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 2 minutes to the gentlewoman from Utah [Mrs. WALDHOLTZ].

Mrs. WALDHOLTZ. Mr. Chairman, this is an amendment designed to help make parents meet their moral and legal responsibility to support their children. In our mobile society, many parents evade their child support obligations simply by moving to another State. Thirty percent of delinquent child support cases involve parents who have moved to another State, while the families they left behind suffer.

The bill we are debating today includes strong new measures to enforce child support orders and track down deadbeat parents. But, we can make a good provision even better with this amendment.

The Salmon-Waldholtz-Torkildsen amendment will help ensure that when a State issues a child support order, the debt can be collected regardless of where the noncustodial parent lives or owns property. This amendment streamlines the process of collecting past due child support by allowing liens to attached to property automatically, without registration of the original child support order in the State in which the deadbeat parents' property is located. All 50 States allow some sort of lien to arise automatically, by operation of law. This amendment will not require States to significantly chance their laws, but does require that liens for past due child support be accorded this most simplified kind of enforcement to avoid the expense and time of registering liens in various jurisdictions.

The Salmon-Waldholtz-Torkildsen amendment is not an unfunded mandate and it does not alter State law regarding lien priority. The amendment

does not impose additional costs on the States. What it does do, is simplify the procedure for enforcing valid child support orders and does away with the current incentive for irresponsible parents to move out of State to try to dodge their obligations.

The bill is supported by the National Child Support Enforcement Association, the Association for Children for Enforcement of Support, and by my home State of Utah which is well-known for objecting to Federal mandates.

Nothing in our society is more simple than a parent's duty to support their child. This simple amendment will make it easier to enforce that duty against parents who ignore it.

I urge my colleagues to support the Salmon-Waldholtz-Torkildsen amendment.

Mr. FORD. Mr. Chairman, I yield 20 seconds to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I want to congratulate the gentleman on an excellent, excellent amendment. I wish he had had more input into this very bad bill, but I support it strongly. I think it is the one bright spot in this terrible bill.

Mr. FORD. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I think this is a good amendment, but, as Ann Richards, Governor of Texas, said, ''Just because you dress up a pig, that doesn't mean it still isn't a pig,'' and that is what this bill is.

I think we are going to make the same mistake that this Congress made a long time ago under President Nixon. President Nixon worked hard. He got through this House on a bipartisan basis a sweeping welfare reform bill, and then, when it went to the Senate, it got killed because it was crunched between extreme conservatives on one side and extreme liberals on the other side. And so this country went for years without welfare reform.

Now I am afraid we are going to see the same thing. I think we are seeing in this House the chances of this bill becoming law being destroyed by the extremism of those who are supporting the committee Republican bill. I do not think the public wants us to pursue ideology. I do no think they want us to pursue our pet theory of social engineering. I think the public wants us to focus on how to move people on welfare to work; that ought to be the sole question. They want to know what works in the real world.

It seems to me that the crucial difference between the Deal amendment and the base bill which we are debating is that the Deal amendment is more real. It deals with real world situations. It will move more people into the world of work. The committee bill tries to do that on the cheap. It is not going to work. It will fail the basic responsibility that we have to the American people.

So, Mr. Chairman, I would urge us to support the Deal amendment when we get the opportunity.

Mr. SALMON. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. STUMP].

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

Mr. STUMP. Mr. Chairman, I rise to express my concern over title VII subtitle G section 459(h)(1)(A)(ii)(V) of H.R. 1214, which would permit garnishment of veterans disability compensation. While I support the bill, I oppose the particular provisions regarding garnishment of VA disability compensation.

Mr. Chairman, there is an alternative to garnishment. VA has long had a process known as apportionment, which accomplishes essentially the same result as garnishment. As directed by 38 CFR 3.451, VA can apportion disability benefits by considering the:

> Amount of VA benefits payable; other resources and income of the veteran and those dependents in whose behalf apportionment is claimed; and special needs of the veterans, his or her dependents, and the apportionment claimants. The amount apportioned should generally be consistent with the total number of dependents involved. Ordinarily, apportionment of more than 50 percent of the veterans benefit would constitute undo hardship—on the veteran, while apportionment of less than 20 percent of the benefits would not provide a reasonable amount for any apportionee.

I would like to work with my distinguished colleague, Mr. ARCHER, chairman of the Committee on Ways and Means, to ensure the interests of the disabled veterans and their dependents are protected. As chairman of the Veterans' Affairs Committee, I intend to review VA's apportionment authority under chapter 53 of title 38.

There is a good reason to retain the current method of apportioning VA disability pay. That is the presence of a disability which impairs the earning power of the veteran. There is an agency which is best suited to judge the fairness of an application for apportionment; an agency with the most knowledge of the case, and that is the VA.

Children of disabled veterans do not suffer because the authorities are unable to locate the veteran to enforce child support or alimony orders. A disabled veteran who receives a disability benefit must have a mailing address.

There is a long history of special treatment of disability payments to veterans. They are tax-exempt. They have generally been safe from garnishment.

I believe disabled veterans should meet their parental obligations whenever they are financially able to do so.

In 1994, there were approximately 22,729 cases in which VA apportioned compensation or pension benefits.

There is a system in place—the VA and its authority to apportion. I hope my concerns can be addressed as this measure moves through the Senate and into conference.

Mr. SALMON. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Chairman, from the other side of the aisle we have heard a lot of comments during the debate on this amendment about taking food out of the mouths of children. I would just like to observe that this amendment, colleagues, does exactly the opposite of that. It puts food in the mouths of children because this is an amendment that has to do with parental responsibility, with deadbeat dads and occasionally, perhaps, a deadbeat mom. But this is a bill that does exactly the opposite of what they are accusing it of not doing. This amendment puts food in the mouths of children, and the debate during this time ought to be focused on this amendment. I am very pleased that the last two speakers on that side of the aisle did admit, after all of the diatribe before, that this, in fact, was a good amendment and should be supported, and I support it, too.

Mr. FORD. Mr. Chairman, I yield 10 seconds to the gentlewoman from Colorado [Mr. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I just want to point out that we are glad these amendments are bringing this bill up to the level of the Deal bill, and that is all we are talking about here.

Mr. FORD. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Ms. BROWN].

(Ms. BROWN of Florida asked and was given permission to revise and extend her remarks.)

Ms. BROWN of Florida. Mr. Chairman H.R. 4 is a big failure. H.R. 4 does not create a single job. It is reform in name only. It cuts the school lunch program. It cuts resources for child care. It cuts health care. It cuts transportation. It cuts the tools that make a difference in whether someone keeps a stable job or ends up back on welfare.

Haste makes waste. Republicans are in a hurry to pay for the tax breaks for the rich at the expense of hungry children, the elderly and veterans. Once the sound bites are over, the American people will realize that the contract ''with'' is a contract ''on.''

Shame, shame, shame, Republican shame.

Mr. Chairman, I rise today in support of the Mink substitute which will transform the AFDC program into a program that will really move people from welfare to work.

The Mink substitute significantly increases the funding for education, job training, employment services, and child care for welfare recipients. These components are essential to any program to help people move into the work force. This amendment helps to make sure that States move people off of welfare and into real jobs.

H.R. 4 is a bad bill. It is a mean-spirited bill because it does not provide the tools needed to help people work and lift themselves out of poverty. Yes, we need real reform that helps people get off welfare for good and helps them to take care of their own families. But H.R. 4 does not create a single job. It repeals the main job training program even though education and job training are the keys off welfare. This bill is a big failure; it is reform in name only:

It cuts resources for child care.

It cuts health care.

It cuts transportation.

It cuts the tools that make the difference in whether someone keeps a stable job or ends up back on welfare.

I urge my colleagues to support the Mink substitute to improve this bad bill that the majority has shamelessly rushed through the House.

Shame, shame, shame on the Republicans.

The Republican bill is just part of a bigger GOP plan to rush bad legislation through so Americans won't see the fine print in the Contract on America.

Haste makes waste. Republicans are in too much of a hurry to pay for tax breaks for the rich at the expense of hungry children, the elderly, and veterans. Once the sound bites are over, the American public will realize that this slash and burn lawmaking will only hurt the most vulnerable in America.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas, Mr. SAM JOHNSON, for 1½ minutes.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I would like to point out for starters that Ann Richards is the ex-Governor of Texas. I believe Mr. George Bush is the Governor down there now by acclamation.

I might add that the Deal bill, which my colleagues have been talking about at length all day, is really the Clinton deal, phony deal, bill. Let me just say that it does not talk to any of the issues that we have been discussing. Our bill is totally more substantive than that. It talks to fugitives that are in food stamps. It talks to the food stamps. It talks to the kids.

Mr. Chairman, with the amendments we have we have a far stronger bill than the Deal bill, the Clinton deal, phony deal, bill ever thought of being. As a matter of fact, the Clinton deal is an unfunded mandate on the States. Medicaid transitional assistance is increased from 1 year to 2 years. States must provide additional Medicaid benefits which, according to CBO, the Deal bill, the Clinton deal, phony deal, bill will cost the States an additional $1.5 billion between now and the year 2000.

Mr. Chairman, I yield back the balance of my time.

Mr. FORD. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, as my colleagues know, the gentleman from Arizona [Mr. SALMON] mentioned earlier that the Democrats are talking about the bill in general and not talking about the amendment that is before the Congress today. I would say his amendment was offered in the full committee. We tried, as Democrats, in every way to perfect the bill at the subcommittee level and the full committee level. We debated this particular amendment. We debated the next amendment that will be on this House floor. Democrats voted for this amendment in the full committee, Republicans voted no against both amendments in the Subcommittee and full committee.

□ 1700

Better still, the gentleman from Florida [Mr. SHAW] indicated to us that we would have an opportunity to bring this particular amendment on child support enforcement to the full committee. We thought these provisions would have been in the bill. They were not included in the bill. Plus, the Democrats tried to go before the Committee on Rules with 104 Democratic amendments. We wanted to perfect this bill on the House floor. The Republicans are denying the Democrats an opportunity to perfect the bill. We think the Deal substitute is the right answer to this welfare issue before this House today.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Arizona [Mr. SALMON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. FORD. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Arizona [Mr. SALMON] will be postponed.

The CHAIRMAN. It is now in order to consider amendment No. 31 printed in House Report 104–85.

AMENDMENT OFFERED BY MRS. ROUKEMA

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. ROUKEMA:

Page 387, after line 10, insert the following:

SEC. 768. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 715, 717(a), and 723 of this Act, is amended by adding at the end the following:

''(15) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.''.

The CHAIRMAN. Pursuant to the rule, the gentlewoman from New Jersey [Mrs. ROUKEMA] and a Member opposed will each control 10 minutes.

Does the gentleman from Tennessee [Mr. FORD] seek control of the time in opposition?

Mr. FORD. Yes, Mr. Chairman, I do.

The CHAIRMAN. The gentlewoman from New Jersey [Mrs. ROUKEMA] will be recognized for 10 minutes, and the gentleman from Tennessee [Mr. FORD] will be recognized for 10 minutes.

The Chair recognizes the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the provisions of this bill go far. With the last amendment, with the provisions in the bill, we are probably 90 percent close to closing this circle, the circle of loopholes that have existed in law regarding interstate child support enforcement. I hope that we can close that full circle.

I do not know whether or not we can this year, but for my colleagues who do not have the background, I want you to know this has been a 10-year effort with two major reforms, and now I would hope that in the interests of the children, and in the interests of the taxpayers, that we recognize that we have to deal firmly and strongly with this national disgrace of child support enforcement and the deadbeats.

The amendment before us is very straightforward. States must have in place a program of their own design and choosing that provides for the revocation, suspension, or restriction of driver's licenses, professional and occupational licenses, and recreational licenses for deadbeat parents. We are talking, remember, about wilful violation, repeated wilful violation of legal child support orders.

As we debate this amendment today, I want to point out that we as Republicans have referred to the States as the laboratories of democracy, and here we can learn in this amendment exactly how effective States have been in terms of leading the way on effective child support enforcement. These reforms have saved taxpayers millions of dollars in a relatively very short time.

By the way, there are at least 19 States, and some say closer to 25, that already have these kinds of measures on the books. For example, the State of Maine has been a leader in this respect and has come to be known for its effectiveness in terms of using the prospect of losing a license. They have collected multiple millions of dollars in very short time, less than a year, in delinquent child support payments, and they have only had to suspend, believe it or not, 41 licenses. The State of California has had a very similar experience. They have collected $10 million in a short time and have not revoked even one single license. I think what it shows is when the law means business, deadbeat parents miraculously come up with the money which they swore was not available.

Effective child support enforcement reforms are an essential component of true welfare prevention. Research has been conducted by various groups, whether it is Columbia University or the Department of Health and Human Services, that show up to 40 percent of mothers on public assistance would not be on welfare today if they were receiving the legal support orders to which they are legally and morally entitled.

It is a national disgrace, as I have said before. Our child support enforcement system continues to allow the

most obvious things to go on and people are neglecting their children, their moral obligations, and their legal obligations. Make no mistake about it: If we close this circle and close the loopholes, as we are about to do today, the so-called enforcement gap, the difference between how much child support can be collected and how much child support is actually collected, has been estimated conservatively at $34 billion.

Perhaps the most salient fact we must keep in mind as we seek to improve our system is that our interstate system is only as good as its weakest link. States that have been enforcing and collecting child support payments that have given it a priority are penalized by those States who fail to reciprocate. That is precisely why we need comprehensive reform, to ensure that all States come up to the highest level and not sink to the lowest common denominator.

So what this amendment is about is putting into practice what our language has been, family values, needs of children, and, of course, to save the taxpayer.

Mr. Chairman, I reserve the balance of my time.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY], the great woman warrior of child support enforcement on the Committee on Ways and Means.

Mrs. KENNELLY. Mr. Chairman, there has been much disagreement on this floor the last 2 days, and honest disagreement, on the way we are going forward in welfare reform. Of course, that is what this process is about and what this democracy is about. But when we come to the amendment of the gentlewoman from New Jersey [Mrs. ROUKEMA], the amendment for child support enforcement, revoking the licenses of delinquent parents, I think it is very nice we can come together on both sides of the aisle and agree on this amendment to revoke licenses of people who do not pay.

When we say licenses, we are talking about a driver's license, we are talking about a professional license. We are talking about saying to somebody if you want to have what society can give you and be according to the law in the area of what you want to do, such as drive a car under the rulings of the State, then you will pay your child support.

When this amendment came up in the Committee on Ways and Means, we had a 17 to 17 tie. The committee discussed it on both sides of the aisle, much talk, and we sat and figured out how this could be acceptable to all of us. I am delighted that the gentlewoman from New Jersey [Mrs. ROUKEMA] has got this amendment on the floor. The Women's Caucus, with all the other members, the gentlemen that are members of the caucus over the years, this is the idea, to be serious about child support enforcement.

This is tough. This says to people we should collect child support enforcement, and if you are going to have to be inconvenienced, it might be quite a real inconvenience. I must say in this situation, you do not necessarily immediately take away the license. If someone comes forth and says ''I am willing to make an agreement, I can only give so much,'' and they are up front about it, this can work. It worked in New Hampshire, it worked in 19 other States, and I think it can work in a Federal way. I think it is nice we can come together on an amendment and agree. I thank the gentlewoman for bringing it forth on the floor and the gentleman from Florida [Mr. SHAW] for bringing it up again after the committee.

Mr. Chairman, I would like to express my strong support for this amendment on revoking the licenses of delinquent parents.

I offered an identical amendment in the Ways and Means Committee, which I regret to say rejected the provision on a 17 to 17 tie vote. I said then, and say again now, we should not be squeamish about being as tough on delinquent parents as the bill is on mothers and children.

Nineteen States are already experimenting with restricting professional and driver's licenses of delinquent parents and the initial indications are very good. For example, Maine has collected $23 million in additional collections just since August 1993. The State only had to revoke 41 licenses to get this money: in other words, the threat was almost always enough.

California increased collections by $10 million without revoking a single license—just by sending out notices to delinquent parents.

The Department of Health and Human Services look at this evidence and estimated that nationwide license revocation could increase child support collections by $2.5 billion over 10 years.

Let us say once and for all that both parents share responsibility for their children. I urge my colleagues to support this amendment.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, this license revocation amendment is so very important to child support enforcement. It had its inception in the Women's Caucus child support bill in the last Congress. It was also contained in the Women's Caucus bill this year, too.

The caucus has always felt that license revocation is critical to any effective child support reform. I want to thank the gentlewoman from New Jersey [Mrs. ROUKEMA], the gentlewoman from Connecticut [Mrs. KENNELLY], and others for their strong support, and the strong support of the gentleman from Georgia [Mr. COLLINS] for this amendment.

Why must it be done on a Federal level? Because States have been notoriously lax in implementing strong child support reforms. This says States must have license revocation procedures in place. We now have 19 States that have revocation procedures in place, and in those cases we have found that people immediately get out and write their checks for child support, because they do not want to lose their hunting license, their driver's license, or their professional license.

Using as one of the examples Maine, Maine has collected nearly $13 million in back support and only revoked 15 licenses. Let us support this important amendment.

Mr. SAM JOHNSON of Texas. Mr. Chairman, to extend debate as Mr. ARCHER's designee, I move to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The gentleman is entitled to 5 minutes on his pro forma amendment and may control that time or allow that time to be controlled by others.

Mr. FORD. Mr. Chairman, to extend debate as Mr. GIBBON's designee, I move to strike the last word and ask unanimous consent to merge that additional time with time I am currently controlling.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. SHAW], our distinguished chairman of the committee that designed such a wonderful welfare bill.

Mr. SHAW. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman. I would like to stand in support of the amendment, and I want to direct my remarks to the gentlewoman from Connecticut [Mrs. KENNELLY] who offered this in the committee, at which time I did vote against it. We concocted a variation of it, a much weaker one which expressed the desire of the Congress to put this, for the States to put this in their own bill. It is effective and it is.

I would like to say to the gentlewoman I have come along to your way of thinking on this and intend to support it, and wanted to be sure that I did come forward and congratulate you for being as persistent as you were, and also to congratulate the gentlewoman from New Jersey [Mr. ROUKEMA] as well as other Members of this Congress, who did work hard to see that this became a part of the bill.

Mrs. KENNELLY. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentlewoman from Connecticut.

Mrs. KENNELLY. Mr. Chairman, we did have some good discussion in committee. I thank the chairman.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. MCINNIS].

Mr. MCINNIS. Mr. Chairman, I think this amendment reflects an idea that works. In the United States a very interesting statistic is that 4 percent of

our population, 4 percent of our population, is behind on their car payments. Almost 50 percent of the population that is legally obligated to pay child support is behind on their child support payments. This amendment works. It is a good idea.

Now, some people will say that it is not a good amendment, it is not a good idea, because you are taking away the ability for these people obligated to pay child support from driving to work. But I ask you to take a look at the statistics where it has been tried.

For example, in Maine, they only had to revoke 41 licenses. Just the fear of the revoking of the license brought in $23 million. In California, they collected $10 million without revoking one license.

Mr. Chairman, I commend the sponsors on both sides of the aisle on this amendment. This is an idea that works.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

□ 1715

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman from Tennessee for yielding time to me. I thank the gentlewoman from New Jersey for bringing this forward.

The prior speakers have pointed this out. Thank goodness we have had the bipartisan Women's Caucus or we would not have this great alliance, because the Women's Caucus has been working on this year after year after year. And let me tell you how disappointed we were when the committee marked up the welfare reform bill of the majority side, the Republican side, and there were some Members who had a press conference and said how pleased they were it was father friendly.

Well, let me tell you, first of all, it is not just fathers who miss payments. this is really a deadbeat parent issue, unfortunately, anymore. But the women have constantly rallied and the Congresswoman from New Jersey is reminding us all of that to say that children in a divorce should be held economically harmless as long as possible. And that is what this is about. This is welfare prevention.

My colleague from Colorado points out that car payments are made almost automatically and yet child support payments are ignored. They are going to dig this society up and think that we worship cars and did not like our children. There is something wrong with that picture.

I am really glad there has been a change of heart on the other side and that they are now going to put this in their bill and that now all the bills will be as strong as they can be on child support enforcement because it has been much too long in coming.

The children of America deserve this. They deserve not to have to live under the taint of welfare because one parent decided that they had had enough of that and wanted to escape. This is about responsibility. This is about taking responsibility and enforcing it. It is very, very important.

Again, I thank my colleague from New Jersey and all the Congresswomen and the members of the caucus across the aisle who have stood for this for so long.

This is a good day in that no matter what happens, we are going to have the highest standard here, and it is about time.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON].

(Mrs. JOHNSON of Connecticut asked and was given permission to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of this amendment and in support of this legislation.

Mr. Chairman, I rise in strong support of the child support provisions in H.R. 1214, the Personal Responsibility Act, including the amendments to it that we will consider today.

I would like to take this opportunity to commend my colleagues on the Congressional Caucus for Women's Issues who have worked long and hard on child support issues. In particular, Congresswomen MARGE ROUKEMA and BARBARA KENNELLY, who served on the U.S. Commission on Interstate Child Support, have brought years of leadership and experience to our debate. The Child Support Responsibility Act, which we introduced earlier this year along with Congresswomen CONNIE MORELLA, PATRICIA SCHROEDER, and ELEANOR HOLMES NORTON, has been largely adopted into the welfare reform bill before us today.

Consequently, I am extremely pleased that the child support title in this bill will go a long way toward solving some of the most difficult problems in the system. If focuses on locating parents who move from State to State in order to avoid paying support, and puts into effect tough enforcement mechanisms that will force reluctant parents into paying even when we already know their whereabouts. The legislation sets up interacting State databases of child support orders, which will be matched against basic "new hire" data so that State child support officials can locate missing, non-paying parents. It applies the same wage withholding and enforcement rules to Federal employees, including military personnel, as currently apply to the rest of the workforce. It makes enforcement of orders for parents who are self-employed easier through a number of means, such as the newly adopted amendment to administer liens on an interstate level.

Finally, this legislation contains my provision adopted in the Ways and Means Committee that will put work requirements on many noncustodial parents who are behind in paying child support, often due to their not having a job. Just because a person is not employed does not mean his or her obligation to support the child ends. Many children are on welfare because one parent is not paying their court-ordered child support. This provision requires parents to either pay their child support, enter into a repayment plan through the courts, or work in a government-sponsored program. Since the government is paying for the child's support through a welfare check, it is entirely reasonable to expect something in return from the non-paying parent. And we do.

I am confident that the child support legislation we have before us today will result in millions upon millions more dollars being put toward the support of children by their parents. It is with great enthusiasm that I support the child support enforcement title of the bill, as well as the bill as a whole.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. CUNNINGHAM].

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Chairman, I rise in support of the amendment. I would like to advise the gentlewoman from Colorado, it is the Republican bill that is passing it. The democrats would not bring it up.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman from Tennessee for yielding time to me. I rise to thank the gentlewoman from New Jersey [Mrs. ROUKEMA] for her leadership on this issue and certainly my colleague and friend, the gentlewoman from Connecticut [Mrs. KENNELLY], who has been in the forefront of this fight, as have others on this floor.

Mr. Chairman, every able-bodied American must understand it is wrong to have children you cannot or will not care for and support. The message we are sending with this amendment is, if you are a deadbeat parent, we are going to pursue you and demand you meet your moral and legal obligations to those children you brought into this world.

It is a simple but a very compelling and important message.

We understand during the course of this debate that one problem with children in America today is that too many people believe that having children is a spectator sport. Too many deadbeat dads, unfortunately, believe it is a nonparticipatory event after birth.

This amendment says, you need to care for and support, to the extent of your ability, your child. And if you do not, the rest of us, who will clearly want to support that child, will, however, exact a price from you.

This is a good amendment. This moves in the right direction. The gentleman from Colorado made a very salient point, nobody wants to lose their car so they stay current with their car payments. They ought to be much more responsible when it comes to caring for the dearest thing they may ever have. And that is their child.

I thank the gentlewoman for offering this amendment.

Mr. Chairman, every able-bodied American must understand—it is wrong to have children you cannot or will not care for.

And the message we are sending with this amendment is if you are a deadbeat parent, we are going to pursue you and demand you

meet your moral and legal responsibilities to those children you brought into this world.

This amendment puts real teeth into the child support enforcement system.

It would require States to establish procedures under which they could withhold, suspend, or restrict State issued licenses of persons delinquent in making court ordered child support payments.

It would give my State of Maryland an additional weapon in its fight to collect $771 million in uncollected child support from deadbeat parents.

Last week, the Health and Human Services Department released a study which tracked the revocation of State issued licenses from parents ignoring child support obligations.

It estimates that if similar programs were in place nationwide, child support collections would grow by $2.5 billion over 10 years. Clearly, the mere threat of not receiving or keeping licenses has caused deadbeat parents to pay what they owe in child support.

Moreover, the Congressional Budget Office estimates the Federal Government could save $146 million over the first 5 years as a result of a nationwide license revocation program. This is a direct savings to the American taxpayers.

If there is a way we can cause deadbeat dads and moms to support their children, we must. This amendment provides us with a responsible and just action by helping to instill in parents the values needed in child rearing. I urge my colleagues to support it.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. MARTINI].

Mr. MARTINI. Mr. Chairman, I thank the gentlewoman for yielding, time to me and applaud her efforts today.

Mr. Chairman, once again I rise to speak out on the important issue of forcing deadbeat parents to pay their fair share of child support. In threatening to revoke the drivers or professional licenses of parents whose payments are in arrears, Mrs. ROUKEMA has proposed to us an enforcement mechanism that will truly go a long way toward collecting more money for children in need. Similar to Mr. UPTON's amendment offered earlier, Mrs. ROUKEMA is championing a plain old question of right and wrong. The message is simple if you do not want to play by the rules, do not expect privileges from the State. What is more, this measure will work.

Maine instituted the same reform and sent over 22,000 notices in a year and a half to deadbeat parents informing them that they were in danger of losing their licenses.

While over 13 million dollars in back support was recovered, only 41 licenses needed to be revoked.

I cannot think of any better evidence of this measure's effectiveness.

Mr. FORD. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, it is encouraging that at least we have found one subject on which we all agree, and it is a terribly important subject. And whether it is men or women legislators or Republicans and Democrats, we realize something has to be done.

We all know that the single greatest correlative factor to poverty and, thus, welfare dependency is teenage girls becoming pregnant, out of wedlock, without a man to support the family.

One thing we may not be aware of, I was shocked when I found out, is that the vast majority of the men that are causing teenage pregnancies are significantly older adult men. They are men who oftentimes are financially independent, and they skip out on their responsibilities. But this is much more than skipping out on one's responsibilities.

What we are left with is a program that in effect punishes the parent who raises the child, who assumes responsibility for the discipline, the structure, the financial support of that child, worries every day about their health care, about their child care, about their discipline, while the man who is at least equally responsible has no concern for what is happening to the family they created.

There is probably no greater scandal in American society today than to think of the millions of young children of families who are living in poverty because of the lack of responsibility and accountability by the men who caused those families, who are equally responsible for their support. If nothing else happens, we at least will make sure that they have to assume their responsibility when welfare reform legislation is passed.

Mr. FORD. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Chairman, I thank the gentleman from Tennessee for yielding time to me.

I rise in support of the Roukema amendment. I would like to salute the gentlewoman from New Jersey for her decade-long effort on this as well as the gentlewoman from Connecticut [Mrs. KENNELLY] and the women that have worked long before me in the House of Representatives through the bipartisan Women's Causus.

Mr. Chairman, this bipartisan measure would put real teeth in the enforcement of child support payments by requiring states to establish license revocation programs for deadbeat parents.

According to a recent HHS study, 19 States have already adopted this. Just the threat of revoking licenses has raised $35 million in nine States that collect these statistics. In fact, my own State of California has collected over $10 million of outstanding child support since beginning its program in late 1992.

If similar programs were in place nationwide—as this amendment would require-child support collections would grow by $2.5 billion over 10 years and Federal welfare spending would shrink by $146 million in half that time.

Mr. Chairman, revoking a license is a powerful tool for enforcing child support. The Roukema amendment would put this tool in the hands of officials who need it and put money in the pockets of families who deserve it and where it should be. I urge my colleagues to support this bipartisan proposal.

And again, I would like to pay tribute to the gentlewomen, the great women that have served before us and those that have brought this forward.

Mr. FORD. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

(Mrs. LOWEY asked and was given permission to revise and extend her remarks.)

Mrs. LOWEY. Mr. Chairman, I rise today in strong support of the Roukema amendment to the child support enforcement provisions contained in this bill. Many members of the congressional caucus for women's issues, particularly Congresswomen BARBARA KENNELLY and LYNN WOOLSEY, have long worked for comprehensive, fundamental reforms of the child support enforcement system. We are pleased that many of the provisions of the caucus bill were incorporated into the current bill by the Ways and Means Committee.

Child support enforcement is essential to the reform of the welfare system. Deadbeat parents in the United States owe over $34 billion to their children—more than the cost of the entire welfare system. To help families stay off welfare in the first place, we must strengthen the child support enforcement system and demand that parents support the child they bring into this world.

This amendment, building on the work of Congresswoman KENNELLY, does just this: It strengthens the enforcement provisions in the bill. We're reforming the system now, because families and children can't enforce the laws on their own. They need our help.

By requiring States to establish procedures under which they would withhold, suspend, or restrict the State-issued licenses of persons who are delinquent in making court-ordered child support payments, the amendment provides the leverage States need to convince deadbeat parents to pay-up. This amendment, by giving children and families the assurance that States will take away privileges this society has granted to parents, should send a strong message that those parents must fulfill their obligations to their own offspring. What is more, we know this works in the States that have already established license revocation procedures.

Let us build on what works and pass this amendment. Let's help children recover the support owed to them.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Chairman, I thank the gentleman for yielding time to me.

I just want a chance to say that I want to commend all who worked on this amendment—the gentlewoman from New Jersey, as well as the gentlewoman from Connecticut who offered it in committee. I thought it was a good amendment in committee.

I voted present, but I have had a chance to look at it since then, and I am prepared to vote for it today and urge my colleagues to support it.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, talk about a great idea whose time has come. This certainly is such an idea. I really wanted to express my appreciation to the gentlewoman from New Jersey [Mrs. ROUKEMA] for her leadership on this.

I would like to point out one thing with respect to this bill that I think is particularly important with respect to this amendment.

That is, when you combine the establishment of a paternity requirement along with this revocation of a license requirement, what you are going to do is for the first time you are going to actually create consequences for teenage boys who will have to think twice about the consequences of their actions because they will become accountable. They will become accountable in a way that will have maybe a lot more impact than anything that we have done to date.

That is the car keys. We are going to take away the car keys, and I believe it will have a profound impact on promiscuity. And we will really do what we have not been able to do in other ways.

I rise in strong support, and I thank the gentlewoman for yielding time to me.

Mr. FORD. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. HARMAN].

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Chairman, I rise in strong support of the Roukema amendment to strengthen the welfare reform bill's child support enforcement provisions.

As a mother of four, I know that child support enforcement is the mother of welfare reform. The best way to reform our welfare system is to prevent mothers from going on welfare in the first place, and that is what these provisions will do. It is time that both parents take responsibility for themselves and for their children.

I applaud the child support provisions in the welfare reform bill before us, which are based on the Child Support Responsibility Act that I, along with many members of the congressional caucus for women's issues, cosponsored. I was distressed to learn, however, that the Ways and Means Committee omitted a critical provision which requires States to enact laws denying professional, occupational, and driver's licenses to deadbeat parents. The Roukema amendment would reinsert this critically important enforcement provision.

The child support provisions are built around a key element of the Child Support Responsibility Act, the creation of centralized registries for child support orders and ''new hires'' information, and the centralization of child support collections and distribution. Interstate coordination is critical to reach the high percentage of deadbeats who try to escape responsibility by residing in other States.

Although I strongly urge my colleagues to support the Roukema amendment to ensure that both parents take responsibility for their children, this is a good amendment to a bad bill. I also urge my colleagues to support the Deal substitute that would also allow States to suspend the licenses of those in arrears in their child support payments while being tough on work without punishing children.

□ 1730

Mrs. ROUKEMA. Mr. Chairman, I would ask how much time I have remaining.

The CHAIRMAN. The gentlewoman from New Jersey [Mrs. ROUKEMA] has 1 minute remaining.

Mrs. ROUKEMA. Mr. Chairman, I yield 1 minute to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I rise to strongly support this amendment, and all the work the gentlewoman has done on this. Child support enforcement is another issue which has bipartisan support, as we have seen today, and for good reason.

There now exists about $45 billion in back child support owed. About 5 million mothers are on welfare because fathers do not pay. At least $10 billion in child support goes unpaid each year.

A Columbia University study found almost 40 percent of welfare beneficiaries could be self-sufficient if noncustodial parents paid their support. The proposal to deny licenses, along with other measures in our bill to crack down on deadbeat dads, would increase child support collections by $24 billion over 10 years, and help 800,000 mothers and children off welfare.

We need to send parents all across the country a loud signal: if you neglect your responsibility to support your children, we will suspend your license, garnish your pay, track you down, and make you pay. My State discovered this some number of years ago, and has very high rankings in the area of paternity and child support payment.

Mr. Chairman, I encourage us all to support this amendment.

Mr. FORD. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I am pleased and proud to rise in support of the Roukema amendment. We need to penalize parents who do not support their children. I think we will find that there is no disagreement in this House. Democrats and Republicans alike do not like deadbeat dads. I think this is an example of the kind of cooperation we could have had on welfare reform if we had had a little bit of reasoned cooperation.

Mr. Chairman, I would like to say it is a good amendment, again, to a bad bill. I still think the bill is bad because we are taking money, we are taking food out of the mouths of children in order to provide tax cuts for the rich. I think we are punishing teenaged parents unfairly when we should be training them to become independent.

Mr. Chairman, I would like to plead with my colleagues to please do something about that portion of the bill that would deny cash benefits to disabled children. I have discovered that deaf children, I have discovered that crippled children, and mentally retarded children are going to be terribly hurt by this legislation. Their parents will have no way of getting people to help them while they are working, and it is unfair.

If Members want to do better and cooperate in the way that we have been cooperating on the deadbeat dads, I would ask them to eliminate that from their bad bill, and I think we could do something about real reform.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield the remainder of our time to the gentleman from Georgia [Mr. COLLINS], our colleague on the Committee on Ways and Means.

The CHAIRMAN. The gentleman from Georgia [Mr. COLLINS] is recognized for 3½ minutes.

Mr. COLLINS of Georgia. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise as a cosponsor of this amendment and its role in the debate on how and why a change to the welfare system is needed.

Mr. Chairman, why is change needed? Because today's welfare system provides an income-based subsidy for 26 percent of the families in this country.

In 1965, President Johnson launched the war on poverty which was supposed to be a short-term investment. For the next 5 years, the rolls of AFDC grew from 4.3 million to 9.6 million—this was a record growth for welfare during 5 years when unemployment averaged 3.8 percent—the lowest unemployment rate in 40 years. It is evident the lack of jobs was not the reason for the growth.

What was the reason? The 1960's expansion of the welfare system taught a new generation of Americans that it is your right as a citizen to depend on the Government to provide an income. The welfare system of the sixties said it is fine to have children out of wedlock if you cannot afford them—because it is your right to have the Federal Government support them. The welfare system of the sixties said it was fine for

children to have children; and, acceptable for dead-beat parents to evade responsibility because it is your right to transfer the needs of your children to the Federal Government. The welfare expansion of the 1960's changed the attitudes and behavior of millions of people.

That attitude is wrong—but that attitude still exists today and that attitude is the major problem with the current welfare system. Middle-income American workers are tired of working hard to make ends meet, only to have more money taken out of their family budgets, to pay for those who think it is their right to depend on the Government.

This legislation will change welfare assistance so that it is not seen as a citizen's right—but instead a vehicle for temporary, transitional assistance—an alternative of last resort.

This amendment, under very flexible parameters, will require States to establish procedures for the revocation of driver's, professional, occupational, and recreational licenses for noncustodial parents that have failed to be responsible for their children. It will send a strong message to noncustodial parents that they can no longer push the responsibility of supporting their children onto someone else.

The Personal Responsibility Act will continue to provide assistance to families while eliminating the nature of the status quo.

I urge support of this amendment and this welfare change bill.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield back the balance of my time.

Mr. FORD. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I was called off the floor. I just wanted to make sure from the chairman, the gentleman from Florida [Mr. CLAY SHAW], whether or not the language in the Roukema amendment is the same language we had in the Committee on Ways and Means, which we referred to as the Kennelly amendment.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, in the Committee on Ways and Means I do not believe we have the statutory language, so it is different, but the intent is the same. I think I made that very clear in my short statement on the floor, in which I addressed the gentlewoman from Connecticut [Mrs. KENNELLY].

Mr. RANGEL. Mr. Chairman, I thank the gentleman.

Mr. FORD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to say that I join with the Women's Caucus, and join with my Democratic colleagues who offered this amendment in the Committee on Ways and Means. I certainly join with all of those here today in giving strong support to this amendment.

Mr. Chairman, we tried to perfect this bill in the full committee. We said to our Republican colleagues who voted this amendment down in the Committee on Ways and Means that this was the right thing to do.

Even though we will vote in a few minutes, and hopefully we will pass this amendment, this does not make up for the cuts and the pain that they will have caused on the children with this passage of the Personal Responsibility Act that is before this committee today. They will take the $69.4 billion in cuts and give it to the privileged few of America. It will be painful on children in this Nation, and it certainly will send the wrong message.

Although we will vote on a very good amendment that will help perfect this bill, by no means will this make up for the pain that it will cause and the cruelty that there will be on the children of the welfare population of this Nation.

Mr. Chairman, I would urge my friends to vote for this amendment, but I want the Republicans to know by no means will they make up for what they are doing to the children of this Nation.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FORD. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA] will be postponed.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the rule, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

First, amendment No. 30 offered by the gentleman from Arizona [Mr. SALMON];

Second, amendment No. 31 offered by the gentlewoman from New Jersey [Mrs. ROUKEMA].

AMENDMENT OFFERED BY MR. SALMON

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Arizona [Mr. SALMON] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 15-minute vote, followed by a 5-minute vote on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA].

The vote was taken by electronic device, and there were—ayes 433, noes 0, not voting 1, as follows:

[Roll No. 264]

AYES—433

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui

McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Reynolds
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—1

Hefley

☐ 1759

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the rule, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which the following vote will be taken by electronic device.

AMENDMENT OFFERED BY MRS. ROUKEMA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New Jersey [Mrs. ROUKEMA] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 426, noes 5, not voting 3, as follows:

[Roll No. 265]

AYES—426

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
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Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
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Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Reynolds
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—5

Chenoweth
Cubin
Skaggs
Stupak
Watt (NC)

NOT VOTING—3

Bunn
Meek
Miller (FL)

☐ 1808

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DEAL OF GEORGIA

Mr. DEAL of Georgia. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. DEAL of Georgia: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Individual Responsibility Act of 1995''.

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Amendment of the Social Security Act.

TITLE I—TIME-LIMITED TRANSITIONAL ASSISTANCE
Sec. 101. Limitation on duration of AFDC benefits.
Sec. 102. Establishment of Federal data base.
TITLE II—MAKE WORK PAY
Subtitle A—Health Care
Sec. 201. Transitional medicaid benefits.
Subtitle B—Earned Income Tax Credit
Sec. 211. Notice of availability required to be provided to applicants and former recipients of AFDC, food stamps, and medicaid.
Sec. 212. Notice of availability of earned income tax credit and dependent care tax credit to be included on W–4 form.
Sec. 213. Advance payment of earned income tax credit through State demonstration programs.
Subtitle C—Child Care
Sec. 221. Dependent care credit to be refundable; high-income taxpayers ineligible for credit.
Sec. 222. Funding of child care services.
Subtitle D—AFDC Work Disregards
Sec. 231. Option to increase disregard of earned income.
Sec. 232. State option to establish voluntary diversion program.
Sec. 233. Elimination of quarters of coverage requirement for married teens under AFDC–UP program.
Subtitle E—AFDC Asset Limitations
Sec. 241. Increase in resource thresholds; separate threshold for vehicles.
Sec. 242. Limited disregard of amounts saved for post-secondary education, the purchase of a first home, or the establishment or operation of a microenterprise.
TITLE III—THE WORK FIRST PROGRAM
Sec. 301. Work first program.
Sec. 302. Regulations.
Sec. 303. Applicability to States.
Sec. 304. Sense of the Congress relating to availability of work first program in rural areas.
Sec. 305. Grants to community-based organizations.
TITLE IV—FAMILY RESPONSIBILITY AND IMPROVED CHILD SUPPORT ENFORCEMENT
Subtitle A—Eligibility and Other Matters Concerning Title IV–D Program Clients
Sec. 401. State obligation to provide paternity establishment and child support enforcement services.
Sec. 402. Distribution of payments.
Sec. 403. Due process rights.
Sec. 404. Privacy safeguards.
Subtitle B—Program Administration and Funding
Sec. 411. Federal matching payments.
Sec. 412. Performance-based incentives and penalties.
Sec. 413. Federal and State reviews and audits.
Sec. 414. Required reporting procedures.
Sec. 415. Automated data processing requirements.
Sec. 416. Director of CSE program; staffing study.
Sec. 417. Funding for secretarial assistance to State programs.
Sec. 418. Reports and data collection by the Secretary.
Subtitle C—Locate and Case Tracking
Sec. 421. Central State and case registry.
Sec. 422. Centralized collection and disbursement of support payments.
Sec. 423. Amendments concerning income withholding.
Sec. 424. Locator information from interstate networks.
Sec. 425. Expanded Federal Parent Locator Service.
Sec. 426. Use of social security numbers.
Subtitle D—Streamlining and Uniformity of Procedures
Sec. 431. Adoption of uniform State laws.
Sec. 432. Improvements to full faith and credit for child support orders.
Sec. 433. State laws providing expedited procedures.
Subtitle E—Paternity Establishment
Sec. 441. Sense of the Congress.
Sec. 442. Availability of parenting social services for new fathers.
Sec. 443. Cooperation requirement and good cause exception.
Sec. 444. Federal matching payments.
Sec. 445. Performance-based incentives and penalties.
Sec. 446. State laws concerning paternity establishment.
Sec. 447. Outreach for voluntary paternity establishment.
Subtitle F—Establishment and Modification of Support Orders
Sec. 451. National Child Support Guidelines Commission.
Sec. 452. Simplified process for review and adjustment of child support orders.
Subtitle G—Enforcement of Support Orders
Sec. 461. Federal income tax refund offset.
Sec. 462. Internal Revenue Service collection of arrears.
Sec. 463. Authority to collect support from Federal employees.
Sec. 464. Enforcement of child support obligations of members of the Armed Forces.
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Sec. 466. Voiding of fraudulent transfers.
Sec. 467. State law authorizing suspension of licenses.
Sec. 468. Reporting arrearages to credit bureaus.
Sec. 469. Extended statute of limitation for collection of arrearages.
Sec. 470. Charges for arrearages.
Sec. 471. Denial of passports for nonpayment of child support.
Sec. 472. International child support enforcement.
Sec. 473. Seizure of lottery winnings, settlements, payouts, awards, and bequests, and sale of forfeited property, to pay child support arrearages.
Sec. 474. Liability of grandparents for financial support of children of their minor children.
Sec. 475. Sense of the Congress regarding programs for noncustodial parents unable to meet child support obligations.
Subtitle H—Medical Support
Sec. 481. Technical correction to ERISA definition of medical child support order.
Sec. 482. Extension of medicaid eligibility for families losing AFDC due to increased child support collections.
Subtitle I—Effect of Enactment
Sec. 491. Effective dates.
Sec. 492. Severability.
TITLE V—TEEN PREGNANCY AND FAMILY STABILITY
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Sec. 501. State option to deny AFDC for additional children.
Sec. 502. Minors receiving AFDC required to live under responsible adult supervision.
Sec. 503. National clearinghouse on adolescent pregnancy.
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Sec. 505. State option to disregard 100–hour rule under AFDC–UP program.
Sec. 506. State option to disregard 6–month limitation on AFDC–UP benefits.
Sec. 507. Elimination of quarters of coverage requirement under AFDC–UP program for families in which both parents are teens.
Sec. 508. Denial of Federal housing benefits to minors who bear children out-of-wedlock.
Sec. 509. State option to deny AFDC to minor parents.
Subtitle B—State Role
Sec. 511. Teenage pregnancy prevention and family stability.
Sec. 512. Availability of family planning services.
TITLE VI—PROGRAM SIMPLIFICATION
Subtitle A—Increased State Flexibility
Sec. 601. State option to provide AFDC through electronic benefit transfer systems.
Sec. 602. Deadline for action on application for waiver of requirement applicable to program of aid to families with dependent children.
Subtitle B—Coordination of AFDC and Food Stamp Programs
Sec. 611. Amendments to part A of title IV of the Social Security Act.
Sec. 612. Amendments to the Food Stamp Act of 1977.
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Sec. 631. Sense of the Congress in support of the efforts of the administration to address the problems of fraud and abuse in the supplemental security income program.
Sec. 632. Study on feasibility of single tamper-proof identification card to serve programs under both the Social Security Act and health reform legislation.
Subtitle D—Additional Provisions
Sec. 641. State options regarding unemployed parent program.
Sec. 642. Definition of essential person.
Sec. 643. ''Fill-the-gap'' budgeting.
Sec. 644. Repeal of requirement to make certain supplemental payments in States paying less than their needs standards.
Sec. 645. Collection of AFDC overpayments from Federal tax refunds.
Sec. 646. Territories.
Sec. 647. Disregard of student income.
Sec. 648. Lump-sum income.
TITLE VII—CHILD PROTECTION BLOCK GRANT PROGRAM
Sec. 701. Establishment of programs.
Sec. 702. Repeals and conforming amendments.
Sec. 703. Effective date.
TITLE VIII—SSI REFORM
Subtitle A—Eligibility of Children for Benefits
Sec. 801. Restrictions on eligibility.
Sec. 802. Continuing disability reviews for certain children.
Sec. 803. Disability review required for SSI recipients who are 18 years of age.
Sec. 804. Applicability.

Subtitle B—Denial of SSI Benefits by Reason of Disability to Drug Addicts and Alcoholics
Sec. 811. Denial of SSI benefits by reason of disability to drug addicts and alcoholics.
TITLE IX—FINANCING
Subtitle A—Treatment of Aliens
Sec. 901. Extension of deeming of income and resources under AFDC, SSI, and food stamp programs.
Sec. 902. Requirements for sponsor's affidavits of support.
Sec. 903. Extending requirement for affidavits of support to family-related and diversity immigrants.
Subtitle B—Limitation on Emergency Assistance Expenditures
Sec. 911. Limitation on expenditures for emergency assistance.
Subtitle C—Tax Provisions
Sec. 921. Certain Federal assistance includible in gross income.
Sec. 922. Earned income tax credit denied to individuals not authorized to be employed in the United States.
Sec. 923. Phaseout of earned income credit for individuals having more than $2,500 of taxable interest and dividends.
Sec. 924. AFDC and food stamp benefits not taken into account for purposes of the earned income tax credit.
TITLE X—FOOD ASSISTANCE REFORM
Subtitle A—Food Stamp Program Integrity and Reform
Sec. 1001. Authority to establish authorization periods.
Sec. 1002. Specific period for prohibiting participation of stores based on lack of business integrity.
Sec. 1003. Information for verifying eligibility for authorization.
Sec. 1004. Waiting period for stores that initially fail to meet authorization criteria.
Sec. 1005. Bases for suspensions and disqualifications.
Sec. 1006. Authority to suspend stores violating program requirements pending administrative and judicial review.
Sec. 1007. Disqualification of retailers who are disqualified from the WIC program.
Sec. 1008. Permanent debarment of retailers who intentionally submit falsified applications.
Sec. 1009. Expanded civil and criminal forfeiture for violations of the Food Stamp Act.
Sec. 1010. Expanded authority for sharing information provided by retailers.
Sec. 1011. Expanded definition of ''coupon''.
Sec. 1012. Doubled penalties for violating food stamp program requirements.
Sec. 1013. Mandatory claims collection methods.
Sec. 1014. Reduction of basic benefit level.
Sec. 1015. Pro-rating benefits after interruptions in participation.
Sec. 1016. Work requirement for able-bodied recipients.
Sec. 1017. Extending current claims retention rates.
Sec. 1018. Coordination of employment and training programs.
Sec. 1019. Promoting expansion of electronic benefits transfer.
Sec. 1020. One-year freeze of standard deduction.
Sec. 1021. Nutrition assistance for Puerto Rico.
Sec. 1022. Other amendments to the Food Stamp Act of 1977.
Subtitle B—Commodity Distribution
Sec. 1051. Short title.
Sec. 1052. Availability of commodities.
Sec. 1053. State, local and private supplementation of commodities.
Sec. 1054. State plan.
Sec. 1055. Allocation of commodities to States.
Sec. 1056. Priority system for State distribution of commodities.
Sec. 1057. Initial processing costs.
Sec. 1058. Assurances; anticipated use.
Sec. 1059. Authorization of appropriations.
Sec. 1060. Commodity supplemental food program.
Sec. 1061. Commodities not income.
Sec. 1062. Prohibition against certain State charges.
Sec. 1063. Definitions.
Sec. 1064. Regulations.
Sec. 1065. Finality of determinations.
Sec. 1066. Relationship to other programs.
Sec. 1067. Settlement and adjustment of claims.
Sec. 1068. Repealers; amendments.
TITLE XI—DEFICIT REDUCTION
Sec. 1101. Dedication of savings to deficit reduction.
TITLE XII—EFFECTIVE DATE
Sec. 1201. Effective date.

SEC. 3. AMENDMENT OF THE SOCIAL SECURITY ACT.

Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

TITLE I—TIME-LIMITED TRANSITIONAL ASSISTANCE

SEC. 101. LIMITATION ON DURATION OF AFDC BENEFITS.

Section 402(a) (42 U.S.C. 602(a)) is amended—

(1) by striking ''and'' at the end of paragraph (44);

(2) by striking the period at the end of paragraph (45) and inserting ''; and''; and

(3) by inserting after paragraph (45) the following:

''(46) in the case of a State that has exercised the option provided for in paragraph (52), provide that—

''(A) a family shall not be eligible for aid under the State plan if a member of the family is—

''(i) prohibited from participating in the State program established under subpart 1 of part G by reason of section 497(b); or

''(ii) prohibited from participating in the State program established under subpart 2 of part G by reason of section 499(a)(4); and

''(B) each member of the family shall be considered to be receiving such aid for purposes of eligibility for medical assistance under the State plan approved under title XIX for so long as the family would be eligible for such aid but for subparagraph (A).''.

SEC. 102. ESTABLISHMENT OF FEDERAL DATA BASE.

Section 402 (42 U.S.C. 602) is amended by inserting after subsection (c) the following:

''(d) The Secretary shall establish and maintain a data base of participants in State programs established under parts F and G which shall be made available to the States for use in administering subsection (a)(46).''.

TITLE II—MAKE WORK PAY

Subtitle A—Health Care

SEC. 201. TRANSITIONAL MEDICAID BENEFITS.

(a) EXTENSION OF MEDICAID ENROLLMENT FOR FORMER AFDC RECIPIENTS FOR 1 ADDITIONAL YEAR.—

(1) IN GENERAL.—Section 1925(b)(1) (42 U.S.C. 1396r–6(b)(1)) is amended by striking the period at the end and inserting the following: '', and that the State shall offer to each such family the option of extending coverage under this subsection for any of the first 2 succeeding 6-month periods, in the same manner and under the same conditions as the option of extending coverage under this subsection for the first succeeding 6-month period.''.

(2) CONFORMING AMENDMENTS.—Section 1925(b) (42 U.S.C. 1396r–6(b)) is amended—

(A) in the heading, by striking ''EXTENSION'' and inserting ''EXTENSIONS'';

(B) in the heading of paragraph (1), by striking ''REQUIREMENT'' and inserting ''IN GENERAL'';

(C) in paragraph (2)(B)(ii)—

(i) in the heading, by striking ''PERIOD'' and inserting ''PERIODS'', and

(ii) by striking ''in the period'' and inserting ''in each of the 6-month periods'';

(D) in paragraph (3)(A), by striking ''the 6-month period'' and inserting ''any 6-month period'';

(E) in paragraph (4)(A), by striking ''the extension period'' and inserting ''any extension period''; and

(F) in paragraph (5)(D)(i), by striking ''is a 3-month period'' and all that follows and inserting the following: ''is, with respect to a particular 6-month additional extension period provided under this subsection, a 3-month period beginning with the 1st or 4th month of such extension period.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to calendar quarters beginning on or after October 1, 1997, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

Subtitle B—Earned Income Tax Credit

SEC. 211. NOTICE OF AVAILABILITY REQUIRED TO BE PROVIDED TO APPLICANTS AND FORMER RECIPIENTS OF AFDC, FOOD STAMPS, AND MEDICAID.

(a) AFDC.—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101 and 102 of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (46);

(2) by striking the period at the end of paragraph (47) and inserting ''; and''; and

(3) by inserting after paragraph (47) the following:

''(48) provide that the State agency must provide written notice of the existence and availability of the earned income credit under section 32 of the Internal Revenue Code of 1986 to—

''(A) any individual who applies for aid under the State plan, upon receipt of the application; and

''(B) any individual whose aid under the State plan is terminated, in the notice of termination of benefits.''.

(b) FOOD STAMPS.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (24) by striking ''and'' at the end;

(2) in paragraph (25) by striking the period at the end and inserting ''; and''; and

(3) by inserting after paragraph (25) the following:

''(26) that whenever a household applies for food stamp benefits, and whenever such benefits are terminated with respect to a household, the State agency shall provide to each member of such household notice of—

''(A) the existence of the earned income tax credit under section 32 of the Internal Revenue Code of 1986; and

''(B) the fact that such credit may be applicable to such member.''.

(c) MEDICAID.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking ''and'' at the end of paragraph (61);

(2) by striking the period at the end of paragraph (62) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(63) provide that the State shall provide notice of the existence and availability of the earned income tax credit under section 32 of the Internal Revenue Code of 1986 to each individual applying for medical assistance under the State plan and to each individual whose eligibility for medical assistance under the State plan is terminated.''.

SEC. 212. NOTICE OF AVAILABILITY OF EARNED INCOME TAX CREDIT AND DEPENDENT CARE TAX CREDIT TO BE INCLUDED ON W–4 FORM.

Section 1114 of the Omnibus Budget Reconciliation Act of 1990 (26 U.S.C. 21 note), relating to program to increase public awareness, is amended by adding at the end the following new sentence: ''Such means shall include printing a notice of the availability of such credits on the forms used by employees to determine the proper number of withholding exemptions under chapter 24 of the Internal Revenue Code of 1986.''.

SEC. 213. ADVANCE PAYMENT OF EARNED INCOME TAX CREDIT THROUGH STATE DEMONSTRATION PROGRAMS.

(a) IN GENERAL.—Section 3507 of the Internal Revenue Code of 1986 (relating to the advance payment of the earned income tax credit) is amended by adding at the end the following:

''(g) STATE DEMONSTRATIONS.—

''(1) IN GENERAL.—In lieu of receiving earned income advance amounts from an employer under subsection (a), a participating resident shall receive advance earned income payments from a responsible State agency pursuant to a State Advance Payment Program that is designated pursuant to paragraph (2).

''(2) DESIGNATIONS.—

''(A) IN GENERAL.—From among the States submitting proposals satisfying the requirements of subsection (g)(3), the Secretary (in consultation with the Secretary of Health and Human Services) may designate not more than 4 State Advance Payment Demonstrations. States selected for the demonstrations may have, in the aggregate, no more than 5 percent of the total number of household participating in the program under the Food Stamp program in the immediately preceding fiscal year, Administrative costs of a State in conducting a demonstration under this section may be included for matching under section 403(a) of the Social Security Act and section 16(a) of the Food Stamp Act of 1977.

''(B) WHEN DESIGNATION MAY BE MADE.—Any designation under this paragraph shall be made no later than December 31, 1995.

''(C) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

''(i) IN GENERAL.—Designations made under this paragraph shall be effective for advance earned income payments made after December 31, 1995, and before January 1, 1999.

''(ii) SPECIAL RULES.—

''(I) REVOCATION OF DESIGNATIONS.—The Secretary may revoke the designation under this paragraph if the Secretary determines that the State is not complying substantially with the proposal described in paragraph (3) submitted by the State.

''(II) AUTOMATIC TERMINATION OF DESIGNATIONS.—Any failure by a State to comply with the reporting requirements described in paragraphs (3)(F) and (3)(G) has the effect of immediately terminating the designation under this paragraph (2) and rendering paragraph (5)(A)(ii) inapplicable to subsequent payments.

''(3) PROPOSALS.—No State may be designated under subsection (g)(2) unless the State's proposal for such designation—

''(A) identifies the responsible State agency,

''(B) describes how and when the advance earned income payments will be made by that agency, including a description of any other State or Federal benefits with which such payments will be coordinated,

''(C) describes how the State will obtain the information on which the amount of advance earned income payments made to each participating resident will be determined in accordance with paragraph (4),

''(D) describes how State residents who will be eligible to receive advance earned income payments will be selected, notified of the opportunity to receive advance earned income payments from the responsible State agency, and given the opportunity to elect to participate in the program,

''(E) describes how the State will verify, in addition to receiving the certifications and statement described in paragraph (7)(D)(iv), the eligibility of participating residents for the earned tax credit,

''(F) commits the State to furnishing to each participating resident and to the Secretary by January 31 of each year a written statement showing—

''(i) the name and taxpayer identification number of the participating resident, and

''(ii) the total amount of advance earned income payments made to the participating resident during the prior calendar year,

''(G) commits the State to furnishing to the Secretary by December 1 of each year a written statement showing the name and taxpayer identification number of each participating resident,

''(H) commits the State to treat the advanced earned income payments as described in subsection (g)(5) and any repayments of excessive advance earned income payments as described in subsection (g)(6),

''(I) commits the State to assess the development and implementation of its State Advance Payment Program, including an agreement to share its findings and lessons with other interested States in a manner to be described by the Secretary, and

''(J) is submitted to the Secretary on or before June 30, 1995.

''(4) AMOUNT AND TIMING OF ADVANCE EARNED INCOME PAYMENTS.—

''(A) AMOUNT.—

''(i) IN GENERAL.—The method for determining the amount of advance earned income payments made to each participating resident is to conform to the full extent possible with the provisions of subsection (c).

''(ii) SPECIAL RULE.—A State may, at its election, apply the rules of subsection (c)(2)(B) by substituting 'between 60 percent and 75 percent of the credit percentage in effect under section 32(b)(1) for an individual with the corresponding number of qualifying children' for '60 percent of the credit percentage in effect under section 32(b)(1) for such an eligible individual with 1 qualifying child' in clause (i) and 'the same percentage (as applied in clause (i))' for '60 percent' in clause (ii).

''(B) TIMING.—The frequency of advance earned income payments may be made on the basis of the payroll periods of participating residents, on a single statewide schedule, or on any other reasonable basis prescribed by the State in its proposal; however, in no event may advance earned income payments be made to any participating resident less frequently than on a calendar-quarter basis.

''(5) PAYMENTS TO BE TREATED AS PAYMENTS OF WITHHOLDING AND FICA TAXES.—

''(A) IN GENERAL.—For purposes of this title, advance earned income payments during any calendar quarter—

''(i) shall neither be treated as a payment of compensation nor be included in gross income, and

''(ii) shall be treated as made out of—

''(I) amounts required to be deducted by the State and withheld for the calendar quarter by the State under section 3401 (relating to wage withholding), and

''(II) amounts required to be deducted for the calendar quarter under section 3102 (relating to FICA employee taxes), and

''(III) amounts of the taxes imposed on the State for the calendar quarter under section 3111 (relating to FICA employer taxes),

as if the State had paid to the Secretary, on the day on which payments are made to participating residents, an amount equal to such payments.

''(B) ADVANCE PAYMENTS EXCEED TAXES DUE.—If for any calendar quarter the aggregate amount of advance earned income payments made by the responsible State agency under a State Advance Payment Program exceeds the sum of the amounts referred to in subparagraph (A)(ii) (without regard to paragraph (6)(A)), each such advance earned income payment shall be reduced by an amount which bears the same ratio to such excess as such advance earned income payment bears to the aggregate amount of all such advance earned income payments.

''(6) STATE REPAYMENT OF EXCESSIVE ADVANCE EARNED INCOME PAYMENTS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, in the case of an excessive advance earned income payment a State shall be treated as having deducted and withheld under section 3401 (relating to wage withholding), and therefore is required to pay to the United States, the repayment amount during the repayment calendar quarter.

''(B) EXCESSIVE ADVANCE EARNED INCOME PAYMENT.—For purposes of this section, an excessive advance income payment is that portion of any advance earned income payment that, when combined with other advance earned income payments previously made to the same participating resident during the same calendar year, exceeds the amount of earned income tax credit to which that participating resident is entitled under section 32 for that year.

''(C) REPAYMENT AMOUNT.—The repayment amount is equal to 50 percent of the excess of—

''(i) excessive advance earned income payments made by a State during a particular calendar year, over

''(ii) the sum of—

''(I) 4 percent of all advance earned income payments made by the State during that calendar year, and

''(II) the excessive advance earned income payments made by the State during that calendar year that have been collected from participating residents by the Secretary.

''(D) REPAYMENT CALENDAR QUARTER.—The repayment calendar quarter is the second calendar quarter of the third calendar year after the calendar year in which an excessive earned income payment is made.

''(7) DEFINITIONS.—For purposes of this section—

''(A) STATE ADVANCE PAYMENT PROGRAM.—The term 'State Advance Payment Program' means the program described in a proposal submitted for designation under paragraph (1) and designated by the Secretary under paragraph (2).

''(B) RESPONSIBLE STATE AGENCY.—The term 'responsible State agency' means the single State agency that will be making the advance earned income payments to residents of the State who elect to participate in a State Advance Payment Program.

''(C) ADVANCE EARNED INCOME PAYMENTS.—The term 'advance earned income payments'

means an amount paid by a responsible State agency to residents of the State pursuant to a State Advance Payment Program.

''(D) PARTICIPATING RESIDENT.—The term 'participating resident' means an individual who—

''(i) is a resident of a State that has in effect a designated State Advance Payment Program,

''(ii) makes the election described in paragraph (3)(C) pursuant to guidelines prescribed by the State,

''(iii) certifies to the State the number of qualifying children the individual has, and

''(iv) provides to the State the certifications and statement set forth in subsections (b)(1), (b)(2), (b)(3), and (b)(4) (except that for purposes of this clause (iv), the term 'any employer' shall be substituted for 'another employer' in subsection (b)(3)), along with any other information required by the State.''.

(b) TECHNICAL ASSISTANCE.—The Secretaries of Treasury and Health and Human Services shall jointly ensure that technical assistance is provided to State Advance Payment Programs and that these programs are rigorously evaluated.

(c) ANNUAL REPORTS.—The Secretary shall issue annual reports detailing the extent to which—

(1) residents participate in the State Advance Payment Programs,

(2) participating residents file Federal and State tax returns,

(3) participating residents report accurately the amount of the advance earned income payments made to them by the responsible State agency during the year, and

(4) recipients of excessive advance earned income payments repaid those amounts.

The report shall also contain an estimate of the amount of advance earned income payments made by each responsible State agency but not reported on the tax returns of a participating resident and the amount of excessive advance earned income payments.

(d) AUTHORIZATION OF APPROPRIATIONS.—For purposes of providing technical assistance described in subsection (b), preparing the reports described in subsection (c), and providing grants to States in support of designated State Advance Payment Programs, there are authorized to be appropriated in advance to the Secretary of the Treasury and the Secretary of Health and Human Services a total of $1,400,000 for fiscal years 1996 through 1999.

Subtitle C—Child Care

SEC. 221. DEPENDENT CARE CREDIT TO BE REFUNDABLE; HIGH-INCOME TAXPAYERS INELIGIBLE FOR CREDIT.

(a) CREDIT TO BE REFUNDABLE.—

(1) IN GENERAL.—Section 21 of the Internal Revenue Code of 1986 (relating to expenses for household and dependent care services necessary for gainful employment) is hereby moved to subpart C of part IV of subchapter A of chapter 1 of such Code (relating to refundable credits) and inserted after section 34.

(2) TECHNICAL AMENDMENTS.—

(A) Section 35 of such Code is redesignated as section 36.

(B) Section 21 of such Code is redesignated as section 35.

(C) Paragraph (1) of section 35(a) of such Code (as redesignated by subparagraph (B)) is amended by striking ''this chapter'' and inserting ''this subtitle''.

(D) Subparagraph (C) of section 129(a)(2) of such Code is amended by striking ''section 21(e)'' and inserting ''section 35(e)''.

(E) Paragraph (2) of section 129(b) of such Code is amended by striking ''section 21(d)(2)'' and inserting ''section 35(d)(2)''.

(F) Paragraph (1) of section 129(e) of such Code is amended by striking ''section 21(b)(2)'' and inserting ''section 35(b)(2)''.

(G) Subsection (e) of section 213 of such Code is amended by striking ''section 21'' and inserting ''section 35''.

(H) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period '', or from section 35 of such Code''.

(I) The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 35 and inserting the following:

''Sec. 35. Expenses for household and dependent care services necessary for gainful employment.

''Sec. 36. Overpayments of tax.''.

(J) The table of sections for subpart A of such part IV is amended by striking the item relating to section 21.

(b) HIGHER-INCOME TAXPAYERS INELIGIBLE FOR CREDIT.—Subsection (a) of section 35 of such Code, as redesignated by subsection (a), is amended by adding at the end the following new paragraph:

''(3) PHASEOUT OF CREDIT FOR HIGHER-INCOME TAXPAYERS.—The amount of the credit which would (but for this paragraph) be allowed by this section shall be reduced (but not below zero) by an amount which bears the same ratio to such amount of credit as the excess of the taxpayer's adjusted gross income for the taxable year over $60,000 bears to $20,000. Any reduction determined under the preceding sentence which is not a multiple of $10 shall be rounded to the nearest multiple of $10.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 222. FUNDING OF CHILD CARE SERVICES.

(a) ELIMINATION OF CHILD CARE PROGRAMS.—

(1) AFDC AND TRANSITIONAL CHILD CARE PROGRAMS.—

(A) REPEALER.—Section 402(g) (42 U.S.C. 602(g)) is hereby repealed.

(B) CONFORMING AMENDMENTS.—

(i) Section 403(a)(3) (42 U.S.C. 603(a)(3)) is amended by striking ''other than services furnished pursuant to section 402(g)''.

(ii) Section 403(e) (42 U.S.C. 603(e)) is amended—

(I) by striking '', 402(a)(43), and 402(g)(1),'' and inserting ''and 402(a)(43)''; and

(II) by striking the 2nd sentence.

(2) AT-RISK CHILD CARE PROGRAM.—Sections 402(i) and 403(n) (42 U.S.C. 602(i) and 603(n)) are hereby repealed.

(3) CHILD CARE PROGRAMS UNDER THE CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) is hereby repealed.

(b) FUNDING OF CHILD CARE SERVICES THROUGH SOCIAL SERVICES BLOCK GRANT PROGRAM.—Title XX (42 U.S.C. 1397–1397f) is amended by adding at the end the following:

''SEC. 2008. CHILD CARE.

''(a) CONDITIONAL ENTITLEMENT.—In addition to any payment under section 2002 or 2007, each State with a plan approved under this section for a fiscal year shall be entitled to payment of an amount equal to the special allotment of the State for the fiscal year.

''(b) STATE PLANS.—

''(1) CONTENT.—A plan meets the requirements of this paragraph if the plan—

''(A) identifies an appropriate State agency to be the lead agency responsible for administering at the State level, and coordinating with local governments, the activities of the State pursuant to this section;

''(B) describes the activities the State will carry out with funds provided under this section;

''(C) provides assurances that the funds provided under this section will be used to supplement, not supplant, State and local funds as well as Federal funds provided under any Act and applied to child care activities in the State during fiscal year 1989;

''(D) provides assurances that the State will not expend more than 7 percent of the funds provided to the States under this section for the fiscal year for administrative expenses;

''(E) provides assurances that, in providing child care assistance, the State will give priority to families with low income and families living in a low-income geographical area;

''(F) ensures that child care providers reimbursed under this section meet applicable standards of State and local law;

''(G) provides assurances that the lead agency will coordinate the use of funds provided under this section with the use of other Federal resources for child care provided under this Act, and with other Federal, State, or local child care and preschool programs operated in the State;

''(H) provides for the establishment of such fiscal and accounting procedures as may be necessary to—

''(i) ensure a proper accounting of Federal funds received by the State under this section; and

''(ii) ensure the proper verification of the reports submitted by the State under subsection (f)(2);

''(I) provides assurances that the State will not impose more stringent standards and licensing or regulatory requirements on child care providers receiving funds provided under this section than those imposed on other child care providers in the State;

''(J) provides assurances that the State will not implement any policy or practice which has the effect of significantly restricting parental choice by—

''(i) expressly or effectively excluding any category of care or type of provider within a category of care;

''(ii) limiting parental access to or choices from among various categories of care or types of providers; or

''(iii) excluding a significant number of providers in any category of care; and

''(K) provides assurances that parents will be informed regarding their options under this section, including the option of receiving a child care certificate or voucher.

''(2) FORM.—A State may submit a plan that meets the requirements of paragraph (1) in the form of amendments to the State plan submitted pursuant to section 658E of the Child Care and Development Block Grant Act of 1990, as in effect before the effective date of section 222 of the Individual Responsibility Act of 1995.

''(3) APPROVAL.—Not later than 90 days after the date the State submits a plan to the Secretary under this subsection, the Secretary shall either approve or disapprove the plan. If the Secretary disapproves the plan, the Secretary shall provide the State with an explanation and recommendations for changes in the plan to gain approval.

''(c) SPECIAL ALLOTMENTS.—

''(1) IN GENERAL.—The special allotment of a State for a fiscal year equals the amount that bears the same ratio to the amount specified in paragraph (2) for the fiscal year, as the number of children who have not attained 13 years of age and are residing with families in the State bears to the total number of such children in all States with plans approved under this section for the fiscal year, determined on the basis of the most recent data available from the Department of

Commerce at the time the special allotment is determined.

''(2) AMOUNT SPECIFIED.—The amount specified in this paragraph is—

''(A) $1,400,000,000 for fiscal year 1997; and

''(B) $1,450,000,000 for each of fiscal years 1998, 1999, and 2000.

''(d) PAYMENTS TO STATES.—

''(1) PAYMENTS.—The Secretary shall provide funds to each State with a plan approved under this section for a fiscal year from the special allotment of the State for the fiscal year, in accordance with section 6503 of title 31, United States Code.

''(2) EXPENDITURE OF FUNDS BY STATES.—Except as provided in paragraph (3)(A), each State to which funds are paid under this section for a fiscal year shall expend such funds in the fiscal year or in the immediately succeeding fiscal year.

''(3) REDISTRIBUTION OF UNEXPENDED SPECIAL ALLOTMENTS.—

''(A) REMITTANCE TO THE SECRETARY.—Each State to which funds are paid under this section for a fiscal year shall remit to the Secretary that part of such funds which the State intends not to, or does not, expend in the fiscal year or in the immediately succeeding fiscal year.

''(B) REDISTRIBUTION.—The Secretary shall increase the special allotment of each State with a plan approved under this part for a fiscal year that does not remit any amount to the Secretary for the fiscal year by an amount equal to—

''(i) the aggregate of the amounts remitted pursuant to subparagraph (A) for the fiscal year; multiplied by

''(ii) the adjusted State share for the fiscal year.

''(C) ADJUSTED STATE SHARE.—As used in subparagraph (B)(ii), the term 'adjusted State share' means, with respect to a fiscal year—

''(i) the special allotment of the State for the fiscal year (before any increase under subparagraph (B)); divided by

''(ii)(I) the sum of the special allotments of all States with plans approved under this part for the fiscal year; minus

''(II) the aggregate of the amounts remitted to the Secretary pursuant to subparagraph (A) for the fiscal year.

''(e) USE OF FUNDS.—

''(1) IN GENERAL.—Funds provided under this section shall be used to expand parent choices in selecting child care, to address deficiencies in the supply of child care, and to expand and improve child care services, with an emphasis on providing such services to low-income families and geographical areas. Subject to the approval of the Secretary, States to which funds are paid under this section shall use such funds to carry out child care programs and activities through cash grants, certificates, or contracts with families, or public or private entities as the State determines appropriate. States shall take parental preference into account to the maximum extent possible in carrying out child care programs.

''(2) SPECIFIC USES.—Each State to which funds are paid under this section may expend such funds for—

''(A) child care services for infants, sick children, children with special needs, and children of adolescent parents;

''(B) after-school and before-school programs and programs during nontraditional hours for the children of working parents;

''(C) programs for the recruitment and training of day care workers, including older Americans;

''(D) grant and loan programs to enable child care workers and providers to meet State and local standards and requirements;

''(E) child care programs developed by public and private sector partnerships;

''(F) State efforts to provide technical assistance designed to help providers improve the services offered to parents and children; and

''(G) other child care-related programs consistent with the purpose of this section and approved by the Secretary.

''(3) LIMITATIONS ON USE OF FUNDS.—A State to which funds are paid under this section for a fiscal year shall use not less than 80 percent of such funds to provide direct child care assistance to low-income parents through child care certificates or vouchers, contracts, or grants.

''(4) METHODS OF FUNDING.—Funds for child care services under this title shall be for the benefit of parents and shall be provided through child care vouchers or certificates provided directly to parents or through contracts or grants with public or private providers.

''(5) PARENTAL RIGHTS OF CHOICE.—Any parent who receives a child care certificate under this title may use such certificate with any child care provider, including those providers which have religious activities, if such provider is freely chosen by the parent from among the available alternatives.

''(6) CHILD CARE CERTIFICATES.—

''(A) IN GENERAL.—For purposes of this title, a child care certificate is a certificate issued by a State directly to a parent or legal guardian for use only as payment for child care services in any child care facility eligible to receive funds under this Act.

''(B) REDEMPTION.—If the demand for child care services of families qualified to receive such services from a State under this Act exceeds the available supply of such services, the State shall ration assistance to obtain such services using procedures that do not disadvantage parents using child care certificates, relative to other methods of financing, in either the waiting period or the pecuniary value of such services.

''(C) COMMENCEMENT OF CERTIFICATE PROGRAM.—Beginning not later than 1 year after the date of the enactment of this section, each State that receives funds under this title shall offer a child care certificate program in accordance with this section.

''(D) AUTHORITY TO USE CHILD CARE FUNDS FOR CERTIFICATE PROGRAM.—Each State to which funds are paid under this title may use the funds provided to the State under this title which are required to be used for child care activities to plan and establish the State's child care certificate program.

''(7) OPTION OF RECEIVING A CHILD CARE CERTIFICATE.—Each parent or legal guardian who receives assistance pursuant to this title shall be provided with the option of enrolling their child with an eligible child care provider that receives funds through grants, contracts, or child care certificates provided under this title. Such parent shall have the right to use such certificates to purchase child care services from an eligible provider of their choice. The State shall ensure that parental preference is considered to the maximum extent possible in awarding grants or contracts.

''(8) RIGHTS OF RELIGIOUS CHILD CARE PROVIDERS.—Notwithstanding any other provision of law, a religious child care provider who receives funds under this Act may require adherence by employees to the religious tenets or teachings of the provider.

''(9) ELIGIBLE CHILD CARE PROVIDERS.—Any child care provider who meets applicable standards of State and local law shall be eligible to receive funds under this section. As used in this paragraph, the term 'child care provider' includes—

''(A) proprietary for-profit entities, relatives, informal day care homes, religious child care providers, day care centers, and any other entities that the State determines appropriate subject to approval of the Secretary;

''(B) nonprofit organizations under subsections (c) and (d) of section 501 of the Internal Revenue Code of 1986;

''(C) professional or employee associations;

''(D) consortia of small businesses; and

''(E) units of State and local governments, and elementary, secondary, and post-secondary educational institutions.

''(10) PROHIBITED USES.—Any State to which funds are paid under this section may not use such funds—

''(A) to satisfy any State matching requirement imposed under any Federal grant;

''(B) for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than minor remodeling) of any building or other facility; or

''(C) to provide any service which the State makes generally available to the residents of the State without cost to such residents and without regard to the income of such residents.

''(f) REPORTING REQUIREMENTS.—

''(1) NOTICE TO SECRETARY OF UNEXPENDED FUNDS.—Each State which has not completely expended the funds paid to the State under this section for a fiscal year in the fiscal year or the immediately succeeding fiscal year shall notify the Secretary of any amount not so expended.

''(2) STATE REPORTS ON USE OF FUNDS.—Not later than 18 months after the date of the enactment of this section, and each year thereafter, the State shall prepare and submit to the Secretary, in such form as the Secretary shall prescribe, a report describing the State's use of funds paid to the State under this section, including—

''(A) the number, type, and distribution of services and programs under this section;

''(B) the average cost of child care, by type of provider;

''(C) the number of children serviced under this section;

''(D) the average income and distribution of incomes of the families being served;

''(E) efforts undertaken by the State pursuant to this section to promote and ensure health and safety and improve quality; and

''(F) such other information as the Secretary considers appropriate.

''(3) GUIDELINES FOR STATE REPORTS; COORDINATION WITH REPORTS UNDER SECTION 2006.—Within 6 months after the date of the enactment of this section, the Secretary shall establish guidelines for State reports under paragraph (2). To the extent feasible, the Secretary shall coordinate such reporting requirement with the reports required under section 2006 and, as the Secretary deems appropriate, with other reporting requirements placed on States as a condition of receipt of other Federal funds which support child care.

''(4) REPORTS BY THE SECRETARY.—

''(A) REPORTS TO THE CONGRESS OF SUMMARY OF STATE REPORTS.—The Secretary shall annually summarize the information reported to the Secretary pursuant to paragraph (2) and provide such summary to the Congress.

''(B) REPORTS TO THE STATES ON EFFECTIVE PRACTICES.—The Secretary shall annually provide the States with a report on particularly effective practices and programs supported by funds paid to the State under this section, which ensure the health and safety of children in care, promote quality child care, and provide training to all types of providers.

''(g) ADMINISTRATION AND ENFORCEMENT.—

''(1) ADMINISTRATION.—The Secretary shall—

''(A) coordinate all activities of the Department of Health and Human Services relating to child care, and, to the maximum extent practicable, coordinate such activities with similar activities of other Federal entities;

''(B) collect, publish, and make available to the public a listing of State child care standards at least once every 3 years; and

''(C) provide technical assistance to assist States to carry out this section, including assistance on a reimbursable basis.

''(2) ENFORCEMENT.—

''(A) REVIEW OF COMPLIANCE WITH STATE PLAN.—The Secretary shall review and monitor State compliance with this section and the plans approved under this section for the State, and shall have the power to terminate payments to the State in accordance with subparagraph (B).

''(B) NONCOMPLIANCE.—

''(i) IN GENERAL.—If the Secretary, after reasonable notice to a State and opportunity for a hearing, finds that—

''(I) there has been a failure by the State to comply substantially with any provision or requirement set forth in the plan approved under this section for the State; or

''(II) in the operation of any program for which assistance is provided under this section there is a failure by the State to comply substantially with any provision of this section;

the Secretary shall notify the State of the findings and that no further payments may be made to such State under this section (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected.

''(ii) ADDITIONAL SANCTIONS.—In the case of a finding of noncompliance made pursuant to clause (i), the Secretary may, in addition to imposing the sanctions described in such subparagraph, impose the other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this section, and disqualification from the receipt of financial assistance under this section.

''(iii) NOTICE.—The notice required under subparagraph (A) shall include a specific identification of any additional sanction being imposed under clause (ii).

''(C) ISSUANCE OF RULES.—The Secretary shall establish by rule procedures for—

''(i) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this section; and

''(ii) imposing sanctions under this subsection.

''SEC. 2009. CHILD CARE DURING PARTICIPATION IN EMPLOYMENT, EDUCATION, AND TRAINING; EXTENDED ELIGIBILITY.

''(a) CHILD CARE GUARANTEE.—

''(1) IN GENERAL.—Each State agency referred to in section 2008(b)(1)(A) shall guarantee child care in accordance with section 2008—

''(A) for any individual who is participating in an education or training activity (including participation in a program established under part G of title IV) if the State agency approves the activity and determines that the individual is participating satisfactorily in the activity;

''(B) for each family with a dependent child requiring such care to the extent that such care is determined by the State agency to be necessary for an individual in the family to accept employment or remain employed, including in a community service job under part H of title IV; and

''(C) to the extent that the State agency determines that such care is necessary for the employment of an individual, if the family of which the individual is a member has ceased to receive aid under the State plan approved under part A of title IV by reason of increased hours of, or income from, such employment or by reason of section 402(a)(8)(B)(ii)(II), subject to paragraph (2) of this subsection.

''(2) LIMITATIONS ON ELIGIBILITY FOR TRANSITIONAL CHILD CARE.—A family shall not be eligible for child care under paragraph (1)(C)—

''(A) for more than 12 months after the last month for which the family received aid described in such paragraph;

''(B) if the family did not receive such aid in at least 3 of the most recent 6 months in which the family received such aid;

''(C) if the family does not include a child who is (or, if needy, would be) a dependent child (within the meaning of part A of title IV);

''(D) for any month beginning after the caretaker relative (within the meaning of such part) in the family has terminated his or her employment without good cause; or

''(E) with respect to a child, for any month beginning after the caretaker relative in the family has refused to cooperate with the State in establishing or enforcing the obligation of any parent of the child to provide support for the child, without good cause as determined by the State agency in accordance with standards prescribed by the Secretary which shall take into consideration the best interests of the child.

''(b) STATE ENTITLEMENT TO PAYMENTS.—Each State with a plan approved under section 2008 shall be entitled to receive from the Secretary for any fiscal year an amount equal to—

''(1) the total amount expended by the State to carry out subsection (a) during the fiscal year; multiplied by

''(2) the greater of—

''(A) 70 percent; or

''(B) the Federal medical assistance percentage (as defined in the last sentence of section 1118, increased by 10 percentage points.''.

(c) EFFECTIVE DATE.—The amendments and repeals made by this section shall take effect on October 1, 1996.

Subtitle D—AFDC Work Disregards

SEC. 231. OPTION TO INCREASE DISREGARD OF EARNED INCOME.

Section 402(a)(8)(A) (42 U.S.C. 602(a)(8)(A)) is amended—

(1) by striking ''and'' at the end of clause (vii); and

(2) by adding at the end the following:

''(ix) if electing to disregard clauses (ii) and (iv), shall disregard from the earned income of any child, relative, or other individual specified in clause (ii) an amount equal to not less than the first $120 and not more than the first $225 of the total of such earned income not disregarded under any other clause of this subparagraph, plus not more than one third of the remainder of such earned income; and''.

SEC. 232. STATE OPTION TO ESTABLISH VOLUNTARY DIVERSION PROGRAM.

Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, and 211(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (47);

(2) by striking the period at the end of paragraph (48) and inserting ''; and''; and

(3) by inserting after paragraph (48) the following:

''(49) at the option of the State, and in such part or parts of the State as the State may select, provide that—

''(A) upon the recommendation of the caseworker who is handling the case of a family eligible for aid under the State plan, the State shall, in lieu of any other payment under the State plan to a family during a time period of not more than 3 months, make a lump-sum payment to the family for the time period in an amount not to exceed—

''(i) the amount of the monthly benefit to which the family is entitled under the State plan; multiplied by

''(ii) the number of months in the time period;

''(B) a lump-sum payment pursuant to subparagraph (A) shall not be made more than once to any family; and

''(C) if, during a time period for which the State has made a lump-sum payment to a family pursuant to subparagraph (A), the family applies for and (but for the lump-sum payment) would be eligible for aid under the State plan for a greater monthly benefit than the monthly benefit to which the family was entitled under the State plan at the time of the calculation of the lump sum payment, then, notwithstanding subparagraph (A), the State shall, for that part of the time period that remains after the family becomes eligible for the greater monthly benefit, provide monthly benefits to the family in an amount not to exceed—

''(i) the amount by which the greater monthly benefit exceeds the former monthly benefit, multiplied by the number of months in the time period; divided by

''(ii) the whole number of months remaining in the time period.''.

SEC. 233. ELIMINATION OF QUARTERS OF COVERAGE REQUIREMENT FOR MARRIED TEENS UNDER AFDC–UP PROGRAM.

(a) IN GENERAL.—Section 407(b)(1)(A)(iii)(I) (42 U.S.C. 607(b)(1)(A)(iii)(I)) is amended by inserting ''except in the case of a family in which the parents are married and neither parent has attained 20 years of age,'' after ''(I)''.

(b) EXTENSION OF AFDC–UP PROGRAM.—Section 401(h) of the Family Support Act of 1988 (42 U.S.C. 602 and note, 607) is amended by striking ''1998'' and inserting ''2000''.

Subtitle E—AFDC Asset Limitations

SEC. 241. INCREASE IN RESOURCE THRESHOLDS; SEPARATE THRESHOLD FOR VEHICLES.

Section 402(a)(7)(B) (42 U.S.C. 602(a)(7)(B)) is amended—

(1) by striking ''$1,000 or such lower amount as the State may determine'' and inserting ''$2,000''; and

(2) in clause (i), by striking ''such amount as the Secretary may prescribe'' and inserting ''the dollar amount prescribed by the Secretary of Agriculture under section 5(g) of the Food Stamp Act of 1977''.

SEC. 242. LIMITED DISREGARD OF AMOUNTS SAVED FOR POST-SECONDARY EDUCATION, THE PURCHASE OF A FIRST HOME, OR THE ESTABLISHMENT OR OPERATION OF A MICROENTERPRISE.

(a) DISREGARD FROM RESOURCES.—Section 402(a)(7)(B) (42 U.S.C. 602(a)(7)(B)) is amended—

(1) by striking ''or'' before ''(iv)''; and

(2) by inserting '', or (v) any amount not exceeding $8,000 in 1 qualified asset account (as defined in section 406(i)) of 1 member of such family'' before ''; and''.

(b) DISREGARD FROM INCOME.—

(1) IN GENERAL.—Section 402(a)(8)(A) (42 U.S.C. 602(a)(8)(A)), as amended by section 231 of this Act, is amended—

(A) by striking ''and'' at the end of clause (viii); and

(B) by inserting after clause (ix) the following new clause:

''(x) shall disregard any interest or income earned on a qualified asset account (as defined in section 406(i)) and paid into the account, to the extent that the total amount in the account, after such payment, does not exceed $8,000; and''.

(2) NONRECURRING LUMP SUM EXEMPT FROM LUMP SUM RULE.—Section 402(a)(17) (42 U.S.C. 602(a)(17)) is amended by adding at the end the following: ''; and that this paragraph shall not apply to earned or unearned income received in a month on a nonrecurring basis to the extent that such income is placed in a qualified asset account (as defined in section 406(i)) the total amount in which, after such placement, does not exceed $8,000;''.

(3) TREATMENT AS INCOME.—Section 402(a)(7) (42 U.S.C. 602(a)(7)) is amended—

(A) by striking ''and'' at the end of subparagraph (B);

(B) by striking the semicolon at the end of subparagraph (C) and inserting ''; and''; and

(C) by adding at the end the following new subparagraph:

''(D) shall treat as income any distribution from a qualified asset account (as defined in section 406(i)(1)) that is not a qualified distribution (as defined in section 406(i)(2));''.

(c) DEFINITIONS.—Section 406 (42 U.S.C. 606) is amended by adding at the end the following:

''(i)(1) The term 'qualified asset account' means a mechanism approved by the State (such as individual retirement accounts, escrow accounts, or savings bonds) that allows savings of an individual receiving aid to families with dependent children to be used for a purpose described in paragraph (2).

''(2) The term 'qualified distribution' means a distribution for expenses directly related to 1 or more of the following purposes:

''(A) The attendance of a member of the family at any postsecondary education program.

''(B) The purchase of residential real property for the family that the family intends to occupy, if no member of the family has an ownership interest in such a property.

''(C) The establishment or operation of a microenterprise owned by a member of the family.

''(j) The term 'microenterprise' means a commercial enterprise which has 5 or fewer employees, 1 or more of whom owns the enterprise.''.

TITLE III—THE WORK FIRST PROGRAM

SEC. 301. WORK FIRST PROGRAM.

(a) STATE PLAN REQUIREMENT.—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, 211(a), and 232 of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (48);

(2) by striking the period at the end of paragraph (49) and inserting ''; and''; and

(3) by inserting after paragraph (49) the following:

''(50) provide that the State—

''(A) shall develop an individual responsibility plan in accordance with part F for each applicant for, or recipient of, aid under the State plan who—

''(i) has attained 18 years of age; or

''(ii) has not completed high school or obtained a certificate of high school equivalency, and is not attending secondary school;

''(B) has in effect and operation—

''(i) a work first program that meets the requirements of subpart 1 of part G (or, for any fiscal year for which the Secretary has approved a State plan under subpart 2 of part G, such subpart 2); and

''(ii) a community service program that meets the requirements of part H, or a job placement voucher program that meets the requirements of part I, but not both;

''(C) shall provide a position in the workfare program established by the State under part H, or a job placement voucher under the job placement voucher program established by the State under part I to any individual who, by reason of section 497(b), is prohibited from participating in the work first program operated by the State, and shall not provide such a position or such a voucher to any other individual; and

''(D) shall provide to participants in such programs such case management services as are necessary to ensure the integrated provision of benefits and services under such programs.''.

(b) ESTABLISHMENT AND OPERATION OF PROGRAM.—Title IV (42 U.S.C. 601 et seq.) is amended by striking part F and inserting the following:

''Part F—Individual Responsibility Plan

''SEC. 481. ASSESSMENT.

''The State agency referred to in section 402(a)(3) shall make an initial assessment of the skills, prior work experience, and employability of each individual for whom section 402(a)(50)(A) requires the State to develop an individual responsibility plan.

''SEC. 482. INDIVIDUAL RESPONSIBILITY PLANS.

''(a) IN GENERAL.—On the basis of the assessment made under section 481 with respect to an individual, the State agency, in consultation with the individual, shall develop an individual responsibility plan for the individual, which—

''(1) shall provide that participation by the individual in job search activities shall be a condition of eligibility for aid under the State plan approved under part A, except during any period for which the individual is employed full-time in an unsubsidized job in the private sector;

''(2) sets forth an employment goal for the individual and a plan for moving the individual immediately into private sector employment;

''(3) sets forth the obligations of the individual, which may include a requirement that the individual attend school, maintain certain grades and attendance, keep school age children of the individual in school, immunize children, attend parenting and money management classes, or do other things that will help the individual become and remain employed in the private sector; and

''(4) may require that the individual enter the State program established under part G, if the caseworker determines that the individual will need education, training, job placement assistance, wage enhancement, or other services to become employed in the private sector.

''(b) TIMING.—The State agency shall comply with subsection (a) with respect to an individual—

''(1) within 90 days (or, at the option of the State, 180 days) after the effective date of this part, in the case of an individual who, as of such effective date, is a recipient of aid under the State plan approved under part A; or

''(2) within 30 days (or, at the option of the State, 90 days) after the individual is determined to be eligible for such aid, in the case of any other individual.

''SEC. 483. PROVISION OF PROGRAM AND EMPLOYMENT INFORMATION.

''The State shall inform all applicants for and recipients of aid under the State plan approved under part A of all available services under the State plan for which they are eligible.

''SEC. 484. REQUIREMENT THAT RECIPIENTS ENTER THE WORK FIRST PROGRAM.

''(a) IN GENERAL.—Beginning with fiscal year 2004, the State shall place recipients of aid under the State plan approved under part A, who have not become employed in the private sector within 1 year after signing an individual responsibility plan, in the first available slot in the State program established under part G, except as provided in subsection (b).

''(b) EXCEPTIONS.—A State may not be required to place a recipient of such aid in the State program established under part G if the recipient—

''(1) is ill, incapacitated, or of advanced age;

''(2) has not attained 18 years of age;

''(3) is caring for a child or parent who is ill or incapacitated; or

''(4) is enrolled in school or in educational or training programs that will lead to private sector employment.

''SEC. 485. PENALTIES.

''(a) STATE NOT OPERATING A WORK FIRST PROGRAM UNDER A STATE MODEL OR A WORKFARE PROGRAM.—In the case of a State that is not operating a program under subpart 2 of part G or under part H:

''(1) FAILURE TO COMPLY WITH INDIVIDUAL RESPONSIBILITY PLAN OR AGREEMENT OF MUTUAL RESPONSIBILITY.—

''(A) PROGRESSIVE REDUCTIONS IN AID FOR 1ST AND 2ND FAILURES.—The amount of aid otherwise payable under the State plan approved under part A to a family that includes an individual who fails without good cause to comply with an individual responsibility plan (or, if the State has established a program under subpart 1 of part G and the individual is required to participate in the program, an agreement of mutual responsibility) signed by the individual (other than by reason of conduct described in paragraph (2)) shall be reduced by—

''(i) 33 percent for the 1st such act of noncompliance; or

''(ii) 66 percent for the 2nd such act of noncompliance.

''(B) DENIAL OF AID FOR 3RD FAILURE.—In the case of the 3rd such act of noncompliance, the family of which the individual is a member shall not thereafter be eligible for aid under the State plan approved under part A.

''(C) ACTS OF NONCOMPLIANCE.—For purposes of this paragraph, a 1st act of noncompliance by an individual continues for more than 1 calendar month shall be considered a 2nd act of noncompliance, and a 2nd act of noncompliance that continues for more than 3 calendar months shall be considered a 3rd act of noncompliance.

''(2) DENIAL OF AFDC TO ADULTS REFUSING TO WORK, LOOK FOR WORK, OR ACCEPT A BONA FIDE OFFER OF EMPLOYMENT.—

''(A) REFUSAL TO WORK OR LOOK FOR WORK.—If an unemployed individual who has attained 18 years of age refuses to work or look for work—

''(i) in the case of the 1st such refusal, aid under the State plan approved under part A shall not be payable with respect to the individual until the later of—

''(I) a period of not less than 6 months after the date of the first such refusal; or

''(II) the first date the individual agrees to work or look for work.

''(ii) in the case of the 2nd such refusal, the family of which the individual is a member shall not thereafter be eligible for aid under the State plan approved under part A.

''(B) REFUSAL TO ACCEPT A BONA FIDE OFFER OF EMPLOYMENT.—If an unemployed individual who has attained 18 years of age refuses to accept a bona fide offer of employment, the family of which the individual is a member shall not thereafter be eligible for aid under the State plan approved under part A.

''(b) OTHER STATES.—In the case of any other State, the State shall reduce, by such amount as the State considers appropriate,

the amount of aid otherwise payable under the State plan approved under part A to a family that includes an individual who fails without good cause to comply with an individual responsibility plan signed by the individual.

"Part G—Work First Program

"Subpart 1—Federal Model

"SEC. 491. ESTABLISHMENT AND OPERATION OF STATE PROGRAMS.

''A work first program meets the requirements of this subpart if the program meets the following requirements:

''(1) OBJECTIVE.—The objective of the program is for each program participant to find and hold a full-time unsubsidized paid job, and for this goal to be achieved in a cost-effective fashion.

''(2) METHOD.—The method of the program is to connect recipients of aid to families with dependent children with the private sector labor market as soon as possible and offer them the support and skills necessary to remain in the labor market. Each component of the program should be permeated with an emphasis on employment and with an understanding that minimum wage jobs are a stepping stone to more highly paid employment.

''(3) JOB CREATION.—The creation of jobs, with an emphasis on private sector jobs, shall be a component of the program and shall be a priority for each State office with responsibilities under the program.

''(4) USE OF INCENTIVES.—The State shall use incentives to change the culture of each State office with responsibilities under the State plan approved under part A, improve the performance of employees, and ensure that the objective of each employee of each such State office is to find an unsubsidized paid job for each program participant.

''(5) CASEWORKER TRAINING.—The State may provide such training to caseworkers and related personnel (including through the use of incentives) as may be necessary to ensure successful job placements that result in full-time public or private employment (outside the State agencies with responsibilities under part A) for program participants. The State shall reward any caseworker who enters an agreement of mutual responsibility with a program participant that provides for education or training activities as well as work.

''(6) REPORTS.—Each office with responsibility for operating the program shall make monthly statistical reports to the governing body of the State, county, and city in which located, of job placements and the number of program participants who are no longer receiving aid under the State plan approved under part A as a result of participation in the program.

''(7) CASE MANAGEMENT TEAMS.—

''(A) DUTIES.—The program requires the State to assign to each individual required or allowed to participate in the program a case management team that shall meet with the program participant and develop an agreement of mutual responsibility for the individual.

''(B) DEADLINE.—

''(i) IN GENERAL.—The case management team shall comply with subparagraph (A) with respect to a program participant within 30 days (or, at the option of the State, within a period not exceeding 90 days) after the later of—

''(I) the date the application of the program participant for aid under the State plan approved under part A was approved; or

''(II) the date this subpart first applies to the State.

''(ii) REPEAT PARTICIPANTS.—Within 30 days after the State makes a determination under section 497(b)(2) to allow an individual to participate in the program, the case management team shall meet with the individual and develop an agreement of mutual responsibility for the individual.

''(8) AGREEMENTS OF MUTUAL RESPONSIBILITY.—The agreement of mutual responsibility for a participant shall—

''(A) contain an individualized comprehensive plan, developed by the team and the participant, to move the participant into a full-time unsubsidized job, through activities under section 492, 493, 494, 495, or 496;

''(B) to the greatest extent possible, be designed to move the participant as quickly as possible into whatever type and amount of work as the participant is capable of handling, and increases the responsibility and amount of work over time until the participant is able to work full-time;

''(C) where necessary, provide for education or training of the participant;

''(D) provide that aid under the State plan is to be paid to the participant based on the number of hours that the participant spends in activities provided for in the agreement;

''(E) provide that the participant shall spend at least 30 hours per week (or, at State option, at least 20 hours per week during fiscal years 1997 and 1998, and at least 25 hours per week during fiscal year 1999) in activities provided for in the agreement;

''(F) provide that the participant shall accept any bona fide offer of unsubsidized full-time employment, unless the participant has good cause for not doing so;

''(G) at the option of the State, require the participant to undergo appropriate substance abuse treatment; and

''(H) at the option of the State, require the participant to have his or her children receive appropriate immunizations against disease.

''(9) OPTIONS FOR PARTICIPANTS.—The case manager for a program participant shall present the participant with each option offered under the State program through which the participant will, over time, be moved into full-time unsubsidized employment.

''(10) ONE-STOP EMPLOYMENT SHOPS.—

''(A) IN GENERAL.—In carrying out the program, the State shall utilize and make available to each program participant, through the establishment and operation or utilization of appropriate Federal or State one-stop employment shops, services under programs carried out under the following provisions of law:

''(i) Part A of title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.) (relating to the adult training program).

''(ii) Part B of title II of such Act (29 U.S.C. 1630 et seq.) (relating to the summer youth employment and training programs).

''(iii) Part C of title II of such Act (29 U.S.C. 1641 et seq.) (relating to the youth training program).

''(iv) Title III of such Act (29 U.S.C. 1651 et seq.) (relating to employment and training assistance for dislocated workers).

''(v) Part B of title IV of such Act (29 U.S.C. 1691 et seq.) (relating to the Job Corps).

''(vi) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

''(vii) The Adult Education Act (20 U.S.C. 1201 et seq.).

''(viii) Part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.) (relating to Even Start family literacy programs).

''(ix) Subtitle A of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421) (relating to adult education for the homeless).

''(x) Subtitle B of title VII of such Act (42 U.S.C. 11431 et seq.) (relating to education for homeless children and youth).

''(xi) Subtitle C of title VII of such Act (42 U.S.C. 11441) (relating to job training for the homeless).

''(xii) The School-to-Work Opportunities Act of 1994.

''(xiii) The National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).

''(xiv) The National Skill Standards Act of 1994.

''(B) COORDINATION.—In utilizing appropriate Federal or State one-stop employment shops described in subparagraph (A), the State shall ensure coordination between the caseworker of each program participant and the administrators of the programs carried out under the provisions of law described in such subparagraph.

''(11) NONDISPLACEMENT.—The program may not be operated in a manner that results in—

''(A) the displacement of a currently employed worker or position by a program participant;

''(B) the replacement of an employee who has been terminated with a program participant; or

''(C) the replacement of an individual who is on layoff from the same position given to a program participant or any equivalent position.

"SEC. 492. REVAMPED JOBS PROGRAM.

''A State that establishes a program under this subpart may operate a program similar to the program known as the 'GAIN Program' that has been operated by Riverside County, California, under Federal law in effect immediately before the date this subpart first applies to the State of California.

"SEC. 493. USE OF PLACEMENT COMPANIES.

''(a) IN GENERAL.—A State that establishes a program under this subpart may enter into contracts with private companies (whether operated for profit or not for profit) for the placement of participants in the program in positions of full-time employment, preferably in the private sector, for wages sufficient to eliminate the need of such participants for cash assistance.

''(b) REQUIRED CONTRACT TERMS.—Each contract entered into under this section with a company shall meet the following requirements:

''(1) PROVISION OF JOB READINESS AND SUPPORT SERVICES.—The contract shall require the company to provide, to any program participant who presents to the company a voucher issued under subsection (d) intensive personalized support and job readiness services designed to prepare the individual for employment and ensure the continued success of the individual in employment.

''(2) PAYMENTS.—

''(A) IN GENERAL.—The contract shall provide for payments to be made to the company with respect to each program participant who presents to the company a voucher issued under subsection (d).

''(B) STRUCTURE.—The contract shall provide for the majority of the amounts to be paid under the contract with respect to a program participant, to be paid after the company has placed the participant in a position of full-time employment and the participant has been employed in the position for such period of not less than 5 months as the State deems appropriate.

''(c) COMPETITIVE BIDDING REQUIRED.—Contracts under this section shall be awarded only after competitive bidding.

''(d) VOUCHERS.—The State shall issue a voucher to each program participant whose agreement of mutual responsibility provides for the use of placement companies under this section, indicating that the participant is eligible for the services of such a company.

"SEC. 494. TEMPORARY SUBSIDIZED JOB CREATION.

''A State that establishes a program under this subpart may establish a program similar to the program known as 'JOBS Plus' that has been operated by the State of Oregon under Federal law in effect immediately before the date this subpart first applies to the State of Oregon.

"SEC. 495. MICROENTERPRISE.

''(a) GRANTS AND LOANS TO NONPROFIT ORGANIZATIONS FOR THE PROVISION OF TECHNICAL ASSISTANCE, TRAINING, AND CREDIT TO LOW INCOME ENTREPRENEURS.—A State that establishes a program under this subpart may make grants and loans to nonprofit organizations to provide technical assistance, training, and credit to low income entrepreneurs for the purpose of establishing microenterprises.

''(b) MICROENTERPRISE DEFINED.—For purposes of this subsection, the term 'microenterprise' means a commercial enterprise which has 5 or fewer employees, 1 or more of whom owns the enterprise.

"SEC. 496. WORK SUPPLEMENTATION PROGRAM.

''(a) IN GENERAL.—A State that establishes a program under this subpart may institute a work supplementation program under which the State, to the extent it considers appropriate, may reserve the sums that would otherwise be payable to participants in the program as aid to families with dependent children and use the sums instead for the purpose of providing and subsidizing jobs for the participants (as described in subsection (c)(3)(A) and (B)), as an alternative to the aid to families with dependent children that would otherwise be so payable to the participants.

''(b) STATE FLEXIBILITY.—

''(1) Nothing in this subpart, or in any State plan approved under part A, shall be construed to prevent a State from operating (on such terms and conditions and in such cases as the State may find to be necessary or appropriate) a work supplementation program in accordance with this section and section 494 (as in effect immediately before the date this subpart first applies to the State).

''(2) Notwithstanding section 402(a)(23) or any other provision of law, a State may adjust the levels of the standards of need under the State plan as the State determines to be necessary and appropriate for carrying out a work supplementation program under this section.

''(3) Notwithstanding section 402(a)(1) or any other provision of law, a State operating a work supplementation program under this section may provide that the need standards in effect in those areas of the State in which the program is in operation may be different from the need standards in effect in the areas in which the program is not in operation, and the State may provide that the need standards for categories of recipients may vary among such categories to the extent the State determines to be appropriate on the basis of ability to participate in the work supplementation program.

''(4) Notwithstanding any other provision of law, a State may make such further adjustments in the amounts of the aid to families with dependent children paid under the plan to different categories of recipients (as determined under paragraph (3)) in order to offset increases in benefits from needs-related programs (other than the State plan approved under part A) as the State determines to be necessary and appropriate to further the purposes of the work supplementation program.

''(5) In determining the amounts to be reserved and used for providing and subsidizing jobs under this section as described in subsection (a), the State may use a sampling methodology.

''(6) Notwithstanding section 402(a)(8) or any other provision of law, a State operating a work supplementation program under this section—

''(A) may reduce or eliminate the amount of earned income to be disregarded under the State plan as the State determines to be necessary and appropriate to further the purposes of the work supplementation program; and

''(B) during 1 or more of the first 9 months of an individual's employment pursuant to a program under this subpart, may apply to the wages of the individual the provisions of subparagraph (A)(iv) of section 402(a)(8) without regard to the provisions of subparagraph (B)(ii)(II) of such section.

''(c) RULES RELATING TO SUPPLEMENTED JOBS.—

''(1) A work supplementation program operated by a State under this section may provide that any individual who is an eligible individual (as determined under paragraph (2)) shall take a supplemented job (as defined in paragraph (3)) to the extent that supplemented jobs are available under the program. Payments by the State to individuals or to employers under the work supplementation program shall be treated as expenditures incurred by the State for aid to families with dependent children except as limited by subsection (d).

''(2) For purposes of this section, an eligible individual is an individual who is in a category which the State determines should be eligible to participate in the work supplementation program, and who would, at the time of placement in the job involved, be eligible for aid to families with dependent children under an approved State plan if the State did not have a work supplementation program in effect.

''(3) For purposes of this subsection, a supplemented job is—

''(A) a job provided to an eligible individual by the State or local agency administering the State plan under part A; or

''(B) a job provided to an eligible individual by any other employer for which all or part of the wages are paid by the State or local agency.

A State may provide or subsidize under the program any job which the State determines to be appropriate.

''(4) At the option of the State, individuals who hold supplemented jobs under a State's work supplementation program shall be exempt from the retrospective budgeting requirements imposed pursuant to section 402(a)(13)(A)(ii) (and the amount of the aid which is payable to the family of any such individual for any month, or which would be so payable but for the individual's participation in the work supplementation program, shall be determined on the basis of the income and other relevant circumstances in that month).

''(d) COST LIMITATION.—The amount of the Federal payment to a State under section 403 for expenditures incurred in making payments to individuals and employers under a work supplementation program under this subsection shall not exceed an amount equal to the amount which would otherwise be payable under such section if the family of each individual employed in the program established in the State under this section had received the maximum amount of aid to families with dependent children payable under the State plan to such a family with no income (without regard to adjustments under subsection (b)) for the lesser of—

''(1) 9 months; or

''(2) the number of months in which the individual was employed in the program.

''(e) RULES OF INTERPRETATION.—

''(1) This section shall not be construed as requiring the State or local agency administering the State plan to provide employee status to an eligible individual to whom the State or local agency provides a job under the work supplementation program (or with respect to whom the State or local agency provides all or part of the wages paid to the individual by another entity under the program), or as requiring any State or local agency to provide that an eligible individual filling a job position provided by another entity under the program be provided employee status by the entity during the first 13 weeks the individual fills the position.

''(2) Wages paid under a work supplementation program shall be considered to be earned income for purposes of any provision of law.

''(f) PRESERVATION OF MEDICAID ELIGIBILITY.—Any State that chooses to operate a work supplementation program under this section shall provide that any individual who participates in the program, and any child or relative of the individual (or other individual living in the same household as the individual) who would be eligible for aid to families with dependent children under the State plan approved under part A if the State did not have a work supplementation program, shall be considered individuals receiving aid to families with dependent children under the State plan approved under part A for purposes of eligibility for medical assistance under the State plan approved under title XIX.

"SEC. 497. PARTICIPATION RULES.

''(a) IN GENERAL.—Except as provided in subsection (b), a State that establishes a program under this part may require any individual receiving aid under the State plan approved under part A to participate in the program.

''(b) 2-YEAR LIMITATION ON PARTICIPATION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an individual may not participate in a State program established under this part if the individual has participated in the State program established under this part for 24 months after the date the individual first signed an agreement of mutual responsibility under this part, excluding any month during which the individual worked for an average of at least 25 hours per week in a private sector job.

''(2) AUTHORITY TO ALLOW REPEAT PARTICIPATION.—

''(A) IN GENERAL.—Subject to subparagraph (B) of this paragraph, a State may allow an individual who, by reason of paragraph (1), would be prohibited from participating in the State program established under this part to participate in the program for such additional period or periods as the State determines appropriate.

''(B) LIMITATION ON PERCENTAGE OF REPEAT PARTICIPANTS.—

''(i) IN GENERAL.—Except as provided in clause (ii) of this subparagraph, the number of individuals allowed under subparagraph (A) to participate during a program year in a State program established under this part shall not exceed—

''(I) 10 percent of the total number of individuals who participated in the State program established under this part or the State program established under part H during the immediately preceding program year; or

''(II) in the case of fiscal year 2004 or any succeeding fiscal year, 15 percent of such total number of individuals.

''(ii) AUTHORITY TO INCREASE LIMITATION.—

''(I) PETITION.—A State may request the Secretary to increase to not more than 15

percent the percentage limitation imposed by clause (i)(I) for a fiscal year before fiscal year 2004.

''(II) AUTHORITY TO GRANT REQUEST.—The Secretary may approve a request made pursuant to subclause (I) if the Secretary deems it appropriate. The Secretary shall develop recommendations on the criteria that should be applied in evaluating requests under subclause (I).

''SEC. 498. CASELOAD PARTICIPATION RATES; PERFORMANCE MEASURES.

''(a) PARTICIPATION RATES.—

''(1) REQUIREMENT.—A State that operates a program under this part shall achieve a participation rate for the following fiscal years of not less than the following percentage:

''Fiscal year:	Percentage:
1997	16
1998	20
1999	24
2000	28
2001	32
2002	40
2003 or later	52.

''(2) PARTICIPATION RATE DEFINED.—

''(A) IN GENERAL.—As used in this subsection, the term 'participation rate' means, with respect to a State and a fiscal year, an amount equal to—

''(i) the average monthly number of individuals who, during the fiscal year, participate in the State program established under this part or the State program (if any) established under part H; divided by

''(ii) the average monthly number of individuals for whom an individual responsibility plan is in effect under section 482 during the fiscal year.

''(B) SPECIAL RULE.—For each of the 1st 12 months after an individual ceases to receive aid under a State plan approved under part A by reason of having become employed for more than 25 hours per week in an unsubsidized job in the private sector, the individual shall be considered to be participating in the State program established under this part, and to be an adult recipient of such aid, for purposes of subparagraph (A).

''(3) STATE COMPLIANCE REPORTS.—Each State that operates a program under this part for a fiscal year shall submit to the Secretary a report on the participation rate of the State for the fiscal year.

''(4) EFFECT OF FAILURE TO MEET PARTICIPATION RATES.—

''(A) IN GENERAL.—If a State reports that the State has failed to achieve the participation rate required by paragraph (1) for the fiscal year, the Secretary may make recommendations for changes in the State program established under this part and (if the State has established a program under part H) the State program established under part H. The State may elect to follow such recommendations, and shall demonstrate to the Secretary how the State will achieve the required participation rates.

''(B) SECOND CONSECUTIVE FAILURE.—Notwithstanding subparagraph (A), if a State fails to achieve the participation rate required by paragraph (1) for 2 consecutive fiscal years, the Secretary may—

''(i) require the State to make changes in the State program established under this part and (if the State has established a program under part H) the State program established under part H; and

''(ii) reduce by 5 percent the amount otherwise payable to the State under paragraph (1) or (2) (whichever applies to the State) of section 403(a).

''(b) PERFORMANCE STANDARDS.—The Secretary shall develop standards to be used to measure the effectiveness of the programs established under this part and part H in moving recipients of aid under the State plan approved under part A into full-time unsubsidized employment.

''(c) PERFORMANCE-BASED MEASURES.—

''(1) ESTABLISHMENT.—The Secretary shall, by regulation, establish measures of the effectiveness of the State programs established under this part and under part H in moving recipients of aid under the State plan approved under part A into full-time unsubsidized employment, based on the performance of such programs.

''(2) ANNUAL COMPLIANCE REPORTS.—Each State that operates a program under this part shall submit to the Secretary annual reports that compare the achievements of the program with the performance-based measures established under paragraph (1).

''Subpart 2—Optional State Plans

''SEC. 499. STATE ROLE.

''(a) PROGRAM REQUIREMENTS.—Any State may establish and operate a work first program that meets the following requirements, unless the State is operating a work first program under subpart 1:

''(1) OBJECTIVE.—The objective of the program is for each program participant to find and hold a full-time unsubsidized paid job, and for this goal to be achieved in a cost-effective fashion.

''(2) METHOD.—The method of the program is to connect recipients of aid to families with dependent children with the private sector labor market as soon as possible and offer them the support and skills necessary to remain in the labor market. Each component of the program should be permeated with an emphasis on employment and with an understanding that minimum wage jobs are a stepping stone to more highly paid employment. The program shall provide recipients with education, training, job search and placement, wage supplementation, temporary subsidized jobs, or such other services that the State deems necessary to help a recipient obtain private sector employment.

''(3) JOB CREATION.—The creation of jobs, with an emphasis on private sector jobs, shall be a component of the program and shall be a priority for each State office with responsibilities under the program.

''(4) FORMS OF ASSISTANCE.—The State shall provide assistance to participants in the program in the form of education, training, job placement services (including vouchers for job placement services), work supplementation programs, temporary subsidized job creation, job counseling, assistance in establishing microenterprises, or other services to provide individuals with the support and skills necessary to obtain and keep employment in the private sector.

''(5) 2-YEAR LIMITATION ON PARTICIPATION.—The program shall comply with section 497(b).

''(6) AGREEMENTS OF MUTUAL RESPONSIBILITY.—

''(A) IN GENERAL.—The State agency shall develop an agreement of mutual responsibility for each program participant, which will be an individualized comprehensive plan, developed by the team and the participant, to move the participant into a full-time unsubsidized job. The agreement should detail the education, training, or skills that the individual will be receiving to obtain a full-time unsubsidized job, and the obligations of the individual.

''(B) HOURS OF PARTICIPATION REQUIREMENT.—The agreement shall provide that the individual shall participate in activities in accordance with the agreement for—

''(i) not fewer than 20 hours per week during fiscal years 1997 and 1998;

''(ii) not fewer than 25 hours per week during fiscal year 1999; and

''(iii) not fewer than 30 hours per week thereafter.

''(7) CASELOAD PARTICIPATION RATES.—The program shall comply with section 498.

''(8) NONDISPLACEMENT.—The program shall comply with section 491(11).

''(b) ANNUAL REPORTS.—

''(1) COMPLIANCE WITH PERFORMANCE MEASURES.—Each State that operates a program under this subpart shall submit to the Secretary annual reports that compare the achievements of the program with the performance-based measures established under section 490(b).

''(2) COMPLIANCE WITH PARTICIPATION RATES.—Each State that operates a program under this subpart for a fiscal year shall submit to the Secretary a report on the participation rate of the State for the fiscal year.

''SEC. 500. FEDERAL ROLE.

''(a) APPROVAL OF STATE PLANS.—

''(1) IN GENERAL.—Within 60 days after the date a State submits to the Secretary a plan that provides for the establishment and operation of a work first program that meets the requirements of section 499, the Secretary shall approve the plan.

''(2) AUTHORITY TO EXTEND APPROVAL DEADLINE.—The 60-day deadline established in paragraph (1) with respect to a State may be extended in accordance with an agreement between the Secretary and the State.

''(b) PERFORMANCE-BASED MEASURES.—The Secretary shall, by regulation, establish measures of the effectiveness of the State program established under this subpart and (if the State has established a program under part H) the State program established under part H in moving recipients of aid under the State plan approved under part A into full-time unsubsidized employment, based on the performance of such programs.

''(c) EFFECT OF FAILURE TO MEET PARTICIPATION RATES.—

''(1) IN GENERAL.—If a State reports that the State has failed to achieve the participation rate required by section 499(a)(7) for the fiscal year, the Secretary may make recommendations for changes in the State program established under this subpart and (if the State has established a program under part H) the State program established under part H. The State may elect to follow such recommendations, and shall demonstrate to the Secretary how the State will achieve the required participation rates.

''(2) SECOND CONSECUTIVE FAILURE.—Notwithstanding paragraph (1), if the State has failed to achieve the participation rates required by section 499(a)(7) for 2 consecutive fiscal years, the Secretary may require the State to make changes in the State program established under this subpart and (if the State has established a program under part H) the State program established under part H.

''Part H—Workfare Program

''SEC. 500A. ESTABLISHMENT AND OPERATION OF PROGRAM.

''(a) IN GENERAL.—A State that establishes a work first program under a subpart of part G may establish and carry out a workfare program that meets the requirements of this part, unless the State has established a job placement voucher program under part I.

''(b) OBJECTIVE.—The objective of the workfare program is for each program participant to find and hold a full-time unsubsidized paid job, and for this goal to be achieved in a cost-effective fashion.

''(c) CASE MANAGEMENT TEAMS.—The State shall assign to each program participant a case management team that shall meet with the participant and assist the participant to choose the most suitable workfare job under subsection (e), (f), or (g) and to eventually obtain a full-time unsubsidized paid job.

''(d) PROVISION OF JOBS.—The State shall provide each participant in the program with a community service job that meets the requirements of subsection (e) or a subsidized job that meets the requirements of subsection (f) or (g).

''(e) COMMUNITY SERVICE JOBS.—

''(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), each participant shall work for not fewer than 30 hours per week (or, at the option of the State, 20 hours per week during fiscal years 1997 and 1998, not fewer than 25 hours per week during fiscal year 1999, not fewer than 30 hours per week during fiscal years 2000 and 2001, and not fewer than 35 hours per week thereafter) in a community service job, and be paid at a rate which is not greater than 75 percent (or, at the option of the State, 100 percent) of the maximum amount of aid payable under the State plan approved under part A to a family of the same size and composition with no income.

''(2) EXCEPTION.—(A) If the participant has obtained unsubsidized part-time employment in the private sector, the State shall provide the participant with a part-time community service job.

''(B) If the State provides a participant a part-time community service job under subparagraph (A), the State shall ensure that the participant works for not fewer than 30 hours per week.

''(3) WAGES NOT CONSIDERED EARNED INCOME.—Wages paid under a workfare program shall not be considered to be earned income for purposes of any provision of law.

''(4) COMMUNITY SERVICE JOB DEFINED.—For purposes of this section, the term 'community service job' means—

''(A) a job provided to a participant by the State administering the State plan under part A; or

''(B) a job provided to a participant by any other employer for which all or part of the wages are paid by the State.

A State may provide or subsidize under the program any job which the State determines to be appropriate.

''(f) TEMPORARY SUBSIDIZED JOB CREATION.—A State that establishes a workfare program under this part may establish a program similar to the program operated by the State of Oregon, which is known as 'JOBS Plus'.

''(g) WORK SUPPLEMENTATION PROGRAM.—

''(1) IN GENERAL.—A State that establishes a workfare program under this part may institute a work supplementation program under which the State, to the extent it considers appropriate, may reserve the sums that would otherwise be payable to participants in the program as a community service minimum wage and use the sums instead for the purpose of providing and subsidizing private sector jobs for the participants.

''(2) EMPLOYER AGREEMENT.—An employer who provides a private sector job to a participant under paragraph (1) shall agree to provide to the participant an amount in wages equal to the poverty threshold for a family of three.

''(h) JOB SEARCH REQUIREMENT.—The State shall require each participant to spend a minimum of 5 hours per week on activities related to securing unsubsidized full-time employment in the private sector.

''(i) DURATION OF PARTICIPATION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an individual may not participate for more than 2 years in a workfare program under this part.

''(2) AUTHORITY TO ALLOW REPEATED PARTICIPATION.—

''(A) IN GENERAL.—Subject to subparagraph (B), a State may allow an individual who, by reason of paragraph (1), would be prohibited from participating in the State program established under this part to participate in the program for such additional period or periods as the State determines appropriate.

''(B) LIMITATION ON PERCENTAGE OF REPEAT PARTICIPANTS.—

''(i) IN GENERAL.—Except as provided in clause (ii), the number of individuals allowed under subparagraph (A) to participate during a program year in a State program established under this part shall not exceed 10 percent of the total number of individuals who participated in the program during the immediately preceding program year.

''(ii) AUTHORITY TO INCREASE LIMITATION.—

''(I) PETITION.—A State may request the Secretary to increase the percentage limitation imposed by clause (i) to not more than 15 percent.

''(II) AUTHORITY TO GRANT REQUEST.—The Secretary may approve a request made pursuant to subclause (I) if the Secretary deems it appropriate. The Secretary shall develop recommendations on the criteria that should be applied in evaluating requests under subclause (I).

''(j) USE OF PLACEMENT COMPANIES.—A State that establishes a workfare program under this part may enter into contracts with private companies (whether operated for profit or not for profit) for the placement of participants in the program in positions of full-time employment, preferably in the private sector, for wages sufficient to eliminate the need of such participants for cash assistance in accordance with section 493.

''(k) MAXIMUM OF 3 COMMUNITY SERVICE JOBS.—A program participant may not receive more than 3 community service jobs under the program.

''Part I—Job Placement Voucher Program

''SEC. 500B. JOB PLACEMENT VOUCHER PROGRAM.

''A State that is not operating a workfare program under part H may establish a job placement voucher program that meets the following requirements:

''(1) The program shall offer each program participant a voucher which the participant may use to obtain employment in the private sector.

''(2) An employer who receives a voucher issued under the program from an individual may redeem the voucher at any time after the individual has been employed by the employer for 6 months, unless another employee of the employer was displaced by the employment of the individual.

''(3) Upon presentation of a voucher by an employer to the State agency responsible for the administration of the program, the State agency shall pay to the employer an amount equal to 50 percent of the total amount of aid paid under the State plan approved under part A to the family of which the individual is a member for the most recent 12 months for which the family was eligible for such aid.''.

(c) FUNDING.—Section 403 (42 U.S.C. 603) is amended by inserting after subsection (b) the following:

''(c)(1) Each State that is operating a program in accordance with subpart 1 of part G (or in accordance with a plan approved under subpart 2 of part G), and a program in accordance with part H or I shall be entitled to payments under subsection (d) for any fiscal year in an amount equal to the sum of the applicable percentages (specified in such subsection) of its expenditures to carry out such programs (subject to limitations prescribed by or pursuant to such parts or this section on expenditures that may be included for purposes of determining payment under subsection (d)), but such payments for any fiscal year in the case of any State may not exceed the limitation determined under paragraph (2) with respect to the State.

''(2) The limitation determined under this paragraph with respect to a State for any fiscal year is the amount that bears the same ratio to the amount specified in paragraph (3) for such fiscal year as the average monthly number of adult recipients (as defined in paragraph (4)) in the State in the preceding fiscal year bears to the average monthly number of such recipients in all the States for such preceding year.

''(3)(A) The amount specified in this paragraph is—

''(i) $1,500,000,000 for fiscal year 1997;

''(iii) $2,000,000,000 for fiscal year 1998;

''(iv) $2,600,000,000 for fiscal year 1999;

''(v) $3,100,000,000 for fiscal year 2000; and

''(vi) the amount determined under subparagraph (B) for fiscal year 2001 and each succeeding fiscal year.

''(B) The amount determined under this subparagraph for a fiscal year is the product of the following:

''(i) The amount specified in this paragraph for the immediately preceding fiscal year.

''(ii) 1.00 plus the percentage (if any) by which—

''(I) the average of the Consumer Price Index (as defined in section 1(f)(5) of the Internal Revenue Code of 1986) for the most recent 12-month period for which such information is available; exceeds

''(II) the average of the Consumer Price Index (as so defined) for the 12-month period ending on June 30 of the 2nd preceding fiscal year.

''(iii) The amount that bears the same ratio to the amount specified in this paragraph for the immediately preceding fiscal year as the number of individuals whom the Secretary estimates will participate in programs operated under part G, H, or I during the fiscal year bears to the total number of individuals who participated in such programs during such preceding fiscal year.

''(4) For purposes of this subsection, the term 'adult recipient' in the case of any State means an individual other than a dependent child (unless such child is the custodial parent of another dependent child) whose needs are met (in whole or in part) with payments of aid to families with dependent children.

''(d)(1) In lieu of any payment under subsection (a), the Secretary shall pay to each State that is operating a program in accordance with subpart 1 of part G (or in accordance with a plan approved under subpart 2 of part G), and a program in accordance with part H or I, and to which section 1108 does not apply, with respect to expenditures by the State to carry out such programs, an amount equal to 70 percent, or the Federal medical assistance percentage (as defined in section 1905(b)) increased by 10 percentage points, whichever is the greater, of the total amount expended during the quarter for the operation and administration of such programs.

''(2) In lieu of any payment under subsection (a), the Secretary shall pay to each State that is operating a program in accordance with subpart 1 of part G (or in accordance with a plan approved under subpart 2 of part G), and a program in accordance with part H or I, and to which section 1108 applies, with respect to expenditures by the State to carry out such programs (including expenditures for child care under section 402(g)(1)(A)), an amount equal to—

''(A) with respect to so much of such expenditures in a fiscal year as do not exceed the State's expenditures in the fiscal year 1987 with respect to which payments were made to such State from its allotment for such fiscal year pursuant to part C of this title as then in effect, 90 percent; and

''(B) with respect to so much of such expenditures in a fiscal year as exceed the amount described in subparagraph (A)—

''(i) 50 percent, in the case of expenditures for administrative costs made by a State in operating such programs for such fiscal year (other than the personnel costs for staff employed full-time in the operation of such program) and the costs of transportation and other work-related supportive services under section 402(g)(2); and

''(ii) 70 percent or the Federal medical assistance percentage (as defined in the last sentence of section 1118) increased by 10 percentage points, whichever is the greater, in the case of expenditures made by a State in operating such programs for such fiscal year (other than for costs described in clause (i)).

''(3) With respect to the amount for which payment is made to a State under paragraph (2)(A), the State's expenditures for the costs of operating such programs may be in cash or in kind, fairly evaluated.

''(4) Not more than 10 percent of the amount payable to a State under this subsection for a quarter may be for expenditures made during the quarter with respect to program participants who are not eligible for aid under the State plan approved under part A.''.

(d) SECRETARY'S SPECIAL ADJUSTMENT FUND.—Section 403 (42 U.S.C. 603) is amended by adding at the end the following:

''(p)(1) There shall be available to the Secretary from the amount appropriated for payments under subsection (c) for States' programs under parts G and H for fiscal year 1996, $300,000,000 for special adjustments to States' limitations on Federal payments for such programs.

''(2) A State may, not later than March 1 and September 1 of each fiscal year, submit to the Secretary a request to adjust the limitation on payments under this section with respect to its program under part G (and, in fiscal years after 1997) its program under part H for the following fiscal year. The Secretary shall only consider such a request from a State which has, or which demonstrates convincingly on the basis of estimates that it will, submit allowable claims for Federal payment in the full amount available to it under subsection (c) in the current fiscal year and obligated 95 percent of its full amount in the prior fiscal year. The Secretary shall by regulation prescribe criteria for the equitable allocation among the States of Federal payments pursuant to adjustments of the limitations referred to in the preceding sentence in the case where the requests of all States that the Secretary finds reasonable exceed the amount available, and, within 30 days following the dates specified in this paragraph, will notify each State whether one or more of its limitations will be adjusted in accordance with the State's request and the amount of the adjustment (which may be some or all of the amount requested).

''(3) The Secretary may adjust the limitation on Federal payments to a State for a fiscal year under subsection (c), and upon a determination by the Secretary that (and the amount by which) a State's limitation should be raised, the amount specified in either such subsection, or both, shall be considered to be so increased for the following fiscal year.

''(4) The amount made available under paragraph (1) for special adjustments shall remain available to the Secretary until expended. That amount shall be reduced by the sum of the adjustments approved by the Secretary in any fiscal year, and the amount shall be increased in a fiscal year by the amount by which all States' limitations under subsection (c) of this section and section 2008 for a fiscal year exceeded the sum of the Federal payments under such provisions of law for such fiscal year, but for fiscal years after 1997, such amount at the end of such fiscal year shall not exceed $400,000,000.''.

(e) CONFORMING AMENDMENTS.—

(1) Section 402(a) (42 U.S.C. 602(a)) is amended by striking paragraph (19).

(2) Section 403 (42 U.S.C. 603) is amended by striking subsections (k) and (l).

(3) Section 407(b)(1)(B) (42 U.S.C. 607(b)(1)(B)) is amended—

(A) by adding ''and'' at the end of clause (iii);

(B) by striking ''; and'' at the end of clause (iv) and inserting a period; and

(C) by striking clause (v).

(4) Section 407(b)(2)(B)(ii)(I) (42 U.S.C. 607(b)(2)(B)(ii)(I)) is amended by striking ''under section 402(a)(19) or''.

(5) Section 407(b)(2)(C) (42 U.S.C. 607(b)(2)(C)) is amended by striking ''section 402(a)(19) and''.

(6) Section 1115(b)(2)(A) (42 U.S.C. 1315(b)(2)(A)) is amended by striking '', and 402(a)(19) (relating to the work incentive program)''.

(7) Section 1108 (42 U.S.C. 1308) is amended—

(A) in subsection (a), by striking ''or, in the case of part A of title IV, section 403(k)''; and

(B) in subsection (d), by striking ''(exclusive of any amounts on account of services and items to which, in the case of part A of such title, section 403(k) applies)''.

(8) Section 1902(a)(19)(A)(i)(I) (42 U.S.C. 1396a(a)(19)(A)(i)(I)) is amended by striking ''482(e)(6)'' and inserting ''486(f)''.

(9) Section 1928(a)(1) (42 U.S.C. 1396s(a)(1)) is amended by striking ''482(e)(6)'' and inserting ''486(f)''.

(f) INTENT OF THE CONGRESS.—The Congress intends for State activities under section 494 of the Social Security Act (as added by the amendment made by section 301(b) of this Act) to emphasize the use of the funds that would otherwise be used to provide individuals with aid to families with dependent children under part A of title IV of the Social Security Act and with food stamp benefits under the Food Stamp Act of 1977, to subsidize the wages of such individuals in temporary jobs.

(g) SENSE OF THE CONGRESS.—It is the sense of the Congress that States should target individuals who have not attained 25 years of age for participation in the program established by the State under part G of title IV of the Social Security Act (as added by the amendment made by section 301(b) of this section) in order to break the cycle of welfare dependency.

SEC. 302. REGULATIONS.

The Secretary of Health and Human Services shall prescribe such regulations as may be necessary to implement the amendments made by this title.

SEC. 303. APPLICABILITY TO STATES.

(a) STATE OPTION TO ACCELERATE APPLICABILITY.—If a State formally notifies the Secretary of Health and Human Services that the State desires to accelerate the applicability to the State of the amendments made by this title, the amendments shall apply to the State on and after such earlier date as the State may select.

(b) STATE OPTION TO DELAY APPLICABILITY UNTIL WAIVERS EXPIRE.—The amendments made by this title shall not apply to a State with respect to which there is in effect a waiver issued under section 1115 of the Social Security Act for the State program established under part G of title IV of such Act, until the waiver expires, if the State formally notifies the Secretary of Health and Human Services that the State desires to so delay such effective date.

(c) AUTHORITY OF THE SECRETARY OF HEALTH AND HUMAN SERVICES TO DELAY APPLICABILITY TO A STATE.—If a State formally notifies the Secretary of Health and Human Services that the State desires to delay the applicability to the State of the amendments made by this title, the amendments shall apply to the State on and after any later date agreed upon by the Secretary and the State.

SEC. 304. SENSE OF THE CONGRESS RELATING TO AVAILABILITY OF WORK FIRST PROGRAM IN RURAL AREAS.

It is the sense of the Congress that the Secretary of Health and Human Services and the States should consider the needs of rural areas in designing State plans under part G of title IV of the Social Security Act.

SEC. 305. GRANTS TO COMMUNITY-BASED ORGANIZATIONS.

(a) IN GENERAL.—The Secretary of Health and Human Services may make grants in accordance with this section to community-based organizations that move recipients of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act or under other public assistance programs into private sector work.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for fiscal year 1996 and $50,000,000 for fiscal years 1997, 1998, 1999, and 2000.

(c) ELIGIBLE ORGANIZATIONS.—The Secretary of Health and Human Services shall award grants to community-based organizations that—

(1) receive at least 5 percent of their funding from local government sources; and

(2) move recipients referred to in subsection (a) in the direction of unsubsidized private employment by integrating and co-locating at least 5 of the following services—

(A) case management;

(B) job training;

(C) child care;

(D) housing;

(E) health care services;

(F) nutrition programs;

(G) life skills training; and

(H) parenting skills.

(d) AWARDING OF GRANTS.—

(1) IN GENERAL.—The Secretary shall award grants based on the quality of applications, subject to paragraphs (2) and (3).

(2) PREFERENCE IN AWARDING GRANTS.—In awarding grants under this section, the Secretary shall give preference to organizations which receive more than 50 percent of their funding from State government, local government or private sources.

(3) DISTRIBUTION OF GRANT.—The Secretary shall award at least 1 grant to each State from which the Secretary received an application.

(4) LIMITATION ON SIZE OF GRANT.—The Secretary shall not award any grants under this section of more than $1,000,000.

(e) ISSUANCE OF REGULATIONS.—Not less than 6 months after the date of the enactment of this section, the Secretary shall prescribe such regulations as may be necessary to implement this section.

TITLE IV—FAMILY RESPONSIBILITY AND IMPROVED CHILD SUPPORT ENFORCEMENT

Subtitle A—Eligibility and Other Matters Concerning Title IV–D Program Clients

SEC. 401. STATE OBLIGATION TO PROVIDE PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE LAW REQUIREMENTS.—Section 466(a) (42 U.S.C. 666(a)) is amended by inserting after paragraph (11) the following:

''(12) USE OF CENTRAL CASE REGISTRY AND CENTRALIZED COLLECTIONS UNIT.—Procedures under which—

''(A) every child support order established or modified in the State on or after October 1, 1998, is recorded in the central case registry established in accordance with section 454A(e); and

''(B) child support payments are collected through the centralized collections unit established in accordance with section 454B—

''(i) on and after October 1, 1998, under each order subject to wage withholding under section 466(b); and

''(ii) on and after October 1, 1999, under each other order required to be recorded in such central case registry under this paragraph or section 454A(e), except as provided in subparagraph (C); and

''(C)(i) parties subject to a child support order described in subparagraph (B)(ii) may opt out of the procedure for payment of support through the centralized collections unit (but not the procedure for inclusion in the central case registry) by filing with the State agency a written agreement, signed by both parties, to an alternative payment procedure; and

''(ii) an agreement described in clause (i) becomes void whenever either party advises the State agency of an intent to vacate the agreement.''.

(b) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following:

''(4) provide that such State will undertake—

''(A) to provide appropriate services under this part to—

''(i) each child with respect to whom an assignment is effective under section 402(a)(26), 471(a)(17), or 1912 (except in cases where the State agency determines, in accordance with paragraph (25), that it is against the best interests of the child to do so); and

''(ii) each child not described in clause (i)—

''(I) with respect to whom an individual applies for such services; and

''(II) (on and after October 1, 1998) each child with respect to whom a support order is recorded in the central State case registry established under section 454A, regardless of whether application is made for services under this part; and

''(B) to enforce the support obligation established with respect to the custodial parent of a child described in subparagraph (A) unless the parties to the order which establishes the support obligation have opted, in accordance with section 466(a)(12)(C), for an alternative payment procedure.''; and

(2) in paragraph (6)—

(A) by striking subparagraph (A) and inserting the following:

''(A) services under the State plan shall be made available to nonresidents on the same terms as to residents;'';

(B) in subparagraph (B)—

(i) by inserting ''on individuals not receiving assistance under part A'' after ''such services shall be imposed''; and

(ii) by inserting ''but no fees or costs shall be imposed on any absent or custodial parent or other individual for inclusion in the central State registry maintained pursuant to section 454A(e)''; and

(C) in each of subparagraphs (B), (C), and (D)—

(i) by indenting such subparagraph and aligning its left margin with the left margin of subparagraph (A); and

(ii) by striking the final comma and inserting a semicolon.

(c) CONFORMING AMENDMENTS.—

(1) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking ''454(6)'' each place it appears and inserting ''454(4)(A)(ii)''.

(2) Section 454(23) (42 U.S.C. 654(23)) is amended, effective October 1, 1998, by striking ''information as to any application fees for such services and''.

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking ''in the case of overdue support which a State has agreed to collect under section 454(6)'' and inserting ''in any other case''.

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking ''or (6)''.

SEC. 402. DISTRIBUTION OF PAYMENTS.

(a) DISTRIBUTIONS THROUGH STATE CHILD SUPPORT ENFORCEMENT AGENCY TO FORMER ASSISTANCE RECIPIENTS.—Section 454(5) (42 U.S.C. 654(5)) is amended—

(1) in subparagraph (A)—

(A) by inserting ''except as otherwise specifically provided in section 464 or 466(a)(3),'' after ''is effective,''; and

(B) by striking ''except that'' and all that follows through the semicolon; and

(2) in subparagraph (B), by striking '', except'' and all that follows through ''medical assistance''.

(b) DISTRIBUTION TO A FAMILY CURRENTLY RECEIVING AFDC.—Section 457 (42 U.S.C. 657) is amended—

(1) by striking subsection (a) and redesignating subsection (b) as subsection (a);

(2) in subsection (a), as redesignated—

(A) in the matter preceding paragraph (2), to read as follows:

''(a) IN THE CASE OF A FAMILY RECEIVING AFDC.—Amounts collected under this part during any month as support of a child who is receiving assistance under part A (or a parent or caretaker relative of such a child) shall (except in the case of a State exercising the option under subsection (b)) be distributed as follows:

''(1) an amount equal to the amount that will be disregarded pursuant to section 402(a)(8)(A)(vi) shall be taken from each of—

''(A) amounts received in a month which represent payments for that month; and

''(B) amounts received in a month which represent payments for a prior month which were made by the absent parent in the month when due;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;'';

(B) in paragraph (4), by striking ''or (B)'' and all that follows and inserting ''; then (B) from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and then (C) any remainder shall be paid to the family.''.

(3) by inserting after subsection (a), as redesignated, the following new subsection:

''(b) ALTERNATIVE DISTRIBUTION IN CASE OF FAMILY RECEIVING AFDC.—In the case of a State electing the option under this subsection, amounts collected as described in subsection (a) shall be distributed as follows:

''(1) an amount equal to the amount that will be disregarded pursuant to section 402(a)(8)(A)(vi) shall be taken from each of—

''(A) amounts received in a month which represent payments for that month; and

''(B) amounts received in a month which represent payments for a prior month which were made by the absent parent in the month when due;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;

''(2) second, from any remainder, amounts equal to the balance of support owed for the current month shall be paid to the family;

''(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to the State making the collection shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

''(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and

''(5) fifth, any remainder shall be paid to the family.''.

(c) DISTRIBUTION TO A FAMILY NOT RECEIVING AFDC.—

(1) IN GENERAL.—Section 457(c) (42 U.S.C. 657(c)) is amended to read as follows:

''(c) IN CASE OF FAMILY NOT RECEIVING AFDC.—Amounts collected by a State agency under this part during any month as support of a child who is not receiving assistance under part A (or of a parent or caretaker relative of such a child) shall (subject to the remaining provisions of this section) be distributed as follows:

''(1) first, amounts equal to the total of such support owed for such month shall be paid to the family;

''(2) second, from any remainder, amounts equal to arrearages of such support obligations for months during which such child did not receive assistance under part A shall be paid to the family;

''(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned to the State making the collection pursuant to part A shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

''(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned to any other State pursuant to part A shall be paid to such other State or States, and used to pay such arrearages, in the order in which such arrearages accrued (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing).''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1999.

(d) DISTRIBUTION TO A CHILD RECEIVING ASSISTANCE UNDER PART E.—Section 457(d) (42 U.S.C. 657(d)) is amended, in the matter preceding paragraph (1), by striking ''Notwithstanding the preceding provisions of this section, amounts'' and inserting the following:

''(d) IN CASE OF A CHILD RECEIVING ASSISTANCE UNDER PART E.—Amounts''.

(e) SUSPENSION OR CANCELLATION OF DEBTS UPON MARRIAGE OF PARENTS.—Section 457 (42 U.S.C. 657) is amended by adding at the end the following:

''(e) SUSPENSION OR CANCELLATION OF DEBTS TO STATE UPON MARRIAGE OF PARENTS.—

''(1) CIRCUMSTANCES REQUIRING SUSPENSION OR CANCELLATION.—In any case in which a State has been assigned rights to support owed with respect to a child who is receiving or has received assistance under part A and—

''(A) the parent owing such support marries (or remarries) the parent with whom

such child is living and to whom such support is owed and applies to the State for relief under this subsection;

''(B) the State determines (in accordance with procedures and criteria established by the Secretary) that the marriage is not a sham marriage entered into solely to satisfy this subsection; and

''(C) the combined income of such parents is less than twice the Federal poverty line,

the State shall afford relief to the parent owing such support in accordance with paragraph (2).

''(2) SUSPENSION OR CANCELLATION.—In the case of a marriage or remarriage described in paragraph (1), the State shall either—

''(A) cancel all debts owed to the State pursuant to such assignment; or

''(B) suspend collection of such debts for the duration of such marriage, and cancel such debts if such duration extends beyond the end of the period with respect to which support is owed.

''(3) NOTICE REQUIRED.—The State shall notify custodial parents of children who are receiving aid under part A of the relief available under this subsection to individuals who marry (or remarry).''.

(f) STATE OPTIONS TO PASS THROUGH AND TO DISREGARD CHILD SUPPORT AMOUNTS.—

(1) STATE OPTION TO PASS THROUGH CHILD SUPPORT.—Section 457(b)(1) (42 U.S.C. 657(b)(1)) is amended to read as follows:

''(1) at State option, an amount determined by the State, equal to all or a portion of the monthly support obligation, may be paid to the family from each of—

''(A) amounts received in a month which represent payments for that month; and

''(B) amounts received in a month which represent payments for a prior month which were made by the absent parent in the month when due;''.

(2) STATE OPTION TO DISREGARD CHILD SUPPORT.—Section 402(a)(8)(A)(vi) (42 U.S.C 602(a)(8)(A)(vi)) is amended—

(A) by striking ''shall disregard the first $50'' and inserting ''may disregard all or any portion'';

(B) by striking ''the first $50'' and inserting ''and all or any portion''; and

(C) by striking ''section 457(b)'' and inserting ''section 457(a)''.

(g) PASS THROUGH AND DISREGARD OF SUPPORT COLLECTED ON BEHALF OF A FAMILY SUBJECT TO THE FAMILY CAP.—

(1) PASS THROUGH.—Section 457 (42 U.S.C. 657), as amended by subsection (e) of this section, is amended by adding at the end the following:

''(f) PASS THROUGH OF SUPPORT COLLECTED ON BEHALF OF A FAMILY SUBJECT TO THE FAMILY CAP.—Amounts collected by a State agency under this part during any month as support of a child who is a member of a 1-parent family subject to section 402(a)(51) shall be distributed to the family.''.

(2) DISREGARD.—Section 402(a)(8)(A)(vi) (42 U.S.C. 602(a)(8)(A)(vi)) is amended by inserting '', except that, in the case of a 1-parent family subject to paragraph (51), all support payments collected and paid to the family under section 457(f) shall be disregarded'' before the semicolon.

(h) REGULATIONS.—The Secretary of Health and Human Services shall promulgate regulations—

(1) under part D of title IV of the Social Security Act, establishing a uniform nationwide standard for allocation of child support collections from an obligor owing support to more than one family; and

(2) under part A of such title, establishing standards applicable to States electing the alternative formula under section 457(b) of such Act for distribution of collections on behalf of families receiving Aid to Families with Dependent Children, designed to minimize irregular monthly payments to such families.

(i) CLERICAL AMENDMENT.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (11), by striking ''(11)'' and inserting ''(11)(A)''; and

(2) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

SEC. 403. DUE PROCESS RIGHTS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 402(f) of this Act, is amended by inserting after paragraph (11) the following new paragraph:

''(12) provide for procedures to ensure that—

''(A) individuals who are applying for or receiving services under this part, or are parties to cases in which services are being provided under this part—

''(i) receive notice of all proceedings in which support obligations might be established or modified; and

''(ii) receive a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;

''(B) individuals applying for or receiving services under this part have access to a fair hearing that meets standards established by the Secretary and ensures prompt consideration and resolution of complaints (but the resort to such procedure shall not stay the enforcement of any support order); and

''(C) individuals adversely affected by the establishment or modification of (or, in the case of a petition for modification, the determination that there should be no change in) a child support order shall be afforded not less than 30 days after the receipt of the order or determination to initiate proceedings to challenge such order or determination;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

SEC. 404. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 454) is amended—

(1) by striking ''and'' at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting ''; and''; and

(3) by adding after paragraph (24) the following:

''(25) will have in effect safeguards applicable to all sensitive and confidential information handled by the State agency designed to protect the privacy rights of the parties, including—

''(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

''(B) prohibitions on the release of information on the whereabouts of one party to another party against whom a protective order with respect to the former party has been entered; and

''(C) prohibitions on the release of information on the whereabouts of one party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

Subtitle B—Program Administration and Funding

SEC. 411. FEDERAL MATCHING PAYMENTS.

(a) INCREASED BASE MATCHING RATE.—Section 455(a)(2) (42 U.S.C. 655(a)(2)) is amended to read as follows:

''(2) The applicable percent for a quarter for purposes of paragraph (1)(A) is—

''(A) for fiscal year 1997, 69 percent,

''(B) for fiscal year 1998, 72 percent, and

''(C) for fiscal year 1999 and succeeding fiscal years, 75 percent.''.

(b) MAINTENANCE OF EFFORT.—Section 455 (42 U.S.C. 655) is amended—

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking ''From'' and inserting ''Subject to subsection (c), from''; and

(2) by inserting after subsection (b) the following new subsection:

''(c) MAINTENANCE OF EFFORT.—Notwithstanding the provisions of subsection (a), total expenditures for the State program under this part for fiscal year 1997 and each succeeding fiscal year, reduced by the percentage specified for such fiscal year under subsection (a)(2)(A), (B), or (C)(i), shall not be less than such total expenditures for fiscal year 1996, reduced by 66 percent.''.

SEC. 412. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) INCENTIVE ADJUSTMENTS TO FEDERAL MATCHING RATE.—Section 458 (42 U.S.C. 658) is amended to read as follows:

''INCENTIVE ADJUSTMENTS TO MATCHING RATE

''SEC. 458. (a) INCENTIVE ADJUSTMENT.—(1) IN GENERAL.—In order to encourage and reward State child support enforcement programs which perform in an effective manner, the Federal matching rate for payments to a State under section 455(a)(1)(A), for each fiscal year beginning on or after October 1, 1998, shall be increased by a factor reflecting the sum of the applicable incentive adjustments (if any) determined in accordance with regulations under this section with respect to Statewide paternity establishment and to overall performance in child support enforcement.

''(2) STANDARDS.—(A) IN GENERAL.—The Secretary shall specify in regulations—

''(i) the levels of accomplishment, and rates of improvement as alternatives to such levels, which States must attain to qualify for incentive adjustments under this section; and

''(ii) the amounts of incentive adjustment that shall be awarded to States achieving specified accomplishment or improvement levels, which amounts shall be graduated, ranging up to—

''(I) 5 percentage points, in connection with Statewide paternity establishment; and

''(II) 10 percentage points, in connection with overall performance in child support enforcement.

''(B) LIMITATION.—In setting performance standards pursuant to subparagraph (A)(i) and adjustment amounts pursuant to subparagraph (A)(ii), the Secretary shall ensure that the aggregate number of percentage point increases as incentive adjustments to all States do not exceed such aggregate increases as assumed by the Secretary in estimates of the cost of this section as of June 1995, unless the aggregate performance of all States exceeds the projected aggregate performance of all States in such cost estimates.

''(3) DETERMINATION OF INCENTIVE ADJUSTMENT.—The Secretary shall determine the amount (if any) of incentive adjustment due each State on the basis of the data submitted by the State pursuant to section 454(15)(B) concerning the levels of accomplishment (and rates of improvement) with respect to performance indicators specified by the Secretary pursuant to this section.

''(4) FISCAL YEAR SUBJECT TO INCENTIVE ADJUSTMENT.—The total percentage point increase determined pursuant to this section with respect to a State program in a fiscal

year shall apply as an adjustment to the applicable percent under section 455(a)(2) for payments to such State for the succeeding fiscal year.

''(5) RECYCLING OF INCENTIVE ADJUSTMENT.—A State shall expend in the State program under this part all funds paid to the State by the Federal Government as a result of an incentive adjustment under this section.

''(b) MEANING OF TERMS.—For purposes of this section—

''(1) the term 'Statewide paternity establishment percentage' means, with respect to a fiscal year, the ratio (expressed as a percentage) of—

''(A) the total number of out-of-wedlock children in the State under one year of age for whom paternity is established or acknowledged during the fiscal year, to

''(B) the total number of children born out of wedlock in the State during such fiscal year; and

''(2) the term 'overall performance in child support enforcement' means a measure or measures of the effectiveness of the State agency in a fiscal year which takes into account factors including—

''(A) the percentage of cases requiring a child support order in which such an order was established;

''(B) the percentage of cases in which child support is being paid;

''(C) the ratio of child support collected to child support due; and

''(D) the cost-effectiveness of the State program, as determined in accordance with standards established by the Secretary in regulations.''.

(b) ADJUSTMENT OF PAYMENTS UNDER PART D OF TITLE IV.—Section 455(a)(2) (42 U.S.C. 655(a)(2)), as amended by section 411(a) of this Act, is amended—

(1) by striking the period at the end of subparagraph (C)(ii) and inserting a comma; and

(2) by adding after and below subparagraph (C), flush with the left margin of the subsection, the following:

''increased by the incentive adjustment factor (if any) determined by the Secretary pursuant to section 458.''.

(c) CONFORMING AMENDMENTS.—Section 454(22) (42 U.S.C. 654(22)) is amended—

(1) by striking ''incentive payments'' the first place it appears and inserting ''incentive adjustments''; and

(2) by striking ''any such incentive payments made to the State for such period'' and inserting ''any increases in Federal payments to the State resulting from such incentive adjustments''.

(d) CALCULATION OF IV–D PATERNITY ESTABLISHMENT PERCENTAGE.—(1) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended in the matter preceding subparagraph (A) by inserting ''its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and'' after ''1994,''.

(2) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i)—

(i) by striking ''paternity establishment percentage'' and inserting ''IV–D paternity establishment percentage''; and

(ii) by striking ''(or all States, as the case may be)'';

(B) in subparagraph (A)(i), by striking ''during the fiscal year'';

(C) in subparagraph (A)(ii)(I), by striking ''as of the end of the fiscal year'' and inserting ''in the fiscal year or, at the option of the State, as of the end of such year'';

(D) in subparagraph (A)(ii)(II), by striking ''or (E) as of the end of the fiscal year'' and inserting ''in the fiscal year or, at the option of the State, as of the end of such year'';

(E) in subparagraph (A)(iii)—

(i) by striking ''during the fiscal year''; and

(ii) by striking ''and'' at the end; and

(F) in the matter following subparagraph (A)—

(i) by striking ''who were born out of wedlock during the immediately preceding fiscal year'' and inserting ''born out of wedlock'';

(ii) by striking ''such preceding fiscal year'' both places it appears and inserting ''the preceding fiscal year''; and

(iii) by striking ''or (E)'' the second place it appears.

(3) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A), as redesignated, by striking ''the percentage of children born out-of-wedlock in the State'' and inserting ''the percentage of children in the State who are born out of wedlock or for whom support has not been established''; and

(C) in subparagraph (B), as redesignated—

(i) by inserting ''and overall performance in child support enforcement'' after ''paternity establishment percentages''; and

(ii) by inserting ''and securing support'' before the period.

(e) REDUCTION OF PAYMENTS UNDER PART D OF TITLE IV.—

(1) NEW REQUIREMENTS.—Section 455 (42 U.S.C. 655) is amended by inserting after subsection (b) the following:

''(c)(1) If the Secretary finds, with respect to a State program under this part in a fiscal year beginning on or after October 1, 1997—

''(A)(i) on the basis of data submitted by a State pursuant to section 454(15)(B), that the State program in such fiscal year failed to achieve the IV–D paternity establishment percentage (as defined in section 452(g)(2)(A)) or the appropriate level of overall performance in child support enforcement (as defined in section 458(b)(2)), or to meet other performance measures that may be established by the Secretary, or

''(ii) on the basis of an audit or audits of such State data conducted pursuant to section 452(a)(4)(C), that the State data submitted pursuant to section 454(15)(B) is incomplete or unreliable; and

''(B) that, with respect to the succeeding fiscal year—

''(i) the State failed to take sufficient corrective action to achieve the appropriate performance levels as described in subparagraph (A)(i) of this paragraph, or

''(ii) the data submitted by the State pursuant to section 454(15)(B) is incomplete or unreliable,

the amounts otherwise payable to the State under this part for quarters following the end of such succeeding fiscal year, prior to quarters following the end of the first quarter throughout which the State program is in compliance with such performance requirement, shall be reduced by the percentage specified in paragraph (2).

''(2) The reductions required under paragraph (1) shall be—

''(A) not less than 6 nor more than 8 percent, or

''(B) not less than 8 nor more than 12 percent, if the finding is the second consecutive finding made pursuant to paragraph (1), or

''(C) not less than 12 nor more than 15 percent, if the finding is the third or a subsequent consecutive such finding.

''(3) For purposes of this subsection, section 402(a)(27), and section 452(a)(4), a State which is determined as a result of an audit to have submitted incomplete or unreliable data pursuant to section 454(15)(B), shall be determined to have submitted adequate data if the Secretary determines that the extent of the incompleteness or unreliability of the data is of a technical nature which does not adversely affect the determination of the level of the State's performance.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 403 (42 U.S.C. 603) is amended by striking subsection (h).

(B) Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended by striking ''403(h)'' each place such term appears and inserting ''455(c)''.

(C) Subsections (d)(3)(A), (g)(1), and (g)(3)(A) of section 452 (42 U.S.C. 652) are each amended by striking ''403(h)'' and inserting ''455(c)''.

(f) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—(A) The amendments made by subsections (a), (b), and (c) shall become effective October 1, 1997, except to the extent provided in subparagraph (B).

(B) Section 458 of the Social Security Act, as in effect prior to the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years prior to fiscal year 1999.

(2) PENALTY REDUCTIONS.—(A) The amendments made by subsection (d) shall become effective with respect to calendar quarters beginning on and after the date of enactment of this Act.

(B) The amendments made by subsection (e) shall become effective with respect to calendar quarters beginning on and after the date one year after the date of enactment of this Act.

SEC. 413. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking ''(14)'' and inserting ''(14)(A)'';

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

''(15) provide for—

''(A) a process for annual reviews of and reports to the Secretary on the State program under this part, which shall include such information as may be necessary to measure State compliance with Federal requirements for expedited procedures and timely case processing, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which such program is in conformity with applicable requirements with respect to the operation of State programs under this part (including the status of complaints filed under the procedure required under paragraph (12)(B)); and

''(B) a process of extracting from the State automated data processing system and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including IV–D paternity establishment percentages and overall performance in child support enforcement) to the extent necessary for purposes of sections 452(g) and 458.''.

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

''(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of section 452(g) and 458, and determine the amount (if any) of penalty reductions pursuant to section 455(c) to be applied to the State;

''(B) review annual reports by State agencies pursuant to section 454(15)(A) on State

program conformity with Federal requirements; evaluate any elements of a State program in which significant deficiencies are indicated by such report on the status of complaints under the State procedure under section 454(12)(B); and, as appropriate, provide to the State agency comments, recommendations for additional or alternative corrective actions, and technical assistance; and

''(C) conduct audits, in accordance with the government auditing standards of the United States Comptroller General—

''(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet requirements of this part, or of regulations implementing such requirements, concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data, and the accuracy of the reporting systems, used for the calculations of performance indicators specified in subsection (g) and section 458;

''(ii) of the adequacy of financial management of the State program, including assessments of—

''(I) whether Federal and other funds made available to carry out the State program under this part are being appropriately expended, and are properly and fully accounted for; and

''(II) whether collections and disbursements of support payments and program income are carried out correctly and are properly and fully accounted for; and

''(iii) for such other purposes as the Secretary may find necessary;''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning on or after the date one year after enactment of this section.

SEC. 414. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting '', and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes and timely case processing) to be applied in following such procedures'' before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 404(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting ''; and''; and

(3) by adding after paragraph (25) the following:

''(26) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.''.

SEC. 415. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—(1) Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking '', at the option of the State,'';

(B) by inserting ''and operation by the State agency'' after ''for the establishment'';

(C) by inserting ''meeting the requirements of section 454A'' after ''information retrieval system'';

(D) by striking ''in the State and localities thereof, so as (A)'' and inserting ''so as'';

(E) by striking ''(i)''; and

(F) by striking ''(including'' and all that follows and inserting a semicolon.

(2) Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following new section:

''AUTOMATED DATA PROCESSING

''SEC. 454A. (a) IN GENERAL.—In order to meet the requirements of this section, for purposes of the requirement of section 454(16), a State agency shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section, and performs such tasks with the frequency and in the manner specified in this part or in regulations or guidelines of the Secretary.

''(b) PROGRAM MANAGEMENT.—The automated system required under this section shall perform such functions as the Secretary may specify relating to management of the program under this part, including—

''(1) controlling and accounting for use of Federal, State, and local funds to carry out such program; and

''(2) maintaining the data necessary to meet Federal reporting requirements on a timely basis.

''(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive and penalty adjustments required by sections 452(g) and 458, the State agency shall—

''(1) use the automated system—

''(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

''(B) to calculate the IV–D paternity establishment percentage and overall performance in child support enforcement for the State for each fiscal year; and

''(2) have in place systems controls to ensure the completeness, and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

''(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required under this section, which shall include the following (in addition to such other safeguards as the Secretary specifies in regulations):

''(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

''(A) permit access to and use of data only to the extent necessary to carry out program responsibilities;

''(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data; and

''(C) ensure that data obtained or disclosed for a limited program purpose is not used or redisclosed for another, impermissible purpose.

''(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies specified under paragraph (1).

''(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

''(4) TRAINING AND INFORMATION.—The State agency shall have in effect procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use sensitive or confidential program data are fully informed of applicable requirements and penalties, and are adequately trained in security procedures.

''(5) PENALTIES.—The State agency shall have in effect administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.''.

(3) REGULATIONS.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following:

''(j) The Secretary shall prescribe final regulations for implementation of the requirements of section 454A not later than 2 years after the date of the enactment of this subsection.''.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by sections 404(a)(2) and 414(b)(1) of this Act, is amended to read as follows:

''(24) provide that the State will have in effect an automated data processing and information retrieval system—

''(A) by October 1, 1995, meeting all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988; and

''(B) by October 1, 1999, meeting all requirements of this part enacted on or before the date of enactment of the Individual Responsibility Act of 1995 (but this provision shall not be construed to alter earlier deadlines specified for elements of such system), except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 452(j);''.

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(1) in paragraph (1)(B)—

(A) by striking ''90 percent'' and inserting ''the percent specified in paragraph (3)'';

(B) by striking ''so much of''; and

(C) by striking ''which the Secretary'' and all that follows and inserting '', and''; and

(2) by adding at the end the following new paragraph:

''(3)(A) The Secretary shall pay to each State, for each quarter in fiscal year 1996, 90 percent of so much of State expenditures described in subparagraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16), or meeting such requirements without regard to clause (D) thereof.

''(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1997 through 2001, the percentage specified in clause (ii) of so much of State expenditures described in subparagraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) and 454A, subject to clause (iii).

''(ii) The percentage specified in this clause, for purposes of clause (i), is the higher of—

''(I) 80 percent, or

''(II) the percentage otherwise applicable to Federal payments to the State under subparagraph (A) (as adjusted pursuant to section 458).''.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100–485) is repealed.

(d) ADDITIONAL PROVISIONS.—For additional provisions of section 454A, as added by subsection (a) of this section, see the amendments made by sections 421, 422(c), and 433(d) of this Act.

SEC. 416. DIRECTOR OF CSE PROGRAM; STAFFING STUDY.

(a) REPORTING TO SECRETARY.—Section 452(a) (42 U.S.C. 652(a)) is amended in the matter preceding paragraph (1) by striking ''directly''.

(b) STAFFING STUDIES.—

(1) SCOPE.—The Secretary of Health and Human Services shall, directly or by contract, conduct studies of the staffing of each State child support enforcement program under part D of title IV of the Social Security Act. Such studies shall include a review of the staffing needs created by requirements for automated data processing, maintenance

of a central case registry and centralized collections of child support, and of changes in these needs resulting from changes in such requirements. Such studies shall examine and report on effective staffing practices used by the States and on recommended staffing procedures.

(2) FREQUENCY OF STUDIES.—The Secretary shall complete the first staffing study required under paragraph (1) by October 1, 1997, and may conduct additional studies subsequently at appropriate intervals.

(3) REPORT TO THE CONGRESS.—The Secretary shall submit a report to the Congress stating the findings and conclusions of each study conducted under this subsection.

SEC. 417. FUNDING FOR SECRETARIAL ASSISTANCE TO STATE PROGRAMS.

Section 452 (42 U.S.C. 652), as amended by section 415(a)(3) of this Act, is amended by adding at the end the following new subsection:

''(k) FUNDING FOR FEDERAL ACTIVITIES ASSISTING STATE PROGRAMS.—(1) There shall be available to the Secretary, from amounts appropriated for fiscal year 1996 and each succeeding fiscal year for payments to States under this part, the amount specified in paragraph (2) for the costs to the Secretary for—

''(A) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs (including technical assistance concerning State automated systems);

''(B) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part; and

''(C) operation of the Federal Parent Locator Service under section 453, to the extent such costs are not recovered through user fees.

''(2) The amount specified in this paragraph for a fiscal year is the amount equal to a percentage of the reduction in Federal payments to States under part A on account of child support (including arrearages) collected in the preceding fiscal year on behalf of children receiving aid under such part A in such preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the third calendar quarter following the end of such preceding fiscal year), equal to—

''(A) 1 percent, for the activities specified in subparagraphs (A) and (B) of paragraph (1); and

''(B) 2 percent, for the activities specified in subparagraph (C) of paragraph (1).''.

SEC. 418. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking ''this part;'' and inserting ''this part, including—''; and

(B) by adding at the end the following indented clauses:

''(i) the total amount of child support payments collected as a result of services furnished during such fiscal year to individuals receiving services under this part;

''(ii) the cost to the States and to the Federal Government of furnishing such services to those individuals; and

''(iii) the number of cases involving families—

''(I) who became ineligible for aid under part A during a month in such fiscal year; and

''(II) with respect to whom a child support payment was received in the same month;''.

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking ''with the data required under each clause being separately stated for cases'' and inserting ''separately stated for (1) cases'';

(ii) by striking ''cases where the child was formerly receiving'' and inserting ''or formerly received'';

(iii) by inserting ''or 1912'' after ''471(a)(17)''; and

(iv) by inserting ''(2)'' before ''all other'';

(B) in each of clauses (i) and (ii), by striking '', and the total amount of such obligations'';

(C) in clause (iii), by striking ''described in'' and all that follows and inserting ''in which support was collected during the fiscal year;'';

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

''(iv) the total amount of support collected during such fiscal year and distributed as current support;

''(v) the total amount of support collected during such fiscal year and distributed as arrearages;

''(vi) the total amount of support due and unpaid for all fiscal years; and''.

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking ''on the use of Federal courts and''.

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (I).

(b) DATA COLLECTION AND REPORTING.—Section 469 (42 U.S.C. 669) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

''(a) The Secretary shall collect and maintain, on a fiscal year basis, up-to-date statistics, by State, with respect to services to establish paternity and services to establish child support obligations, the data specified in subsection (b), separately stated, in the case of each such service, with respect to—

''(1) families (or dependent children) receiving aid under plans approved under part A (or E); and

''(2) families not receiving such aid.

''(b) The data referred to in subsection (a) are—

''(1) the number of cases in the caseload of the State agency administering the plan under this part in which such service is needed; and

''(2) the number of such cases in which the service has been provided.''; and

(2) in subsection (c), by striking ''(a)(2)'' and inserting ''(b)(2)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to fiscal year 1996 and succeeding fiscal years.

Subtitle C—Locate and Case Tracking

SEC. 421. CENTRAL STATE AND CASE REGISTRY.

Section 454A, as added by section 415(a)(2) of this Act, is amended by adding at the end the following:

''(e) CENTRAL CASE REGISTRY.—(1) IN GENERAL.—The automated system required under this section shall perform the functions, in accordance with the provisions of this subsection, of a single central registry containing records with respect to each case in which services are being provided by the State agency (including, on and after October 1, 1998, each order specified in section 466(a)(12)), using such standardized data elements (such as names, social security numbers or other uniform identification numbers, dates of birth, and case identification numbers), and containing such other information (such as information on case status) as the Secretary may require.

''(2) PAYMENT RECORDS.—Each case record in the central registry shall include a record of—

''(A) the amount of monthly (or other periodic) support owed under the support order, and other amounts due or overdue (including arrears, interest or late payment penalties, and fees);

''(B) the date on which or circumstances under which the support obligation will terminate under such order;

''(C) all child support and related amounts collected (including such amounts as fees, late payment penalties, and interest on arrearages);

''(D) the distribution of such amounts collected; and

''(E) the birth date of the child for whom the child support order is entered.

''(3) UPDATING AND MONITORING.—The State agency shall promptly establish and maintain, and regularly monitor, case records in the registry required by this subsection, on the basis of—

''(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

''(B) information obtained from matches with Federal, State, or local data sources;

''(C) information on support collections and distributions; and

''(D) any other relevant information.

''(f) DATA MATCHES AND OTHER DISCLOSURES OF INFORMATION.—The automated system required under this section shall have the capacity, and be used by the State agency, to extract data at such times, and in such standardized format or formats, as may be required by the Secretary, and to share and match data with, and receive data from, other data bases and data matching services, in order to obtain (or provide) information necessary to enable the State agency (or Secretary or other State or Federal agencies) to carry out responsibilities under this part. Data matching activities of the State agency shall include at least the following:

''(1) DATA BANK OF CHILD SUPPORT ORDERS.—Furnish to the Data Bank of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) minimal information (to be specified by the Secretary) on each child support case in the central case registry.

''(2) FEDERAL PARENT LOCATOR SERVICE.—Exchange data with the Federal Parent Locator Service for the purposes specified in section 453.

''(3) AFDC AND MEDICAID AGENCIES.—Exchange data with State agencies (of the State and of other States) administering the programs under part A and title XIX, as necessary for the performance of State agency responsibilities under this part and under such programs.

''(4) INTRA- AND INTERSTATE DATA MATCHES.—Exchange data with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.''.

SEC. 422. CENTRALIZED COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 404(a) and 414(b) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting ''; and''; and

(3) by adding after paragraph (26) the following new paragraph:

''(27) provide that the State agency, on and after October 1, 1998—

''(A) will operate a centralized, automated unit for the collection and disbursement of child support under orders being enforced under this part, in accordance with section 454B; and

''(B) will have sufficient State staff (consisting of State employees), and (at State option) contractors reporting directly to the State agency to monitor and enforce support collections through such centralized unit, including carrying out the automated data processing responsibilities specified in section 454A(g) and to impose, as appropriate in particular cases, the administrative enforcement remedies specified in section 466(c)(1).''.

(b) ESTABLISHMENT OF CENTRALIZED COLLECTION UNIT.—Part D of title IV (42 U.S.C. 651–669) is amended by adding after section 454A the following new section:

''CENTRALIZED COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS

''SEC. 454B. (a) IN GENERAL.—In order to meet the requirement of section 454(27), the State agency must operate a single centralized, automated unit for the collection and disbursement of support payments, coordinated with the automated data system required under section 454A, in accordance with the provisions of this section, which shall be—

''(1) operated directly by the State agency (or by two or more State agencies under a regional cooperative agreement), or by a single contractor responsible directly to the State agency; and

''(2) used for the collection and disbursement (including interstate collection and disbursement) of payments under support orders in all cases being enforced by the State pursuant to section 454(4).

''(b) REQUIRED PROCEDURES.—The centralized collections unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

''(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the State agencies of other States;

''(2) for accurate identification of payments;

''(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

''(4) to furnish to either parent, upon request, timely information on the current status of support payments.''.

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 415(a)(2) of this Act and as amended by section 421 of this Act, is amended by adding at the end the following new subsection:

''(g) CENTRALIZED COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—The automated system required under this section shall be used, to the maximum extent feasible, to assist and facilitate collections and disbursement of support payments through the centralized collections unit operated pursuant to section 454B, through the performance of functions including at a minimum—

''(1) generation of orders and notices to employers (and other debtors) for the withholding of wages (and other income)—

''(A) within two working days after receipt (from the directory of New Hires established under section 453(i) or any other source) of notice of and the income source subject to such withholding; and

''(B) using uniform formats directed by the Secretary;

''(2) ongoing monitoring to promptly identify failures to make timely payment; and

''(3) automatic use of enforcement mechanisms (including mechanisms authorized pursuant to section 466(c)) where payments are not timely made.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1998.

SEC. 423. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—(1) Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

''(1) INCOME WITHHOLDING.—(A) UNDER ORDERS ENFORCED UNDER THE STATE PLAN.—Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

''(B) UNDER CERTAIN ORDERS PREDATING CHANGE IN REQUIREMENT.—Procedures under which all child support orders issued (or modified) before October 1, 1996, and which are not otherwise subject to withholding under subsection (b), shall become subject to withholding from wages as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.''.

(2) Section 466(a)(8) (42 U.S.C. 666(a)(8)) is repealed.

(3) Section 466(b) (42 U.S.C. 666(b)) is amended—

(A) in the matter preceding paragraph (1), by striking ''subsection (a)(1)'' and inserting ''subsection (a)(1)(A)'';

(B) in paragraph (5), by striking all that follows ''administered by'' and inserting ''the State through the centralized collections unit established pursuant to section 454B, in accordance with the requirements of such section 454B.'';

(C) in paragraph (6)(A)(i)—

(i) by inserting '', in accordance with timetables established by the Secretary,'' after ''must be required''; and

(ii) by striking ''to the appropriate agency'' and all that follows and inserting ''to the State centralized collections unit within 5 working days after the date such amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part.'';

(D) in paragraph (6)(A)(ii), by inserting ''be in a standard format prescribed by the Secretary, and'' after ''shall''; and

(E) in paragraph (6)(D)—

(i) by striking ''employer who discharges'' and inserting ''employer who—(A) discharges'';

(ii) by relocating subparagraph (A), as designated, as an indented subparagraph after and below the introductory matter;

(iii) by striking the period at the end; and

(iv) by adding after and below subparagraph (A) the following new subparagraph:

''(B) fails to withhold support from wages, or to pay such amounts to the State centralized collections unit in accordance with this subsection.''.

(b) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

(c) DEFINITION OF TERMS.—The Secretary shall promulgate regulations providing definitions, for purposes of part D of title IV of the Social Security Act, for the term ''income'' and for such other terms relating to income withholding under section 466(b) of such Act as the Secretary may find it necessary or advisable to define.

SEC. 424. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)), as amended by section 423(a)(2) of this Act, is amended by inserting after paragraph (7) the following:

''(8) LOCATOR INFORMATION FROM INTERSTATE NETWORKS.—Procedures ensuring that the State will neither provide funding for, nor use for any purpose (including any purpose unrelated to the purposes of this part), any automated interstate network or system used to locate individuals—

''(A) for purposes relating to the use of motor vehicles; or

''(B) providing information for law enforcement purposes (where child support enforcement agencies are otherwise allowed access by State and Federal law),

unless all Federal and State agencies administering programs under this part (including the entities established under section 453) have access to information in such system or network to the same extent as any other user of such system or network.''.

SEC. 425. EXPANDED FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows ''subsection (c))'' and inserting the following:

'', for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations—

''(1) information on, or facilitating the discovery of, the location of any individual—

''(A) who is under an obligation to pay child support;

''(B) against whom such an obligation is sought; or

''(C) to whom such an obligation is owed, including such individual's social security number (or numbers), most recent residential address, and the name, address, and employer identification number of such individual's employer; and

''(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

''(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual.''; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''social security'' and all that follows through ''absent parent'' and inserting ''information specified in subsection (a)''; and

(B) in paragraph (2), by inserting before the period '', or from any consumer reporting agency (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f))'';

(3) in subsection (e)(1), by inserting before the period '', or by consumer reporting agencies''.

(b) REIMBURSEMENT FOR DATA FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the fourth sentence by inserting before the period ''in an amount which the Secretary determines to be reasonable payment for the data exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the data)''.

(c) ACCESS TO CONSUMER REPORTS UNDER FAIR CREDIT REPORTING ACT.—(1) Section 608 of the Fair Credit Reporting Act (15 U.S.C. 1681f) is amended—

(A) by striking '', limited to'' and inserting ''to a governmental agency (including the entire consumer report, in the case of a Federal, State, or local agency administering a program under part D of title IV of the Social Security Act, and limited to''; and

(B) by striking ''employment, to a governmental agency'' and inserting ''employment, in the case of any other governmental agency)''.

(2) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES AND CREDIT BUREAUS.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

''(g) The Secretary is authorized to reimburse costs to State agencies and consumer credit reporting agencies the costs incurred by such entities in furnishing information requested by the Secretary pursuant to this section in an amount which the Secretary determines to be reasonable payment for the data exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the data).''.

(d) DISCLOSURE OF TAX RETURN INFORMATION.—(1) Section 6103(1)(6)(A)(ii) of the Internal Revenue Code of 1986 is amended by striking '', but only if'' and all that follows and inserting a period.

(2) Section 6103(1)(8)(A) of the Internal Revenue Code of 1986 is amended by inserting ''Federal,'' before ''State or local''.

(e) TECHNICAL AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), and 463(e) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), and 663(e)) are each amended by inserting ''Federal'' before ''Parent'' each place it appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding ''FEDERAL'' before ''PARENT''.

(f) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (c)(2) of this section, is amended by adding at the end the following:

''(h) DATA BANK OF CHILD SUPPORT ORDERS.—

''(1) IN GENERAL.—Not later than October 1, 1998, in order to assist States in administering their State plans under this part and parts A, F, and G, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry to be known as the Data Bank of Child Support Orders, which shall contain abstracts of child support orders and other information described in paragraph (2) on each case in each State central case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

''(2) CASE INFORMATION.—The information referred to in paragraph (1), as specified by the Secretary, shall include sufficient information (including names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have established or modified, or are enforcing or seeking to establish, such an order.

''(i) DIRECTORY OF NEW HIRES.—

''(1) IN GENERAL.—Not later than October 1, 1998, In order to assist States in administering their State plans under this part and parts A, F, and G, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated directory to be known as the directory of New Hires, containing—

''(A) information supplied by employers on each newly hired individual, in accordance with paragraph (2); and

''(B) information supplied by State agencies administering State unemployment compensation laws, in accordance with paragraph (3).

''(2) EMPLOYER INFORMATION.—

''(A) INFORMATION REQUIRED.—Subject to subparagraph (D), each employer shall furnish to the Secretary, for inclusion in the directory established under this subsection, not later than 10 days after the date (on or after October 1, 1998) on which the employer hires a new employee (as defined in subparagraph (C)), a report containing the name, date of birth, and social security number of such employee, and the employer identification number of the employer.

''(B) REPORTING METHOD AND FORMAT.—The Secretary shall provide for transmission of the reports required under subparagraph (A) using formats and methods which minimize the burden on employers, which shall include—

''(i) automated or electronic transmission of such reports;

''(ii) transmission by regular mail; and

''(iii) transmission of a copy of the form required for purposes of compliance with section 3402 of the Internal Revenue Code of 1986.

''(C) EMPLOYEE DEFINED.—For purposes of this paragraph, the term 'employee' means any individual subject to the requirement of section 3402(f)(2) of the Internal Revenue Code of 1986.

''(D) PAPERWORK REDUCTION REQUIREMENT.—As required by the information resources management policies published by the Director of the Office of Management and Budget pursuant to section 3504(b)(1) of title 44, United States Code, the Secretary, in order to minimize the cost and reporting burden on employers, shall not require reporting pursuant to this paragraph if an alternative reporting mechanism can be developed that either relies on existing Federal or State reporting or enables the Secretary to collect the needed information in a more cost-effective and equally expeditious manner, taking into account the reporting costs on employers.

''(E) CIVIL MONEY PENALTY ON NONCOMPLYING EMPLOYERS.—(i) Any employer that fails to make a timely report in accordance with this paragraph with respect to an individual shall be subject to a civil money penalty, for each calendar year in which the failure occurs, of the lesser of $500 or 1 percent of the wages or other compensation paid by such employer to such individual during such calendar year.

''(ii) Subject to clause (iii), the provisions of section 1128A (other than subsections (a) and (b) thereof) shall apply to a civil money penalty under clause (i) in the same manner as they apply to a civil money penalty or proceeding under section 1128A(a).

''(iii) Any employer with respect to whom a penalty under this subparagraph is upheld after an administrative hearing shall be liable to pay all costs of the Secretary with respect to such hearing.

''(3) EMPLOYMENT SECURITY INFORMATION.—

''(A) REPORTING REQUIREMENT.—Each State agency administering a State unemployment compensation law approved by the Secretary of Labor under the Federal Unemployment Tax Act shall furnish to the Secretary of Health and Human Services extracts of the reports to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals required under section 303(a)(6), in accordance with subparagraph (B).

''(B) MANNER OF COMPLIANCE.—The extracts required under subparagraph (A) shall be furnished to the Secretary of Health and Human Services on a quarterly basis, with respect to calendar quarters beginning on and after October 1, 1996, by such dates, in such format, and containing such information as required by that Secretary in regulations.

''(j) DATA MATCHES AND OTHER DISCLOSURES.—

''(1) VERIFICATION BY SOCIAL SECURITY ADMINISTRATION.—(A) The Secretary shall transmit data on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

''(B) The Social Security Administration shall verify the accuracy of, correct or supply to the extent necessary and feasible, and report to the Secretary, the following information in data supplied by the Secretary pursuant to subparagraph (A):

''(i) the name, social security number, and birth date of each individual; and

''(ii) the employer identification number of each employer.

''(2) CHILD SUPPORT LOCATOR MATCHES.—For the purpose of locating individuals for purposes of paternity establishment and establishment and enforcement of child support, the Secretary shall—

''(A) match data in the directory of New Hires against the child support order abstracts in the Data Bank of Child Support Orders not less often than every 2 working days; and

''(B) report information obtained from such a match to concerned State agencies operating programs under this part not later than 2 working days after such match.

''(3) DATA MATCHES AND DISCLOSURES OF DATA IN ALL REGISTRIES FOR TITLE IV PROGRAM PURPOSES.—The Secretary shall—

''(A) perform matches of data in each component of the Federal Parent Locator Service maintained under this section against data in each other such component (other than the matches required pursuant to paragraph (1)), and report information resulting from such matches to State agencies operating programs under this part and parts A, F, and G; and

''(B) disclose data in such registries to such State agencies,

to the extent, and with the frequency, that the Secretary determines to be effective in assisting such States to carry out their responsibilities under such programs.

''(k) FEES.—

''(1) FOR SSA VERIFICATION.—The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, the costs incurred by the Commissioner in performing the verification services specified in subsection (j).

''(2) FOR INFORMATION FROM SESAS.—The Secretary shall reimburse costs incurred by State employment security agencies in furnishing data as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such data).

''(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—State and Federal agencies receiving data or information from the Secretary pursuant to this section shall reimburse the costs incurred by the Secretary in furnishing such data or information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and matching such data or information).

''(l) RESTRICTION ON DISCLOSURE AND USE.—Data in the Federal Parent Locator Service, and information resulting from matches using such data, shall not be used or disclosed except as specifically provided in this section.

''(m) RETENTION OF DATA.—Data in the Federal Parent Locator Service, and data resulting from matches performed pursuant to this section, shall be retained for such period (determined by the Secretary) as appropriate for the data uses specified in this section.

''(n) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

''(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

''(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

''(o) LIMIT ON LIABILITY.—The Secretary shall not be liable to either a State or an individual for inaccurate information provided to a component of the Federal Parent Locator Service section and disclosed by the Secretary in accordance with this section.''.

(g) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

''(B) the Federal Parent Locator Service established under section 453;''.

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''Secretary of Health, Education, and Welfare'' each place such term appears and inserting ''Secretary of Health and Human Services'';

(B) in subparagraph (B), by striking ''such information'' and all that follows and inserting ''information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;'';

(C) by striking ''and'' at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

''(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the directory of New Hires established under section 453(i) of the Social Security Act, and''.

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Section 303(a) (42 U.S.C. 503(a)) is amended—

(A) by striking ''and'' at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting ''; and''; and

(C) by adding after paragraph (9) the following new paragraph:

''(10) The making of quarterly electronic reports, at such dates, in such format, and containing such information, as required by the Secretary of Health and Human Services under section 453(i)(3), and compliance with such provisions as such Secretary may find necessary to ensure the correctness and verification of such reports.''.

SEC. 426. USE OF SOCIAL SECURITY NUMBERS.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 401(a) of this Act, is amended by inserting after paragraph (12) the following:

''(13) SOCIAL SECURITY NUMBERS REQUIRED.—Procedures requiring the recording of social security numbers—

''(A) of both parties on marriage licenses and divorce decrees; and

''(B) of both parents, on birth records and child support and paternity orders.''.

(b) CLARIFICATION OF FEDERAL POLICY.—Section 205(c)(2)(C)(ii) (42 U.S.C. 405(c)(2)(C)(ii)) is amended by striking the third sentence and inserting ''This clause shall not be considered to authorize disclosure of such numbers except as provided in the preceding sentence.''.

Subtitle D—Streamlining and Uniformity of Procedures

SEC. 431. ADOPTION OF UNIFORM STATE LAWS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 401(a) and 426(a) of this Act, is amended inserting after paragraph (13) the following:

''(14) INTERSTATE ENFORCEMENT.—(A) ADOPTION OF UIFSA.—Procedures under which the State adopts in its entirety (with the modifications and additions specified in this paragraph) not later than January 1, 1997, and uses on and after such date, the Uniform Interstate Family Support Act, as approved by the National Conference of Commissioners on Uniform State Laws in August, 1992.

''(B) EXPANDED APPLICATION OF UIFSA.—The State law adopted pursuant to subparagraph (A) shall be applied to any case—

''(i) involving an order established or modified in one State and for which a subsequent modification is sought in another State; or

''(ii) in which interstate activity is required to enforce an order.

''(C) JURISDICTION TO MODIFY ORDERS.—The State law adopted pursuant to subparagraph (A) of this paragraph shall contain the following provision in lieu of section 611(a)(1) of the Uniform Interstate Family Support Act described in such subparagraph (A):

'''(1) the following requirements are met:

'''(i) the child, the individual obligee, and the obligor—

'''(I) do not reside in the issuing State; and

'''(II) either reside in this State or are subject to the jurisdiction of this State pursuant to section 201; and

'''(ii) (in any case where another State is exercising or seeks to exercise jurisdiction to modify the order) the conditions of section 204 are met to the same extent as required for proceedings to establish orders; or'.

''(D) SERVICE OF PROCESS.—The State law adopted pursuant to subparagraph (A) shall recognize as valid, for purposes of any proceeding subject to such State law, service of process upon persons in the State (and proof of such service) by any means acceptable in another State which is the initiating or responding State in such proceeding.

''(E) COOPERATION BY EMPLOYERS.—The State law adopted pursuant to subparagraph (A) shall provide for the use of procedures (including sanctions for noncompliance) under which all entities in the State (including for-profit, nonprofit, and governmental employers) are required to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor.''.

SEC. 432. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking ''subsection (e)'' and inserting ''subsections (e), (f), and (i)'';

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

'''child's home State' means the State in which a child lived with a parent or a person acting as parent for at least six consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than six months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the six-month period.'';

(3) in subsection (c), by inserting ''by a court of a State'' before ''is made'';

(4) in subsection (c)(1), by inserting ''and subsections (e), (f), and (g)'' after ''located'';

(5) in subsection (d)—

(A) by inserting ''individual'' before ''contestant''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(6) in subsection (e), by striking ''make a modification of a child support order with respect to a child that is made'' and inserting ''modify a child support order issued'';

(7) in subsection (e)(1), by inserting ''pursuant to subsection (i)'' before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting ''individual'' before ''contestant'' each place such term appears; and

(B) by striking ''to that court's making the modification and assuming'' and inserting ''with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume'';

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following:

''(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If one or more child support orders have been issued in this or another State with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

''(1) If only one court has issued a child support order, the order of that court must be recognized.

''(2) If two or more courts have issued child support orders for the same obligor and child, and only one of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

''(3) If two or more courts have issued child support orders for the same obligor and child, and only one of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

''(4) If two or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

''(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.'';

(11) in subsection (g) (as so redesignated)—

(A) by striking ''PRIOR'' and inserting ''MODIFIED''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting ''including the duration of current payments and other obligations of support'' before the comma; and

(B) in paragraph (3), by inserting ''arrears under'' after ''enforce''; and

(13) by adding at the end the following:

''(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.''.

SEC. 433. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666) is amended—

(1) in subsection (a)(2), in the first sentence, to read as follows: ''Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing,

modifying, and enforcing support obligations.''; and

(2) by adding after subsection (b) the following new subsection:

''(c) EXPEDITED PROCEDURES.—The procedures specified in this subsection are the following:

''(1) ADMINISTRATIVE ACTION BY STATE AGENCY.—Procedures which give the State agency the authority (and recognize and enforce the authority of State agencies of other States), without the necessity of obtaining an order from any other judicial or administrative tribunal (but subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal), to take the following actions relating to establishment or enforcement of orders:

''(A) GENETIC TESTING.—To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

''(B) DEFAULT ORDERS.—To enter a default order, upon a showing of service of process and any additional showing required by State law—

''(i) establishing paternity, in the case of any putative father who refuses to submit to genetic testing; and

''(ii) establishing or modifying a support obligation, in the case of a parent (or other obligor or obligee) who fails to respond to notice to appear at a proceeding for such purpose.

''(C) SUBPOENAS.—To subpoena any financial or other information needed to establish, modify, or enforce an order, and to sanction failure to respond to any such subpoena.

''(D) ACCESS TO PERSONAL AND FINANCIAL INFORMATION.—To obtain access, subject to safeguards on privacy and information security, to the following records (including automated access, in the case of records maintained in automated data bases):

''(i) records of other State and local government agencies, including—

''(I) vital statistics (including records of marriage, birth, and divorce);

''(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

''(III) records concerning real and titled personal property;

''(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

''(V) employment security records;

''(VI) records of agencies administering public assistance programs;

''(VII) records of the motor vehicle department; and

''(VIII) corrections records; and

''(ii) certain records held by private entities, including—

''(I) customer records of public utilities and cable television companies; and

''(II) information (including information on assets and liabilities) on individuals who owe or are owed support (or against or with respect to whom a support obligation is sought) held by financial institutions (subject to limitations on liability of such entities arising from affording such access).

''(E) INCOME WITHHOLDING.—To order income withholding in accordance with subsection (a)(1) and (b) of section 466.

''(F) CHANGE IN PAYEE.—(In cases where support is subject to an assignment under section 402(a)(26), 471(a)(17), or 1912, or to a requirement to pay through the centralized collections unit under section 454B) upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

''(G) SECURE ASSETS TO SATISFY ARREARAGES.—For the purpose of securing overdue support—

''(i) to intercept and seize any periodic or lump-sum payment to the obligor by or through a State or local government agency, including—

''(I) unemployment compensation, workers' compensation, and other benefits;

''(II) judgments and settlements in cases under the jurisdiction of the State or local government; and

''(III) lottery winnings;

''(ii) to attach and seize assets of the obligor held by financial institutions;

''(iii) to attach public and private retirement funds in appropriate cases, as determined by the Secretary; and

''(iv) to impose liens in accordance with paragraph (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

''(H) INCREASE MONTHLY PAYMENTS.—For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages (subject to such conditions or restrictions as the State may provide).

''(I) SUSPENSION OF DRIVERS' LICENSES.—To suspend drivers' licenses of individuals owing past-due support, in accordance with subsection (a)(16).

''(2) SUBSTANTIVE AND PROCEDURAL RULES.—The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

''(A) LOCATOR INFORMATION; PRESUMPTIONS CONCERNING NOTICE.—Procedures under which—

''(i) the parties to any paternity or child support proceedings are required (subject to privacy safeguards) to file with the tribunal before entry of an order, and to update as appropriate, information on location and identity (including Social Security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and telephone number of employer); and

''(ii) in any subsequent child support enforcement action between the same parties, the tribunal shall be authorized, upon sufficient showing that diligent effort has been made to ascertain such party's current location, to deem due process requirements for notice and service of process to be met, with respect to such party, by delivery to the most recent residential or employer address so filed pursuant to clause (i).

''(B) STATEWIDE JURISDICTION.—Procedures under which—

''(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties, and orders issued in such cases have statewide effect; and

''(ii) (in the case of a State in which orders in such cases are issued by local jurisdictions) a case may be transferred between jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.''.

(c) EXCEPTIONS FROM STATE LAW REQUIREMENTS.—Section 466(d) (42 U.S.C. 666(d)) is amended—

(1) by striking ''(d) If'' and inserting the following:

''(d) EXEMPTIONS FROM REQUIREMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), if''; and

(2) by adding at the end the following new paragraph:

''(2) NONEXEMPT REQUIREMENTS.—The Secretary shall not grant an exemption from the requirements of—

''(A) subsection (a)(5) (concerning procedures for paternity establishment);

''(B) subsection (a)(10) (concerning modification of orders);

''(C) subsection (a)(12) (concerning recording of orders in the central State case registry);

''(D) subsection (a)(13) (concerning recording of Social Security numbers);

''(E) subsection (a)(14) (concerning interstate enforcement); or

''(F) subsection (c) (concerning expedited procedures), other than paragraph (1)(A) thereof (concerning establishment or modification of support amount).''.

(d) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 415(a)(2) of this Act and as amended by sections 421 and 422(c) of this Act, is amended by adding at the end the following new subsection:

''(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required under this section shall be used, to the maximum extent feasible, to implement any expedited administrative procedures required under section 466(c).''.

Subtitle E—Paternity Establishment

SEC. 441. SENSE OF THE CONGRESS.

It is the sense of the Congress that social services should be provided in hospitals to women who have become pregnant as a result of rape or incest.

SEC. 442. AVAILABILITY OF PARENTING SOCIAL SERVICES FOR NEW FATHERS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 401(a), 426(a), and 431 of this Act, is amended by inserting after paragraph (14) the following:

''(15) Procedures for providing new fathers with positive parenting counseling that stresses the importance of paying child support in a timely manner, in accordance with regulations prescribed by the Secretary.''.

SEC. 443. COOPERATION REQUIREMENT AND GOOD CAUSE EXCEPTION.

(a) CHILD SUPPORT ENFORCEMENT REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking ''and'' at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting ''; and''; and

(3) by inserting after paragraph (24) the following:

''(25) provide that the State agency administering the plan under this part—

''(A) will make the determination specified under paragraph (4), as to whether an individual is cooperating with efforts to establish paternity and secure support (or has good cause not to cooperate with such efforts) for purposes of the requirements of sections 402(a)(26) and 1912;

''(B) will advise individuals, both orally and in writing, of the grounds for good cause exceptions to the requirement to cooperate with such efforts;

''(C) will take the best interests of the child into consideration in making the determination whether such individual has good cause not to cooperate with such efforts;

''(D)(i) will make the initial determination as to whether an individual is cooperating (or has good cause not to cooperate) with efforts to establish paternity within 10 days after such individual is referred to such State agency by the State agency administering the program under part A of title XIX;

''(ii) will make redeterminations as to cooperation or good cause at appropriate intervals; and

''(iii) will promptly notify the individual, and the State agencies administering such programs, of each such determination and redetermination;

''(E) with respect to any child born on or after the date 10 months after enactment of this provision, will not determine (or redetermine) the mother (or other custodial relative) of such child to be cooperating with efforts to establish paternity unless such individual furnishes—

''(i) the name of the putative father (or fathers); and

''(ii) sufficient additional information to enable the State agency, if reasonable efforts were made, to verify the identity of the person named as the putative father (including such information as the putative father's present address, telephone number, date of birth, past or present place of employment, school previously or currently attended, and names and addresses of parents, friends, or relatives able to provide location information, or other information that could enable service of process on such person), and

''(F)(i) (where a custodial parent who was initially determined not to be cooperating (or to have good cause not to cooperate) is later determined to be cooperating or to have good cause not to cooperate) will immediately notify the State agencies administering the programs under part A of title XIX that this eligibility condition has been met; and

''(ii) (where a custodial parent was initially determined to be cooperating (or to have good cause not to cooperate)) will not later determine such individual not to be cooperating (or not to have good cause not to cooperate) until such individual has been afforded an opportunity for a hearing.''.

(b) AFDC AMENDMENTS.—

(1) Section 402(a)(11) (42 U.S.C. 602(a)(11)) is amended by striking ''furnishing of'' and inserting ''application for''.

(2) Section 402(a)(26) (42 U.S.C. 602(a)(26)) is amended—

(A) in each of subparagraphs (A) and (B), by redesignating clauses (i) and (ii) as subclauses (I) and (II);

(B) by indenting and redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iv), respectively;

(C) in clause (ii), as redesignated—

(i) by striking ''is claimed, or in obtaining any other payments or property due such applicant or such child,'' and inserting ''is claimed;''; and

(ii) by striking ''unless'' and all that follows through ''aid is claimed; and'';

(D) by adding after clause (ii) the following new clause:

''(iii) to cooperate with the State in obtaining any other payments or property due such applicant or such child; and'';

(E) in the matter preceding clause (i) (as so redesignated) to read as follows:

''(26) provide—

''(A) that, as a condition of eligibility for aid, each applicant or recipient will be required (subject to subparagraph (C))—'';

(F) in subparagraph (A)(iv), as redesignated, by striking '', unless such individual'' and all that follows through ''individuals involved'';

(G) by adding at the end the following new subparagraphs:

''(B) that the State agency will immediately refer each applicant requiring paternity establishment services to the State agency administering the program under part D;

''(C) that an individual will not be required to cooperate with the State, as provided under subparagraph (A), if the individual is found to have good cause for refusing to cooperate, as determined in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the child on whose behalf aid is claimed—

''(i) to the satisfaction of the State agency administering the program under part D, as determined in accordance with section 454(25), with respect to the requirements under clauses (i) and (ii) of subparagraph (A); and

''(ii) to the satisfaction of the State agency administering the program under this part, with respect to the requirements under clauses (iii) and (iv) of subparagraph (A);

''(D) that (except as provided in subparagraph (E)) an applicant requiring paternity establishment services (other than an individual eligible for emergency assistance as defined in section 406(e)) shall not be eligible for any aid under a State plan approved under this part until such applicant—

''(i) has furnished to the agency administering the State plan under part D the information specified in section 454(25)(E); or

''(ii) has been determined by such agency to have good cause not to cooperate;

''(E) that the provisions of subparagraph (D) shall not apply—

''(i) if the State agency specified in such subparagraph has not, within 10 days after such individual was referred to such agency, provided the notification required by section 454(25)(D)(iii), until such notification is received; and

''(ii) if such individual appeals a determination that the individual lacks good cause for noncooperation, until after such determination is affirmed after notice and opportunity for a hearing; and''; and

(H)(i) by relocating and redesignating as subparagraph (F) the text at the end of subparagraph (A)(ii) beginning with ''that, if the relative'' and all that follows through the semicolon;

(ii) in subparagraph (F), as so redesignated and relocated, by striking ''subparagraphs (A) and (B) of this paragraph'' and inserting ''subparagraph (A)''; and

(iii) by striking ''and'' at the end of subparagraph (a)(ii).

(c) MEDICAID AMENDMENTS.—Section 1912(a) (42 U.S.C. 1396k(a)) is amended—

(1) in paragraph (1)(B), by inserting ''(except as provided in paragraph (2))'' after ''to cooperate with the State'';

(2) in subparagraphs (B) and (C) of paragraph (1) by striking '', unless'' and all that follows and inserting a semicolon; and

(3) by redesignating paragraph (2) as paragraph (5), and inserting after paragraph (1) the following new paragraphs:

''(2) provide that the State agency will immediately refer each applicant or recipient requiring paternity establishment services to the State agency administering the program under part D of title IV;

''(3) provide that an individual will not be required to cooperate with the State, as provided under paragraph (1), if the individual is found to have good cause for refusing to cooperate, as determined in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the individuals involved—

''(A) to the satisfaction of the State agency administering the program under part D, as determined in accordance with section 454(25), with respect to the requirements to cooperate with efforts to establish paternity and to obtain support (including medical support) from a parent; and

''(B) to the satisfaction of the State agency administering the program under this title, with respect to other requirements to cooperate under paragraph (1);

''(4) provide that (except as provided in paragraph (5)) an applicant requiring paternity establishment services (other than an individual eligible for emergency assistance as defined in section 406(e), or presumptively eligible pursuant to section 1920) shall not be eligible for medical assistance under this title until such applicant—

''(i) has furnished to the agency administering the State plan under part D of title IV the information specified in section 454(25)(E); or

''(ii) has been determined by such agency to have good cause not to cooperate; and

''(5) provide that the provisions of paragraph (4) shall not apply with respect to an applicant—

''(i) if such agency has not, within 10 days after such individual was referred to such agency, provided the notification required by section 454(25)(D)(iii), until such notification is received); and

''(ii) if such individual appeals a determination that the individual lacks good cause for noncooperation, until after such determination is affirmed after notice and opportunity for a hearing.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications filed in or after the first calendar quarter beginning 10 months or more after the date of the enactment of this Act (or such earlier quarter as the State may select) for aid under a State plan approved under part A of title IV or for medical assistance under a State plan approved under title XIX.

SEC. 444. FEDERAL MATCHING PAYMENTS.

(a) INCREASED BASE MATCHING RATE.—Section 455(a)(2) (42 U.S.C. 655(a)(2)) is amended to read as follows:

''(2) The applicable percent for a quarter for purposes of paragraph (1)(A) is—

''(A) for fiscal year 1996, 69 percent;

''(B) for fiscal year 1997, 72 percent; and

''(C) for fiscal year 1998 and succeeding fiscal years, 75 percent.''.

(b) MAINTENANCE OF EFFORT.—Section 455 (42 U.S.C. 655) is amended—

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking ''From'' and inserting ''Subject to subsection (c), from''; and

(2) by inserting after subsection (b) the following:

''(c) MAINTENANCE OF EFFORT.—Notwithstanding subsection (a), total expenditures for the State program under this part for fiscal year 1996 and each succeeding fiscal year, reduced by the percentage specified for such fiscal year under subparagraph (A), (B), or (C)(i) of paragraph (2), shall not be less than such total expenditures for fiscal year 1995, reduced by 66 percent.''.

SEC. 445. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) INCENTIVE ADJUSTMENTS TO FEDERAL MATCHING RATE.—Section 458 (42 U.S.C. 658) is amended to read as follows:

''INCENTIVE ADJUSTMENTS TO MATCHING RATE

''SEC. 458. (a) INCENTIVE ADJUSTMENT.—

''(1) IN GENERAL.—In order to encourage and reward State child support enforcement programs which perform in an effective manner, the Federal matching rate for payments to a State under section 455(a)(1)(A), for each fiscal year beginning on or after October 1, 1997, shall be increased by a factor reflecting the sum of the applicable incentive adjustments (if any) determined in accordance with regulations under this section with respect to Statewide paternity establishment and the overall performance of the State in child support enforcement.

''(2) STANDARDS.—

''(A) IN GENERAL.—The Secretary shall specify in regulations—

''(i) the levels of accomplishment, and rates of improvement as alternatives to such levels, which States must attain to qualify for incentive adjustments under this section; and

''(ii) the amounts of incentive adjustment that shall be awarded to States achieving specified accomplishment or improvement levels, which amounts shall be graduated, ranging up to—

''(I) 5 percentage points, in connection with Statewide paternity establishment; and

''(II) 10 percentage points, in connection with overall performance in child support enforcement.

''(B) LIMITATION.—In setting performance standards pursuant to subparagraph (A)(i) and adjustment amounts pursuant to subparagraph (A)(ii), the Secretary shall ensure that the aggregate number of percentage point increases as incentive adjustments to all States do not exceed such aggregate increases as assumed by the Secretary in estimates of the cost of this section as of June 1994, unless the aggregate performance of all States exceeds the projected aggregate performance of all States in such cost estimates.

''(3) DETERMINATION OF INCENTIVE ADJUSTMENT.—

''(A) USE OF PERFORMANCE INDICATORS.—The Secretary shall, for fiscal year 1998 and each succeeding fiscal year, determine the amount (if any) of incentive adjustment for each State on the basis of the data submitted by the State pursuant to section 454(15)(B) with respect to performance indicators established by the Secretary.

''(B) MINIMUM PERFORMANCE REQUIRED.—

''(i) IN GENERAL.—The Secretary shall not determine an incentive adjustment for a State for a fiscal year if the level of performance of the State for the fiscal year with respect to such performance indicators is below the performance threshold established by the Secretary for the State for the fiscal year.

''(ii) ESTABLISHMENT OF STATE PERFORMANCE THRESHOLD.—The performance threshold with respect to such performance indicators for a State and a fiscal year shall be at or above the greater of—

''(I) the national average level of performance with respect to such indicators, as of the date of the enactment of this section; or

''(II) the level of performance of the State with respect to such indicators for the immediately preceding fiscal year.

''(C) DEADLINE FOR ISSUANCE OF REGULATIONS.—Within 90 days after the date of the enactment of this section, the Secretary shall issue regulations setting forth the criteria for awarding incentive adjustments.

''(4) FISCAL YEAR SUBJECT TO INCENTIVE ADJUSTMENT.—The total percentage point increase determined pursuant to this section with respect to a State program in a fiscal year shall apply as an adjustment to the percent applicable under section 455(a)(2) for payments to such State for the succeeding fiscal year.

''(b) DEFINITIONS.—As used in subsection (a):

''(1) STATEWIDE PATERNITY ESTABLISHMENT PERCENTAGE.—The term 'Statewide paternity establishment percentage' means, with respect to a fiscal year, the ratio (expressed as a percentage) of—

''(A) the total number of out-of-wedlock children in the State under one year of age for whom paternity is established or acknowledged during the fiscal year, to

''(B) the total number of children born out of wedlock in the State during such fiscal year.

''(2) OVERALL PERFORMANCE OF THE STATE IN CHILD SUPPORT ENFORCEMENT.—The term 'overall performance of the State in child support enforcement' means a measure or measures of the effectiveness of the State agency in a fiscal year which takes into account factors including—

''(A) the percentage of cases requiring a child support order in which such an order was established;

''(B) the percentage of cases in which child support is being paid;

''(C) the ratio of child support collected to child support due; and

''(D) the cost-effectiveness of the State program, as determined in accordance with standards established by the Secretary in regulations.''.

(b) TITLE IV–D PAYMENT ADJUSTMENT.—Section 455(a)(2) (42 U.S.C. 655(a)(2)), as amended by section 415(a) of this Act, is amended—

(1) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(2) by adding after and below subparagraph (C), flush with the left margin of the subsection, the following:

''increased by the incentive adjustment factor (if any) determined by the Secretary pursuant to section 458.''.

(c) CONFORMING AMENDMENTS.—Section 454(22) (42 U.S.C. 654(22)) is amended—

(1) by striking ''incentive payments'' the 1st place such term appears and inserting ''incentive adjustments''; and

(2) by striking ''any such incentive payments made to the State for such period'' and inserting ''any increases in Federal payments to the State resulting from such incentive adjustments''.

(d) CALCULATION OF IV–D PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended in the matter preceding subparagraph (A) by inserting ''its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and'' after ''1994,''.

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter preceding clause (i)—

(A) by striking ''paternity establishment percentage'' and inserting ''IV–D paternity establishment percentage''; and

(B) by striking ''(or all States, as the case may be)''.

(3) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A) (as so redesignated), by striking ''the percentage of children born out-of-wedlock in a State'' and inserting ''the percentage of children in a State who are born out of wedlock or for whom support has not been established''; and

(C) in subparagraph (B) (as so redesignated)—

(i) by inserting ''and overall performance in child support enforcement'' after ''paternity establishment percentages''; and

(ii) by inserting ''and securing support'' before the period.

(e) TITLE IV–A PAYMENT REDUCTION.—Section 403 (42 U.S.C. 603) is amended—

(1) in subsection (a), by striking ''1958—'' and inserting ''1958—'' (subject to subsection (h))—'';

(2) in subsection (h), by striking all that precedes paragraph (3) and inserting the following:

''(h)(1) If the Secretary finds, with respect to a State program under this part in a fiscal year beginning on or after October 1, 1996—

''(A)(i) on the basis of data submitted by a State pursuant to section 454(15)(B), that the State program in such fiscal year failed to achieve the IV–D paternity establishment percentage (as defined in section 452(g)(2)(A)) or the appropriate level of overall performance in child support enforcement (as defined in section 458(b)(2)), or to meet other performance measures that may be established by the Secretary, or

''(ii) on the basis of an audit or audits of such State data conducted pursuant to section 452(a)(4)(C), that the State data submitted pursuant to section 454(15)(B) is incomplete or unreliable; and

''(B) that, with respect to the succeeding fiscal year—

''(i) the State failed to take sufficient corrective action to achieve the appropriate performance levels as described in subparagraph (A)(i), or

''(ii) the data submitted by the State pursuant to section 454(15)(B) is incomplete or unreliable,

the amounts otherwise payable to the State under this part for quarters following the end of such succeeding fiscal year, prior to quarters following the end of the first quarter throughout which the State program is in compliance with such performance requirement, shall be reduced by the percentage specified in paragraph (2).

''(2) The reductions required under paragraph (1) shall be—

''(A) not less than 1 nor more than 2 percent, or

''(B) not less than 2 nor more than 3 percent, if the finding is the 2nd consecutive finding made pursuant to paragraph (1), or

''(C) not less than 3 nor more than 5 percent, if the finding is the 3rd or a subsequent consecutive such finding.''; and

(3) in subsection (h)(3), by striking ''not in full compliance'' and all that follows and inserting ''determined as a result of an audit to have submitted incomplete or unreliable data pursuant to section 454(15)(B), shall be determined to have submitted adequate data if the Secretary determines that the extent of the incompleteness or unreliability of the data is of a technical nature which does not adversely affect the determination of the level of the State's performance.''.

(f) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—(A) The amendments made by subsections (a), (b), and (c) shall become effective October 1, 1996, except to the extent provided in subparagraph (B).

(B) Section 458 of the Social Security Act, as in effect immediately before the date of the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years before fiscal year 1998.

(2) PENALTY REDUCTIONS.—(A) The amendments made by subsection (d) shall become effective with respect to calendar quarters beginning on and after the date of enactment of this Act.

(B) The amendments made by subsection (e) shall become effective with respect to calendar quarters beginning on and after the date that is 1 year after the date of enactment of this Act.

SEC. 446. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended—

(1) by striking ''(5)'' and inserting the following:

''(5) PROCEDURES CONCERNING PATERNITY ESTABLISHMENT.—'';

(2) in subparagraph (A)—

(A) by striking ''(A)(i)'' and inserting the following:

''(A) ESTABLISHMENT PROCESS AVAILABLE FROM BIRTH UNTIL AGE EIGHTEEN.—(i)''; and

(B) by indenting clauses (i) and (ii) so that the left margin of such clauses is 2 ems to the right of the left margin of paragraph (4);

(3) in subparagraph (B)—

(A) by striking ''(B)'' and inserting the following:

''(B) PROCEDURES CONCERNING GENETIC TESTING.—(i)'';

(B) in clause (i), as redesignated, by inserting before the period '', where such request is supported by a sworn statement (I) by such party alleging paternity setting forth facts establishing a reasonable possibility of the requisite sexual contact of the parties, or (II) by such party denying paternity setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact of the parties;'';

(C) by inserting after and below clause (i) (as redesignated) the following new clause:

''(ii) Procedures which require the State agency, in any case in which such agency orders genetic testing—

''(I) to pay costs of such tests, subject to recoupment (where the State so elects) from the putative father if paternity is established; and

''(II) to obtain additional testing in any case where an original test result is disputed, upon request and advance payment by the disputing party.'';

(4) by striking subparagraphs (C) and (D) and inserting the following:

''(C) PATERNITY ACKNOWLEDGMENT.—(i) Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the putative father and the mother must be given notice, orally, in writing, and in a language that each can understand, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

''(ii) Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

''(iii) Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

''(iv) The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies. The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as, voluntary paternity establishment programs of hospitals and birth record agencies.

''(v) Such procedures must require the State and those required to establish paternity to use only the affidavit developed under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State.

''(D) STATUS OF SIGNED PATERNITY ACKNOWLEDGMENT.—(i) Procedures under which a signed acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within 60 days.

''(ii)(I) Procedures under which, after the 60-day period referred to in clause (i), a signed acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

''(II) Procedures under which, after the 60-day period referred to in clause (i), a minor who signs an acknowledgment of paternity other than in the presence of a parent or court-appointed guardian ad litem may rescind the acknowledgment in a judicial or administrative proceeding, until the earlier of—

''(aa) attaining the age of majority; or

''(bb) the date of the first judicial or administrative proceeding brought (after the signing) to establish a child support obligation, visitation rights, or custody rights with respect to the child whose paternity is the subject of the acknowledgment, and at which the minor is represented by a parent, guardian ad litem, or attorney.'';

(5) by striking subparagraph (E) and inserting the following:

''(E) BAR ON ACKNOWLEDGMENT RATIFICATION PROCEEDINGS.—Procedures under which no judicial or administrative proceedings are required or permitted to ratify an unchallenged acknowledgment of paternity.'';

(6) by striking subparagraph (F) and inserting the following:

''(F) ADMISSIBILITY OF GENETIC TESTING RESULTS.—Procedures—

''(i) requiring that the State admit into evidence, for purposes of establishing paternity, results of any genetic test that is—

''(I) of a type generally acknowledged, by accreditation bodies designated by the Secretary, as reliable evidence of paternity; and

''(II) performed by a laboratory approved by such an accreditation body;

''(ii) that any objection to genetic testing results must be made in writing not later than a specified number of days before any hearing at which such results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of such results); and

''(iii) that, if no objection is made, the test results are admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy.''; and

(7) by adding after subparagraph (H) the following new subparagraphs:

''(I) NO RIGHT TO JURY TRIAL.—Procedures providing that the parties to an action to establish paternity are not entitled to jury trial.

''(J) TEMPORARY SUPPORT ORDER BASED ON PROBABLE PATERNITY IN CONTESTED CASES.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, where there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

''(K) PROOF OF CERTAIN SUPPORT AND PATERNITY ESTABLISHMENT COSTS.—Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services and testing on behalf of the child.

''(L) WAIVER OF STATE DEBTS FOR COOPERATION.—At the option of the State, procedures under which the tribunal establishing paternity and support has discretion to waive rights to all or part of amounts owed to the State (but not to the mother) for costs related to pregnancy, childbirth, and genetic testing and for public assistance paid to the family where the father cooperates or acknowledges paternity before or after genetic testing.

''(M) STANDING OF PUTATIVE FATHERS.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.''.

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting '', and develop an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security account number of each parent'' before the semicolon.

(c) TECHNICAL AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking ''a simple civil process for voluntarily acknowledging paternity and''.

SEC. 447. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

(a) STATE PLAN REQUIREMENT.—Section 454(23) (42 U.S.C. 654(23)) is amended by adding at the end the following new subparagraph:

''(C) publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support through a variety of means, which—

''(i) include distribution of written materials at health care facilities (including hospitals and clinics), and other locations such as schools;

''(ii) may include pre-natal programs to educate expectant couples on individual and joint rights and responsibilities with respect to paternity (and may require all expectant recipients of assistance under part A to participate in such pre-natal programs, as an element of cooperation with efforts to establish paternity and child support);

''(iii) include, with respect to each child discharged from a hospital after birth for whom paternity or child support has not been established, reasonable follow-up efforts (including at least one contact of each parent whose whereabouts are known, except where there is reason to believe such follow-up efforts would put mother or child at risk), providing—

''(I) in the case of a child for whom paternity has not been established, information on the benefits of and procedures for establishing paternity; and

''(II) in the case of a child for whom paternity has been established but child support has not been established, information on the benefits of and procedures for establishing a child support order, and an application for child support services;''.

(b) ENHANCED FEDERAL MATCHING.—Section 455(a)(1)(C) (42 U.S.C. 655(a)(1)(C)) is amended—

(1) by inserting ''(i)'' before ''laboratory costs'', and

(2) by inserting before the semicolon '', and (ii) costs of outreach programs designed to encourage voluntary acknowledgment of paternity''.

(c) EFFECTIVE DATES.—(1) The amendments made by subsection (a) shall become effective October 1, 1997.

(2) The amendments made by subsection (b) shall be effective with respect to calendar quarters beginning on and after October 1, 1996.

Subtitle F—Establishment and Modification of Support Orders

SEC. 451. NATIONAL CHILD SUPPORT GUIDELINES COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the ''National Child Support Guidelines Commission'' (in this section referred to as the ''Commission'').

(b) GENERAL DUTIES.—The Commission shall develop a national child support guideline for consideration by the Congress that is based on a study of various guideline models, the benefits and deficiencies of such models, and any needed improvements.

(c) MEMBERSHIP.—

(1) NUMBER; APPOINTMENT.—

(A) IN GENERAL.—The Commission shall be composed of 12 individuals appointed jointly by the Secretary of Health and Human Services and the Congress, not later than January 15, 1997, of which—

(i) 2 shall be appointed by the Chairman of the Committee on Finance of the Senate, and 1 shall be appointed by the ranking minority member of the Committee;

(ii) 2 shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives, and 1 shall be appointed by the ranking minority member of the Committee; and

(iii) 6 shall be appointed by the Secretary of Health and Human Services.

(B) QUALIFICATIONS OF MEMBERS.—Members of the Commission shall have expertise and experience in the evaluation and development of child support guidelines. At least 1 member shall represent advocacy groups for custodial parents, at least 1 member shall represent advocacy groups for noncustodial parents, and at least 1 member shall be the director of a State program under part D of title IV of the Social Security Act.

(2) TERMS OF OFFICE.—Each member shall be appointed for a term of 2 years. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d) COMMISSION POWERS, COMPENSATION, ACCESS TO INFORMATION, AND SUPERVISION.—The first sentence of subparagraph (C), the first and third sentences of subparagraph (D), subparagraph (F) (except with respect to the conduct of medical studies), clauses (ii) and (iii) of subparagraph (G), and subparagraph (H) of section 1886(e)(6) of the Social Security Act shall apply to the Commission in the same manner in which such provisions apply to the Prospective Payment Assessment Commission.

(e) REPORT.—Not later than 2 years after the appointment of members, the Commission shall submit to the President, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, a recommended national child support guideline and a final assessment of issues relating to such a proposed national child support guideline.

(f) TERMINATION.—The Commission shall terminate 6 months after the submission of the report described in subsection (e).

SEC. 452. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

(a) IN GENERAL.—Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

''(10) PROCEDURES FOR MODIFICATION OF SUPPORT ORDERS.—

''(A)(i) Procedures under which—

''(I) every 3 years, at the request of either parent subject to a child support order, the State shall review and, as appropriate, adjust the order in accordance with the guidelines established under section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with such guidelines, without a requirement for any other change in circumstances; and

''(II) upon request at any time of either parent subject to a child support order, the State shall review and, as appropriate, adjust the order in accordance with the guidelines established under section 467(a) based on a substantial change in the circumstances of either such parent.

''(ii) Such procedures shall require both parents subject to a child support order to be notified of their rights and responsibilities provided for under clause (i) at the time the order is issued and in the annual information exchange form provided under subparagraph (B).

''(B) Procedures under which each child support order issued or modified in the State after the effective date of this subparagraph shall require the parents subject to the order to provide each other with a complete statement of their respective financial condition annually on a form which shall be established by the Secretary and provided by the State. The Secretary shall establish regulations for the enforcement of such exchange of information.''.

Subtitle G—Enforcement of Support Orders

SEC. 461. FEDERAL INCOME TAX REFUND OFFSET.

(a) CHANGED ORDER OF REFUND DISTRIBUTION UNDER INTERNAL REVENUE CODE.—Section 6402(c) of the Internal Revenue Code of 1986 is amended by striking the 3rd sentence.

(b) ELIMINATION OF DISPARITIES IN TREATMENT OF ASSIGNED AND NON-ASSIGNED ARREARAGES.—(1) Section 464(a) (42 U.S.C. 664(a)) is amended—

(A) by striking ''(a)'' and inserting ''(a) OFFSET AUTHORIZED.—'';

(B) in paragraph (1)—

(i) in the first sentence, by striking ''which has been assigned to such State pursuant to section 402(a)(26) or section 471(a)(17)''; and

(ii) in the second sentence, by striking ''in accordance with section 457 (b)(4) or (d)(3)'' and inserting ''as provided in paragraph (2)'';

(C) in paragraph (2), to read as follows:

''(2) The State agency shall distribute amounts paid by the Secretary of the Treasury pursuant to paragraph (1)—

''(A) in accordance with section 457 (a)(4) or (d)(3), in the case of past-due support assigned to a State pursuant to section 402(a)(26) or section 471(a)(17); and

''(B) to or on behalf of the child to whom the support was owed, in the case of past-due support not so assigned.'';

(D) in paragraph (3)—

(i) by striking ''or (2)'' each place it appears; and

(ii) in subparagraph (B), by striking ''under paragraph (2)'' and inserting ''on account of past-due support described in paragraph (2)(B)''.

(2) Section 464(b) (42 U.S.C. 664(b)) is amended—

(A) by striking ''(b)(1)'' and inserting ''(b) REGULATIONS.—''; and

(B) by striking paragraph (2).

(3) Section 464(c) (42 U.S.C. 664(c)) is amended—

(A) by striking ''(c)(1) Except as provided in paragraph (2), as'' and inserting ''(c) DEFINITION.—As''; and

(B) by striking paragraphs (2) and (3).

(c) TREATMENT OF LUMP-SUM TAX REFUND UNDER AFDC.—

(1) EXEMPTION FROM LUMP-SUM RULE.—Section 402(a)(17) (42 U.S.C. 602(a)(17)) is amended by adding at the end the following: ''but this paragraph shall not apply to income received by a family that is attributable to a child support obligation owed with respect to a member of the family and that is paid to the family from amounts withheld from a Federal income tax refund otherwise payable to the person owing such obligation, to the extent that such income is placed in a qualified asset account (as defined in section 406(j)) the total amounts in which, after such placement, does not exceed $10,000;''.

(2) QUALIFIED ASSET ACCOUNT DEFINED.—Section 406 (42 U.S.C. 606), as amended by section 402(g)(2) of this Act, is amended by adding at the end the following:

''(j)(1) The term 'qualified asset account' means a mechanism approved by the State (such as individual retirement accounts, escrow accounts, or savings bonds) that allows savings of a family receiving aid to families with dependent children to be used for qualified distributions.

''(2) The term 'qualified distribution' means a distribution from a qualified asset account for expenses directly related to 1 or more of the following purposes:

''(A) The attendance of a member of the family at any education or training program.

''(B) The improvement of the employability (including self-employment) of a member of the family (such as through the purchase of an automobile).

''(C) The purchase of a home for the family.

''(D) A change of the family residence.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1999.

SEC. 462. INTERNAL REVENUE SERVICE COLLECTION OF ARREARS.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 6305(a) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1), by inserting ''except as provided in paragraph (5)'' after ''collected'';

(2) by striking ''and'' at the end of paragraph (3);

(3) by striking the period at the end of paragraph (4) and inserting a comma;

(4) by adding after paragraph (4) the following new paragraph:

''(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor.''; and

(5) by striking ''Secretary of Health, Education, and Welfare'' each place it appears and inserting ''Secretary of Health and Human Services''.

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1997.

SEC. 463. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—

(1) Section 459 (42 U.S.C. 659) is amended in the caption by inserting ''INCOME WITHHOLDING,'' before ''GARNISHMENT''.

(2) Section 459(a) (42 U.S.C. 659(a)) is amended—

(A) by striking ''(a)'' and inserting ''(a) CONSENT TO SUPPORT ENFORCEMENT.—

(B) by striking ''section 207'' and inserting ''section 207 of this Act and 38 U.S.C. 5301''; and

(C) by striking all that follows ''a private person,'' and inserting ''to withholding in accordance with State law pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary thereunder, and to any other legal process brought, by a State agency administering a program under this part or by an individual obligee, to enforce the legal obligation of such individual to provide child support or alimony.''.

(3) Section 459(b) (42 U.S.C. 659(b)) is amended to read as follows:

''(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.— Except as otherwise provided herein, each entity specified in subsection (a) shall be subject, with respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or to any other order or process to enforce support obligations against an individual (if such order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), to the same requirements as would apply if such entity were a private person.''.

(4) Section 459(c) (42 U.S.C. 659(c)) is redesignated and relocated as paragraph (2) of subsection (f), and is amended—

(A) by striking ''responding to interrogatories pursuant to requirements imposed by section 461(b)(3)'' and inserting ''taking actions necessary to comply with the requirements of subsection (A) with regard to any individual''; and

(B) by striking ''any of his duties'' and all that follows and inserting ''such duties.''.

(5) Section 461 (42 U.S.C. 661) is amended by striking subsection (b), and section 459 (42 U.S.C. 659) is amended by inserting after subsection (b) (as added by paragraph (3) of this subsection) the following:

''(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE OR PROCESS.—(1) The head of each agency subject to the requirements of this section shall—

''(A) designate an agent or agents to receive orders and accept service of process; and

''(B) publish (i) in the appendix of such regulations, (ii) in each subsequent republication of such regulations, and (iii) annually in the Federal Register, the designation of such agent or agents, identified by title of position, mailing address, and telephone number.''.

(6) Section 459 (42 U.S.C. 659) is amended by striking subsection (d) and by inserting after subsection (c)(1) (as added by paragraph (5) of this subsection) the following:

''(2) Whenever an agent designated pursuant to paragraph (1) receives notice pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatories, with respect to an individual's child support or alimony payment obligations, such agent shall—

''(A) as soon as possible (but not later than fifteen days) thereafter, send written notice of such notice or service (together with a copy thereof) to such individual at his duty station or last-known home address;

''(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to subsection (a)(1) or (b) of section 466, comply with all applicable provisions of such section 466; and

''(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatories, respond thereto.''.

(7) Section 461 (42 U.S.C. 661) is amended by striking subsection (c), and section 459 (42 U.S.C. 659) is amended by inserting after subsection (c) (as added by paragraph (5) and amended by paragraph (6) of this subsection) the following:

''(d) PRIORITY OF CLAIMS.—In the event that a governmental entity receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than one person—

''(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

''(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by the provisions of such section 466(b) and regulations thereunder; and

''(3) such moneys as remain after compliance with subparagraphs (A) and (B) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.''.

(8) Section 459(e) (42 U.S.C. 659(e)) is amended by striking ''(e)'' and inserting the following:

''(e) NO REQUIREMENT TO VARY PAY CYCLES.—''.

(9) Section 459(f) (42 U.S.C. 659(f)) is amended by striking ''(f)'' and inserting the following:

''(f) RELIEF FROM LIABILITY.—(1)''.

(10) Section 461(a) (42 U.S.C. 661(a)) is redesignated and relocated as section 459(g), and is amended—

(A) by striking ''(g)'' and inserting the following:

''(g) REGULATIONS.—''; and

(B) by striking ''section 459'' and inserting ''this section''.

(11) Section 462 (42 U.S.C. 662) is amended by striking subsection (f), and section 459 (42 U.S.C. 659) is amended by inserting the following after subsection (g) (as added by paragraph (10) of this subsection):

''(h) MONEYS SUBJECT TO PROCESS.—(1) Subject to subsection (i), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

''(A) consist of—

''(i) compensation paid or payable for personal services of such individual, whether such compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

''(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

''(I) under the insurance system established by title II;

''(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

''(III) as compensation for death under any Federal program;

''(IV) under any Federal program established to provide 'black lung' benefits; or

''(V) by the Secretary of Veterans Affairs as pension, or as compensation for a service-connected disability or death (except any compensation paid by such Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if such former member has waived a portion of his retired pay in order to receive such compensation); and

''(iii) worker's compensation benefits paid under Federal or State law; but

''(B) do not include any payment—

''(i) by way of reimbursement or otherwise, to defray expenses incurred by such individual in carrying out duties associated with his employment; or

''(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.''.

(12) Section 462(g) (42 U.S.C. 662(g)) is redesignated and relocated as section 459(i) (42 U.S.C. 659(i)).

(13)(A) Section 462 (42 U.S.C. 662) is amended—

(i) in subsection (e)(1), by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii); and

(ii) in subsection (e), by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B).

(B) Section 459 (42 U.S.C. 659) is amended by adding at the end the following:

''(j) DEFINITIONS.—For purposes of this section—''.

(C) Subsections (a) through (e) of section 462 (42 U.S.C. 662), as amended by subparagraph (A) of this paragraph, are relocated and redesignated as paragraphs (1) through (4), respectively of section 459(j) (as added by subparagraph (B) of this paragraph, (42 U.S.C. 659(j)), and the left margin of each of such paragraphs (1) through (4) is indented 2 ems to the right of the left margin of subsection (i) (as added by paragraph (12) of this subsection).

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661), as amended by subsection (a) of this section, are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking ''sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)'' and inserting ''section 459 of the Social Security Act (42 U.S.C. 659)''.

(c) MILITARY RETIRED AND RETAINER PAY.—(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

(A) by striking ''and'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting ''; and''; and

(C) by adding after subparagraph (C) the following new paragraph:

''(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a State program under part D of title IV of the Social Security Act).'';

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended by inserting ''or a court order for the payment of child support not included in or accompanied by such a decree or settlement,'' before ''which—''.

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by striking ''to spouse'' and inserting ''to (or for benefit of)''; and

(B) in paragraph (1), in the first sentence, by inserting ''(or for the benefit of such spouse or former spouse to a State central collections unit or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)'' before ''in an amount sufficient''.

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:

''(j) RELATIONSHIP TO OTHER LAWS.—In any case involving a child support order against a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of the Social Security Act.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 464. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be

disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection:

(A) The term ''court'' has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term ''child support'' has the meaning given such term in section 462 of the Social Security Act (42 U.S.C. 662).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, is amended—

(A) by redesignating subsection (i) as subsection (j); and

(B) by inserting after subsection (h) the following new subsection (i):

''(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order or an order of an administrative process established under State law for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.''.

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the first sentence the following: ''In the case of a spouse or former spouse who, pursuant to section 402(a)(26) of the Social Security Act (42 U.S.C. 602(26)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.''.

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

''(6) In the case of a court order or an order of an administrative process established under State law for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order or an order of an administrative process established under State law shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.''.

SEC. 465. MOTOR VEHICLE LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended—

(1) by striking ''(4) Procedures'' and inserting the following:

''(4) LIENS.—

''(A) IN GENERAL.—Procedures''; and

(2) by adding at the end the following new subparagraph:

''(B) MOTOR VEHICLE LIENS.—Procedures for placing liens for arrears of child support on motor vehicle titles of individuals owing such arrears equal to or exceeding two months of support, under which—

''(i) any person owed such arrears may place such a lien;

''(ii) the State agency administering the program under this part shall systematically place such liens;

''(iii) expedited methods are provided for—

''(I) ascertaining the amount of arrears;

''(II) affording the person owing the arrears or other titleholder to contest the amount of arrears or to obtain a release upon fulfilling the support obligation;

''(iv) such a lien has precedence over all other encumbrances on a vehicle title other than a purchase money security interest; and

''(v) the individual or State agency owed the arrears may execute on, seize, and sell the property in accordance with State law.''.

SEC. 466. VOIDING OF FRAUDULENT TRANSFERS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 401(a), 426(a), 431, and 442 of this Act, is amended by inserting after paragraph (15) the following:

''(16) FRAUDULENT TRANSFERS.—Procedures under which—

''(A) the State has in effect—

''(i) the Uniform Fraudulent Conveyance Act of 1981,

''(ii) the Uniform Fraudulent Transfer Act of 1984, or

''(iii) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

''(B) in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

''(i) seek to void such transfer; or

''(ii) obtain a settlement in the best interests of the child support creditor.''.

SEC. 467. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 401(a), 426(a), 431, 442, and 466 of this Act, is amended by inserting after paragraph (16) the following:

''(17) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—Procedures under which the State has (and uses in appropriate cases) authority (subject to appropriate due process safeguards) to withhold or suspend, or to restrict the use of driver's licenses, and professional and occupational licenses of individuals owing overdue child support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.''.

SEC. 468. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

''(7) REPORTING ARREARAGES TO CREDIT BUREAUS.—(A) Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any absent parent who is delinquent by 90 days or more in the payment of support, and the amount of overdue support owed by such parent.

''(B) Procedures ensuring that, in carrying out subparagraph (A), information with respect to an absent parent is reported—

''(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

''(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency.''.

SEC. 469. EXTENDED STATUTE OF LIMITATION FOR COLLECTION OF ARREARAGES.

(a) AMENDMENTS.—Section 466(a)(9) (42 U.S.C. 666(a)(9)) is amended—

(1) by striking ''(9) Procedures'' and inserting the following:

''(9) LEGAL TREATMENT OF ARREARS.—

''(A) FINALITY.—Procedures'';

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and by indenting each of such clauses 2 additional ems to the right; and

(3) by adding after and below subparagraph (A), as redesignated, the following new subparagraph:

''(B) STATUTE OF LIMITATIONS.—Procedures under which the statute of limitations on any arrearages of child support extends at least until the child owed such support is 30 years of age.''.

(b) APPLICATION OF REQUIREMENT.—The amendment made by this section shall not be read to require any State law to revive any payment obligation which had lapsed prior to the effective date of such State law.

SEC. 470. CHARGES FOR ARREARAGES.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by sections 401(a), 426(a), 431, 442, 466, and 467 of this Act, is amended by inserting after paragraph (17) the following:

''(18) CHARGES FOR ARREARAGES.—Procedures providing for the calculation and collection of interest or penalties for arrearages of child support, and for distribution of such interest or penalties collected for the benefit of the child (except where the right to support has been assigned to the State).''.

(b) REGULATIONS.—The Secretary of Health and Human Services shall establish by regulation a rule to resolve choice of law conflicts arising in the implementation of the amendment made by subsection (a).

(c) CONFORMING AMENDMENT.—Section 454(21) (42 U.S.C. 654(21)) is repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to arrearages accruing on or after October 1, 1998.

SEC. 471. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by sections

415(a)(3) and 417 of this Act, is amended by adding at the end the following new subsection:

''(l) CERTIFICATIONS FOR PURPOSES OF PASSPORT RESTRICTIONS.—

''(1) IN GENERAL.—Where the Secretary receives a certification by a State agency in accordance with the requirements of section 454(28) that an individual owes arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to section 471(b) of the Individual Responsibility Act of 1995.

''(2) LIMIT ON LIABILITY.—The Secretary shall not be liable to an individual for any action with respect to a certification by a State agency under this section.''.

(2) STATE CSE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 404(a), 414(b), and 422(a) of this Act, is amended—

(A) by striking ''and'' at the end of paragraph (26);

(B) by striking the period at the end of paragraph (27) and inserting ''; and''; and

(C) by adding after paragraph (27) the following new paragraph:

''(28) provide that the State agency will have in effect a procedure (which may be combined with the procedure for tax refund offset under section 464) for certifying to the Secretary, for purposes of the procedure under section 452(l) (concerning denial of passports) determinations that individuals owe arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, under which procedure—

''(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

''(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.''.

(b) STATE DEPARTMENT PROCEDURE FOR DENIAL OF PASSPORTS.—

(1) IN GENERAL.—The Secretary of State, upon certification by the Secretary of Health and Human Services, in accordance with section 452(l) of the Social Security Act, that an individual owes arrearages of child support in excess of $5,000, shall refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

(2) LIMIT ON LIABILITY.—The Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1996.

SEC. 472. INTERNATIONAL CHILD SUPPORT ENFORCEMENT.

(a) SENSE OF THE CONGRESS THAT THE UNITED STATES SHOULD RATIFY THE UNITED NATIONS CONVENTION OF 1956.—It is the sense of the Congress that the United States should ratify the United Nations Convention of 1956.

(b) TREATMENT OF INTERNATIONAL CHILD SUPPORT CASES AS INTERSTATE CASES.—Section 454 (42 U.S.C. 654), as amended by sections 404(a), 414(b), 422(a), and 471(a)(2) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting ''; and''; and

(3) by inserting after paragraph (28) the following:

''(29) provide that the State must treat international child support cases in the same manner as the State treats interstate child support cases.''.

SEC. 473. SEIZURE OF LOTTERY WINNINGS, SETTLEMENTS, PAYOUTS, AWARDS, AND BEQUESTS, AND SALE OF FORFEITED PROPERTY, TO PAY CHILD SUPPORT ARREARAGES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 401(a), 426(a), 431, 442, 466, 467, and 470(a) of this Act, is amended by inserting after paragraph (18) the following:

''(19) Procedures, in addition to other income withholding procedures, under which a lien is imposed against property with the following effect:

''(A) The distributor of the winnings from a State lottery or State-sanctioned or tribal-sanctioned gambling house or casino shall—

''(i) suspend payment of the winnings from the person otherwise entitled to the payment until an inquiry is made to and a response is received from the State child support enforcement agency as to whether the person owes a child support arrearage; and

''(ii) if there is such an arrearage, withhold from the payment the lesser of the amount of the payment or the amount of the arrearage, and pay the amount withheld to the agency for distribution.

''(B) The person required to make a payment under a policy of insurance or a settlement of a claim made with respect to the policy shall—

''(i) suspend the payment until an inquiry is made to and a response received from the agency as to whether the person otherwise entitled to the payment owes a child support arrearage; and

''(ii) if there is such an arrearage, withhold from the payment the lesser of the amount of the payment or the amount of the arrearage, and pay the amount withheld to the agency for distribution.

''(C) The payor of any amount pursuant to an award, judgment, or settlement in any action brought in Federal or State court shall—

''(i) suspend the payment of the amount until an inquiry is made to and a response is received from the agency as to whether the person otherwise entitled to the payment owes a child support arrearage; and

''(ii) if there is such an arrearage, withhold from the payment the lesser of the amount of the payment or the amount of the arrearage, and pay the amount withheld to the agency for distribution.

''(D) If the State seizes property forfeited to the State by an individual by reason of a criminal conviction, the State shall—

''(i) hold the property until an inquiry is made to and a response is received from the agency as to whether the individual owes a child support arrearage; and

''(ii) if there is such an arrearage, sell the property and, after satisfying the claims of all other private or public claimants to the property and deducting from the proceeds of the sale the attendant costs (such as for towing, storage, and the sale), pay the lesser of the remaining proceeds or the amount of the arrearage directly to the agency for distribution.

''(E) Any person required to make a payment in respect of a decedent shall—

''(i) suspend the payment until an inquiry is made to and a response received from the agency as to whether the person otherwise entitled to the payment owes a child support arrearage; and

''(ii) if there is such an arrearage, withhold from the payment the lesser of the amount of the payment or the amount of the arrearage, and pay the amount withheld to the agency for distribution.''.

SEC. 474. LIABILITY OF GRANDPARENTS FOR FINANCIAL SUPPORT OF CHILDREN OF THEIR MINOR CHILDREN.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 401(a), 426(a), 431, 442, 466, 467, 470(a), and 473 of this Act, is amended by inserting after paragraph (19) the following:

''(20) Procedures under which each parent of an individual who has not attained 18 years of age is liable for the financial support of any child of the individual to the extent that the individual is unable to provide such support. The preceding sentence shall not apply to the State if the State plan explicitly provides for such inapplicability.''.

SEC. 475. SENSE OF THE CONGRESS REGARDING PROGRAMS FOR NONCUSTODIAL PARENTS UNABLE TO MEET CHILD SUPPORT OBLIGATIONS.

It is the sense of the Congress that the States should develop programs, such as the program of the State of Wisconsin known as the ''Children's First Program'', that are designed to work with noncustodial parents who are unable to meet their child support obligations.

Subtitle H—Medical Support

SEC. 481. TECHNICAL CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking ''issued by a court of competent jurisdiction'';

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following:

''if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued by an administrative adjudicator and has the force and effect of law under applicable State law.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1996.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the first plan year beginning on or after January 1, 1996, if—

(A) during the period after the date before the date of the enactment of this Act and before such first plan year, the plan is operated in accordance with the requirements of the amendments made by this section, and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such first plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

SEC. 482. EXTENSION OF MEDICAID ELIGIBILITY FOR FAMILIES LOSING AFDC DUE TO INCREASED CHILD SUPPORT COLLECTIONS.

Section 402(a) (42 U.S.C. 602(a)), as amended by the other provisions of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (55);

(2) by striking the period at the end of paragraph (56) and inserting ''; and''; and

(3) by inserting after paragraph (56) the following:

''(57) provide that each member of a family which would be eligible for aid under the State plan but for the receipt of child support payments shall be considered to be receiving such aid for purposes of eligibility for medical assistance under the State plan approved under title XIX for so long as the

family would (but for such receipt) be eligible for such aid.''.

Subtitle I—Effect of Enactment

SEC. 491. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) provisions of this title requiring enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon enactment.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if it is unable to comply without amending the State constitution until the earlier of—

(1) the date one year after the effective date of the necessary State constitutional amendment, or

(2) the date five years after enactment of this title.

SEC. 492. SEVERABILITY.

If any provision of this title or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this title which can be given effect without regard to the invalid provision or application, and to this end the provisions of this title shall be severable.

TITLE V—TEEN PREGNANCY AND FAMILY STABILITY

Subtitle A—Federal Role

SEC. 501. STATE OPTION TO DENY AFDC FOR ADDITIONAL CHILDREN.

(a) IN GENERAL.—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, 211(a), 232, and 301(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (49);

(2) by striking the period at the end of paragraph (50) and inserting ''; and''; and

(3) by inserting after paragraph (50) the following:

''(51) at the option of the State, provide that—

''(A)(i) notwithstanding paragraph (7)(A), the needs of a child will not be taken into account in making the determination under paragraph (7) with respect to the family of the child if the child was born (other than as a result of rape or incest) to a member of the family—

''(I) while the family was a recipient of aid under the State plan; or

''(II) during the 6-month period ending with the date the family applied for such aid; and

''(ii) if the amount of aid payable to a family under the State plan is reduced by reason of subparagraph (A), each member of the family shall be considered to be receiving such aid for purposes of eligibility for medical assistance under the State plan approved under title XIX for so long as such aid would otherwise not be so reduced; and

''(B) if the State exercises the option, the State may provide the family with vouchers, in amounts not exceeding the amount of any such reduction in aid, that may be used only to pay for particular goods and services specified by the State as suitable for the care of the child of the parent (such as diapers, clothing, or school supplies).''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to payments under a State plan approved under part A of title IV of the Social Security Act for months beginning after the date of the enactment of this Act, and to payments to States under such part for quarters beginning after such date.

SEC. 502. MINORS RECEIVING AFDC REQUIRED TO LIVE UNDER RESPONSIBLE ADULT SUPERVISION.

Section 402(a)(43) (42 U.S.C. 602(a)(43)) is amended by striking ''at the option of the State,''.

SEC. 503. NATIONAL CLEARINGHOUSE ON ADOLESCENT PREGNANCY.

(a) IN GENERAL.—Title XX (42 U.S.C. 1397–1397f), as amended by section 222(b) of this Act, is amended by adding at the end the following:

''SEC. 2010. NATIONAL CLEARINGHOUSE ON ADOLESCENT PREGNANCY.

''(a) NATIONAL CLEARINGHOUSE ON ADOLESCENT PREGNANCY.—

''(1) ESTABLISHMENT.—The responsible Federal officials shall establish, through grant or contract, a national center for the collection and provision of programmatic information and technical assistance that relates to adolescent pregnancy prevention programs, to be known as the 'National Clearinghouse on Adolescent Pregnancy Prevention Programs'.

''(2) FUNCTIONS.—The national center established under paragraph (1) shall serve as a national information and data clearinghouse, and as a training, technical assistance, and material development source for adolescent pregnancy prevention programs. Such center shall—

''(A) develop and maintain a system for disseminating information on all types of adolescent pregnancy prevention program and on the state of adolescent pregnancy prevention program development, including information concerning the most effective model programs;

''(B) develop and sponsor a variety of training institutes and curricula for adolescent pregnancy prevention program staff;

''(C) identify model programs representing the various types of adolescent pregnancy prevention programs;

''(D) develop technical assistance materials and activities to assist other entities in establishing and improving adolescent pregnancy prevention programs;

''(E) develop networks of adolescent pregnancy prevention programs for the purpose of sharing and disseminating information; and

''(F) conduct such other activities as the responsible Federal officials find will assist in developing and carrying out programs or activities to reduce adolescent pregnancy.

''(b) FUNDING.—The responsible Federal officials shall make grants to eligible entities for the establishment and operation of a National Clearinghouse on Adolescent Pregnancy Prevention Programs under subsection (a) so that in the aggregate the expenditures for such grants do not exceed $2,000,000 for fiscal year 1996, $4,000,000 for fiscal year 1997, $8,000,000 for fiscal year 1998, and $10,000,000 for fiscal year 1999 and each subsequent fiscal year.

''(c) DEFINITIONS.—As used in this section:

''(1) ADOLESCENTS.—The term 'adolescents' means youth who are ages 10 through 19.

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' means a partnership that includes—

''(A) a local education agency, acting on behalf of one or more schools, together with

''(B) one or more community-based organizations, institutions of higher education, or public or private agencies or organizations.

''(3) ELIGIBLE AREA.—The term 'eligible area' means a school attendance area in which—

''(A) at least 75 percent of the children are from low-income families as that term is used in part A of title I of the Elementary and Secondary Education Act of 1965; or

''(B) the number of children receiving Aid to Families with Dependent Children under part A of title IV is substantial as determined by the responsible Federal officials; or

''(C) the unmarried adolescent birth rate is high, as determined by the responsible Federal officials.

''(4) SCHOOL.—The term 'school' means a public elementary, middle, or secondary school.

''(5) RESPONSIBLE FEDERAL OFFICIALS.—The term 'responsible Federal officials' means the Secretary of Education, the Secretary of Health and Human Services, and the Chief Executive Officer of the Corporation for National and Community Service.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall become effective October 1, 1994.

SEC. 504. INCENTIVE FOR TEEN PARENTS TO ATTEND SCHOOL.

Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, 211(a), 232, 301(a), and 501(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (50);

(2) by striking the period at the end of paragraph (51) and inserting ''; and''; and

(3) by inserting after paragraph (51) the following:

''(52) provide that the amount of aid otherwise payable under the plan for a month to a family that includes a parent who has not attained 20 years of age and has not completed secondary school (or received a certificate of high school equivalency) may be reduced by 25 percent if, during the immediately preceding month, the parent has failed without good cause (as defined by the State in consultation with the Secretary) to maintain minimum attendance (as defined by the State in consultation with the Secretary) at an educational institution.''.

SEC. 505. STATE OPTION TO DISREGARD 100–HOUR RULE UNDER AFDC–UP PROGRAM.

Section 407(a) (42 U.S.C. 607(a)) is amended—

(1) by inserting ''(1)'' after ''(a)''; and

(2) by adding at the end the following:

''(2) A standard prescribed pursuant to paragraph (1) that imposes a limit on the amount of time during which a parent who is the principal earner in a family in which both parents are married may be employed during a month shall not apply to a State if the State plan under this part explicitly provides for such inapplicability.''.

SEC. 506. STATE OPTION TO DISREGARD 6–MONTH LIMITATION ON AFDC–UP BENEFITS.

Section 407(b)(2)(B) (42 U.S.C. 607(b)(2)(B)) is amended by adding at the end the following:

''(iv) A regulation prescribed by the Secretary that limits the length of time with respect to which a family of a dependent child in which both parents are married may receive aid to families with dependent children by reason of this section shall not apply to a

State if the State plan under this part explicitly provides for such inapplicability.''.

SEC. 507. ELIMINATION OF QUARTERS OF COVERAGE REQUIREMENT UNDER AFDC–UP PROGRAM FOR FAMILIES IN WHICH BOTH PARENTS ARE TEENS.

Section 407(b)(1)(A)(iii) (42 U.S.C. 607(b)(1)(A)(iii)) is amended by striking ''(iii)(I)'' and inserting ''(iii) neither of the child's parents have attained 20 years of age, and (I)''.

SEC. 508. DENIAL OF FEDERAL HOUSING BENEFITS TO MINORS WHO BEAR CHILDREN OUT-OF-WEDLOCK.

(a) PROHIBITION OF ASSISTANCE.—Notwithstanding any other provision of law, a household whose head of household is an individual who has borne a child out-of-wedlock before attaining 18 years of age may not be provided Federal housing assistance for a dwelling unit until attaining such age, unless—

(1) after the birth of the child—

(A) the individual marries an individual who has been determined by the relevant State to be the biological father of the child; or

(B) the biological parent of the child has legal custody of the child and marries an individual who legally adopts the child;

(2) the individual is a biological and custodial parent of another child who was not born out-of-wedlock; or

(3) eligibility for such Federal housing assistance is based in whole or in part on any disability or handicap of a member of the household.

(b) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) COVERED PROGRAM.—The term ''covered program'' means—

(A) the program of rental assistance on behalf of low-income families provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f);

(B) the public housing program under title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.);

(C) the program of rent supplement payments on behalf of qualified tenants pursuant to contracts entered into under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s);

(D) the program of interest reduction payments pursuant to contracts entered into by the Secretary of Housing and Urban Development under section 236 of the National Housing Act (12 U.S.C. 1715z–1);

(E) the program for mortgage insurance provided pursuant to sections 221(d) (3) or (4) of the National Housing Act (12 U.S.C. 1715l(d)) for multifamily housing for low- and moderate-income families;

(F) the rural housing loan program under section 502 of the Housing Act of 1949 (42 U.S.C. 1472);

(G) the rural housing loan guarantee program under section 502(h) of the Housing Act of 1949 (42 U.S.C. 1472(h));

(H) the loan and grant programs under section 504 of the Housing Act of 1949 (42 U.S.C. 1474) for repairs and improvements to rural dwellings;

(I) the program of loans for rental and cooperative rural housing under section 515 of the Housing Act of 1949 (42 U.S.C. 1485);

(J) the program of rental assistance payments pursuant to contracts entered into under section 521(a)(2)(A) of the Housing Act of 1949 (42 U.S.C. 1490a(a)(2)(A));

(K) the loan and assistance programs under sections 514 and 516 of the Housing Act of 1949 (42 U.S.C. 1484, 1486) for housing for farm labor;

(L) the program of grants and loans for mutual and self-help housing and technical assistance under section 523 of the Housing Act of 1949 (42 U.S.C. 1490c);

(M) the program of grants for preservation and rehabilitation of housing under section 533 of the Housing Act of 1949 (42 U.S.C. 1490m); and

(N) the program of site loans under section 524 of the Housing Act of 1949 (42 U.S.C. 1490d).

(2) COVERED PROJECT.—The term ''covered project'' means any housing for which Federal housing assistance is provided that is attached to the project or specific dwelling units in the project.

(3) FEDERAL HOUSING ASSISTANCE.—The term ''Federal housing assistance'' means—

(A) assistance provided under a covered program in the form of any contract, grant, loan, subsidy, cooperative agreement, loan or mortgage guarantee or insurance, or other financial assistance; or

(B) occupancy in a dwelling unit that is—

(i) provided assistance under a covered program; or

(ii) located in a covered project and subject to occupancy limitations under a covered program that are based on income.

(4) STATE.—The term ''State'' means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States.

(c) LIMITATIONS ON APPLICABILITY.—Subsection (a) shall not apply to Federal housing assistance provided for a household pursuant to an application or request for such assistance made by such household before the effective date of this Act if the household was receiving such assistance on the effective date of this Act.

SEC. 509. STATE OPTION TO DENY AFDC TO MINOR PARENTS.

(a) IN GENERAL.—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, 211(a), 232, 301(a), 501(a), and 504 of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (51);

(2) by striking the period at the end of paragraph (52) and inserting ''; and''; and

(3) by inserting after paragraph (52) the following:

''(53)(A) at the option of the State, provide that—

''(i) in making the determination under paragraph (7) with respect to a family, the State may disregard the needs of any family member who is a parent and has not attained 18 years of age or such lesser age as the State may prescribe; and

''(ii) if the amount of aid payable to a family under the State plan is reduced by reason of subparagraph (A), each member of the family shall be considered to be receiving such aid for purposes of eligibility for medical assistance under the State plan approved under title XIX for so long as such aid would otherwise not be so reduced; and

''(B) if the State exercises the option, the State may provide the family with vouchers, in amounts not exceeding the amount of any such reduction in aid, that may be used only to pay for—

''(i) particular goods and services specified by the State as suitable for the care of the child of the parent (such as diapers, clothing, or cribs); and

''(ii) the costs associated with a maternity home, foster home, or other adult-supervised supportive living arrangement in which the parent and the child live.''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to payments under a State plan approved under part A of title IV of the Social Security Act for months beginning on or after January 1, 1998, and to payments to States under such part for quarters beginning after such date.

Subtitle B—State Role

SEC. 511. TEENAGE PREGNANCY PREVENTION AND FAMILY STABILITY.

(a) FINDINGS.—The Congress finds that—

(1) long-term welfare dependency is increasing driven by illegitimate births;

(2) too many teens are becoming parents and too few are able to responsibly care for and nurture their children;

(3) new research has shown that spending time in a single-parent family puts children at substantially increased risk of dropping out of high school, having a child out-of-wedlock, or being neither in school nor at work; and

(4) between 1986 and 1991, the rate of births to teens aged 15 to 19 rose 24 percent, from 50.2 to 62.1 births per 1,000 females.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) children should be educated about the risks involved in choosing parenthood at an early age;

(2) reproductive family planning and education should be made available to every potential parent so as to give such parents the opportunity to avoid unintended births;

(3) States should use funds provided under title XX of the Social Security Act to provide comprehensive services to youth in high risk neighborhoods, through community organizations, churches, and schools; and

(4) States should work with schools for the early identification and referral of children at risk for parenthood at an early age.

SEC. 512. AVAILABILITY OF FAMILY PLANNING SERVICES.

Section 402(a)(15)(A) (42 U.S.C. 602(a)(15)(A)) is amended by striking ''out of wedlock''.

TITLE VI—PROGRAM SIMPLIFICATION

Subtitle A—Increased State Flexibility

SEC. 601. STATE OPTION TO PROVIDE AFDC THROUGH ELECTRONIC BENEFIT TRANSFER SYSTEMS.

Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, 211(a), 232, 301(a), 501(a), 504, and 509(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (52);

(2) by striking the period at the end of paragraph (53) and inserting ''; and''; and

(3) by inserting after paragraph (53) the following:

''(54) at the option of the State, provide for the payment of aid under the State plan through the use of electronic benefit transfer systems.''.

SEC. 602. DEADLINE FOR ACTION ON APPLICATION FOR WAIVER OF REQUIREMENT APPLICABLE TO PROGRAM OF AID TO FAMILIES WITH DEPENDENT CHILDREN.

Section 1115 (42 U.S.C. 1315) is amended by adding at the end the following:

''(e) The Secretary shall approve or deny an application for a waiver under this section with respect to a requirement of section 402, not later than 90 days after the Secretary receives the application, unless otherwise agreed upon by the Secretary and the applicant.''.

Subtitle B—Coordination of AFDC and Food Stamp Programs

SEC. 611. AMENDMENTS TO PART A OF TITLE IV OF THE SOCIAL SECURITY ACT.

(a) STATE OPTION TO USE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—Section 1137(b) (42 U.S.C. 1320b–7(b)) is amended—

(1) by striking paragraphs (1) and (4), and redesignating paragraphs (2), (3), and (5) as paragraphs (1), (2), and (3), respectively; and

(2) in paragraph (2) (as so redesignated), by adding ''or'' at the end.

(b) STATE OPTION TO USE RETROSPECTIVE BUDGETING WITHOUT MONTHLY REPORTING.—Section 402(a)(13) (42 U.S.C. 602(a)(13)) is amended—

(1) by striking all that precedes subparagraph (A) and inserting the following:

''(13) provide, at the option of the State and with respect to such category or categories as the State may select and identify in the State plan, that—''; and

(2) in each of subparagraphs (A) and (B), by striking '', in the case of families who are required to report monthly to the State agency pursuant to paragraph (14)''.

(c) EXCLUSION FROM INCOME OF ALL INCOME OF DEPENDENT CHILD WHO IS A STUDENT.—Section 402(a)(8)(A)(i) (42 U.S.C. 602(a)(8)(A)(i)) is amended—

(1) by striking ''earned''; and

(2) by inserting ''applying for or'' before ''receiving''.

(d) EXCLUSION FROM INCOME OF CERTAIN ENERGY ASSISTANCE PAYMENTS BASED ON NEED.—

(1) IN GENERAL.—Section 402(a)(8)(A) (42 U.S.C. 602(a)(8)(A)), as amended by sections 231 and 242(b)(1) of this Act, is amended—

(A) by striking ''and'' at the end of clause (ix); and

(B) by adding at the end the following:

''(xi) shall disregard any energy or utility-cost assistance payment based on need, that is paid to any member of the family under—

''(I) a State or local general assistance program; or

''(II) another basic assistance program comparable to general assistance (as determined by the Secretary); and''.

(2) INCLUSION OF ENERGY ASSISTANCE PROVIDED UNDER THE LIHEAP PROGRAM.—Section 402(a)(8)(B) (42 U.S.C. 602(a)(8)(B)) is amended—

(A) by striking ''and'' at the end of clause (i); and

(B) by adding at the end the following:

''(iii) shall not disregard any assistance provided directly to, or indirectly for the benefit of, any person described in subparagraph (A)(ii) under the Low-Income Home Energy Assistance Act of 1981, notwithstanding section 2605(f)(1) of such Act; and''.

(e) APPLICABILITY TO AFDC OF FUTURE INCOME EXCLUSIONS UNDER FOOD STAMP PROGRAM.—Section 402(a)(8)(A) (42 U.S.C. 602(a)(8)(A)), as amended by sections 231, 242(b)(1) of this Act and by subsection (d)(1) of this section, is amended—

(1) by striking ''and'' at the end of clause (x); and

(2) by adding at the end the following:

''(xii) shall disregard from the income of any child, relative, or other individual described in clause (ii) applying for aid under the State plan, any child, relative, or other individual so described receiving such aid, or both, any funds that a Federal statute (enacted after the date of the enactment of this clause) excludes from income for purposes of determining eligibility for benefits under the food stamp program under the Food Stamp Act of 1977, the level of benefits under the program, or both, respectively.''.

(f) PERIODIC REVIEWS.—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, 211(a), 232, 301(a), 501(a), 504, 509(a), and 601 of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (53);

(2) by striking the period at the end of paragraph (54) and inserting ''; and''; and

(3) by inserting after paragraph (54) the following:

''(55) provide that the State shall, not less frequently than annually review each determination made under the State plan with respect to the eligibility of each recipient of aid under the State plan;''.

(g) EXCLUSION FROM RESOURCES OF ESSENTIAL EMPLOYMENT-RELATED PROPERTY.—Section 402(a)(7)(B) (42 U.S.C. 602(a)(7)(B)), as amended by section 242(a) of this Act, is amended—

(1) by striking ''or'' at the end of clause (iv); and

(2) by inserting '', or (vi) the value of real and tangible personal property (other than currency, commercial paper, and similar property) of a family member that is essential to the employment or self-employment of the member, until the expiration of the 1-year period beginning on the date the member ceases to be so employed or so self-employed'' before the semicolon.

(h) EXCLUSION FROM RESOURCES OF EQUITY IN CERTAIN INCOME-PRODUCING REAL PROPERTY.—Section 402(a)(7)(B) (42 U.S.C. 602(a)(7)(B)), as amended by section 242(a) of this Act and by subsection (g) of this section, is amended—

(1) by striking ''or'' at the end of clause (v); and

(2) by inserting '', or (vii) the equity of any member of the family in real property to which 1 or more members of the family have sole and clear title, that the State agency determines is producing income consistent with the fair market value of the property'' before the semicolon.

(i) EXCLUSION FROM RESOURCES OF LIFE INSURANCE POLICIES.—Section 402(a)(7)(B) (42 U.S.C. 602(a)(7)(B)), as amended by section 242(a) of this Act and by subsections (g) and (h) of this section, is amended—

(1) by striking ''or'' at the end of clause (vi); and

(2) by inserting '', or (viii) any life insurance policy'' before the semicolon.

(j) EXCLUSION FROM RESOURCES OF REAL PROPERTY THAT THE FAMILY IS MAKING A GOOD FAITH EFFORT TO SELL.—Section 402(a)(7)(B)(iii) (42 U.S.C. 602(a)(7)(B)(iii)) is amended—

(1) by striking ''for such period or periods of time as the Secretary may prescribe''; and

(2) by striking ''any such period'' and inserting ''any period during which the family is making such an effort''.

(k) PROMPT RESTORATION OF BENEFITS WRONGFULLY DENIED.—Section 402(a) (42 U.S.C. 602(a)), as amended by sections 101, 102, 211(a), 232, 301(a), 501(a), 504, 509(a), and 601 of this Act and by subsection (f) of this section, is amended—

(1) by striking ''and'' at the end of paragraph (54);

(2) by striking the period at the end of paragraph (55) and inserting ''; and''; and

(3) by inserting after paragraph (55) the following:

''(56) provide that, upon receipt of a request from a family for the payment of any amount of aid under the State plan the payment of which to the family has been wrongfully denied or terminated, the State shall promptly pay the amount to the family if the wrongful denial or termination occurred not more than 1 year before the date of the request or the date the State agency is notified or otherwise discovers the wrongful denial or termination.''.

SEC. 612. AMENDMENTS TO THE FOOD STAMP ACT OF 1977.

(a) CERTIFICATION PERIOD.—(1) Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended to read as follows:

''(c) 'Certification period' means the period specified by the State agency for which households shall be eligible to receive authorization cards, except that such period shall be—

''(1) 24 months for households in which all adult members are elderly or disabled; and

''(2) not more than 12 months for all other households.''.

(2) Section 6(c)(1)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)(1)(C)) is amended—

(A) in clause (ii) by adding ''and'' at the end;

(B) in clause (iii) by striking ''; and'' at the end and inserting a period; and

(C) by striking clause (iv).

(b) INCLUSION OF ENERGY ASSISTANCE IN INCOME.—

(1) AMENDMENTS TO THE FOOD STAMP ACT OF 1977.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(A) in subsection (d)—

(i) by striking paragraph (11); and

(ii) by redesignating paragraphs (12) through (16) as paragraphs (11) through (15), respectively; and

(B) in subsection (k)—

(i) in paragraph (1)(B) by striking '', not including energy or utility-cost assistance,''; and

(ii) in paragraph (2)—

(I) by striking subparagraph (C); and

(II) by redesignating subparagraphs (D) through (H) as subparagraphs (C) through (J), respectively.

(2) AMENDMENTS TO THE LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981.—Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)) is amended—

(A) in paragraph (1) by striking ''food stamps,''; and

(B) by amending paragraph (2) to read as follows:

''(2) Paragraph (1) shall not apply for any purpose under the Food Stamp Act of 1977.''.

(c) EXCLUSION OF CERTAIN JTPA INCOME.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)), as amended by subsection (b), is amended—

(1) by striking ''and (15)'' and inserting ''(15)''; and

(2) by inserting before the period the following:

'', and (16) income received under the Job Training Partnership Act by a household member who is less than 19 years of age''.

(d) EXCLUSION OF EDUCATIONAL ASSISTANCE FROM INCOME.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended—

(1) by amending paragraph (3) to read as follows: ''(3) all educational loans on which payment is deferred (including any loan origination fees or insurance premiums associated with such loans), grants, scholarships, fellowships, veterans' educational benefits, and the like awarded to a household member enrolled at a recognized institution of post-secondary education, at a school for the handicapped, in a vocational education program, or in a program that provides for completion of a secondary school diploma or obtaining the equivalent thereof,''; and

(2) in paragraph (5) by striking ''and no portion'' and all that follows through ''reimbursement''.

(e) LIMITATION ON ADDITIONAL EARNED INCOME DEDUCTION.—The 3rd sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking ''earned income that'' and all that follows through ''report'', and inserting ''determining an overissuance due to the failure of a household to report earned income''.

(f) EXCLUSION OF ESSENTIAL EMPLOYMENT-RELATED PROPERTY.—Section 5(g)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(3)) is amended to read as follows:

''(3) The value of real and tangible personal property (other than currency, commercial paper, and similar property) of a household member that is essential to the employment or self-employment of such member shall be

excluded by the Secretary from financial resources until the expiration of the 1-year period beginning on the date such member ceases to be so employed or so self-employed.''.

(g) EXCLUSION OF LIFE INSURANCE POLICIES.—Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by adding at the end the following:

''(6) The Secretary shall exclude from financial resources the cash value of any life insurance policy owned by a member of a household.''.

(h) IN-TANDEM EXCLUSIONS FROM INCOME.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by adding at the end the following:

''(n) Whenever a Federal statute enacted after the date of the enactment of this Act excludes funds from income for purposes of determining eligibility, benefit levels, or both under State plans approved under part A of title IV of the Social Security Act, then such funds shall be excluded from income for purposes of determining eligibility, benefit levels, or both, respectively, under the food stamp program of households all of whose members receive benefits under a State plan approved under part A of title IV of the Social Security Act.''.

(i) APPLICATION OF AMENDMENTS.—The amendments made by this section shall not apply with respect to certification periods beginning before the effective date of this section.

Subtitle C—Fraud Reduction

SEC. 631. SENSE OF THE CONGRESS IN SUPPORT OF THE EFFORTS OF THE ADMINISTRATION TO ADDRESS THE PROBLEMS OF FRAUD AND ABUSE IN THE SUPPLEMENTAL SECURITY INCOME PROGRAM.

The Congress hereby expresses support for the efforts of the Social Security Administration to reduce fraud and abuse in the supplemental security income program under title XVI of the Social Security Act by implementing a structured approach to disability decisionmaking that takes into consideration the large number of disability claims received while providing a basis for consistent, equitable decisionmaking by claims adjudicators at each level, that provides for the following:

(1) A simplification of the monetary guidelines for determining whether an individual (except those filing for benefits based on blindness) is engaging in substantial gainful activity.

(2) The replacement of a threshold severity requirement for determining whether a claimant has a medically determinable impairment with a threshold inquiry as to whether the claimant has a medically determinable physical or mental impairment that can be demonstrated by acceptable clinical and laboratory diagnostic techniques.

(3) The comparison of an impairment referred to in paragraph (2) with an index of disabling impairments that contains fewer impairments, has less detail and complexity, and does not rely on the concept of ''medical equivalence''.

(4)(A) The consideration of whether an individual has the ability to perform substantial gainful activity despite any functional loss caused by a medically determinable physical or mental impairment.

(B) The definition of the physical and mental requirements of substantial gainful activity.

(C) The objective measurement, to the extent possible, of whether an individual meets such requirements.

(D) The development, with the assistance of the medical community and other outside experts from disability programs, of standardized criteria which can be used to measure an individual's functional ability.

(E) The assumption by the Social Security Administration of primary responsibility for documenting functional ability using the standardized measurement criteria, with the goal of developing functional assessment instruments that are standardized, accurately measure an individual's functional abilities, and are universally accepted by the public, the advocacy community, and health care professionals.

(F) The use of the results of the standardized functional measurement with a new standard to describe basic physical and mental demands of a baseline of work that represents substantial gainful activity and that exists in significant numbers in the national economy.

(5)(A) An evaluation of whether a child is engaging in substantial gainful activity, whether a child has a medically determinable physical or mental impairment that will meet the duration requirement, and whether a child has an impairment that meets the criteria in the index of disabling impairments.

(B) The development, with the assistance of the medical community and educational experts, of standardized criteria which can be used to measure a child's functional ability to perform a baseline of functions that are comparable to the baseline of occupational demands for an adult.

(C) The conduct of research to specifically identify a skill acquisition threshold to measure broad areas required to develop the ability to perform substantial gainful activity.

SEC. 632. STUDY ON FEASIBILITY OF SINGLE TAMPER-PROOF IDENTIFICATION CARD TO SERVE PROGRAMS UNDER BOTH THE SOCIAL SECURITY ACT AND HEALTH REFORM LEGISLATION.

(a) STUDY.—As soon as practicable after the date of the enactment of this Act, the Commissioner of Social Security shall conduct a study of the feasibility of issuing, in counterfeit-resistant form, a single identification card which would combine the features of the social security card now issued pursuant to section 205 of the Social Security Act and any health security card which may be provided for in health reform legislation enacted in the 104th Congress. In such study, the Commissioner shall devote particular consideration to—

(1) employment in such card of finger-print identification, bar code validation, a photograph, a hologram, or any other identifiable feature,

(2) the efficiencies and economies which may be achieved by combining the features of the social security card as currently issued and the features of any health security card which might be issued under health reform legislation, and

(3) any costs and risks which might result from combining such features in a single identification card and possible means of alleviating any such costs and risks.

(b) REPORT.—The Commissioner of Social Security shall, not later than 1 year after the date of the enactment of this Act, transmit a report to each House of the Congress setting forth the Commissioner's findings from the study conducted pursuant to subsection (a). Such report may include such recommendations for administrative or legislative changes as the Commissioner considers appropriate.

Subtitle D—Additional Provisions

SEC. 641. STATE OPTIONS REGARDING UNEMPLOYED PARENT PROGRAM.

(a) DURATION OF UNEMPLOYMENT AND RECENCY-OF-WORK TESTS.—Section 407(b)(1)(A) (42 U.S.C. 607(b)(1)(A)), as amended by section 507 of this Act, is amended—

(1) by striking the matter preceding clause (i) and inserting the following:

''(A) subject to paragraph (2), shall provide for the payment of aid to families with dependent children with respect to a dependent child within the meaning of subsection (a)—''.

(2) in clause (i), by striking ''whichever'' and inserting ''when, if the State chooses to so require (and specifies in its State plan), whichever'';

(3) in clause (ii), by inserting ''when'' before such parent; and

(4) in clause (iii), by inserting ''when, if the State chooses to so require (and so specifies in its State plan)'' after ''(iii)''.

(b) STATE OPTION TO EXPAND PROGRAM.—Section 407(a) (42 U.S.C. 607(a)) is amended by inserting ''or the unemployment (as defined (if at all) by the State in the State plan approved under section 402)'' before ''of the parent''.

(c) EFFECTIVE DATE.—Subsection (b) and the amendments made by subsection (a) shall become effective October 1, 1996.

SEC. 642. DEFINITION OF ESSENTIAL PERSON.

(a) GENERAL REQUIREMENT.—Section 402 (42 U.S.C. 602), as amended by section 222(a)(1)(A) of this Act, is amended by inserting after subsection (f) the following:

''(g) In order that the State may include the needs of an individual in determining the needs of the dependent child and relative with whom the child is living, such individual must be living in the same home as such child and relative, and—

''(1) furnishing personal services required because of the relative's physical or mental inability to provide care necessary for herself or himself or for the dependent child (which, for purposes of this subsection only, includes a child receiving supplemental security income benefits under title XVI); or

''(2) furnishing child care services, or care for an incapacitated member of the family, that is necessary to permit the caretaker relative—

''(A) to engage in full or part-time employment outside the home, or

''(B) to attend a course of education designed to lead to a high school diploma (or its equivalent) or a course of training on a full or part-time basis, or to participate in the program under part G on a full or part-time basis.''.

SEC. 643. "FILL-THE-GAP" BUDGETING.

(a) IN GENERAL.—Section 402(a)(8)(A) (42 U.S.C. 602(a)(8)(A)), as amended by sections 231, 242(b)(1), and 611(d)(1) of this Act, is amended—

(1) by striking ''and'' at the end of clause (xi); and

(2) by adding at the end the following:

''(xiii) in addition to any other amounts required or permitted by this paragraph to be disregarded in a month, may exempt countable income identified in the State plan by type or source and by amount, but in an amount not exceeding the difference between the State's standard of need applicable to the family and the amount from which all remaining nonexempt income is subtracted to determine the amount of aid payable under the State plan to a family of the same size with no other income;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1997.

SEC. 644. REPEAL OF REQUIREMENT TO MAKE CERTAIN SUPPLEMENTAL PAYMENTS IN STATES PAYING LESS THAN THEIR NEEDS STANDARDS.

Section 402(a)(28) (42 U.S.C. 602(a)(28)) is hereby repealed.

SEC. 645. COLLECTION OF AFDC OVERPAYMENTS FROM FEDERAL TAX REFUNDS.

(a) AUTHORITY TO INTERCEPT TAX REFUND.—(1) Part A of title IV (42 U.S.C. 601–617) is amended by adding at the end the following:

''COLLECTION OF OVERPAYMENTS FROM FEDERAL TAX REFUNDS

''SEC. 418. (a) Upon receiving notice from a State agency administering a plan approved under this part that a named individual has been overpaid under the State plan approved under this part, the Secretary of the Treasury shall determine whether any amounts as refunds of Federal taxes paid are payable to such individual, regardless of whether such individual filed a tax return as a married or unmarried individual. If the Secretary of the Treasury finds that any such amount is payable, he shall withhold from such refunds an amount equal to the overpayment sought to be collected by the State and pay such amount to the State agency.

''(b) The Secretary of the Treasury shall issue regulations, approved by the Secretary of Health and Human Services, that provide—

''(1) that a State may only submit under subsection (a) requests for collection of overpayments with respect to individuals (A) who are no longer receiving aid under the State plan approved under this part, (B) with respect to whom the State has already taken appropriate action under State law against the income or resources of the individuals or families involved as required under section 402(a)(22) (B), and (C) to whom the State agency has given notice of its intent to request withholding by the Secretary of the Treasury from their income tax refunds;

''(2) that the Secretary of the Treasury will give a timely and appropriate notice to any other person filing a joint return with the individual whose refund is subject to withholding under subsection (a); and

''(3) the procedures that the State and the Secretary of the Treasury will follow in carrying out this section which, to the maximum extent feasible and consistent with the specific provisions of this section, will be the same as those issued pursuant to section 464(b) applicable to collection of past-due child support.''.

(2) Section 6402 of the Internal Revenue Code of 1986 (as amended by section 443(a) of this Act) is amended—

(A) in subsection (a), by striking ''(c) and (d)'' and inserting ''(c), (d), and (e)'';

(B) by redesignating subsections (e) through (i) as subsections (f) through (j), respectively; and

(C) by inserting after subsection (d) the following:

''(g) COLLECTION OF OVERPAYMENTS UNDER TITLE IV–A OF THE SOCIAL SECURITY ACT.—The amount of any overpayment to be refunded to the person making the overpayment shall be reduced (after reductions pursuant to subsections (c) and (d), but before a credit against future liability for an internal revenue tax) in accordance with section 418 of the Social Security Act (concerning recovery of overpayments to individuals under State plans approved under part A of title IV of such Act).''.

(b) CONFORMING AMENDMENT.—Section 552a(a)(8)(B)(iv)(III) of title 5, United States Code, is amended by striking ''section 464 or 1137 of the Social Security Act'' and inserting ''section 419, 464, or 1137 of the Social Security Act.''

SEC. 646. TERRITORIES.

(a) IN GENERAL.—Section 1108(a) (42 U.S.C. 1308(a)) is amended by striking paragraphs (1), (2), and (3) and inserting the following:

''(1) for payment to Puerto Rico shall not exceed—

''(A) $82,000,000 with respect to fiscal years 1994, 1995, and 1996, and

''(B) $102,500,000 or, if greater, such amount adjusted by the CPI (as prescribed in subsection (f)) for fiscal year 1997 and each fiscal year thereafter;

''(2) for payment to the Virgin Islands shall not exceed—

''(A) $2,800,000 with respect to fiscal years 1994, 1995, and 1996, and

''(B) $3,500,000 or, if greater, such amount adjusted by the CPI (as prescribed in subsection (f)) for fiscal year 1997 and each fiscal year thereafter; and

''(3) for payment to Guam shall not exceed—

''(A) $3,800,000 with respect to fiscal year 1994, 1995, and 1996, and

''(B) $4,750,000 or, if greater, such amount adjusted by the CPI (as prescribed in subsection (f)), for fiscal year 1997 and each fiscal year thereafter.''.

(b) CPI ADJUSTMENT.—Section 1108 (42 U.S.C. 1308) is amended by adding at the end the following:

''(f) For purposes of subsection (a), an amount is 'adjusted by the CPI' for months in calendar year by multiplying that amount by the ratio of the Consumer Price Index as prepared by the Department of Labor for—

''(1) the third quarter of the preceding calendar year, to

''(2) the third quarter of calendar year 1996, and rounding the product, if not a multiple of $10,000, to the nearer multiple of $10,000.''.

SEC. 647. DISREGARD OF STUDENT INCOME.

(a) IN GENERAL.—Section 402(a)(8)(A)(i) (42 U.S.C. 602(a)(8)(A)(i)) is amended by striking ''dependent child'' and all that follows and inserting ''individual who has not attained 19 years of age and is an elementary or secondary school student''.

(b) CONFORMING AMENDMENTS.—Section 402(a) (42 U.S.C. 602(a)) is amended—

(1) in paragraph (8)(A)(vii)—

(A) by striking ''a dependent child who is a full-time student'' and inserting ''an individual who has not attained 19 years of age and is an elementary or secondary school student''; and

(B) by striking ''such child'' and inserting ''such individual''; and

(2) in paragraph (18), by striking ''of a dependent child'' and inserting ''of an individual under age 19''.

SEC. 648. LUMP-SUM INCOME.

Section 402(a)(8)(A) (42 U.S.C. 602(a)(8)(A)), as amended by sections 231, 242(b)(1), 611(d)(1), and 643(a) of this Act, is amended—

(1) by striking ''and'' at the end of clause (xii); and

(2) by adding at the end the following:

''(xiv) shall disregard from the income of any family member any amounts of income received in the form of nonrecurring lump-sum payments other than payments made pursuant to an order for child or spousal support being enforced by the agency administering the State plan approved under part D;''.

TITLE VII—CHILD PROTECTION BLOCK GRANT PROGRAM

SEC. 701. ESTABLISHMENT OF PROGRAMS.

Part B of title IV (42 U.S.C. 620–635) is amended to read as follows:

PART B—CHILD PROTECTION BLOCK GRANT PROGRAM

''SEC. 420. PURPOSES; AUTHORIZATIONS OF APPROPRIATIONS.

''The purpose of this part is to enable States to carry out a program of child welfare and child protection services which includes—

''(1) child protection services for children who are, or are suspected of being or at risk of becoming, victims of abuse or neglect;

''(2) preventive services and activities, including community-based family support services, designed to strengthen and preserve families and to prevent child abuse and neglect; and

''(3) permanency planning services and activities to achieve planned, permanent living arrangements (including family reunification, adoption, and independent living) for children who have been removed from their families.

''SEC. 421. STATE PLANS.

''(a) IN GENERAL.—In order to be eligible for payment under this part, a State must have an approved plan (developed jointly by the Secretary and the State agency, after consultation with persons and entities specified in subsection (b)) for the provision of services to children and families which meet the requirements of subsection (c).

''(b) CONSULTATION WITH APPROPRIATE ENTITIES.—A State, in developing its plan for approval under this part, shall consult with concerned persons and entities, including—

''(1) public and nonprofit private agencies and community-based organizations with experience in administering programs of child welfare services for children and families; and

''(2) representatives of and advocates for children and families.

''(c) STATE PLAN REQUIREMENTS.—A State plan under this part shall—

''(1) describe the services and activities to be performed, and the service delivery mechanisms (including service providers and statewide distribution of services) to be used, to provide—

''(A) child protection services described in section 420(1) (including such services provided under this part and part E);

''(B) preventive services described in section 420(2) (and shall provide for delivery of such services through a statewide network of local nonprofit community-based family support programs, in collaboration with existing health, mental health, education, employment, training, child welfare, and other social services agencies); and

''(C) permanency planning services described in section 420(3) (including family reunification, adoption, and independent living);

''(2)(A)(i) declare the State's goals for accomplishments under the plan is in operation in the State, and (ii) be updated periodically to declare the State's goals for accomplishments under the plan by the end of each fifth fiscal year thereafter;

''(B) describe the methods to be used in measuring progress toward accomplishment of the goals; and

''(C) contain a commitment that the State—

''(i) will perform an interim review of its progress toward accomplishment of the goals after the end of each of the first 4 fiscal years covered by the goals, and on the basis of such interim review will revise the statement of goals in the plan, if necessary, to reflect changed circumstances or other relevant factors; and

''(ii) will perform, after the end of the last fiscal year covered by the goals, a final review of its progress toward accomplishment of the goals and prepare a report to the Secretary on the basis of such final review;

''(3) provide assurances that reasonable amounts will be expended under this part to carry out each of the purposes specified in paragraphs (1) through (3) of section 420; and

''(4) provide assurances that the State has in effect a program of foster care safeguards meeting the requirements of section 425.

''(d) SECRETARIAL APPROVAL.—The Secretary shall approve a State plan that meets the requirements of this section.

"SEC. 422. RESERVATIONS; ALLOTMENTS TO STATES.

"(a) IN GENERAL.—The Secretary shall allot the amount specified in subsection (b) for each fiscal year in accordance with subsections (c) through (f).

"(b) FEDERAL FUNDING.—The amount specified for purposes of this section shall be—

"(1) $653,000,000 for fiscal year 1996;

"(1) $682,000,000 for fiscal year 1997;

"(1) $713,000,000 for fiscal year 1998;

"(1) $737,000,000 for fiscal year 1999; and

"(1) $763,000,000 for fiscal year 2000.

"(c) PROJECTS OF NATIONAL SIGNIFICANCE.—Two percent of the amount specified under subsection (b) for each fiscal year shall be reserved for expenditure by the Secretary for projects of national significance related to the purposes of this part.

"(d) TRAINING AND TECHNICAL ASSISTANCE.—Two percent of the amount specified under subsection (b) for each fiscal year shall be reserved for expenditure by the Secretary for training and technical assistance to State and local public and nonprofit private entities related to the program under this part.

"(e) INDIAN TRIBES.—One percent of the amount specified under subsection (b) for each fiscal year shall be reserved for allotment to Indian tribes in accordance with section 424.

"(f) STATES.—From the balance of the amount specified for each fiscal year under subsection (b) remaining after the application of subsections (c), (d), and (e), the Secretary shall allot to each State an amount which bears the same ratio to the amount specified as the total amount that would have been allotted to the State for such fiscal year under this part, as in effect on September 30, 1995, bears to the total amount that would have been so allotted to all States for such fiscal year.

"SEC. 423. PAYMENTS TO STATES.

"(a) ENTITLEMENT TO PAYMENT; FEDERAL SHARE OF COSTS.—Each State which has a plan approved under this part shall be entitled to payment, equal to its allotment under section 422 for a fiscal year, for use in payment by the State of 75 percent of the costs of activities under the State plan during such fiscal year. The remaining 25 percent of such costs shall be paid by the State with funds from non-Federal sources.

"(b) PAYMENT INSTALLMENTS.—The Secretary shall make payments in accordance with section 6503 of title 31, United States Code, to each State from its allotment for use under this part.

"SEC. 424. PAYMENTS TO INDIAN TRIBES.

"(a) IN GENERAL.—The Secretary shall make payments under this part for a fiscal year directly to the tribal organization of an Indian tribe with a plan approved under this part, except that such plan need not meet any requirement under such section that the Secretary determines is inappropriate with respect to such Indian tribe.

"(b) ALLOTMENT.—From the amount reserved pursuant to section 422(e) for any fiscal year, the Secretary shall allot to each Indian tribe meeting the conditions specified in subsection (a), an amount bearing the same ratio to such reserved amount as the number of children in all Indian tribes with State plans so approved, as determined by the Secretary on the basis of the most current and reliable information available to the Secretary.

"SEC. 425. FOSTER CARE PROTECTION.

"In order to meet the requirements of this section, for purposes of section 421(c)(4), a State shall—

"(1) since June 17, 1980, have completed an inventory of all children who, before the inventory, had been in foster care under the responsibility of the State for 6 months or more, which determined—

"(A) the appropriateness of, and necessity for, the foster care placement;

"(B) whether the child could or should be returned to the parents of the child or should be freed for adoption or other permanent placement; and

"(C) the services necessary to facilitate the return of the child or the placement of the child for adoption or legal guardianship;

"(2) be operating, to the satisfaction of the Secretary—

"(A) a statewide information system from which can be readily determined the status, demographic characteristics, location, and goals for the placement of every child who is (or, within the immediately preceding 12 months, has been) in foster care;

"(B) a case review system (as defined in section 475(5)) for each child receiving foster care under the supervision of the State;

"(C) a service program designed to help children—

"(i) where appropriate, return to families from which they have been removed; or

"(ii) be placed for adoption, with a legal guardian, or, if adoption or legal guardianship is determined not to be appropriate for a child, in some other planned, permanent living arrangement; and

"(D) a replacement preventive services program designed to help children at risk of foster care placement remain with their families; and

"(3)(A) have reviewed (or by October 31, 1995 will have reviewed) State policies and administrative and judicial procedures in effect for children abandoned at or shortly after birth (including policies and procedures providing for legal representation of such children); and

"(B) be implementing (or by October 31, 1996, will be implementing) such policies and procedures as the State determines, on the basis of the review described in clause (i), to be necessary to enable permanent decisions to be made expeditiously with respect to the placement of such children.

SEC. 702. REPEALS AND CONFORMING AMENDMENTS.

(a) ABANDONED INFANTS ASSISTANCE.—

(1) REPEAL.—The Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is repealed.

(2) CONFORMING AMENDMENT.—Section 421(7) of the Domestic Violence Service Act of 1973 (42 U.S.C. 5061(7)) is amended to read as follows:

"(7) the term 'boarder baby' means an infant who is medically cleared for discharge from an acute-care hospital setting, but remains hospitalized because of a lack of appropriate out-of-hospital placement alternatives.".

(b) CHILD ABUSE PREVENTION AND TREATMENT.—

(1) REPEAL.—The Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.) is repealed.

(2) CONFORMING AMENDMENTS.—The Victims of Crime Act of 1984 (42 U.S.C. 10601 et seq.) is amended by striking section 1404A.

(c) ADOPTION OPPORTUNITIES.—The Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5111 et seq.) is repealed.

(d) FAMILY SUPPORT CENTERS.—Subtitle F of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11481–11489) is repealed.

(e) FOSTER CARE.—Section 472(d) (42 U.S.C. 672(d)) is amended by striking "422(b)(9)" and inserting "425".

SEC. 703. EFFECTIVE DATE.

The amendments and repeals made by this title shall take effect on October 1, 1995, and shall apply with respect to activities under State programs on and after that date.

TITLE VIII—SSI REFORM

Subtitle A—Eligibility of Children for Benefits

SEC. 801. RESTRICTIONS ON ELIGIBILITY.

(a) IN GENERAL.—Section 1614(a)(3)(A) (42 U.S.C. 1382c(a)(3)(A)) is amended—

(1) by inserting "(i)" after "(3)(A)";

(2) by inserting "who has attained 18 years of age" before "shall be considered";

(3) by striking "he" and inserting "the individual";

(4) by striking "(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)"; and

(5) by adding after and below the end the following:

"(ii) An individual who has not attained 18 years of age shall be considered to be disabled for purposes of this title for a month if the individual has any medically determinable physical or mental impairment (or combination of impairments) that meets the requirements, applicable to individuals who have not attained 18 years of age, of the Listings of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations, or the individual has a combination of impairments the effect of which should be considered disabling for purposes of this title. In applying this clause, such Listings shall not include maladaptive behavior or psychoactive substance dependence disorder (as specified in the appendix setting forth such Listings).".

(b) TRANSITION TO NEW ELIGIBILITY CRITERIA.—Within 3 months after the date of the enactment of this Act, the Commissioner of Social Security shall establish a functional equivalency standard separate from the Listing of Impairments (set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations (revised as of April 1, 1994)) under which a child with a combination of impairments should be considered disabled for purposes of the supplemental security income program under title XVI of the Social Security Act. Within 10 months after the date of the enactment of this Act, the Commissioner shall review the case of each individual who, immediately before such date of enactment, qualified for benefits under such program by reason of an individualized functional assessment in order to determine eligibility under such Listings and the criteria established under such standard.

SEC. 802. CONTINUING DISABILITY REVIEWS FOR CERTAIN CHILDREN.

Section 1614(a)(3)(G) (42 U.S.C. 1382c(a)(3)(G)) is amended—

(1) by inserting "(i)" after "(G)"; and

(2) by adding at the end the following:

"(ii)(I) Not less frequently than once every 3 years, the Commissioner shall redetermine the eligibility for benefits under this title of each individual who has not attained 18 years of age and is eligible for such benefits by reason of disability.

"(II) Subclause (I) shall not apply to an individual if the individual has an impairment (or combination of impairments) which is (or are) not expected to improve.

"(III) Subject to recommendations made by the Commissioner, parents or guardians of recipients whose cases are reviewed under this clause shall present, at the time of review, evidence demonstrating that funds provided under this title have been used to assist the recipient in improving the condition which was the basis for providing benefits under this title.".

SEC. 803. DISABILITY REVIEW REQUIRED FOR SSI RECIPIENTS WHO ARE 18 YEARS OF AGE.

(a) IN GENERAL.—Section 1614(a)(3)(G) (42 U.S.C. 1382c(a)(3)(G)), as amended by section 802 of this subtitle, is amended by adding at the end the following:

''(iii)(I) The Commissioner shall redetermine the eligibility of a qualified individual for supplemental security income benefits under this title by reason of disability, by applying the criteria used in determining eligibility for such benefits of applicants who have attained 18 years of age.

''(II) The redetermination required by subclause (I) with respect to a qualified individual shall be conducted during the 1-year period that begins on the date the qualified individual attains 18 years of age.

''(III) As used in this clause, the term 'qualified individual' means an individual who attains 18 years of age and is a recipient of benefits under this title by reason of disability.

''(IV) A redetermination under subclause (I) of this clause shall be considered a substitute for a review required under any other provision of this subparagraph.''.

(b) REPORT TO THE CONGRESS.—Not later than October 1, 1998, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the activities conducted under section 1614(a)(3)(G)(iii) of the Social Security Act.

(c) CONFORMING REPEAL.—Section 207 of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note; 108 Stat. 1516) is hereby repealed.

SEC. 804. APPLICABILITY.

(a) NEW ELIGIBILITY STANDARDS AND DISABILITY REVIEWS FOR CHILDREN.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by sections 801 and 802 shall apply to benefits for months beginning more than 9 months after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) TRANSITIONAL RULE.—

(A) IN GENERAL.—For months beginning after the date of the enactment of this Act and before the first month to which the amendments made by section 801 apply under paragraph (1) and subject to subparagraph (B), no individual who has not attained 18 years of age shall be considered to be disabled for purposes of the supplemental security income program under title XVI of the Social Security Act solely on the basis of maladaptive behavior or psychoactive substance dependence disorder.

(B) EXCEPTION FOR CURRENT BENEFICIARIES.—Subparagraph (A) shall not apply in the case of an individual who is a recipient of supplemental security income benefits under such title for the month in which this Act becomes law.

(b) DISABILITY REVIEWS FOR 18-YEAR OLD RECIPIENTS.—The amendments made by section 803 shall apply to benefits for months beginning after the date of the enactment of this Act.

Subtitle B—Denial of SSI Benefits by Reason of Disability to Drug Addicts and Alcoholics

SEC. 811. DENIAL OF SSI BENEFITS BY REASON OF DISABILITY TO DRUG ADDICTS AND ALCOHOLICS.

(a) IN GENERAL.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)) is amended by adding at the end the following:

''(I) Notwithstanding subparagraph (A), an individual shall not be considered to be disabled for purposes of this title if alcoholism or drug addiction would (but for this subparagraph) be a contributing factor material to the Commissioner's determination that the individual is disabled.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1611(e) (42 U.S.C. 1382(e)) is amended by striking paragraph (3).

(2) Section 1631(a)(2)(A)(ii) (42 U.S.C. 1383(a)(2)(A)(ii)) is amended—

(A) by striking ''(I)''; and

(B) by striking subclause (II).

(3) Section 1631(a)(2)(B) (42 U.S.C. 1383(a)(2)(B)) is amended—

(A) by striking clause (vii);

(B) in clause (viii), by striking ''(ix)'' and inserting ''(viii)'';

(C) in clause (ix)—

(i) by striking ''(viii)'' and inserting ''(vii)''; and

(ii) in subclause (II), by striking all that follows ''15 years'' and inserting a period;

(D) in clause (xiii)—

(i) by striking ''(xii)'' and inserting ''(xi)''; and

(ii) by striking ''(xi)'' and inserting ''(x)''; and

(E) by redesignating clauses (viii) through (xiii) as clauses (vii) through (xii), respectively.

(4) Section 1631(a)(2)(D)(i)(II) (42 U.S.C. 1383(a)(2)(D)(i)(II)) is amended by striking all that follows ''$25.00 per month'' and inserting a period.

(5) Section 1634 (42 U.S.C. 1383c) is amended by striking subsection (e).

(6) Section 201(c)(1) of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 425 note) is amended—

(A) by striking ''—'' and all that follows through ''(A)'' the 1st place such term appears;

(B) by striking ''and'' the 3rd place such term appears;

(C) by striking subparagraph (B);

(D) by striking ''either subparagraph (A) or subparagraph (B)'' and inserting ''the preceding sentence''; and

(E) by striking ''subparagraph (A) or (B)'' and inserting ''the preceding sentence''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1995, and shall apply with respect to months beginning on or after such date.

(d) FUNDING OF CERTAIN PROGRAMS FOR DRUG ADDICTS AND ALCOHOLICS.—Out of any money in the Treasury of the United States not otherwise appropriated, the Secretary of the Treasury shall pay to the Director of the National Institute on Drug Abuse—

(1) $95,000,000, for each of fiscal years 1997, 1998, 1999, and 2000, for expenditure through the Federal Capacity Expansion Program to expand the availability of drug treatment; and

(2) $5,000,000 for each of fiscal years 1997, 1998, 1999, and 2000 to be expended solely on the medication development project to improve drug abuse and drug treatment research.

TITLE IX—FINANCING

Subtitle A—Treatment of Aliens

SEC. 901. EXTENSION OF DEEMING OF INCOME AND RESOURCES UNDER AFDC, SSI, AND FOOD STAMP PROGRAMS.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), in applying sections 415 and 1621 of the Social Security Act and section 5(i) of the Food Stamp Act of 1977, the period in which each respective section otherwise applies with respect to an alien shall be extended through the date (if any) on which the alien becomes a citizen of the United States (under chapter 2 of title III of the Immigration and Nationality Act).

(b) EXCEPTION.—Subsection (a) shall not apply to an alien if—

(1) the alien has been lawfully admitted to the United States for permanent residence, has attained 75 years of age, and has resided in the United States for at least 5 years;

(2) the alien—

(A) is a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge,

(B) is on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) is the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B);

(3) the alien is the subject of domestic violence by the alien's spouse and a divorce between the alien and the alien's spouse has been initiated through the filing of an appropriate action in an appropriate court; or

(4) there has been paid with respect to the self-employment income or employment of the alien, or of a parent or spouse of the alien, taxes under chapter 2 or chapter 21 of the Internal Revenue Code of 1986 in each of 20 different calendar quarters.

(c) HOLD HARMLESS FOR MEDICAID ELIGIBILITY.—Subsection (a) shall not apply with respect to determinations of eligibility for benefits under part A of title IV of the Social Security Act or under the supplemental income security program under title XVI of such Act but only insofar as such determinations provide for eligibility for medical assistance under title XIX of such Act.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 1995.

SEC. 902. REQUIREMENTS FOR SPONSOR'S AFFIDAVITS OF SUPPORT.

(a) IN GENERAL.—Title II of the Immigration and Nationality Act is amended by inserting after section 213 the following new section:

''REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

''SEC. 213A. (a) ENFORCEABILITY.—

''(1) IN GENERAL.—No affidavit of support may be accepted by the Attorney General or by any consular officer to establish that an alien is not excludable under section 212(a)(4) unless such affidavit is executed as a contract—

''(A) which is legally enforceable against the sponsor by the Federal Government, by a State, or by any political subdivision of a State, providing cash benefits under a public cash assistance program (as defined in subsection (f)(2)), but not later than 5 years after the date the alien last receives any such cash benefit; and

''(B) in which the sponsor agrees to submit to the jurisdiction of any Federal or State court for the purpose of actions brought under subsection (e)(2).

''(2) EXPIRATION OF LIABILITY.—Such contract shall only apply with respect to cash benefits described in paragraph (1)(A) provided to an alien before the earliest of the following:

''(A) CITIZENSHIP.—The date the alien becomes a citizen of the United States under chapter 2 of title III.

''(B) VETERAN.—The first date the alien is described in section 901(b)(2)(A).

''(C) PAYMENT OF SOCIAL SECURITY TAXES.—The first date as of which the condition described in section 901(b)(4) is met with respect to the alien.

''(3) NONAPPLICATION DURING CERTAIN PERIODS.—Such contract also shall not apply with respect to cash benefits described in paragraph (1)(A) provided during any period in which the alien is described in section 901(b)(2)(B) or 901(b)(2)(C).

''(b) FORMS.—Not later than 90 days after the date of enactment of this section, the Attorney General, in consultation with the Secretary of State and the Secretary of Health and Human Services, shall formulate

an affidavit of support consistent with the provisions of this section.

''(c) NOTIFICATION OF CHANGE OF ADDRESS.—

''(1) REQUIREMENT.—The sponsor shall notify the Federal Government and the State in which the sponsored alien is currently resident within 30 days of any change of address of the sponsor during the period specified in subsection (a)(1)(A).

''(2) ENFORCEMENT.—Any person subject to the requirement of paragraph (1) who fails to satisfy such requirement shall be subject to a civil penalty of—

''(A) not less than $250 or more than $2,000, or

''(B) if such failure occurs with knowledge that the sponsored alien has received any benefit under any means-tested public benefits program, not less than $2,000 or more than $5,000.

''(d) REIMBURSEMENT OF GOVERNMENT EXPENSES.—

''(1) REQUEST FOR REIMBURSEMENT.—

''(A) IN GENERAL.—Upon notification that a sponsored alien has received any cash benefits described in subsection (a)(1)(A), the appropriate Federal, State, or local official shall request reimbursement by the sponsor in the amount of such cash benefits.

''(B) REGULATIONS.—The Attorney General, in consultation with the Secretary of Health and Human Services, shall prescribe such regulations as may be necessary to carry out subparagraph (A).

''(2) INITIATION OF ACTION.—If within 45 days after requesting reimbursement, the appropriate Federal, State, or local agency has not received a response from the sponsor indicating a willingness to commence payments, an action may be brought against the sponsor pursuant to the affidavit of support.

''(3) FAILURE TO ABIDE BY REPAYMENT TERMS.—If the sponsor fails to abide by the repayment terms established by such agency, the agency may, within 60 days of such failure, bring an action against the sponsor pursuant to the affidavit of support.

''(4) LIMITATION ON ACTIONS.—No cause of action may be brought under this subsection later than 5 years after the date the alien last received any cash benefit described in subsection (a)(1)(A).

''(f) DEFINITIONS.—For the purposes of this section:

''(1) SPONSOR.—The term 'sponsor' means an individual who—

''(A) is a citizen or national of the United States or an alien who is lawfully admitted to the United States for permanent residence;

''(B) is 18 years of age or over; and

''(C) is domiciled in any State.

''(2) PUBLIC CASH ASSISTANCE PROGRAM.—The term 'public cash assistance program' means a program of the Federal Government or of a State or political subdivision of a State that provides direct cash assistance for the purpose of income maintenance and in which the eligibility of an individual, household, or family eligibility unit for cash benefits under the program, or the amount of such cash benefits, or both are determined on the basis of income, resources, or financial need of the individual, household, or unit. Such term does not include any program insofar as it provides medical, housing, education, job training, food, or in-kind assistance or social services.''.

(b) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 213 the following:

''Sec. 213A. Requirements for sponsor's affidavit of support.''.

(c) EFFECTIVE DATE.—Subsection (a) of section 213A of the Immigration and Nationality Act, as inserted by subsection (a) of this section, shall apply to affidavits of support executed on or after a date specified by the Attorney General, which date shall be not earlier than 60 days (and not later than 90 days) after the date the Attorney General formulates the form for such affidavits under subsection (b) of such section 213A.

SEC. 903. EXTENDING REQUIREMENT FOR AFFIDAVITS OF SUPPORT TO FAMILY-RELATED AND DIVERSITY IMMIGRANTS.

(A) IN GENERAL.—Section 212(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(4)) is amended to read as follows:

''(4) PUBLIC CHARGE AND AFFIDAVITS OF SUPPORT.—

''(A) PUBLIC CHARGE.—Any alien who, in the opinion of the consular officer at the time of application for a visa, or in the opinion of the Attorney General at the time of application for admission or adjustment of status, is likely at any time to become a public charge is excludable.

''(B) AFFIDAVITS OF SUPPORT.—Any immigrant who seeks admission or adjustment of status as any of the following is excludable unless there has been executed with respect to the immigrant an affidavit of support pursuant to section 213A:

''(i) As an immediate relative (under section 201(b)(2)).

''(ii) As a family-sponsored immigrant under section 203(a) (or as the spouse or child under section 203(d) of such an immigrant).

''(iii) As the spouse or child (under section 203(d)) of an employment-based immigrant under section 203(b).

''(iv) As a diversity immigrant under section 203(c) (or as the spouse or child under section 203(d) of such an immigrant).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to aliens with respect to whom an immigrant visa is issued (or adjustment of status is granted) after the date specified by the Attorney General under section 902(c).

Subtitle B—Limitation on Emergency Assistance Expenditures

SEC. 911. LIMITATION ON EXPENDITURES FOR EMERGENCY ASSISTANCE.

(a) IN GENERAL.—Section 403(a)(5) (42 U.S.C. 602(a)(5)) is amended to read as follows:

''(5) in the case of any State, an amount equal to the lesser of—

''(A) 50 percent of the total amount expended under the State plan during such quarter as emergency assistance to needy families with children; or

''(B) the greater of—

''(i) the total amount expended under the State plan during the fiscal year that immediately precedes the fiscal year in which the quarter occurs; multiplied by

''(I) 4 percent, if the national unemployment rate for the United States (as determined by the Secretary of Labor) for the 3rd or 4th quarter of the immediately preceding fiscal year is at least 7 percent; or

''(II) 3 percent, otherwise; or

''(ii) the total amount expended under the State plan during fiscal year 1995 as emergency assistance to needy families with children.''.

(b) AUTHORITY OF STATES TO DEFINE EMERGENCY ASSISTANCE.—Section 406(e)(1) (42 U.S.C. 606(e)(1)) is amended to read as follows:

''(e)(1)(A) The term 'emergency assistance to needy families with children' means emergency assistance furnished by an eligible State with respect to an eligible needy child to avoid destitution of the child or to provide living arrangements in a home for the child.

''(B) As used in this paragraph:

''(i) The term 'emergency assistance' means emergency assistance as provided for in the State plan approved under section 402 of an eligible State, but shall not include care for an eligible needy child or other member of the household in which the child is living to the extent that the child or other member is entitled to such care as medical assistance under the State plan under title XIX.

''(ii) The term 'eligible needy child' means a needy child—

''(I) who has not attained 21 years of age;

''(II) who is or (within such period as the Secretary may specify) has been living with any relative specified in subsection (a)(1) in a place of residence maintained by 1 or more of such relatives as the home of the relative or relatives;

''(III) who is without available resources; and

''(IV) whose requirement for emergency assistance did not arise because the child or relative refused without good cause to accept employment or training for employment.

''(iii) The term ''eligible State'' means a State whose State plan approved under section 402 includes provision for emergency assistance.''.

Subtitle C—Tax Provisions

SEC. 921. CERTAIN FEDERAL ASSISTANCE INCLUDIBLE IN GROSS INCOME.

(a) IN GENERAL.—Part II of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically included in gross income) is amended by adding at the end the following new section:

''SEC. 91. CERTAIN FEDERAL ASSISTANCE.

''(a) IN GENERAL.—Gross income shall include an amount equal to the specified Federal assistance received by the taxpayer during the taxable year.

''(b) SPECIFIED FEDERAL ASSISTANCE.—For purposes of this section—

''(1) IN GENERAL.—The term 'specified Federal assistance' means—

''(A) aid provided under a State plan approved under part A of title IV of the Social Security Act (relating to aid to families with dependent children), and

''(B) assistance provided under any food stamp program.

''(2) SPECIAL RULE.—In the case of assistance provided under a program described in subsection (d)(2), such term shall include only the assistance required to be provided under section 21 or 22 (as the case may be) of the Food Stamp Act of 1977.

''(c) INDIVIDUALS SUBJECT TO TAX.—For purposes of this section—

''(1) AFDC.—Aid described in subsection (b)(1)(A) shall be treated as received by the relative with whom the dependent child is living (within the meaning of section 406(c) of the Social Security Act).

''(2) FOOD STAMPS.—In the case of assistance described in subsection (b)(1)(B)—

''(A) IN GENERAL.—Except as provided in subparagraph (B), such assistance shall be treated as received ratably by each of the individuals taken into account in determining the amount of such assistance for the benefit of such individuals.

''(B) ASSISTANCE TO CHILDREN TREATED AS RECEIVED BY PARENTS, ETC.—The amount of assistance which would (but for this subparagraph) be treated as received by a child shall be treated as received as follows:

''(i) If there is an includible parent, such amount shall be treated as received by the includible parent (or if there is more than 1 includible parent, as received ratably by each includible parent).

''(ii) If there is no includible parent and there is an includible grandparent, such amount shall be treated as received by the includible grandparent (or if there is more

than 1 includible grandparent, as received ratably by each includible grandparent).

''(iii) If there is no includible parent or grandparent, such amount shall be treated as received ratably by each includible adult.

''(C) DEFINITIONS.—For purposes of subparagraph (B)—

''(i) CHILD.—The term 'child' means any individual who has not attained age 16 as of the close of the taxable year. Such term shall not include any individual who is an includible parent of a child (as defined in the preceding sentence).

''(ii) ADULT.—The term 'adult' means any individual who is not a child.

''(iii) INCLUDIBLE.—The term 'includible' means, with respect to any individual, an individual who is included in determining the amount of assistance paid to the household which includes the child.

''(iv) PARENT.—The term 'parent' includes the stepfather and stepmother of the child.

''(v) GRANDPARENT.—The term 'grandparent' means any parent of a parent of the child.

''(d) FOOD STAMP PROGRAM.—For purposes of subsection (b), the term 'food stamp program' means—

''(1) the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977), and

''(2) the portion of the program under sections 21 and 22 of such Act which provides food assistance.''

(b) REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 of such Code is amended by adding at the end the following new section:

''SEC. 6050Q. PAYMENTS OF CERTAIN FEDERAL ASSISTANCE.

''(a) REQUIREMENT OF REPORTING.—The appropriate official shall make a return, according to the forms and regulations prescribed by the Secretary, setting forth—

''(1) the aggregate amount of specified Federal assistance paid to any individual during any calendar year, and

''(2) the name, address, and TIN of such individual.

''(b) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

''(1) the name of the agency making the payments, and

''(2) the aggregate amount of payments made to the individual which are required to be shown on such return.

The written statement required under the preceding sentence shall be furnished to the individual on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made.

''(c) DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

''(1) APPROPRIATE OFFICIAL.—The term 'appropriate official' means—

''(A) in the case of specified Federal assistance described in section 91(b)(1)(A), the head of the State agency administering the plan under which such assistance is provided,

''(B) in the case of specified Federal assistance described in section 91(b)(1)(B), the head of the State agency administering the program under which such assistance is provided, and

''(C) in the case of specified Federal assistance described in section 91(b)(1)(C), the head of the State pubic housing agency administering the program under which such assistance is provided.

''(2) SPECIFIED FEDERAL ASSISTANCE.—The term 'specified Federal assistance' has the meaning given such term by section 91(b).

''(3) AMOUNTS TREATED AS PAID.—The rules of section 91(c) shall apply for purposes of determining to whom specified Federal assistance is paid.''

(2) PENALTIES.—

(A) Subparagraph (B) of section 6724(b)(1) of such Code is amended by redesignating clauses (ix) through (xiv) as clauses (x) through (xv), respectively, and by inserting after clause (viii) the following new clause:

''(ix) section 6050Q (relating to payments of certain Federal assistance),''.

(B) Paragraph (2) of section 6724(d) of such Code is amended by redesignating subparagraphs (Q) through (T) as subparagraphs (R) through (U), respectively, and by inserting after subparagraph (P) the following new subparagraph:

''(Q) section 6050Q(b) (relating to payments of certain Federal assistance),''.

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for part II of subchapter B of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 91. Certain Federal assistance.''

(2) The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code is amended by adding at the end the following new item:

''Sec. 6050Q. Payments of certain Federal assistance.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits received after December 31, 1995.

SEC. 922. EARNED INCOME TAX CREDIT DENIED TO INDIVIDUALS NOT AUTHORIZED TO BE EMPLOYED IN THE UNITED STATES.

(a) IN GENERAL.—Section 32(c)(1) of the Internal Revenue Code of 1986 (relating to individuals eligible to claim the earned income tax credit) is amended by adding at the end the following new subparagraph:

''(F) IDENTIFICATION NUMBER REQUIREMENT.—The term 'eligible individual' does not include any individual who does not include on the return of tax for the taxable year—

''(i) such individual's taxpayer identification number, and

''(ii) if the individual is married (within the meaning of section 7703), the taxpayer identification number of such individual's spouse.''

(b) SPECIAL IDENTIFICATION NUMBER.—Section 32 of such Code is amended by adding at the end the following new subsection:

''(k) IDENTIFICATION NUMBERS.—Solely for purposes of subsections (c)(1)(F) and (c)(3)(D), a taxpayer identification number means a social security number issued to an individual by the Social Security Administration (other than a social security number issued pursuant to clause (II) (or that portion of clause (III) that relates to clause (II)) of section 205(c)(2)(B)(i) of the Social Security Act).''

(c) EXTENSION OF PROCEDURES APPLICABLE TO MATHEMATICAL OR CLERICAL ERRORS.—Section 6213(g)(2) of such Code (relating to the definition of mathematical or clerical errors) is amended by striking ''and'' at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting '', and'', and by inserting after subparagraph (E) the following new subparagraph:

''(F) an omission of a correct taxpayer identification number required under section 32 (relating to the earned income tax credit) to be included on a return.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 923. PHASEOUT OF EARNED INCOME CREDIT FOR INDIVIDUALS HAVING MORE THAN $2,500 OF TAXABLE INTEREST AND DIVIDENDS.

(a) IN GENERAL.—Section 32 of the Internal Revenue Code of 1986 is amended by redesignating subsections (i) and (j) as subsections (j) and (k), respectively, and by inserting after subsection (h) the following new subsection:

''(i) PHASEOUT OF CREDIT FOR INDIVIDUALS HAVING MORE THAN $2,500 OF TAXABLE INTEREST AND DIVIDENDS.—If the aggregate amount of interest and dividends includible in the gross income of the taxpayer for the taxable year exceeds $2,500, the amount of the credit which would (but for this subsection) be allowed under this section for such taxable year shall be reduced (but not below zero) by an amount which bears the same ratio to such amount of credit as such excess bears to $650.''

(b) INFLATION ADJUSTMENT.—Subsection (j) of section 32 of such Code (relating to inflation adjustments), as redesignated by subsection (a), is amended by striking paragraph (2) and by inserting the following new paragraphs:

''(2) INTEREST AND DIVIDEND INCOME LIMITATION.—In the case of a taxable year beginning in a calendar year after 1996, each dollar amount contained in subsection (i) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof.

''(3) ROUNDING.—If any amount as adjusted under paragraph (1) or (2) is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

SEC. 924. AFDC AND FOOD STAMP BENEFITS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF THE EARNED INCOME TAX CREDIT.

(a) IN GENERAL.—Section 32 of the Internal Revenue Code of 1986 (relating to the earned income tax credit), as amended by section 932(b) of this Act, is amended by adding at the end the following new subsection:

''(l) ADJUSTED GROSS INCOME DETERMINED WITHOUT REGARD TO CERTAIN FEDERAL ASSISTANCE.—For purposes of this section, adjusted gross income shall be determined without regard to any amount which is includible in gross income solely by reason of section 91.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1995.

TITLE X—FOOD ASSISTANCE REFORM

Subtitle A—Food Stamp Program Integrity and Reform

SEC. 1001. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS.

Section 9(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(1)) is amended by adding at the end the following: ''The Secretary is authorized to issue regulations establishing specific time periods during which authorization to accept and redeem coupons under the food stamp program shall be valid.''.

SEC. 1002. SPECIFIC PERIOD FOR PROHIBITING PARTICIPATION OF STORES BASED ON LACK OF BUSINESS INTEGRITY.

Section 9(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(1)), as amended by section 1001, is amended by adding at the end

the following: ''The Secretary is authorized to issue regulations establishing specific time periods during which a retail food store or wholesale food concern that has an application for approval to accept and redeem coupons denied or that has such an approval withdrawn on the basis of business integrity and reputation cannot submit a new application for approval. Such periods shall reflect the severity of business integrity infractions that are the basis of such denials or withdrawals.''.

SEC. 1003. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION.

Section 9(c) of the Food Stamp Act of 1977 (7 U.S.C. 2018(c)) is amended—

(1) in the first sentence by inserting '', which may include relevant income and sales tax filing documents,'' after ''submit information'' ; and

(2) by inserting after the first sentence the following: ''The regulations may require retail food stores and wholesale food concerns to provide written authorization for the Secretary to verify all relevant tax filings with appropriate agencies and to obtain corroborating documentation from other sources in order that the accuracy of information provided by such stores and concerns may be verified.''.

SEC. 1004. WAITING PERIOD FOR STORES THAT INITIALLY FAIL TO MEET AUTHORIZATION CRITERIA.

Section 9(d) of the Food Stamp Act of 1977 (7 U.S.C. 2018(d)) is amended by adding at the end the following: ''Regulations issued pursuant to this Act shall prohibit a retail food store or wholesale food concern that has an application for approval to accept and redeem coupons denied because it does not meet criteria for approval established by the Secretary in regulations from submitting a new application for six months from the date of such denial.''.

SEC. 1005. BASIS FOR SUSPENSIONS AND DISQUALIFICATIONS.

Section 12(a) of the Food Stamp Act of 1977 (7 U.S.C. 2021(a)) is amended by adding at the end the following: ''Regulations issued pursuant to this Act shall provide criteria for the finding of violations and the suspension or disqualification of a retail food store or wholesale food concern on the basis of evidence which may include, but is not limited to, facts established through on-site investigations, inconsistent redemption data, or evidence obtained through transaction reports under electronic benefit transfer systems.''.

SEC. 1006. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW.

(a) Section 12(a) of the Food Stamp Act of 1977 (7 U.S.C. 2021(a)), as amended by section 1005, is amended by adding at the end the following: ''Such regulations may establish criteria under which the authorization of a retail food store or wholesale food concern to accept and redeem coupons may be suspended at the time such store or concern is initially found to have committed violations of program requirements. Such suspension may coincide with the period of a review as provided in section 14. The Secretary shall not be liable for the value of any sales lost during any suspension or disqualification period.''.

(b) Section 14(a) of the Food Stamp Act of 1977 (7 U.S.C. 2023(a)) is amended—

(1) in the first sentence by inserting ''suspended,'' before ''disqualified or subjected'';

(2) in the fifth sentence by inserting before the period at the end the following: '', except that in the case of the suspension of a retail food store or wholesale food concern pursuant to section 12(a), such suspension shall remain in effect pending any administrative or judicial review of the proposed disqualification action, and the period of suspension shall be deemed a part of any period of disqualification which is imposed.''; and

(3) by striking the last sentence.

SEC. 1007. DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED FROM THE WIC PROGRAM.

Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021) is amended by adding at the end the following:

''(g) The Secretary shall issue regulations providing criteria for the disqualification of approved retail food stores and wholesale food concerns that are otherwise disqualified from accepting benefits under the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) authorized under section 17 of the Child Nutrition Act of 1966. Such disqualification—

''(1) shall be for the same period as the disqualification from the WIC Program;

''(2) may begin at a later date; and

''(3) notwithstanding section 14 of this Act, shall not be subject to administrative or judicial review.''.

SEC. 1008. PERMANENT DEBARMENT OF RETAILERS WHO INTENTIONALLY SUBMIT FALSIFIED APPLICATIONS.

Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021), as amended by section 1007, is amended by adding at the end the following:

''(h) The Secretary shall issue regulations providing for the permanent disqualification of a retail food store or wholesale food concern that is determined to have knowingly submitted an application for approval to accept and redeem coupons which contains false information about one or more substantive matters which were the basis for providing approval. Any disqualification imposed under this subsection shall be subject to administrative and judicial review pursuant to section 14, but such disqualification shall remain in effect pending such review.''.

SEC. 1009. EXPANDED CIVIL AND CRIMINAL FORFEITURE FOR VIOLATIONS OF THE FOOD STAMP ACT.

(a) FORFEITURE OF ITEMS EXCHANGED IN FOOD STAMP TRAFFICKING.—Section 15(g) of the Food Stamp Act of 1977 (7 U.S.C. 2024(g)) is amended by striking ''or intended to be furnished''.

(b) CIVIL AND CRIMINAL FORFEITURE.—Section 15 of the Food Stamp Act of 1977 (7 U.S.C. 2024)) is amended by adding at the end the following:

''(h)(1) CIVIL FORFEITURE FOR FOOD STAMP BENEFIT VIOLATIONS.—

''(A) Any food stamp benefits and any property, real or personal—

''(i) constituting, derived from, or traceable to any proceeds obtained directly or indirectly from, or

''(ii) used, or intended to be used, to commit, or to facilitate,

the commission of a violation of subsection (b) or subsection (c) involving food stamp benefits having an aggregate value of not less than $5,000, shall be subject to forfeiture to the United States.

''(B) The provisions of chapter 46 of title 18, relating to civil forfeitures shall extend to a seizure or forfeiture under this subsection, insofar as applicable and not inconsistent with the provisions of this subsection.

''(2) CRIMINAL FORFEITURE FOR FOOD STAMP BENEFIT VIOLATIONS.—

''(A)(i) Any person convicted of violating subsection (b) or subsection (c) involving food stamp benefits having an aggregate value of not less than $5,000, shall forfeit to the United States, irrespective of any State law—

''(I) any food stamp benefits and any property constituting, or derived from, or traceable to any proceeds such person obtained directly or indirectly as a result of such violation; and

''(II) any food stamp benefits and any of such person's property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of such violation.

''(ii) In imposing sentence on such person, the court shall order that the person forfeit to the United States all property described in this subsection.

''(B) All food stamp benefits and any property subject to forfeiture under this subsection, any seizure and disposition thereof, and any administrative or judicial proceeding relating thereto, shall be governed by subsections (b), (c), (e), and (g) through (p) of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), insofar as applicable and not inconsistent with the provisions of this subsection.

''(3) This subsection shall not apply to property specified in subsection (g) of this section.

''(4) The Secretary may prescribe such rules and regulations as may be necessary to carry out this subsection.''.

SEC. 1010. EXPANDED AUTHORITY FOR SHARING INFORMATION PROVIDED BY RETAILERS.

(a) Section 205(c)(2)(C)(iii) (42 U.S.C. 405(c)(2)(C)(iii)) (as amended by section 316(a) of the Social Security Administrative Reform Act of 1994 (Public Law 103–296; 108 Stat. 1464) is amended—

(1) by inserting in the first sentence of subclause (II) after ''instrumentality of the United States'' the following: '', or State government officers and employees with law enforcement or investigative responsibilities, or State agencies that have the responsibility for administering the Special Supplemental Nutrition Program for Women, Infants and Children (WIC)'';

(2) by inserting in the last sentence of subclause (II) immediately after ''other Federal'' the words ''or State''; and

(3) by inserting ''or a State'' in subclause (III) immediately after ''United States''.

(b) Section 6109(f)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 6109(f)(2)) (as added by section 316(b) of the Social Security Administrative Reform Act of 1994 (Public Law 103–296; 108 Stat. 1464)) is amended—

(1) by inserting in subparagraph (A) after ''instrumentality of the United States'' the following: '', or State government officers and employees with law enforcement or investigative responsibilities, or State agencies that have the responsibility for administering the Special Supplemental Nutrition Program for Women, Infants and Children (WIC)'';

(2) in the last sentence of subparagraph (A) by inserting ''or State'' after ''other Federal''; and

(3) in subparagraph (B) by inserting ''or a State'' after ''United States''.

SEC. 1011. EXPANDED DEFINITION OF "COUPON".

Section 3(d) of the Food Stamp Act of 1977 (7 U.S.C. 2012(d)) is amended by striking ''or type of certificate'' and inserting ''type of certificate, authorization cards, cash or checks issued of coupons or access devices, including, but not limited to, electronic benefit transfer cards and personal identification numbers''.

SEC. 1012. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS.

Section 6(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)) is amended—

(1) in clause (i)—

(A) by striking ''six months'' and inserting ''1 year''; and

(B) by adding ''and'' at the end; and

(2) striking clauses (ii) and (iii) and inserting the following:

''(ii) permanently upon—

''(I) the second occasion of any such determination; or

''(II) the first occasion of a finding by a Federal, State, or local court of the trading of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)), firearms, ammunition, or explosives for coupons.''.

SEC. 1013. MANDATORY CLAIMS COLLECTION METHODS.

(a) Section 11(e)(8) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)) is amended by inserting ''or refunds of Federal taxes as authorized pursuant to 31 U.S.C. 3720A'' before the semicolon at the end.

(b) Section 13(d) of the Food Stamp Act of 1977 (7 U.S.C. 2022(d)) is amended—

(1) by striking ''may'' and inserting ''shall''; and

(2) by inserting ''or refunds of Federal taxes as authorized pursuant to 31 U.S.C. 3720A'' before the period at the end.

(c) Section 6103(1) of the Internal Revenue Code (26 U.S.C. 6103(1)) is amended—

(1) by striking ''officers and employees'' in paragraph (10)(A) and inserting ''officers, employees or agents, including State agencies''; and

(2) by striking ''officers and employees'' in paragraph (10)(B) and inserting ''officers, employees or agents, including State agencies''.

SEC. 1014. REDUCTION OF BASIC BENEFIT LEVEL.

Section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—

(1) by striking ''and (11)'' and inserting ''(11)'';

(2) in clause (11) by inserting ''through October 1, 1994'' after ''each October 1 thereafter''; and

(3) by inserting before the period at the end the following:

'', and (12) on October 1, 1995, and on each October 1 thereafter, adjust the cost of such diet to reflect 102 percent of the cost, in the preceding June (without regard to any previous adjustment made under this clause or clauses (4) through (11) of this subsection) and round the result to the nearest lower dollar increment for each household size''.

SEC. 1015. PRO-RATING BENEFITS AFTER INTERRUPTIONS IN PARTICIPATION.

Section 8(c)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)(2)(B)) is amended by striking ''of more than one month''.

SEC. 1016. WORK REQUIREMENT FOR ABLE-BODIED RECIPIENTS.

(a) WORK REQUIREMENT.—Section 6(d) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)) is amended by adding at the end the following:

''(5)(A) Except as provided in subparagraphs (B), (C), and (D), an individual who has received an allotment for six consecutive months during which such individual has not been employed a minimum of an average of 20 hours per week shall be disqualified if such individual is not employed at least an average of 20 hours per week, participating in a workfare program under section 20 (or a comparable State or local workfare program), or participating in and complying with the requirements of an approved employment and training program under paragraph (4).

''(B) The provisions of subparagraph (A) shall not apply in the case of an individual who—

''(i) is under eighteen or over fifty years of age;

''(ii) is certified by a physician as physically or mentally unfit for employment;

''(iii) is a parent or other member of a household that includes a minor child;

''(iv) is participating a minimum of an average of 20 hours per week and is in compliance with the requirements of—

''(I) a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

''(II) a program under section 236 of the Trade Act of 1974 (19 U.S.C. 2296); or

''(III) another program for the purpose of employment and training operated by a State or local government, as determined appropriate by the Secretary; or

''(v) or would otherwise be exempt under subsection (d)(2).

''(C) The Secretary may waive the requirements of subparagraph (A) in the case of some or all individuals within all or part of State if the Secretary finds that such area—

''(i) has an unemployment rate of over 7 percent; or

''(ii) does not have a sufficient number of jobs to provide employment for individuals subject to this paragraph. The Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the basis in which the Secretary made this decision.

''(D) An individual who has been disqualified from the food stamp program by reason of subparagraph (A) may reestablish eligibility for assistance—

''(i) by meeting the requirements of subparagraph (A);

''(ii) by becoming exempt under subparagraph (B); or

''(iii) if the Secretary grants a waiver under subparagraph (C).

''(E) A household (as defined in section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2015(i)) that includes an individual who refuses to work, refuses to look for work, turns down a job, or refuses to participate in the State program if the State places the individual in such program shall be ineligible to receive food stamp benefits. The State agency shall reduce, by such amount the State considers appropriate, the amount otherwise payable to a household that includes an individual who fails without good cause to comply with other requirements of the individual responsibility plan signed by the individual.

''(F) The State agency shall make an initial assessment of the skills, prior work experience, and employability of each participant not exempted under subparagraph (B) within six months of initial certification. The State agency shall use such assessment, in consultation with the program participant, to develop an Individual Responsibility Plan for the participant. Such plan—

''(i) shall provide that participation in food stamp employment and training activities shall be a condition of eligibility for food stamp benefits, except during any period of unsubsidized full-time employment in the private sector;

''(ii) shall establish an employment goal and a plan for moving the individual into private sector employment immediately;

''(iii) shall establish the obligations of the participant, which shall include actions that will help the individual obtain and keep private sector employment; and

''(iv) may require that the individual enter the State program approved under part G or part H of title IV of the Social Security Act if the caseworker determines that the individual will need education, training, job placement assistance, wage enhancement, or other services to obtain private sector employment.''.

(b) ENHANCED EMPLOYMENT AND TRAINING PROGRAM.—Section 16(h)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2025 (h)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking ''$75,000,000'' and inserting ''$150,000,000''; and

(B) by striking ''1991 through 1995'' and inserting ''1996 through 2000'';

(2) by striking subparagraphs (B), (C), (E) and (F) and redesignating subparagraph (D) as subparagraph (B); and

(3) in subparagraph (B) (as so redesignated), by striking ''for each'' and all that follows through ''of $60,000,000'' and inserting ''the Secretary shall allocate funding''.

(c) REQUIRED PARTICIPATION IN WORK AND TRAINING PROGRAMS.—Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)), is amended by adding at the end the following:

''(O) The State agency shall provide an opportunity to participate in the employment and training program under this paragraph to any individual who would otherwise become subject to disqualification under paragraph (5)(A).''.

(d) COORDINATING WORK REQUIREMENTS IN AFDC AND FOOD STAMP PROGRAMS.—Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)), as amended by subsection (c), is amended by adding at the end the following:

''(P)(i) Notwithstanding any other provision of this paragraph, a State agency that meets the participation requirements of paragraph (ii) may operate its employment and training program for persons receiving allotments under this Act as part of its Work First Program under part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.), except that sections 487(b) and 489(a)(4) shall not apply to any months during which a person participates in such program while not receiving income under part A of subtitle IV of the Social Security Act (42 U.S.C. 601 et seq.). If a State agency exercises the option provided under this subparagraph, the operation of this program shall be subject to the requirements of such part F, except that any reference to 'aid to families with dependent children' in such part shall be deemed a reference to food stamp benefits for purposes of any person not receiving income under such part A.

''(ii) A State may exercise the option provided under clause (i) if it provides any persons subject to the requirements of paragraph (5) who is not employed at least an average of 20 hours per week or participating in a workfare program under section 20 (or a comparable State or local program) with the opportunity to participate in an approved employment and training program. A State agency shall be considered to have complied with the requirements of this subparagraph in any area for which a waiver under subsection (5)(4)(C) is in effect.''.

SEC. 1017. EXTENDING CURRENT CLAIMS RETENTION RATES.

Section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by striking ''September 30, 1995'' each place it appears and inserting ''September 30, 2000''.

SEC. 1018. COORDINATION OF EMPLOYMENT AND TRAINING PROGRAMS.

(a) Section 8(d) of the Food Stamp Act of 1977 (7 U.S.C. 2019(d)) is amended—

(1) by inserting ''or any work requirement under such program'' after ''assistance program''; and

(2) by adding at the end the following:

''If a household fails to comply with a work requirement in the program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the household shall not receive an increased allotment under this Act as a result of a decrease in the household's income caused by a penalty imposed under such Act, and the State agency is authorized to reduce the household's allotment by no more than 25 percent.''.

SEC. 1019. PROMOTING EXPANSION OF ELECTRONIC BENEFITS TRANSFER.

Section 7(i) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)(1)) is amended—

(1) by amending paragraph (1) to read:

''(1)(A) State agencies are encouraged to implement an on-line electronic benefit transfer system in which household benefits determined under section 8(a) are issued from and stored in a central data bank and electronically accessed by household members at the point-of-sale.

''(B) Subject to paragraph (2), a State agency is authorized to procure and implement an electronic benefit transfer system under the terms, conditions, and design that the State agency deems appropriate.

''(C) The Secretary shall, upon request of a State agency, waive any provision of this subsection prohibiting the effective implementation of an electronic benefit transfer system consistent with the purposes of this Act. The Secretary shall act upon any request for such a waiver within 90 days of receipt of a complete application.'';

(2) in paragraph (2), by striking ''for the approval''; and

(3) in paragraph (3), by striking ''the Secretary shall not approve such a system unless'' and inserting ''the State agency shall ensure that''.

SEC. 1020. ONE-YEAR FREEZE OF STANDARD DEDUCTION.

Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended in the second sentence by inserting ''except October 1, 1995'' after ''thereafter''.

SEC. 1021. NUTRITION ASSISTANCE FOR PUERTO RICO.

Section 19(a)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2028(a)(1)(A)) is amended—

(1) by striking ''1994, and'' and inserting ''1994,''; and

(2) by inserting ''and $1,143,000,000 for fiscal year 1996,'' before ''to finance''.

SEC. 1022. OTHER AMENDMENTS TO THE FOOD STAMP ACT OF 1977.

(a) CERTIFICATION PERIOD.—(1) Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended to read as follows:

''(c) 'Certification period' means the period specified by the State agency for which households shall be eligible to receive authorization cards, except that such period shall be—

''(1) 24 months for households in which all adult members are elderly or disabled; and

''(2) not more than 12 months for all other households.''.

(2) Section 6(c)(1)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)(1)(C)) is amended—

(A) in clause (ii) by adding ''and'' at the end;

(B) in clause (iii) by striking ''; and'' at the end and inserting a period; and

(C) by striking clause (iv).

(b) INCLUSION OF ENERGY ASSISTANCE IN INCOME.—

(1) AMENDMENTS TO THE FOOD STAMP ACT OF 1977.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(A) in subsection (d)—

(i) by striking paragraph (11); and

(ii) by redesignating paragraphs (12) through (16) as paragraphs (11) through (15), respectively; and

(B) in subsection (k)—

(i) in paragraph (1)(B) by striking '', not including energy or utility-cost assistance,''; and

(ii) in paragraph (2)—

(I) by striking subparagraph (C); and

(II) by redesignating subparagraphs (D) through (H) as subparagraphs (C) through (J), respectively.

(2) AMENDMENTS TO THE LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981.—Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)) is amended—

(A) in paragraph (1) by striking ''food stamps,''; and

(B) by amending paragraph (2) to read as follows:

''(2) Paragraph (1) shall not apply for any purpose under the Food Stamp Act of 1977.''.

(c) EXCLUSION OF CERTAIN JTPA INCOME.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)), as amended by subsection (b), is amended—

(1) by striking ''and (15)'' and inserting ''(15)''; and

(2) by inserting before the period the following:

'', and (16) income received under the Job Training Partnership Act by a household member who is less than 19 years of age''.

(d) EXCLUSION OF EDUCATIONAL ASSISTANCE FROM INCOME.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended—

(1) by amending paragraph (3) to read as follows: ''(3) all educational loans on which payment is deferred (including any loan origination fees or insurance premiums associated with such loans), grants, scholarships, fellowships, veterans' educational benefits, and the like awarded to a household member enrolled at a recognized institution of post-secondary education, at a school for the handicapped, in a vocational education program, or in a program that provides for completion of a secondary school diploma or obtaining the equivalent thereof,''; and

(2) in paragraph (5) by striking ''and no portion'' and all that follows through ''reimbursement''.

(e) LIMITATION ON ADDITIONAL EARNED INCOME DEDUCTION.—The 3rd sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking ''earned income that'' and all that follows through ''report'', and inserting ''determining an overissuance due to the failure of a household to report earned income''.

(f) EXCLUSION OF ESSENTIAL EMPLOYMENT-RELATED PROPERTY.—Section 5(g)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(3)) is amended to read as follows:

''(3) The value of real and tangible personal property (other than currency, commercial paper, and similar property) of a household member that is essential to the employment or self-employment of such member shall be excluded by the Secretary from financial resources until the expiration of the 1-year period beginning on the date such member ceases to be so employed or so self-employed.''.

(g) EXCLUSION OF LIFE INSURANCE POLICIES.—Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by adding at the end the following:

''(6) The Secretary shall exclude from financial resources the cash value of any life insurance policy owned by a member of a household.''.

(h) IN-TANDEM EXCLUSIONS FROM INCOME.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by adding at the end the following:

''(n) Whenever a Federal statute enacted after the date of the enactment of this Act excludes funds from income for purposes of determining eligibility, benefit levels, or both under State plans approved under part A of title IV of the Social Security Act, then such funds shall be excluded from income for purposes of determining eligibility, benefit levels, or both, respectively, under the food stamp program of households all of whose members receive benefits under a State plan approved under part A of title IV of the Social Security Act.''.

(i) APPLICATION OF AMENDMENTS.—The amendments made by this section shall not apply with respect to certification periods beginning before the effective date of this section.

Subtitle B—Commodity Distribution

SEC. 1051. SHORT TITLE.

This subtitle may be cited as the ''Commodity Distribution Act of 1995''.

SEC. 1052. AVAILABILITY OF COMMODITIES.

(a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter in this subtitle referred to as the ''Secretary'') is authorized during fiscal years 1996 through 2000 to purchase a variety of nutritious and useful commodities and distribute such commodities to the States for distribution in accordance with this subtitle.

(b) In addition to the commodities described in subsection (a), the Secretary may expend funds made available to carry out the section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), which are not expended or needed to carry out such sections, to purchase, process, and distribute commodities of the types customarily purchased under such section to the States for distribution in accordance to this subtitle.

(c) In addition to the commodities described in subsections (a) and (b), agricultural commodities and the products thereof made available under clause (2) of the second sentence of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), may be made available by the Secretary to the States for distribution in accordance with this subtitle.

(d) In addition to the commodities described in subsections (a), (b), and (c), commodities acquired by the Commodity Credit Corporation that the Secretary determines, in the discretion of the Secretary, are in excess of quantities needed to—

(1) carry out other domestic donation programs;

(2) meet other domestic obligations;

(3) meet international market development and food aid commitments, and

(4) carry out the farm price and income stabilization purposes of the Agricultural Adjustment Act of 1938, the Agricultural Act of 1949, and the Commodity Credit Corporation Charter Act; shall be made available by the Secretary, without charge or credit for such commodities, to the States for distribution in accordance with this subtitle.

(e) During each fiscal year, the types, varieties, and amounts of commodities to be purchased under this subtitle shall be determined by the Secretary. In purchasing such commodities, except those commodities purchased pursuant to section 1060, the Secretary shall, to the extent practicable and appropriate, make purchases based on—

(1) agricultural market conditions;

(2) the preferences and needs of States and distributing agencies; and

(3) the preferences of the recipients.

SEC. 1053. STATE, LOCAL AND PRIVATE SUPPLEMENTATION OF COMMODITIES.

(a) The Secretary shall establish procedures under which State and local agencies, recipient agencies, or any other entity or person may supplement the commodities distributed under this subtitle for use by recipient agencies with nutritious and wholesome commodities that such entities or persons donate for distribution, in all or part of the State, in addition to the commodities otherwise made available under this subtitle.

(b) States and eligible recipient agencies may use—

(1) the funds appropriated for administrative cost under section 1059(b);

(2) equipment, structures, vehicles, and all other facilities involved in the storage, handling, or distribution of commodities made available under this subtitle; and

(3) the personnel, both paid or volunteer, involved in such storage, handling, or distribution; to store, handle or distribute commodities donated for use under subsection (a).

(c) States and recipient agencies shall continue, to the maximum extent practical, to use volunteer workers, and commodities and other foodstuffs donated by charitable and other organizations, in the distribution of commodities under this subtitle.

SEC. 1054. STATE PLAN.

(a) A State seeking to receive commodities under this subtitle shall submit a plan of operation and administration every four years to the Secretary for approval. The plan may be amended at any time, with the approval of the Secretary.

(b) The State plan, at a minimum, shall—

(1) designate the State agency responsible for distributing the commodities received under this subtitle;

(2) set forth a plan of operation and administration to expeditiously distribute commodities under this subtitle in quantities requested to eligible recipient agencies in accordance with sections 1056 and 1060;

(3) set forth the standards of eligibility for recipient agencies; and

(4) set forth the standards of eligibility for individual or household recipients of commodities, which at minimum shall require—

(A) individuals or households to be comprised of needy persons; and

(B) individual or household members to be residing in the geographic location served by the distributing agency at the time of application for assistance.

(c) The Secretary shall encourage each State receiving commodities under this subtitle to establish a State advisory board consisting of representatives of all interested entities, both public and private, in the distribution of commodities received under this subtitle in the State.

(d) A State agency receiving commodities under this subtitle may—

(1)(A) enter into cooperative agreements with State agencies of other States to jointly provide commodities received under this subtitle to eligible recipient agencies that serve needy persons in a single geographical area which includes such States; or

(B) transfer commodities received under this subtitle to any such eligible recipient agency in the other State under such agreement; and

(2) advise the Secretary of an agreement entered into under this subsection and the transfer of commodities made pursuant to such agreement.

SEC. 1055. ALLOCATION OF COMMODITIES TO STATES.

(a) In each fiscal year, except for those commodities purchased under section 1060, the Secretary shall allocate the commodities distributed under this subtitle as follows:

(1) 60 percent of such total value of commodities shall be allocated in a manner such that the value of commodities allocated to each State bears the same ratio to 60 percent of such total value as the number of persons in households within the State having incomes below the poverty line bears to the total number of persons in households within all States having incomes below such poverty line. Each State shall receive the value of commodities allocated under this paragraph.

(2) 40 percent of such total value of commodities shall be allocated in a manner such that the value of commodities allocated to each State bears the same ratio to 40 percent of such total value as the average monthly number of unemployed persons within the State bears to the average monthly number of unemployed persons within all States during the same fiscal year. Each State shall receive the value of commodities allocated to the State under this paragraph.

(b)(1) The Secretary shall notify each State of the amount of commodities that such State is allotted to receive under subsection (a) or this subsection, if applicable. Each State shall promptly notify the Secretary if such State determines that it will not accept any or all of the commodities made available under such allocation. On such a notification by a State, the Secretary shall reallocate and distribute such commodities in a manner the Secretary deems appropriate and equitable. The Secretary shall further establish procedures to permit States to decline to receive portions of such allocation during each fiscal year in a manner the State determines is appropriate and the Secretary shall reallocate and distribute such allocation as the Secretary deems appropriate and equitable.

(2) In the event of any drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county, or parish, the Secretary may request that States unaffected by such a disaster consider assisting affected States by allowing the Secretary to reallocate commodities from such unaffected State to States containing areas adversely affected by the disaster.

(c) Purchases of commodities under this subtitle shall be made by the Secretary at such times and under such conditions as the Secretary determines appropriate within each fiscal year. All commodities so purchased for each such fiscal year shall be delivered at reasonable intervals to States based on the allocations and reallocations made under subsections (a) and (b), and or carry out section 1060, not later than December 31 of the following fiscal year.

SEC. 1056. PRIORITY SYSTEM FOR STATE DISTRIBUTION OF COMMODITIES.

(a) In distributing the commodities allocated under subsections (a) and (b) of section 1055, the State agency, under procedures determined by the State agency, shall offer, or otherwise make available, its full allocation of commodities for distribution to emergency feeding organizations.

(b) If the State agency determines that the State will not exhaust the commodities allocated under subsections (a) and (b) of section 1055 through distribution to organizations referred to in subsection (a), its remaining allocation of commodities shall be distributed to charitable institutions described in section 1063(3) not receiving commodities under subsection (a).

(c) If the State agency determines that the State will not exhaust the commodities allocated under subsections (a) and (b) of section 1055 through distribution to organizations referred to in subsections (a) and (b), its remaining allocation of commodities shall be distributed to any eligible recipient agency not receiving commodities under subsections (a) and (b).

SEC. 1057. INITIAL PROCESSING COSTS.

The Secretary may use funds of the Commodity Credit Corporation to pay the costs of initial processing and packaging of commodities to be distributed under this subtitle into forms and in quantities suitable, as determined by the Secretary, for use by the individual households or eligible recipient agencies, as applicable. The Secretary may pay such costs in the form of Corporation-owned commodities equal in value to such costs. The Secretary shall ensure that any such payments in kind will not displace commercial sales of such commodities.

SEC. 1058. ASSURANCES; ANTICIPATED USE.

(a) The Secretary shall take such precautions as the Secretary deems necessary to ensure that commodities made available under this subtitle will not displace commercial sales of such commodities or the products thereof. The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate by December 31, 1997, and not less than every two years thereafter, a report as to whether and to what extent such displacements or substitutions are occurring.

(b) The Secretary shall determine that commodities provided under this subtitle shall be purchased and distributed only in quantities that can be consumed without waste. No eligible recipient agency may receive commodities under this subtitle in excess of anticipated use, based on inventory records and controls, or in excess of its ability to accept and store such commodities.

SEC. 1059. AUTHORIZATION OF APPROPRIATIONS.

(a) PURCHASE OF COMMODITIES.—To carry out this subtitle, there are authorized to be appropriated $260,000,000 for each of the fiscal years 1996 through 2000 to purchase, process, and distribute commodities to the States in accordance with this subtitle.

(b) ADMINISTRATIVE FUNDS.—

(1) There are authorized to be appropriated $40,000,000 for each of the fiscal years 1996 through 2000 for the Secretary to make available to the States for State and local payments for costs associated with the distribution of commodities by eligible recipient agencies under this subtitle, excluding costs associated with the distribution of those commodities distributed under section 1060. Funds appropriated under this paragraph for any fiscal year shall be allocated to the States on an advance basis dividing such funds among the States in the same proportions as the commodities distributed under this subtitle for such fiscal year are allocated among the States. If a State agency is unable to use all of the funds so allocated to it, the Secretary shall reallocate such unused funds among the other States in a manner the Secretary deems appropriate and equitable.

(2)(A) A State shall make available in each fiscal year to eligible recipient agencies in the State not less than 40 percent of the funds received by the State under paragraph (1) for such fiscal year, as necessary to pay for, or provide advance payments to cover, the allowable expenses of eligible recipient agencies for distributing commodities to needy persons, but only to the extent such expenses are actually so incurred by such recipient agencies.

(B) As used in this paragraph, the term ''allowable expenses'' includes—

(i) costs of transporting, storing, handling, repackaging, processing, and distributing commodities incurred after such commodities are received by eligible recipient agencies;

(ii) costs associated with determinations of eligibility, verification, and documentation;

(iii) costs of providing information to persons receiving commodities under this subtitle concerning the appropriate storage and preparation of such commodities; and

(iv) costs of recordkeeping, auditing, and other administrative procedures required for participation in the program under this subtitle.

(C) If a State makes a payment, using State funds, to cover allowable expenses of eligible recipient agencies, the amount of such payment shall be counted toward the amount a State must make available for allowable expenses of recipient agencies under this paragraph.

(3) States to which funds are allocated for a fiscal year under this subsection shall submit financial reports to the Secretary, on a regular basis, as to the use of such funds. No

such funds may be used by States or eligible recipient agencies for costs other than those involved in covering the expenses related to the distribution of commodities by eligible recipient agencies.

(4)(A) Except as provided in subparagraph (B), to be eligible to receive funds under this subsection, a State shall provide in cash or in kind (according to procedures approved by the Secretary for certifying these in-kind contributions) from non-Federal sources a contribution equal to the difference between—

(i) the amount of such funds so received; and

(ii) any part of the amount allocated to the State and paid by the State—

(I) to eligible recipient agencies; or

(II) for the allowable expenses of such recipient agencies;for use in carrying out this subtitle.

(B) Funds allocated to a State under this section may, upon State request, be allocated before States satisfy the matching requirement specified in subparagraph (A), based on the estimated contribution required. The Secretary shall periodically reconcile estimated and actual contributions and adjust allocations to the State to correct for overpayments and underpayments.

(C) Any funds distributed for administrative costs under section 1060(b) shall not be covered by this paragraph.

(5) States may not charge for commodities made available to eligible recipient agencies, and may not pass on to such recipient agencies the cost of any matching requirements, under this subtitle.

(c) VALUE OF COMMODITIES.—The value of the commodities made available under subsections (c) and (d) of section 1052, and the funds of the Corporation used to pay the costs of initial processing, packaging (including forms suitable for home use), and delivering commodities to the States shall not be charged against appropriations authorized by this section.

SEC. 1060. COMMODITY SUPPLEMENTAL FOOD PROGRAM.

(a) From the funds appropriated under section 1059(a), $94,500,000 shall be used for each fiscal year to purchase and distribute commodities to supplemental feeding programs serving woman, infants, and children or elderly individuals (hereinafter in this section referred to as the ''commodity supplemental food program''), or serving both groups wherever located.

(b) Not more than 20 percent of the funds made available under subsection (a) shall be made available to the States for State and local payments of administrative costs associated with the distribution of commodities by eligible recipient agencies under this section. Administrative costs for the purposes of the commodity supplemental food program shall include, but not be limited to, expenses for information and referral, operation, monitoring, nutrition education, start-up costs, and general administration, including staff, warehouse and transportation personnel, insurance, and administration of the State or local office.

(c)(1) During each fiscal year the commodity supplemental food program is in operation, the types, varieties, and amounts of commodities to be purchased under this section shall be determined by the Secretary, but, if the Secretary proposes to make any significant changes in the types, varieties, or amounts from those that were available or were planned at the beginning of the fiscal year the Secretary shall report such changes before implementation to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(2) Notwithstanding any other provision of law, the Commodity Credit Corporation shall, to the extent that the Commodity Credit Corporation inventory levels permit, provide not less than 9,000,000 pounds of cheese and not less than 4,000,000 pounds of nonfat dry milk in each of the fiscal years 1996 through 2000 to the Secretary. The Secretary shall use such amounts of cheese and nonfat dry milk to carry out the commodity supplemental food program before the end of each fiscal year.

(d) The Secretary shall, in each fiscal year, approve applications of additional sites for the program, including sites that serve only elderly persons, in areas in which the program currently does not operate, to the full extent that applications can be approved within the appropriations available for the program for the fiscal year and without reducing actual participation levels (including participation of elderly persons under subsection (e)) in areas in which the program is in effect.

(e) If a local agency that administers the commodity supplemental food program determines that the amount of funds made available to the agency to carry out this section exceeds the amount of funds necessary to provide assistance under such program to women, infants, and children, the agency, with the approval of the Secretary, may permit low-income elderly persons (as defined by the Secretary) to participate in and be served by such program.

(f)(1) If it is necessary for the Secretary to pay a significantly higher than expected price for one or more types of commodities purchased under this section, the Secretary shall promptly determine whether the price is likely to cause the number of persons that can be served in the program in a fiscal year to decline.

(2) If the Secretary determines that such a decline would occur, the Secretary shall promptly notify the State agencies charged with operating the program of the decline and shall ensure that a State agency notify all local agencies operating the program in the State of the decline.

(g) Commodities distributed to States pursuant to this section shall not be considered in determining the commodity allocation to each State under section 1055 or priority of distribution under section 1056.

SEC. 1061. COMMODITIES NOT INCOME.

Notwithstanding any other provision of law, commodities distributed under this subtitle shall not be considered income or resources for purposes of determining recipient eligibility under any Federal, State, or local means-tested program.

SEC. 1062. PROHIBITION AGAINST CERTAIN STATE CHARGES.

Whenever a commodity is made available without charge or credit under this subtitle by the Secretary for distribution within the States to eligible recipient agencies, the State may not charge recipient agencies any amount that is in excess of the State's direct costs of storing, and transporting to recipient agencies the commodities minus any amount the Secretary provides the State for the costs of storing and transporting such commodities.

SEC. 1063. DEFINITIONS.

As used in this subtitle:

(1) The term ''average monthly number of unemployed persons'' means the average monthly number of unemployed persons within a State in the most recent fiscal year for which such information is available as determined by the Bureau of Labor Statistics of the Department of Labor.

(2) The term ''elderly persons'' means individuals 60 years of age or older.

(3) The term ''eligible recipient agency'' means a public or nonprofit organization that administers—

(A) an institution providing commodities to supplemental feeding programs serving women, infants, and children or serving elderly persons, or serving both groups;

(B) an emergency feeding organization;

(C) a charitable institution (including hospitals and retirement homes and excluding penal institutions) to the extent that such institution serves needy persons;

(D) a summer camp for children, or a child nutrition program providing food service;

(E) a nutrition project operating under the Older Americans Act of 1965, including such projects that operate a congregate nutrition site and a project that provides home-delivered meals; or

(F) a disaster relief program; and that has been designated by the appropriate State agency, or by the Secretary, and approved by the Secretary for participation in the program established under this subtitle.

(4) The term ''emergency feeding organization'' means a public or nonprofit organization that administers activities and projects (including the activities and projects of a charitable institution, a food bank, a food pantry, a hunger relief center, a soup kitchen, or a similar public or private nonprofit eligible recipient agency) providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

(5) The term ''food bank'' means a public and charitable institution that maintains an established operation involving the provision of food or edible commodities, or the products thereof, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food to feed needy persons on a regular basis.

(6) The term ''food pantry'' means a public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than the Department of Agriculture, to relieve situations of emergency and distress.

(7) The term ''needy persons'' means—

(A) individuals who have low incomes or who are unemployed, as determined by the State (in no event shall the income of such individual or household exceed 185 percent of the poverty line);

(B) households certified as eligible to participate in the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); or

(C) individuals or households participating in any other Federal, or federally assisted, means-tested program.

(8) The term ''poverty line'' has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

(9) The term ''soup kitchen'' means a public and charitable institution that, as integral part of its normal activities, maintains an established feeding operation to provide food to needy homeless persons on a regular basis.

SEC. 1064. REGULATIONS.

(a) The Secretary shall issue regulations within 120 days to implement this subtitle.

(b) In administering this subtitle, the Secretary shall minimize, to the maximum extent practicable, the regulatory, recordkeeping, and paperwork requirements imposed on eligible recipient agencies.

(c) The Secretary shall as early as feasible but not later than the beginning of each fiscal year, publish in the Federal Register a

nonbinding estimate of the types and quantities of commodities that the Secretary anticipates are likely to be made available under the commodity distribution program under this subtitle during the fiscal year.

(d) The regulations issued by the Secretary under this section shall include provisions that set standards with respect to liability for commodity losses for the commodities distributed under this subtitle in situations in which there is no evidence of negligence or fraud, and conditions for payment to cover such losses. Such provisions shall take into consideration the special needs and circumstances of eligible recipient agencies.

SEC. 1065. FINALITY OF DETERMINATIONS.

Determinations made by the Secretary under this subtitle and the facts constituting the basis for any donation of commodities under this subtitle, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.

SEC. 1066. RELATIONSHIP TO OTHER PROGRAMS.

(a) Section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)) shall not apply with respect to the distribution of commodities under this subtitle.

(b) Except as otherwise provided in section 1057, none of the commodities distributed under this subtitle shall be sold or otherwise disposed of in commercial channels in any form.

SEC. 1067. SETTLEMENT AND ADJUSTMENT OF CLAIMS.

(a) The Secretary may—

(1) determine the amount of, settle, and adjust any claim arising under this subtitle; and

(2) waive such a claim if the Secretary determines that to do so will serve the purposes of this subtitle.

(b) Nothing contained in this section shall be construed to diminish the authority of the Attorney General of the United States under section 516 of title 28, United States Code, to conduct litigation on behalf of the United States.

SEC. 1068. REPEALERS; AMENDMENTS.

(a) REPEALER.—The Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is repealed.

(b) AMENDMENTS.—

(1) The Hunger Prevention Act of 1988 (7 U.S.C. 612c note) is amended—

(A) by striking section 110; and

(B) by striking section 502.

(2) The Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note) is amended by striking section 4.

(3) The Charitable Assistance and Food Bank Act of 1987 (7 U.S.C. 612c note) is amended by striking section 3.

(4) The Food Security Act of 1985 (7 U.S.C. 612c note) is amended—

(A) by striking section 1562(a) and section 1571; and

(B) in section 1562(d), by striking ''section 4 of the Agricultural and Consumer Protection Act of 1973'' and inserting ''section 1060 of the Commodity Distribution Act of 1995''.

(5) The Agricultural and Consumer Protection Act of 1973 (7 U.S.C. 612c note) is amended—

(A) in section 4(a), by striking ''institutions (including hospitals and facilities caring for needy infants and children), supplemental feeding programs serving women, infants and children or elderly persons, or both, wherever located, disaster areas, summer camps for children,'';

(B) in subsection 4(c), by striking ''the Emergency Food Assistance Act of 1983'' and inserting ''the Commodity Distribution Act of 1995''; and

(C) by striking section 5.

(6) The Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 612c note) is amended by striking section 1773(f).

Title XI—DEFICIT REDUCTION

SEC. 1101. DEDICATION OF SAVINGS TO DEFICIT REDUCTION.

(a) Upon the enactment of this Act, the Director of the Office of Management and Budget shall make downward adjustments in the discretionary spending limits (new budget authority and outlays), as adjusted, set forth in 601(a)(2) of the Congressional Budget Act of 1974 for each of fiscal years 1996 through 1998 as follows:

(1) For fiscal year 1996, reduce new budget authority by $1,420,000,000 and reduce outlays by $1,420,000,000.

(2) For fiscal year 1997, reduce new budget authority by $1,420,000,000 and reduce outlays by $1,420,000,000.

(3) For fiscal year 1998, reduce new budget authority by $1,470,000,000 and reduce outlays by $1,470,000,000.

(b) Reductions in outlays resulting from the enactment of this Act shall not be taken into account for purposes of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE XII—EFFECTIVE DATE

SEC. 1201. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect on October 1, 1996.

The CHAIRMAN. Pursuant to the rule, the gentleman from Georgia [Mr. DEAL] will be recognized for 30 minutes and the gentleman from Florida [Mr. SHAW] will be recognized for 30 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Georgia [Mr. DEAL].

PARLIAMENTARY INQUIRY

Mr. FORD. Mr. Chairman, may I inquire as to whether or not as the designee of the gentleman from Florida [Mr. GIBBONS], it would be in order for 5 minutes to be reserved for debate time under the rule?

The CHAIRMAN. It is not in order.

Mr. FORD. Under the substitute it is not in order?

The CHAIRMAN. It is not in order.

Mr. FORD. So the 5 minutes would not be granted?

The CHAIRMAN. The gentleman is correct.

Mr. DEAL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today is the day for change, today is the time to reaffirm our basic belief in work. Hard work has built this Nation and hard work continues to sustain it.

Today we are here to talk about changing the institution of welfare and replacing it with work. This should not be a partisan debate, we should all share in seeking the best answers regardless of whose ideas they are.

The substitute is brought to you by six Members and their hard-working staffs, none of whom are chairmen or ranking members, and three of whom were freshmen when this issue began in our group last Congress. In this time of basketball fever with the final four being talked about, I would suggest that our bill is assigned a real label that has made it to the final three and for that I am grateful.

I express my appreciation to the leadership for allowing this issue of welfare reform to come to the floor and to the members of the Committee on Rules and its chairman for allowing our substitute to be presented for debate.

We believe that work is the only long-term solution to the issue of welfare, and we believe that our plan presents the best alternative with the resources to the States to achieve that transition.

In the 30 minutes that we are allotted, we will do our best to reveal to Members why we believe that our plan presents the best alternative of making the transition from welfare to work.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Chairman, I rise in strong support of the Deal bill.

On Tuesday, Representative CASTLE said the Republican bill is a big-bang approach to changing welfare.

He was right—and it is the kids who are getting banged up.

I rise today to support the Deal substitute, the only bill before us which makes fundamental changes to the current system while protecting our children.

The Deal bill is tough on work.

It is fair to kids.

It holds recipients accountable, and it makes both parents responsible for taking care of their children.

The Deal bill is tougher on work than any proposal before the House.

Each person on welfare will be required to sign a comprehensive individualized responsibility plan.

Each recipient is required to start looking for work immediately.

Nobody who refuses to work will get benefits.

Unlike the Republican bill, the Deal bill makes sure no kid will go to school hungry. It makes sure no kid will be left alone when Mom or Dad goes to work.

It cracks down on deadbeat parents to make sure they live up to their responsibility to support their children.

Both Democrats and Republicans agree the current welfare system is broken.

The Deal bill is the change we need to end welfare as we know it.

I urge support for the Deal substitute, which truly ends welfare as we know it.

Mr. DEAL. Mr. Chairman, I reserve the balance of my time.

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Mr. SHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. ARCHER], the chairman of the full Committee on Ways and Means.

Mr. ARCHER. Mr. Chairman, it is curious to note the Democrat welfare bill that we have before us today is only offered in response to the strong action taken by Republicans on this issue. When the Democrats ran the Congress, they ran away from welfare reform. They did nothing about our crumbling

cities, our decaying families, and our impoverished children. Only now that Congress is under Republican control did the Democrats muster the will to say, ''Me, too,'' on this vital issue.

Let us take a look, Mr. Chairman, at this late and reluctant arrival at welfare reform. What is wrong with this amendment? Let me tell you. Their substitute spends more on welfare than the current law, $2 billion more.

This Democrat welfare bill raises taxes to do so on millions of middle-income working Americans. Let me repeat that: The Democrat welfare bill raises taxes on millions of middle-income working Americans.

It was only 5 months ago that the American people voted the Democrat people out of office because of their big-taxing, big-spending ways. Now, more than 2 million Americans will have their taxes raised as a result of this amendment.

Mr. Chairman, the Democrats' true colors are showing. Their approach to welfare, just like their approach to all problems, is to raise taxes and spend more money. This is a repeat of 1988. The last welfare reform bill, you remember, ''Let us put a few more billion in with the promise that more people will work and get off of welfare 5 years later.''

Here we are, 6 years later, about to do the same thing under the Deal amendment. The Democrats in Washington still do not understand that Government is too big and spends too much. So, once again, they raise taxes on working Americans to redistribute wealth to those who do not work. Their tax hikes hit working parents with children the hardest. These are not rich people. They are middle-income working Americans with children who will lose their tax credit for child care.

As bad as their tax hikes are, there are other problems in this bill. The Deal substitute maintains the worst features of the failed welfare status quo. This amendment leaves welfare as an entitlement, and it continues to force Governors into inflexible positions when they appeal to Washington on bended knee to obtain waivers so that they can help their own citizens. The Democrats treat as sacred the failed welfare system that has us in this mess in the first place.

For 30 years the Democrats built this failed system based on a faulty foundation. Now that true reform is at hand, they just cannot bear to see their failed creation come to an end, over $5 trillion of Government money spent on welfare in the last 30 years, and now they want to spend more.

I have a simple message for the Democrats who are fighting to keep the failed welfare status quo alive: Let it go, let it go, let it go. Help the poor by taking welfare off of its life support system.

There are other features in the Deal substitute which deserve comment. It does not put people to work, it puts Federal bureaucrats to work. It does not discourage out-of-wedlock births, it maintains the status quo. And it creates unfunded mandates on the States; the President signed a bill yesterday to stop this.

Mr. Chairman, welfare has left a sad mark on the American success story. It has created a world in which children have no dreams for tomorrow, and parents have abandoned their hopes for today. Crime runs rampant. Fathers run away. And leaders run from real solutions.

The time has come to pull the plug on the failed welfare state and to put in its place a new system, a system based on work, personal responsibility, and a system that dismantles the Federal bureaucracy and gives control where it can do the most good, at the State and local level.

The Deal substitute does not get the job done. It punishes the taxpayer and maintains the failed welfare status quo. The bill is not a good deal for anyone. It is a bum deal for everyone, and is should be defeated.

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio [Ms. KAPTUR].

(Ms. KAPTUR asked and was given permission to revise and extend her remarks.)

Ms. KAPTUR. Mr. Chairman, I rise today in support of work and education as fundamental to real welfare reform—endorse the Deal substitute—and oppose H.R. 4. Unlike H.R. 4, the Deal substitute provides meaningful work opportunities immediately by moving individuals off of welfare and into work. The Deal substitute requires that a job search begin immediately. H.R. 4 does not even require people to read the want ads.

We all agree the current welfare system simply does not work. The current system does not result in the very values we wish to encourage—work, family and responsibility—that are the underpinning of a productive society.

For welfare reform to work, the American people first must have job opportunities that pay enough for them to be self-supporting. Half the people on welfare in my community work, but at wages too low to afford the basic necessities. Half of our welfare caseload remains on welfare just to get the health benefit that their private sector job does not provide.

If we are to be successful, our goal must be rooted in a strong economy that produces good-paying jobs. We must require parents to assume responsibility for themselves and their families. Any reform effort must move people toward literacy and skills advancement to get them off welfare and ultimately into jobs that pay a living wage. There's something wrong with an economy that produces more rent-a-workers than factory jobs.

Welfare must be structured as a system that offers a helping hand in time of need, while also providing the path to self-sufficiency and personal responsibility. States should be given the flexibility to make the system work for them, but in turn we must demand that job-readiness and living wage jobs are the end result. Job training, child care, transportation, and education can go a long way in moving people off the rolls. It will be the States responsibility to address these needs. We must make sure that uniform standards apply to all States. Furthermore, it will be the recipients responsibility to use these services to move off welfare rolls into real jobs.

In February, I brought together community leaders in my District for a forum on welfare reform. I brought together welfare recipients with elected officials, human service workers with human service directors. Together we came to a consensus on what is truly needed to reform welfare and in my judgment the Deal proposal comes closest to those recommendations.

NORTHWEST OHIO RECOMMENDATIONS

I would like to outline for my colleagues the recommendations made by my community on welfare reform. To be successful, welfare reform must begin on the frontlines with recipients and case workers who know what works and what does not, on an individualized basis. We must emphasize individualized contracts with a local case manager who is allowed to work with a family on its specific needs regarding work, education, skills training opportunities and building whole families. The current system perpetuates people being on service programs, not getting them off. We must focus our attention on incentives to help the working poor and working families move up and out of poverty.

Case managers should be professional social workers trained in strength-based assessments, not needs-based assessment. We must change our focus from providing overly bureaucratic eligibility determinations to one of partnership and coordination of services. This can be done by using an Individualized Family Service Plan, in which the family picks its strengths and weaknesses, goals and objectives, and the case manager finds the services in the community to meet those needs. This approach empowers the family and gives them the tools to get off and stay off welfare.

INTERGOVERNMENTAL RESPONSIBILITIES

FEDERAL STANDARDS

At a minimum, the Federal Government should provide a national framework which outlines the categorical eligibility criteria and minimum benefits standards to ensure that the poorest citizens receive equitable treatment. Local agencies should not have to devote precious time to determining and redetermining eligibility of recipients and administering the programs. Initial determination of eligibility should be a federal responsibility set up like local Social Security offices. Local governments could then devote their efforts toward training and work activities, and employment and related supportive services such as child care. The Federal Government should establish a person's eligibility like Social Security does, and develop and monitor performance standards so that States programs can be measured. Federal standards are critical. When the Federal Government has failed to do so in the past, what resulted was the ''Mississippi Syndrome''—great inequity among States. Without Federal standards and performance measures, States will not comply, as has been demonstrated historically. Federal regulations on confidentiality prohibit local agencies—Head Start, welfare offices, WIC, Department of Agriculture, PCI—from sharing necessary information about clients. Since

these agencies, along with many others, service the same populations, the Federal Government should permit cross referencing at the local level.

STATE PARTNERSHIP, SIMPLIFICATION AND LOCAL EMPOWERMENT

Federal block grants to the States must not permit States to forgo their fair contribution to alleviating poverty. States must be encouraged to ''earn'' Federal payments. Flexibility is essential. What happens if there is not enough money in a given year to finish that year? People would be completely cut off until the next year. States must be allowed to carry over funds and not be penalized for good management of money.

Human service regulations in my home State of Ohio are some of the most complicated in the Nation. The application is 37 pages long. We should not assume that if the Federal Government cashes programs out to the States, the system in Ohio or any other State will be streamlined. The Federal Government must force States to streamline regulations.

It should further be required that, as a condition of receiving Federal funds, States be required to sign contractual arrangements with the local human service administering agency that places each on an equal plane. Counties, or any other local administering entity, should be given equal status with the State government to administer programs through contractual arrangements.

SIMPLIFICATION

The ideal system should encourage a team approach with a case manager—as opposed to a caseworker—determining what services are needed for a specific family, then bringing together a team at a location which is easily accessible and user friendly. Computer linkage at the local level is needed to ensure the success of a team approach. Interagency contracts must be established within each case management situation to avoid limits between agencies because of confidentiality requirements, and these contracts must be filtered down to the staff level.

A common intake form should be designed by the Federal Government, along with similar eligibility criteria for all human service programs: Medicaid, AFDC, food stamps. Definition of eligibility relative to poverty guidelines varies across Federal programs; it should be simplified and made the same for all of them. Local welfare personnel complain they spend incredible hours of time—an average of 2 hours per client—ascertaining a client's eligibility. They are required to answer over 700 different questions about that client.

EDUCATION, TRAINING AND HEALTH INSURANCE

Two areas of policy that must be a part of Federal welfare reform are education and job training.

Fifty thousand adults in northwest Ohio are illiterate, many of them on welfare. I am sure many other Districts across our Nation face the same situation. Welfare reform must address this problem. Skills training and education must be incorporated into welfare reform. The Federal Government must assure educational institutions—such as some proprietary schools—will not rip off clients and deprive them of their futures. Vocational and proprietary schools must be held to uniform accreditation standards. Further, they must be required to give labor market statistics about each of their courses of study on a regular basis. For example, northwest Ohio has a glut of nurses, yet schools continually market nursing as an excellent field with plenty of job opportunities available.

Half of welfare recipients in northwest Ohio remain on the program to receive health insurance, therefore, welfare must be reformed to offer people health insurance in private sector entry level jobs. Perhaps there could be a partnership formed at the local level between potential employers, human service agencies, and clients. For example, perhaps Federal health insurance such as Medicaid could be used to transition citizens for a period into private sector employment. Any person receiving welfare should be able to keep health insurance coverage after employment at least until his or her wages rise above the poverty level. If States receive incentives for performance, they will address health insurance.

OTHER RECOMMENDATIONS

Emphasis must be placed on paternity orders, with identification of absent fathers being key to the receipt of benefits. The IRS should be the primary collector of child support payments. Stronger, swifter, and more certain sanctions for failure to cooperate in the order establishment are needed. Any proposed work plan must include a provision for at least minimal child support payments. The reporting of nonsupport should be rewarded. Workers currently have no incentive to follow up on leads provided by custodial parent, so they don't do anything.

SSI

We should anticipate the trend toward increased SSI benefits when work is made mandatory. SSI benefits to drug and alcohol dependent persons, many of whom are mentally ill, should, therefore, not be cut off automatically; rather, cases should be assessed individually and funds should be channeled to local substance abuse treatment agencies to work with the client in his or her interest.

KEEP FAMILIES TOGETHER

Low-income families must be allowed to remain together without being penalized monetarily. Accounts of mothers and fathers are currently separate and based on eligible work quarters. Families should be treated as families.

DEVELOPMENTAL PROGRAMMING

Mandatory classes in budgeting, parenting, and nutrition, and registration of children in Head Start or other quality preschool programs should be required of recipients.

FOOD STAMPS

The Food Stamp Program where possible should be cashed out and the money used for regular benefits, health insurance, or education associated with moving people off the program. We must accord people respect enough to assume they will spend the cash on food, after giving them nutrition counseling and education.

UTILITY

Assistance plans—like PIP—must be reformed. They leave the recipient with a debt which must be paid before utilities can be turned on in one's name at another residence.

HOUSING

Finally, incentives should be provided for people to leave public housing. If one has no income, one pays no rent. The safety of knowing one can always stay even if not paying anything prevents people from trying to get out of the system.

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. HARMAN].

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Chairman, I ask my colleagues to vote for the Deal substitute to move people from welfare to work without punishing children.

Mr. Chairman, I support bold reforms of our welfare system. The current system is broken and must be dramatically changed, not just tinkered with.

I support strong work requirements for welfare recipients. I support job training programs to prepare people for work, and aggressive placement services to move people into the workforce. I support time limits so that welfare is a transition to work—not a way of life. I support strong child support enforcement to assure that both parents are responsible, and to keep many mothers off welfare to begin with. And I support State flexibility so that States can experiment and find innovative ways to reform welfare.

But I do not support punishing children by cutting programs that work and disguising these cuts as block grants. Block grants do allow those closest to the people with the flexibility to meet the unique needs of a certain area, but I strongly oppose the block grants proposed in the Personal Responsibility Act. The child nutrition block grant would cut the School Lunch Program and the WIC Program—two programs that are proven successes.

School districts in my congressional district serve 413,017 lunches each day, keeping children healthy and ready to learn. Based on the numbers of partially and fully-paid for lunches in my district, block granting the School Lunch Program would effectively mean the end of the School Lunch Program. I have met with school district administrators, teachers, and children in my district, and I know that the School Lunch Program has been incredibly successful. I ate one of these lunches last week with children at Mark Twain Elementary School in my district and saw firsthand the value of the School Lunch Program.

I also do not support taking away the child protective services: the services that are the last resort for many kids. I heard from the Los Angeles County Supervisors—Democrats and Republicans—who worry about the huge increase in numbers of children who would fall through the cracks under the Personal Responsibility Act.

Denying welfare benefits to many mothers and then cutting child protective services is not welfare reform, it is punishing children.

Proponents of the Personal Responsibility Act would balance ill-timed tax cuts on the backs of vulnerable children. Any savings from welfare reform should go toward reducing the deficit—not toward tax cuts. The Rules Committee rejected a proposed lock box amendment similar to the bill I introduced in the House 2 weeks ago. We must ensure that a cut is a cut.

While I oppose the Personal Responsibility Act in its present form, I strongly support the Deal substitute. It is true welfare reform. It would move people off welfare and into work

and it would give States greater flexibility to administer their own programs. It would allow California to continue its successful GAIN Program. It would establish time limits and require recipients to work for their benefits. It would crack down on deadbeat parents; stronger child support enforcement laws would mean fewer mothers on welfare in the first place. It would also require minors who have children to live with a responsible adult in order to receive benefits. As a mother of four, I know that teens cannot raise children on their own; they need supervision. The Deal substitute's emphasis on pregnancy prevention is a critical component of welfare reform—helping to keep young women off welfare in the first place.

I urge my colleagues to vote for the Deal substitute to move people from welfare to work without punishing children.

Mr. DEAL of Georgia. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. CLEMENT], one of the original cosponsors of the bill.

Mr. CLEMENT. Mr. Chairman, we have a real opportunity. The American people are watching us. They are expecting us to pass a welfare reform package.

I do not know where the Republicans are coming from when they talk about taxes and trying to deceive the American people about the Deal substitute. I am one of the six founders, you might say, of this welfare reform package. It offers an opportunity for a future rather than welfare recipients being trapped like they are now. They want a future. Under the Deal substitute, which I strongly support, we require individuals to begin work or a work-related activity immediately.

Does H.R. 4, the Republican version? No.

The Deal substitute has real work requirements for each and every individual in the work program. Does H.R. 4, the Republican version?

We require each recipient to sign an individualized contract of mutual responsibility outlining their road to work and self-sufficiency and the obligations they must meet. Does H.R. 4, the Republican version? No.

We also include specific provisions to make work pay. Does H.R. 4, the Republican version? No.

We remove the barriers to work by providing child care and health care to working recipients, those returning to work, and those working and struggling to stay off welfare. Does the Republican version, H.R. 4? No.

The Deal substitute provides the funding to ensure that the funds are their to meet the additional financial obligations of increased work requirements, child care, and assistance to move recipients to a private, unsubsidized job. Does H.R. 4, the Republican version? No.

Our substitute preserves the school lunch program, and I know a lot of them are wearing those ''Save the Children'' ties, I do not see any Republicans wearing them, and other proven child nutrition programs ensuring that our children have a full belly and a fighting chance to get through life. Does H.R. 4, the Republican version?

And finally, the Deal substitute will rid the children's SSI program of fraud and abuse while ensuring that much-needed benefits for those severely disabled children are afforded due process and that they are not indiscriminately cut off. Does H.R. 4? No.

Support the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], a member of the Committee on Ways and Means.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I respect the effort of my colleague, the Gentleman from Georgia [Mr. DEAL], whose bill does many of the things we know need to be done now to make the current approach workable. But it only loosens the reins of Washington in those areas we see as necessary now. When flexibility is needed for States to implement a new idea, it will again take years for States to gain temporary waivers and even longer for Congress to change the law.

Let me give you an example. The Deal bill does not give States the right to make rent payments directly to landlords. Under current law, States must comply with cumbersome Federal regulations on a case-by-case basis to prove the recipient is not capable of managing his or her financial affairs. This is so burdensome and takes so long that States simply do not pursue it. Yet the need is compelling.

A recent grand jury investigating crime in a Connecticut police department uncovered a direct tie between welfare dollars and the drug trade. When taxpayer-provided benefit checks hit the streets, drug purchases soared. In the same city, kids are not staying in the same school the whole school year. Many classes turn over nearly 100 percent each year, compromising children's education severely. Families are on the move, and children are the victims due to nonpayment of rent, due to parents' drug addiction, subsidized with taxpayer dollars.

Can we not do better from Washington? We simply cannot construct a flexible enough system to meet the needs of kids and their parents.

Direct payment of rent is only one example of the need for far greater State control and authority than the Deal bill provides. It absolutely goes in the right direction, but the only block grant with Federal accountability that can foster development of a welfare system that will move people off welfare into jobs is the Republican alternative.

Are we taking a risk by creating a block grant system? Yes. Change is inherently risky, but it is a solid risk, because in every other sector of our society, pushing authority and responsibility down to frontline folks has worked.

This week we have the opportunity to rise to the challenge of making systemic real reform in America's welfare system.

Vote to move from caretaking dollars to wage dollars, to restore dignity to need.

Vote against the Deal amendment.

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, let me say that I rise to support the Deal amendment, because it truly takes care of the children with child care and trains the parents for work.

Mr. Chairman, I rise today in support of H.R. 1267, which offers a comprehensive proposal to reform our Nation's welfare system. This bill, sponsored by my colleague NATHAN DEAL of Georgia, focuses on promoting work and individual responsibility without punishing innocent children. Moreover, this bill gives states the flexibility to initiate different approaches while establishing clear guidelines and principles.

H.R. 1267 requires welfare recipients to maintain a job or be enrolled in a job training program. It also establishes the principle that our Government must help welfare recipients to find jobs and not terminate assistance to individuals that are willing to work but are unable to find a job. And yes, it provides child care!

During this debate on reform of the welfare system, I have emphasized empowering people instead of punishing them. Like many of my colleagues, I acknowledge that the current system has failed in many ways. However, the welfare reform bill favored by the Republican leadership will not help millions of Americans lead productive lives. We are a caring nation. In making public policy, we must exhibit compassion as well as promote individual responsibility. I believe that H.R. 1267 achieves these important objectives.

Mr. DEAL of Georgia. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. BISHOP].

Mr. BISHOP. Mr. Chairman, unlike the Republican plan, the Deal substitute offers real welfare reform. Deal is real reform, because it is tough and compassionate. It links strict work requirements with training opportunities and gives support services recipients need to move from welfare to work.

It is tough, because it sets a time limit for benefits and requires recipients to accept individual responsibility plans for education, parenting, budgeting, and substance abuse.

It is compassionate because it makes available public service jobs after 2 years of unsuccessful job search. It ensures work will pay more than welfare by extending transitional health care benefits, giving an earned income tax credit, and providing the essential element of child care during training and work.

And on top of that, it gives States flexibility to do innovative things like programs to avoid teenage pregnancy.

The Deal substitute is modeled after the Georgia Peach and Work First Programs which have moved Georgians from welfare to work.

We need reforms that make programs more efficient and effective and do not just destroy them and empower families through training and jobs but do not just cut off, that promote individual responsibility and not just abdicate it.

For real welfare reform, we need the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. CAMP], another member of the committee.

□ 1830

Mr. CAMP. Mr. Chairman, we have the opportunity to fix a badly broken welfare system. A system that has literally become a prison from which there is little chance of escape.

Unfortunately, I can sum up the Deal substitute by saying ''The more things change, the more they stay the same.''

The Deal substitute does not require work. It talks about work, their press releases talk about work. But while long on rhetoric, it is short on requirements.

It is our understanding from legislative counsel that the Deal substitute has no individual work requirement until the year 2005. In contrast, our proposal allows States to require work for benefits from day one as opposed to just looking for work.

Under the Deal substitute, looking for work is the same as having a job . . . and for States who do not meet the work requirement, there is no penalty. Under our bill, the States can lose up to 5 percent of the block grant if they do not meet the work requirement.

If this legislation passes, a total of over 15 percent of the welfare recipients would be exempted from the ''work-first and ''workfare'' time limits.

This substitute also attempts to fudge the numbers by counting everyone who leaves the welfare rolls with earnings as meeting the work requirement. Under our proposal, only an increase in the number of people working can count toward meeting the work requirement. The number of people required to work under the Deal substitute is actually lowered by 500,000 people per month.

I urge my colleagues to vote against the Deal substitute. In order to free families from the welfare trap, a real and meaningful work requirement is necessary. The Deal substitute fails that crucial test.

Mr. DEAL of Georgia. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of the Deal substitute. And in response to my friend, welfare reform must have one overriding goal, and that is to move people from dependency to self-sufficiency by putting people to work.

Utah has a welfare reform program which is working. In the past 2 years they have reduced AFDC grants by one-third. It has been reported that the Republican bill was patterned after the Utah work program.

But let me read from the Utah State Department of Human Services memo: ''The prescriptive requirements of title I are not congruent with our policy.'' They go on to describe what the Utah work policy is: Of the hours required, at least 8 must be in a job search and the remaining hours can be any combination of employment, education, or training. They go on to say that the act, as drafted, would prohibit this approach. The Deal substitute is the only bill patterned after a Utah-type program, and I urge you to support the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I thank the gentleman for yielding this time to me.

Mr. Chairman, I spoke to the Republican Governors of this Nation this morning, and they asked me to express their strongest opposition to the Deal substitute. I quote: ''The Deal substitute undermines all our efforts to reform the welfare systems in our States.'' Governor Allen, Governor Wilson, Governor Whitman, and Governors Engel, Weld, Thompson, and a host of others oppose the Deal substitute. It is the big-government solution, to the Clinton deal, the bad deal.

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. BENTSEN].

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. I thank the gentleman from Georgia, and I rise in strong support of the Deal substitute and in opposition to H.R. 4.

Mr. Chairman, I rise in opposition to H.R. 4 and in support for the Individual Responsibility Act of 1995 as offered by Mr. DEAL and Mr. STENHOLM.

Mr. Chairman, for more than 60 years, the Federal and State governments have attempted to provide a safety net for the poorest among us who have fallen upon hard times. While originally intended to be short-term assistance to cushion the fallout from the business cycle, the system has trapped a portion of its beneficiaries in a long-term cycle of poverty. All of us will agree that the various public assistance programs, while helping many, have failed to cure long-term poverty. All of us will agree that we must change the welfare program if we are to try and cure the cycle of poverty. But, Mr. Chairman, H.R. 4 neither meets this goal nor does it try to, rather, it merely focuses on spending cuts among the poorest to pay for tax cuts among the wealthiest individuals and corporations. It is a short-term diversion of funds which will result in exacerbating long-term problems. it is irresponsible to cut this program without reforming it to move people into the workforce. It is economically questionable to do so in order to fund tax cuts and bloat the deficit, but that is exactly what H.R. 4 does. What it does not do is reform welfare.

H.R. 4 as submitted by the Republican leadership does not attempt to address the cycle of poverty. It requires no work or training during the first two years of assistance, nor does it provide adequate assistance for such training. It cuts child care, making it harder for parents to hold work. It cuts nutrition programs. It cuts job training. It ignores the inefficiency of the tax code which makes welfare pay more than work. Rather than focusing on training and placing able-bodied adults in private sector employment it goes after children, poor by no fault of their own. This ill-conceived legislation will most likely result in putting more people out on the street with no means of employment. Whether you are a conservative, liberal or moderate, you must agree that increasing the pool of the untrained unemployed in deeper poverty will not help the economy and will eventually cost the country more. Further, it loads the problem onto the states in a form which would otherwise be called an unfunded mandate. It is one thing to transfer programs from the federal government to the states, it is another to do so with less funding, no assurance to cover the increased costs of a recession, and extreme mandates.

This bill makes no sense. If you want to get tough on welfare, why not require work, today. H.R. 4 does not, the Deal substitute does.

Mr. Chairman, this House can make history today, and it can do so by rejecting H.R. 4 and supporting the Deal substitute. Make no mistake about it, if you support a welfare bill which will take people off the welfare rolls and put them on payrolls, you must support the Deal bill. The Deal substitute requires immediate job action by welfare recipients while H.R. 4 does not. The Deal substitute lays out a plan, working with the States and the private sector to require recipients to enter the job market, today, not in two years. It is tough on non-compliance and it adjusts the tax code to make work pay more than welfare. H.R. 4 does not. The Deal substitute, and not H.R. 4, puts teeth in child support for which the Republican Leadership abdicated its responsibility. The Deal substitute provides the means by which people who must find work can be assured of child care, which the Republican bill does not.

The Deal substitute understands the necessity to ensure adequate funding in times of recession when unemployment increases by maintaining the entitlement status. It understands the importance of maintaining nutrition programs. It also understands the need to reduce the deficit by eliminating wasteful spending and reducing the deficit. Quite simply, the Deal substitute is a tough bill and a smart bill which requires people on welfare to find work, now, not in two years. It helps those who cannot through no fault of their own. The Deal substitute provides training, community work, and a 15-percent recycle provision for those who try but are unable to find steady private sector work in 4 years. It penalizes those who do not try. It provides the necessary means to allow people to hold jobs including child care and health care. It adjusts the tax code to ensure that work pays more than welfare. It is a cost effective, cost conscious measure which seeks to address the cycle of poverty with work. For sure, the goals between this substitute and the Contract with America are quite different. The Deal substitute attempts to put people back to work to remedy the welfare situation. H.R. 4 simply cuts spending, without

sufficient work or training requirements and no long-term goal for ending the cycle of poverty. H.R. 4 puts the issue on the backs of States and the taxpayers. And, if we adopt the Republican Leadership's bill, and not the Deal substitute, I assure you we will be back here later realizing the mistake we made in not trying to really reform welfare rather than pay for a tax cut and increase the deficit. Support real welfare reform, a real work bill, support the Deal substitute.

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

(Mrs. LOWEY asked and was given permission to revise and extend her remarks.)

Mrs. LOWEY. I thank the gentleman for yielding me time, and I rise in strong support of the Deal substitute.

Mr. DEAL of Georgia. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. I thank the gentleman for yielding this time to me.

Mr. Chairman, this evening the Democratic Party stand united in support of the Deal bill and in unyielding opposition to the callousness offered by the Republican Party. There is not even a work requirement in the Republican bill that is offered. They are tough on kids and they are weak on work.

Mr. DEAL deserves extraordinary credit for bringing Democrats together from every region of this country. Tonight we are going to offer a credible alternative that stands up under scrutiny. I offered Governor Weld's amendments at the Committee on Ways and Means, and the Republican Party turned them down.

We have a chance tonight, I think, to stand in support of a welfare reform bill that we all acknowledge needs change. Stand in support of the Deal alternative. It is credible and stands up under the magnifying glass of critical analysis.

The CHAIRMAN. The gentleman from Georgia [Mr. DEAL] has 22½ minutes remaining, and the gentleman from Florida [Mr. SHAW] has 19½ minutes remaining.

The Chair states that he would like it to be reasonably balanced.

Mr. DEAL of Georgia. Mr. Chairman, in light of that, I yield such time as he may consume to the gentleman from California [Mr. FAZIO].

(Mr. FAZIO of California asked and was given permission to revise and extend his remarks.)

Mr. FAZIO of California. Mr. Chairman, I rise in support of the Deal substitute and congratulate the gentleman from Georgia [Mr. DEAL] for coming up with a consensus solution to our welfare dilemma.

Mr. Chairman, the current welfare system rewards staying home over work and permits dead-beat parents to shirk their obligations to their children and is a national embarrassment and outrage. The current welfare system contradicts the American work ethic, and undermines the American dream for millions. As a nation, we cannot afford to support a program that encourages able-bodied adults to stay at home rather than look for a job.

Mr. Chairman, for these reasons and more, I rise in support of Congressman DEAL's welfare reform substitute to the Personal Responsibility Act. The Deal proposal addresses the critical need for substantial reform in the current welfare system, and includes tough work requirements and a 2-year time limit on benefits, while maintaining a safety net for our children. The Republican plan does not do this. The Deal substitute would permanently remove people from welfare dependency by helping them find and retain real jobs, not by simply kicking them into the streets.

Real welfare reform must be about economic self-sufficiency. It must be the primary goal of any valid proposal, and the Deal substitute faces this issue head-on. In meeting the goal of economic self-sufficiency, individuals must be required to look for a job, and there ought to be a time limit on receiving benefits. Mr. DEAL's plan gives States the flexibility to design a strong ''Work First'' program to ensure that individuals are moved off welfare and into work. This could mean job training, education, job placement services, assistance in creating microenterprises, or any other program developed by the State to move an individual into private, unsubsidized employment. After 2 years of participation in the Work First program, individuals would no longer be eligible for AFDC, but would be eligible for a private employment subsidy or workfare program. The Deal substitute includes a 2-year time limit—a necessary incentive for welfare recipients to take advantage of the work opportunities provided in the bill. From the moment a person enters the welfare system, they will be on their way out—out to economic opportunity and self-sufficiency. The Republican plan does not do this.

Real welfare reform must be about job preparedness. An initial investment in job preparedness and placement will result in long-term savings, and do more for our long-term economic security than a tax cut for the rich ever would. Welfare recipients must learn marketable skills to find better jobs. And enduring job skills will prevent repeat visits to the welfare rolls. By providing welfare recipients with a real opportunity to find a permanent, well-paying job, the Federal Government will soon be rewarded with lower welfare costs, higher worker productivity, and increasing revenues. The Republican plan cannot do this.

But real welfare reform does not stop here. Staying in a job is just as critical as finding one in the first place. Health and child care benefits must be part of any welfare reform plan that seeks to keep people at work, not on the Government rolls. Going to work should not mean losing health care benefits. And children must have a safe, supervised place to grow and learn while their parents are at work. The Republican plan does not do this. ''Personal Responsibility'' should not mean putting the health and safety of our children at risk.

Welfare reform must also be about responsibility. I am outraged that parents can shirk their responsibility to their families by leaving them destitute and not paying child support. The Republican plan lets them do this. Any worthwhile reform effort must send a clear message to these deadbeats: you must support your children. Through streamlined, advanced technology, states can and should track down these parents. Tough enforcement mechanisms such as garnishing wages and taking away drivers licenses should be enacted and enforced.

The Republican Personal Responsibility Act is a shameful pretense at real welfare reform. The Republicans would simply throw people out on the streets and call that cruelty ''reform.'' This most outrageous proposal as a solution to welfare dependency while not adequately addressing the issue of work.

In seeking to reform the broken welfare system, we must not forget our moral responsibility to the workers and children of America. Welfare reform should be about work, responsibility, and families, not about a tax cut for the wealthy. The most enduring legacy of welfare reform will be its effect on those children and families who rely on it in tough times. The current welfare system encourages perpetual dependence and distorts American values. We must enact real welfare reform to restore their hope and their futures and break the cycle of dependency. Our future depends on it.

Mr. DEAL of Georgia. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

(Mr. PAYNE of Virginia asked and was given permission to revise and extend his remarks.)

Mr. PAYNE of Virginia. I thank the gentleman for yielding this time to me.

Mr. Chairman, the sponsors of the Deal substitute are committed to making major changes to our welfare system.

We understand that real welfare reform must be about replacing a welfare check with a paycheck.

The Deal substitute is designed to get people into work as quickly as possible. It requires all recipients to enter into a self-sufficiency plan within 30 days of receiving benefits and no benefits will be paid to anyone who refuses to work, refuses to look for work, or who turns down a job.

The Republican bill allows welfare recipients to receive benefits for up to 2 years before they are required to go to work, or even to look for work.

Mr. Chairman, we believe the Government should assist welfare recipients in becoming self-sufficient, but we understand that in the end individuals must be responsible for their own welfare.

The Deal substitute provides welfare recipients with the resources they need to move from welfare to work, but it also requires individuals to be responsible by setting a 2-year time limit on cash assistance.

After 2 years, States may allow individuals to work for benefits by providing them with a voucher to supplement private sector wages.

But no benefits are available after 4 years.

Mr. Chairman, the Deal substitute is the only welfare reform bill which gives the American people exactly what they want: welfare reform which makes work the number one priority, welfare reform which requires individuals to be responsible for their own actions, and welfare reform which gives

the States the flexibility they need to make it succeed.

Mr. Chairman, I say to my friends, let us give the American people what they want. Support the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield 1½ minutes to the chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. I thank the gentleman for yielding this time to me.

The Deal substitute does not represent real food stamp reform. Rather than allowing States to harmonize AFDC and food stamp rules for those families receiving assistance from both programs, the substitute clings to the waiver system. Rather than taking the food stamp program off of automatic pilot, the Deal substitute continues the pattern of ever escalating runaway costs. Rather than demanding workfare for able-bodied people, the substitute simply mandates that States do provide the make-work jobs and training, but provides, really, less than half the money. It is an unfunded mandate.

But here is the real deal, I did not know this, I read the CBO report: The Deal substitute would count:

Benefit payments from the AFDC and food stamp programs would be included in income subject to income tax. You are taxing food stamps? That is a mean deal.

Mr. DEAL of Georgia. Mr. Chairman, I yield myself 1 minute.

First of all, I respond to the gentleman's comments: Yes, we believe that for those who are taking Federal assistance through food stamps and AFDC and earning the same amount of money as hardworking poor people, that a dollar of welfare ought to be worth the same thing as the dollar you work for. That is the reason for it.

In responding to the issue of who supports whom in this issue, I would like to quote briefly from a letter. I would like to quote briefly from a letter dated March 20, 1995, from the National League of Cities, in which they say, ''We believe the pending bill, H.R. 4, could affect local government. The bill could be one of the greatest mandates ever imposed upon our communities.''

Governor Carper of Delaware, in responding to the Republican bill, says, ''In sum, this legislation would not transform the welfare. Rather, it would not severely undercut our efforts to reform the welfare system in our State.''

Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. PETERSON].

Mr. PETERSON of Minnesota. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I too want to commend the gentleman from Georgia [Mr. DEAL] and the others for putting together this bill, and I rise in strong support of the Deal substitute.

In responding to the distinguished chairman of the Committee on Agriculture, you know, one of the problems that I have with the Republican bill—and I intend to oppose it—is there are a lot of areas that are not working and have not been thought through. I think, in the case of food stamps, that is one of the areas where we have a lot of fraud and problems with the food stamp system.

What we have done in the Deal bill is we have worked through those problems. We have 19 specific areas where we have addressed the problems in the Deal substitute. The Republicans have not done this. They have punted it to the States.

So I think we ought to be clear about what has happened here. We have a bill that has worked together with the AFDC system, it is all integrated, we make sure it flows together, and we have addressed problems. It is the toughest bill dealing with the fraud and abuse and other problems that we have in the food stamp system.

I ask you to support the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at this point I would like to paraphrase for the RECORD from a letter dated March 22, from the Republican Governors' Association, signed by a number of Governors. This is a letter addressed to the gentleman from Georgia [Mr. DEAL]. In referring to his bill, they say that it maintains the individual entitlements, highly prescriptive Federal rules remain intact. It turns back the clock and has a chilling effect on the Governors' plans—including his own State of Georgia, I might add. It increases taxes by penalizing working Americans. By reducing dependent care tax credit for working women, you are sending a message that work, for these women, does not pay. It is an unfunded mandate, and they end by saying, ''We must oppose this bill.''

Mr. Chairman, the full text of the letter is as follows:

REPUBLICAN GOVERNORS ASSOCIATION,
Washington, DC, March 22, 1995.

Hon. NATHAN J. DEAL,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DEAL: Although we salute your good intentions on welfare reform key elements of your bill will, we believe, substantially hinder real welfare reform efforts in the states.

Your bill maintains the individual entitlements and does not provide states with a block grant. Current highly prescriptive Federal rules intact. We need the flexibility of block grants to design programs that will work in our states.

Under you bill, states would be prohibited from removing an individual from cash welfare without first providing 2 years of education and training benefits. This provision will turn back the clock on many state programs already operating and will have a chilling effect on Governors' plans to put individuals to work as soon as we determine they are ready to do so.

Further, your bill increases taxes by reducing the dependent care tax credit. In effect, you are financing two years of education and training for welfare recipients by penalizing working Americans. Working women in particular will be hurt by these changes. The costs associated with child care for working mothers are work related. By reducing the dependent care tax credit for working women, you are sending the message that work for these women doesn't pay.

The work requirements in your bill are highly prescriptive and seriously restrict state flexibility. The two years of additional Medicaid coverage required by your bill is an unfunded mandate on states and will cost states an additional $1.5 billion by the year 2000.

For all of the above reasons we must oppose your bill.

Sincerely,

Tommy Thompson, Jim Edgar, Ed Schafer, and 5 others.

Mr. SHAW. Mr. Chairman, I reserve the balance of my time.

Mr. DEAL of Georgia. Mr. Chairman, I yield myself 15 seconds in order to respond.

I also have a letter, and since I have not received the one the gentleman from Florida quoted from, I have a letter from his own school board in which they say they do support our legislation.

Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

(Ms. WOOLSEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, as the only Member of this body who has actually been a single, working mother on welfare, I support the Deal substitute.

Mr. Chairman, Representative RICH NEAL of Massachusetts and I co-chaired the Democratic task force on welfare reform, and I want to compliment the many Members who made this substitute worthy of widespread support: NATHAN DEAL, PATSY MINK, SANDY LEVIN, XAVIER BECERRA, ELEANOR HOLMES NORTON, BILL ORTON, and many others worked long and hard to create a bill that reforms welfare without punishing poor women and children.

The Deal substitute offers a fair deal. It invests in education; job training; and child care to get people into jobs.

Mr. Chairman, the choice comes down to this: We either punish poor children as the Republican bill does or, as in my case we invest in families so they can get off welfare permanently.

Let us put politics aside and put our children first. Support the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. CALLAHAN].

(Mr. CALLAHAN asked and was given permission to revise and extend his remarks.)

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the Deal amendment and in support of H.R. 4.

Mr. Chairman, I rise today in opposition to the Deal substitute and in support of H.R. 4, the Personal Responsibility Act, the key word here being ''responsibility.'' It is time we take

responsibility for this nation by ending the dependence on government which too many recipients have come to know. We all agree that the current system is in need of reform. H.R. 4 gives people now on the welfare roll the opportunity to take responsibility for themselves by moving to the payroll. What greater gift can we give these recipients than the gift of responsibility, freedom and dignity that comes with supporting themselves and their families?

My home State of Alabama obviously has different needs than the State of California, and even the different counties in my district have diverse needs. Consolidating Federal programs into more flexible block grants allows States to respond more effectively to the needs of their residents. Eliminating the cumbersome Federal bureaucracy and the maze of redtape and regulations which have beset the welfare program will permit Congress to send more funds to the States to spend on programs such as school lunches and WIC.

H.R. 4 provides welfare families with education, training, job search, and work experience needed to prepare them to discontinue welfare assistance. At the same time H.R. 4 protects children and families by maintaining a food stamp program, which grows in a recession, as a Federal safety net. Furthermore, a safeguard has been placed in the Federal nutrition grant which mandates that at least 80 percent of the money must be spent on low-income children. That's the same ratio found in current nutrition programs.

We can no longer sit back and allow millions of poor Americans to be trapped in the black hole of a failed welfare system. It is unfortunate that the very system created to assist persons in getting back on their feet has trapped them in a cycle of government dependency. We have spent $5 trillion in the war on poverty and the status quo will no longer cut it; let's start taking responsibility for this Nation and pass H.R. 4. Vote ''no'' on this substitute and vote ''for'' H.R. 4.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. McCRERY], a member of the Committee on Ways and Means.

Mr. McCRERY. I thank the gentleman for yielding this time to me.

Mr. Chairman, this Deal substitute, unfortunately, is just more of the same, micromanaging from a Federal level, trying to maintain the status quo. We cannot afford more of the same in this country with respect to our welfare programs. We must have fundamental change. That is what H.R. 4 represents. Let me talk about one section of this bill, particularly the SSI disability for children program.

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Mr. Chairman, I want to compliment again the good work that some Members on the Democrat side have done. The gentlewoman from Arkansas [Mrs. LINCOLN], the gentleman from Wisconsin [Mr. KLECZKA]; they have done good work.

Unfortunately though, Mr. Chairman, I think, when they put together this Deal substitute, they got snookered by some people on their side who did not want to change much about the SSI disability program for children.

Yes, the Deal substitute does away with the individualized functional assessment, the IFA, the rather vague qualifying standard that children are getting in on now. But in the next section of their bill they recreate the IFA. They say the commissioner of Social Security must set up a functional equivalent standard. So they are going to call it the FES instead of the IFA.

Big deal. No pun intended.

That is just going right back to the same vague standard. It invites abuse of the program.

Cash. They continue cash for all children on SSI. That is the problem with the program now. At the level where the disability is not so bad that a child must be institutionalized or have the threat of institutionalization they are getting these parents coaching their kids to act crazy. Even in the literature that the gentleman from Georgia [Mr. DEAL] handed out it says we cure the crazy check problem. I say to my colleagues, ''No, you don't. You invite it all over again by leaving that lure of cash out there for the parents.''

The Deal substitute does not fix the problem, they do not fix the IFA. The GAO report right here issued this month says, ''You can't fix it, you can't fix it.''

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. HEFNER].

(Mr. HEFNER asked and was given permission to revise and extend his remarks.)

Mr. HEFNER. Mr. Chairman, I rise in strong support of the fairest, most humane reform bill that has been offered in this House in many, many years.

Mr. DEAL of Georgia. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM], one of the original cosponsors of this legislation.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I am constantly shocked by what I hear on the floor and what I see being put out. Deal taxes welfare moms' benefits. Thirty-three percent of the kids in America do not even qualify for a tax cut, and yet we have a wonderful yellow sheet put together by a political consultant designed for a 20-second spot on TV.

Now let us talk about Deal raises taxes on the middle class. I am surprised to hear that coming from this side of the aisle.

Mr. Chairman, I ask my good friend, the gentleman from Florida [Mr. SHAW], ''Do you remember March 29, 1990, roll call 57? We lost that day on the ABC bill. We lost 195 to 225, but you did a heck of a job rounding up Republican votes. All but 14 voted for the same language today that you criticized.''

Now we talk about Medicaid spending. Let us talk about Medicaid spending in the Deal bill compared to H.R. 4. Let us talk about that welfare mother that has a child, and takes a job, and earns $1 more than the law allows, and then has to lose her Medicaid coverage. There is not a man or woman on this floor that would take a job under those circumstances, and I say to the gentleman, ''You're got the gall to criticize the Deal bill for being inadequate?''

I cannot believe some of the stuff. We have talked about differences that we have got, but some of the criticisms, taxes, Medicaid spending, welfare moms, taxing benefits, absolutely ridiculous.

Mr. Chairman, first, I would like to thank you for the opportunity to debate this important issue and particularly, the Deal substitute. I rise in strong support of Mr. DEAL'S substitute and commend him for his leadership in this effort.

I believe that we have put together a real, workable reform package that achieves the goal we are all striving for—changing the face of our welfare system. The Deal substitute people off welfare and into work and it provides the funding to do so.

By maintaining the funding necessary to carry out our program, the Deal substitute avoids unfunded mandates and increased state and local burdens. In contrast, the National Conference of State Legislatures says that ''H.R. 4 contains many un- and underfunded mandates including a federal work requirement with hefty participation rates''. The United States Conference of Mayors also says of H.R. 4 that ''in addition to the significant negative impact the proposal would have on low income people, it will also further strain local budgets.''

As you can see from the chart, the savings from H.R. 4 are much more drastic than the savings in the Deal substitute. In other words, states will receive $18.8 billion less to care for the needy and help get individuals into jobs under the base bill than they would receive under the Deal substitute. More importantly, the Deal substitute directs all of our savings—approximately $7.5 billion—to deficit reduction, not tax cuts for the wealthy. This substitute is the only proposal that can claim any deficit reduction because it is the only proposal which locks those savings away from being spent again.

In addition, the Deal substitute maintains the current federal nutrition programs, such as school lunch and WIC. Rather than being driven by spending cuts, our proposal focuses on moving people from welfare to work. School lunch programs, therefore, should not be, and are not, part of our welfare reform proposal.

We have heard a great deal of talk about nutrition programs, particularly school lunch programs. The talk that really caught my attention, however, was the input I received from the school superintendents in the 17th District. They couldn't understand why we would want to change our school lunch program, when they don't see anything wrong with the way it is now. Because they work in the program at the local level, I trust that they know how well the program is working.

The Deal substitute also follows a responsible approach to changes in the Food Stamp Program, including strong provisions to cut

down on fraud and abuse. The Food Research and Action Center [FRAC] has endorsed the Deal substitute as a "far better approach toward meeting the nutrition needs of families, children, and elderly."

I strongly urge your support for real, workable welfare reform. Support the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. HOUGHTON], a member of the committee.

Mr. HOUGHTON. Mr. Chairman, there is much appeal to the Deal amendment, and I have great respect for Mr. DEAL himself in terms of changes in the trend in the current welfare plan, States requiring participation, a whole variety of things like that, but it seems to me the basic weakness comes down to two things. First, there is continued cash payments, and I know I am being repetitive here. Second, there is an open-ended entitlement concept, and I say to my colleagues, if you're going to change welfare, I don't know how you do it with cash payments and open-ended entitlement. It's absolutely contrary to what we're trying to do, and I frankly think the Republican bill here, what we're approaching, is humane, and yet it has an element of discipline and reality to it.

Mr. DEAL of Georgia. Mr. Chairman, I yield myself 10 seconds.

Mr. Chairman, I point out that under the Republican bill it is 2 years before anybody ever has to go to work, but in ours 30 days after they enter they have to begin a job search and sign a self-sufficiency plan.

Mr. Chairman, I yield 2 minutes to the ranking member of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I say to my colleagues, I urge you to vote for the substitute bill prepared by Mr. DEAL and others. The food stamp title of this substitute includes all of the antifraud proposals of the U.S. Department of Agriculture. No one can say that the substitute isn't tough on waste, fraud, and abuse. The food stamp substitute requires people to work. No one can say that this substitute does not have a work provision to receive food stamp benefits.

After 6 months, anyone who is unable to find work, we also have provisions for employment and training. The substitute bill will promote expansion of electronic benefit transfers, or EBT. The substitute requires, and this is very important, this difference between the substitute and H.R. 4: We reduce legitimate costs, but we will not reduce costs from legitimate users of food stamps. These are not the no counts, not the anything else. What H.R. 4 does, it keeps the thrifty food plan at 103 percent, but with no increase. If the cost of food goes up; too bad, you go hungry. We don't do that. And also the substitute bill requires that all net savings must go to reducing the deficit. It does not go to anything else.

Mr. Chairman, let us not punch holes in the safety net in the name of welfare. I say to my colleagues, don't talk to the Ag Committee about reducing expenditures. We have done over $60 billion in 12 years, but, Mr. Chairman and my colleagues, I refuse to use hungry people to get moneys to give tax breaks to wealthy people. The Deal substitute mandates you to use the savings only for deficit reduction.

I urge colleagues to vote for the substitute bill prepared by Mr. DEAL and others. We have worked with Mr. DEAL on the food stamp provisions of that substitute and believe that they present a much better option than the food stamp provisions of H.R. 4.

The food stamp title of the substitute includes all of the antifraud proposals of the U.S. Department of Agriculture, proposals incorporated in H.R. 1093, a bill I introduced on March 1. Although a number of the USDA proposals were included in H.R. 4 as a result of an amendment I offered at our welfare reform markup, the substitute includes all of the Department's proposals. The most significant of the substitute's antifraud provisions will authorize criminal and civil forfeiture when food retailers traffic in food stamps. This provision will create a significant disincentive to food stamp trafficking. The substitute also doubles the penalties for individuals violating program rules, and requires the collection of certain claims against households by Federal tax and salary offset.

The substitute will require that food stamp recipients work at least half-time, participate in a public service program in return for their benefits, or participate in an employment and training program. This requirement will be imposed on able-bodied recipients who have no children, after they have received food stamps for 6 months. This category of recipient is very likely to find work on their own during the first 6 months and no longer need food stamps. if they are unable to find work within that 6 month period and continue to need food stamps, the work requirements will be imposed. Every recipient wishing to continue to receive food stamp benefits after 6 months who is unable to find work, will be assured of a slot in an employment and training program rather than being kicked off of the food stamp program. Of course, the elderly and disabled are exempt, and those families receiving AFDC will be required to follow the AFDC work rules.

The substitute will provide greater coordination between food stamps and AFDC by requiring in many instances that the same rules be used to calculate income and assets. This provision will help caseworkers who now must use different rules for different programs.

The substitute will promote the expansion of electronic benefits transfer, or EBT, by allowing States to begin using EBT without seeking USDA approval first. Of course, the EBT requirements of the Food Stamp Act will still apply, and USDA will still monitor States to make sure that their EBT systems are in compliance with the law, but States will no longer have to prepare and have approved by USDA their plan for EBT. This provision should make it easier for States to implement EBT, and EBT will help us reduce fraud in the program.

The substitute requires that food stamp allotments be based on 102 percent of the thrifty food plan. The thrifty food plan is the cheapest of four food plans designed by USDA, and it assures a family a nutritionally adequate diet. It is adjusted annually to reflect the current cost of food, and food stamp allotments are then adjusted to reflect the changes in the thrifty food plan. This is one way that food stamps are responsive to changes in the economy. When food costs go up, food stamp allotments go up by the same percentage. H.R. 4 will discontinue use of this mechanism to keep food stamp benefits in line with the cost of food, and it will simply require that allotments be raised by 2 percent each year, no matter how much food costs might increase. CBO estimates that by fiscal year 1998, food stamp benefits will fall below what a family will need to maintain a nutritionally adequate diet if H.R. 4 is enacted. The substitute bill will not let that happen. The annual adjustments to reflect the cost of food will still be made, and instead of families getting 103 percent of what they need, they will get 102 percent—the extra 2 percent addresses the lag between the time that the thrifty food plan adjustment is made and when benefits are issued over the next 15 months.

This reduction in food stamp benefits, and several other provisions of the substitute, are included to provide some savings in the projected cost of the food stamp program. I understand that OMB projects the savings from these food stamp provisions at approximately $4 billion over 5 years. These are painful cuts, but we are providing those savings in as humane a way as we possibly can. The substitute bill requires that any net savings must go to deficit reduction and nothing else. This will assure that any reductions in benefits will only go to the employment and training programs, the coordination of AFDC and food stamps, or deficit reduction. To reduce benefits and allow the savings to be used for any other purpose is unacceptable.

Finally, the bill coordinates four commodity distribution programs: the Emergency Food Assistance Program, the Commodity Supplemental Food Program, the program for soup kitchens and food banks, and the program for charitable institutions. These programs will be consolidated into one discretionary program.

This substitute will maintain the safety net for all welfare recipients who are willing to work but unable to find jobs. It will help those recipients find work, and train them for work if that is what is needed. The policy behind the substitute demands that we reform our welfare system so that it is humane and effective as it moves people off of welfare and into jobs. Let us not punch holes in the safety net in the name of welfare reform.

Mr. SHAW. Mr. Chairman, I yield 30 seconds to the gentleman from Texas [Mr. ARCHER].

Mr. ARCHER. Mr. Chairman, may I ask my friend, the gentleman from Texas [Mr. DE LA GARZA], what are the savings in this bill that are going to go against the deficit?

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. ARCHER. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I say to the gentleman, you haven't told us. You refuse to tell us.

Mr. ARCHER. I am talking about their bill.

Mr. DE LA GARZA. The substitute mandates that it goes to deficit reduction.

Mr. ARCHER. Where are the savings in the Deal substitute?

Mr. DE LA GARZA. The savings are in the way that we revamp the food stamp program and not as much as you revamped it, you reduced them, but——

Mr. ARCHER. I will say to the gentleman, your bill spends $2 billion more.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the majority whip, the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Chairman, I rise in strong opposition to the Clinton-Deal substitute, and I applaud the gentleman from Georgia [Mr. DEAL] for his efforts to bring a conservative Democrat approach to welfare as we know it. For 30 years we have seen a series of Presidents, from Lyndon Johnson, to Jimmy Carter, to Bill Clinton, who have failed to deliver on their promise to end welfare as we know it. Now we have another approach to tinker around the edges, and a very weak effort in my opinion. The Clinton-Deal bill throws more money at the problem, creates more programs on top of programs, more job programs on top of over 150 job programs that are already out there failing, and it is amazing to me under this bill welfare spending is going to increase from $300 billion this year to $500 billion by the end of this decade.

The gentleman from Texas [Mr. STENHOLM] is so exercised on that kind of issue because the savings under our bill would not explicitly go to deficit reduction. The irony here is there are no substantial savings in the Clinton-Deal substitute to go to deficit reduction under it and a paltry $10 billion in savings as described by the previous speaker over the next 5 years out of a trillion dollars in spending on welfare.

What we have here is very basic. We have a conservative approach by the Democrat Party to take a system that asks a 14-year-old child that has a baby out of wedlock to stay in a public housing system, be isolated in a torn-down public housing unit, live among the rats and cockroaches with the drug pushers standing outside the door, and, as long as she does not get married or work, the cash will keep flowing. Their new system is all of that, living in public housing, not getting married, with the drug pushers standing outside the door. As long as she worked a little bit, the cash will keep flowing.

Mr. DEAL of Georgia. Mr. Chairman, I yield myself 15 seconds to respond to the gentleman from Texas [Mr. DELAY].

Mr. Chairman, I wish he would read my bill. It says we do not continue those benefits to underage mothers. They have to live at home with a parent or an adult, and they do not have the freedom to live in that public housing, and we require they go back to school and complete their high school education.

I would also point out there is no Clinton-Deal bill. It is the Clement-Deal bill. The gentleman from Tennessee [Mr. CLEMENT] has previously spoken.

Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Chairman, I further say to the gentleman from Texas [Mr. DELAY], ''Why don't you stop talking labels and start talking substance? It is about time. There is a way to reform welfare, and we must do it, and that is work, work.''

Mr. Chairman, the key to breaking cycles of dependence and poverty is moving people on welfare into productive work, and that is why I support the Deal bill. The Republican bill talks about work, but lets participation goals be met by States without a single person being put to work and without putting a single dollar into a Federal partnership with States to get people off work into welfare.

Welfare reform on the cheap will not work. The Deal bill ensures the necessary incentives, including child and medical care, to the person who should move from welfare and additional resources to the States to help make it really happen with reasonable time limits.

In a word, Mr. Chairman, the Deal plan is likely to move people off welfare into work. The Republican plan is more likely to move people off welfare to nowhere at all. The Republican plan is not only weak on work, it is harsh on kids from its hit on school lunches and other nutrition programs to its mandates to the States that they cannot provide a cash benefit for a child if it is born to teen mothers or if it is a second child.

The Republicans' punitive approach is seen in their treatment of middle and low income families with a seriously handicapped, physically handicapped, kid. It cuts $15 billion from the current program and replaces it with a block grant of only $3.8 billion. The Deal bill gets at abuses without being abusive to handicapped kids.

The Republican approach to SSI is a vivid example of the painful fact the Republican bill is extreme. The Deal bill is mainstream. Let us support the Deal bill.

Mr. SHAW. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. ENGLISH], a member of the committee.

Mr. ENGLISH of Pennsylvania. Mr. Chairman, as I have reviewed this so-called Deal substitute, and we do know there is no Clinton bill; I will concede that point; I can understand why there was no bill offered in committee, and I can understand why there was no bill passed by the other side of the aisle last session. What they have offered here is a tax and spend approach to welfare reform which is not going to fly because it is tied to the existing failed welfare system. This bill has cash flow problems because under it cash flows to minors, cash flows to aliens, cash flows to welfare families who have additional kids, and States are even required to pay cash to some who are not working.

Mr. Chairman, State flexibility is gutted under this bill. States need to come back to Washington to get permission to reform their welfare system. Power stays with the HHS bureaucracy, and under this bill, under this existing entitlement structure, the welfare system was preserved like a fly in amber.

There is also a $1.5 billion unfunded mandate on the States, and let us talk about taxes. I say to my colleagues, ''You may want to wake up. This is an applause line for you because we're going to talk about how you're raising taxes. You raise taxes on working moms in families with a $60,000 income range. You impose taxes on AFDC benefits and food stamps.''

□ 1900

Mr. DEAL of Georgia. Mr. Chairman, I yield 2 minutes to the gentlewoman from Arkansas [Mrs. LINCOLN], one of the original cosponsors of the amendment.

(Mrs. LINCOLN asked and was given permission to revise and extend her remarks.)

Mrs. LINCOLN. Mr. Chairman, I would just like to get one thing straight, and that is definitely that this bill is not the status quo. If people would learn to check their party sometimes at the door and take a listen to what their people are saying at home to put people above politics and read what we have got here, we would know that.

In my weekly trips home to Arkansas, I constantly hear stories of a government program called ''crazy checks.'' Teachers, doctors, bankers complain to me that parents are coaching their children to misbehave in school to get a no-strings-attached government check. Well, if we do not do something about this program, we are the ones that are crazy.

So in February of last year, I asked the GAO to investigate both the allegations of coaching and the overall integrity of the program.

And after a year of study, the GAO results confirmed my escalating concerns. The program has grown 300 percent since 1989, and the subjective IFA standard left the door open for abuse.

The GAO said, the high level of subjectivity leaves the process susceptible to manipulation and the consequent appearance that children fake mental impairments to qualify for benefits. A more fundamental problem is determining which children are eligible for benefits using this new IFA process.

Well, we eliminate that IFA program, and we do reform that program by trimming 25 percent off the rolls, but we are not cruel to disabled children.

The Office of the Inspector General at HHS said that SSI payments are not being used for special needs of children

with disabilities so that they can be engaged in substantial gainful activity.

We are the only bill that holds the parent accountable to prove that they are using those funds toward the disability of that child. For the first time, we put that accountability into a program.

The Republicans in our letters that we received certainly from the subcommittee was that all of the governors opposed H.R. 4 in terms of the SSI disability for children program.

I acknowledge the hard work that my colleagues Mr. MCCRERY and Mr. KLECZKA have put in. Though I disagree with their approach to solving the problem, I certainly applaud them for making the effort.

The Deal bill is the best one there, and I urge my colleagues to support it.

Mr. SHAW. Mr. Chairman, I yield 1½ minutes to the gentleman from Nevada [Mr. ENSIGN], a member of the committee.

Mr. ENSIGN. Mr. Chairman, the Deal bill increases taxes on middle-class families. It increases taxes by $2.2 billion by phasing out a child care credit for middle-class working families, $2.2 billion. I campaigned on a middle-class tax cut, not to raise taxes on middle-class families.

The Deal bill also will cost the American taxpayer, get this, $64 billion more than the Republican bill over 5 years. That is $64 billion.

The Deal bill is also weak on work. Let me give you an example of how in the formula you can play games with this. If somebody goes off of welfare into work, does that three times during the year, under the Deal bill this would be counted as three people going into work. That is how you can play games with the formula, and that is why this bill, one of the reasons this bill is so flawed. This bill is more symbolism than it is substance.

I urge my colleagues to vote against the Deal bill and for the Personal Responsibility Act, and I yield back the balance of my time.

Mr. DEAL of Georgia. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Florida [Mrs. THURMAN], one of the original cosponsors of this amendment.

(Mrs. THURMAN asked and was given permission to revise and extend her remarks.)

Mrs. THURMAN. Mr. Chairman, the Republicans pledged to enact a tough welfare reform bill. The Republican plan is more than tough. It is downright cruel. It is brutal to children, the elderly and families that are trying to get back on their feet.

The bottom line here is that the Republican plan takes food out of the mouths of hungry children, children whose only sin is having parents who are working through tough times or elderly folks who have to make daily decisions between buying food or medicine.

Let us set the record straight right now. This not about welfare cheats. This is about food. Make no mistake, $25 billion in cuts in food stamps alone means less food for children and the elderly.

Oh, we have heard the excuses over the weeks. A little here, a little there, it will not hurt anybody. But when a child misses a meal, it hurts that child. It hurts me. And, Mr. Chairman, it should hurt my colleagues on both sides of the aisle because the bill threatens the very future of our society.

I stand up tonight to say this is wrong. Our children are our future. When we sacrifice their well-being, we sacrifice the future of America. The Republican plan will cause children to suffer from cognitive development problems due to malnutrition. They do not eat; they do not learn. They grow up hungry, and they cannot get a job. Then where do we stand?

The Republican plan reduces the ability of hungry people to buy food. In a few years, food stamp benefits will fall below the amount needed to purchase the thrifty food plan, the bare-bones plan that was developed under the Nixon and Ford administrations. What this means is that, first, kids get no butter on their bread, then no bread on their plates, then no vegetable, then no meat. And, finally, the people of the Third World will be watching our starving children on the evening news.

Today, the benefit level is set at 103 percent of that thrifty food plan cost. The Deal plan does drop it to 102 percent but guarantees that it will never drop below the basic benefit level. The Deal plan provides the safety net for those who need it the most. Here is the Deal safety net. Here is the Republican safety net disappearing quickly.

The goal of welfare reform should be to create the most effective welfare system. I beg you to vote for the Deal plan.

Mr. SHAW. Mr. Chairman, I yield 1½ minutes to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the Deal substitute is as weak as water on the subject of work. They say that it is work first. It ought to be called job search first. If you listen closely, they keep talking about job search. They keep talking about work-related activity.

Under the Deal substitute, a person could spend up to 2 years in job search without ever doing any real work. And, ladies and gentlemen, looking is not working.

Then the Deal substitute has a loophole big enough for 500,000 welfare recipients to walk through. You see, caseload attrition counts as work participation. It is a kind of caseload revolving door. One person going on and off the rolls three times in a year would count as three people going to work. The Republican plan requires not only real work but a real net decrease in the caseload.

The Deal substitute does virtually nothing on the subject of illegitimacy and out-of-wedlock births, though the President himself has admitted the clear link between welfare and out-of-wedlock births.

Incredibly, the Deal substitute raises taxes on working moms with children, over $2 billion at the very time we are trying to provide tax relief for the American family. The Deal substitute has spending increases. It is going to cost $2 billion more over the next 5 years, while the GOP plan saves billions of dollars. It is tax and spend again and again, and the American people do not want a welfare reform plan that is going to cost more money.

Mr. SHAW. Mr. Chairman, I yield a minute and a half to the gentleman from Indiana [Mr. MCINTOSH].

Mr. MCINTOSH. Mr. Chairman, I rise in opposition to the Deal amendment.

First, let me say I appreciate the efforts of Mr. DEAL and his colleagues to work towards a welfare bill that would reduce the dependency on welfare, but there are several provisions in there that I find very troubling.

My opposition to the welfare system as we know it today is that I think it ruins the American family. It creates incentives for women to leave their husbands in order to receive benefits, it penalizes families that stick together, and it ultimately undermines the family as an institution in our society.

Provisions in this bill which end up taxing working mothers who are relying on the earned income tax credit and increase the marriage penalty in that program, I think, would be counterproductive.

I also think that allowing a statement that we are going to accept 50 percent illegitimacy rates as being OK sends the wrong signal in this country. We have to be against illegitimacy and strengthen the family and strengthen the roots that it creates in order to overcome the deep social problems that we have in this country.

So, Mr. Chairman, for that reason, I would urge my colleagues to vote against the Deal substitute and stay with the bill that came out of committee.

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. CRAMER].

(Mr. CRAMER asked and was given permission to revise and extend his remarks.)

Mr. CRAMER. Mr. Chairman, I rise in strong support of the Deal substitute, the only deficit reducing welfare reform plan.

Mr. Chairman, we must reform the welfare system from top to bottom. The current system does not work. It was intended to be a safety net for poor children and families, but it has become a burned-out bureaucracy that encourages laziness and discourages people from finding work.

I support welfare reform, and I am going to vote for the strongest plan possible. I am cosponsoring a plan drafted by the coalition,

which is a group I belong to made up of conservative and moderate House Members.

The plan I support is tough but fair. It is the best plan before Congress to get people off welfare and get them into the workforce.

The welfare reform plan I support would:

Impose a 2-year lifetime limit on welfare benefits.

Demand that people who get welfare start their job search immediately upon receiving benefits.

Impose tougher enforcement of child support, with provisions to revoke driver's licenses and withhold income of people who fail to pay child support.

Provide States with funding for job training for recipients so they can get off welfare and into work.

While other welfare proposals have been criticized for cutting the National School Lunch Program, the plan I support does not affect school lunches or any other nutrition program.

The problem with the current welfare system is not the School Lunch Program. The problem is the welfare system doesn't give people any incentive to work.

The plan I support provides benefits for a limited amount of time, during which you must look for a job. No more something for nothing.

My plan is the only one that reduces the deficit. It costs less than the current system, and it specifically directs the savings to go toward deficit reduction. Other plans put their savings toward paying for tax cuts.

This proposal is tough but sensible. It provides reasonable assistance for those in need for a limited amount of time. It provides the means and the incentive to get off welfare and get a job.

The House is expected to hold votes on the coalition's welfare reform plan and competing proposals by Friday afternoon.

Mr. DEAL of Georgia. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. TANNER], one of the original cosponsors of this legislation.

(Mr. TANNER asked and was given permission to revise and extend his remarks.)

Mr. TANNER. Mr. Chairman, I want to thank the gentleman from Georgia [Mr. DEAL] and say that the six of us who have been working on this for 3, almost 4 years now, none of us are committee chairmen, none of us are ranking members of a committee, and so the gentleman was right when he said it is really, I think, a tribute to the merit of this work that our staffs and others have done that we are even on the floor tonight.

We looked at our welfare system again about 4 years ago and decided that we needed to change it for three or four reasons.

One, the present system encouraged unwed motherhood, and that is wrong, and we changed that in our bill.

Second, it discouraged two-parent families, and that is wrong, and we changed incentives in the system in this bill.

Third, we knew we had to do child care and some things for kids so that people could accept a job and go to work, and we went about this in a way that was quiet in many respects. But it was like this. We went with one guiding principle, and that is if life, as one man once said, is about nothing else, it is about the dignity that comes with earning one's own way.

Our bill is the only one that really and truly tries to get people back to work with self-sufficiency contracts, with a partnership with the State. We try to fix the things that are wrong with the Federal system before we dump it on the governors and the legislatures and the cities of this Nation.

I have letters from the U.S. Conference of Mayors, the National League of Cities against H.R. 4 because of what they see coming down the road in terms of unfunded mandates. But I am not going to get into all that tonight.

Let me tell you what I am going to talk about with the little time I have got left. Very similar to our bill, 162 Republicans in the last Congress signed a bill just like this, almost like it, and we have been working with them a long time.

The six of us that are sponsors of this bill cannot be accused of being partisan voters. We have had, we collectively have, I would suggest, the most nonpartisan voting record in this House over the time we have been here. And for the criticism that comes from the Republicans tonight on some of the things that they have been for until it was here tonight as our bill, I think, is disgusting and disgusting for this reason. The American people have got enough sense to know that neither party has got a monopoly on wisdom and virtue. And they are tired of partisan gamesmanship and this unbelievable rhetoric at the level that there is, and 162 of you were for it when we had this almost same bill in the last Congress, and now all of a sudden it is bad.

I think it is a shame. I think the American people want this Congress to work for them and do something about our problems. We have got a chance to do it tonight, and I would urge us to lay aside our partisan differences and try to do that.

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Mr. SHAW. Mr. Chairman, I would say to the previous speaker that if we started pointing out the good parts, they would start losing votes on that side.

Mr. Chairman, I yield 1½ minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, I thank the gentleman for yielding time to me.

Let us look at what the Republican bill actually does. It actually requires actual people actually on the welfare case load to work; 2,225,000 people by the beginning of the next decade will have to work under the Republican bill. And it is work as the American people understand work, working at a job.

Let us look at what the Deal bill has. It has job search. It has education and training. It has personal employability plans. Where have we seen that before? In the 1988 welfare bill, which was also called a workfare bill. Do you know how many people are working now that we have had the 1988 bill for 6 years, 26,000 people out of 4½ million people are working. That is how many people are going to be working under the Deal bill. It is the same old wine and it is not even in new bottles. It is the same old wine in the same old bottles.

We are taxing middle-class Americans. We are pouring the money into billions and billions of dollars worth of new bureaucracies, personal employability plans, education and training. No where does the bill define work as work, and nobody will be working.

The bill does nothing about illegitimacy. It allows the illegitimacy rate to continue to grow. It creates new bureaucracies instead of requiring work. It maintains the Federal lock hold on the welfare system. It is the kind of welfare reform that we have had in the past.

Mr. Chairman, it proves that we need not just to end welfare as we know it, we need to end welfare reform as we know it.

Vote for the Republican welfare bill and against the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. LATHAM].

Mr. LATHAM. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to oppose Mr. DEAL's substitute amendment to the Personal Responsibility Act. The current welfare system is fundamentally broken. We must replace it, instead of tinkering around the edges.

The Deal substitute retains ultimate power in the hands of Federal bureaucrats. Allow me to give some examples:

States will still have to come to Washington bureaucrats to get waivers to try anything new or innovative. These waivers can take years to obtain.

The Deal substitute also preserves the Federal bureaucrats power over work programs. More ''Washington Knows Best.'' Job placement vouchers, work supplementation and workfare are all subject to the blessing of Federal bureaucrats.

I support the Personal Responsibility Act because it will not require Governors—who are far ahead of Washington when it comes to welfare reform—to seek permission from Federal bureaucrats for their innovate welfare-to-work programs.

The bottom line is that the Deal substitute fails to meet the public demand to end welfare as we know it. I urge my colleagues to vote against the Deal substitute.

Mr. SHAW. Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia [Mr. COLLINS], a member of the committee.

Mr. COLLINS of Georgia. Mr. Chairman, I thank the gentleman for yielding time to me.

Members, opportunity knocks only once. But temptation will beat your

door down. The Deal substitute is a temptation. It is a temptation that continues an open-end entitlement program.

What is an entitlement? An entitlement simply means that if you fit the criteria of a program, you are entitled to the money that comes from that program. Should not states have the opportunity to adjust their criteria? No, under the Deal substitute, they continue to be faced with mandates of how to beat that criteria.

States should have the flexibility to adjust. A lot has been said about Governors, Republican Governors, mainly, but I want to mention a Democrat Governor from Georgia, Zell Miller, a real leader in welfare reform.

Just last December, he said, ''MAC, when it comes to welfare reform, just send me the money. Even if you have to send it be less, I will handle welfare reform in Georgia.'' And he has and he will continue to do so.

Let us end the Washington bureaucracy. Let us give the States and the local governments the ability to assist their citizens. Compassion begins at home, my colleagues, not in Washington.

Mr. SHAW. Mr. Chairman, I reserve the balance of my time.

Mr. DEAL of Georgia. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas, Mr. GENE GREEN.

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Chairman, I rise in support of the Deal amendment.

I support the substitute offered by Representative DEAL which provides real reform of our Nation's welfare system without penalizing children, seniors, or economically disadvantaging people. Congress must provide training and transitional assistance to move Americans from welfare to work. Without providing the helping hand to welfare participants, Congress will force them to make a choice between health care benefits, child care and housing assistance, or work. No one should be forced to pick between their children or work.

We must take charge and reform the welfare system which penalizes families for staying together or trying to obtain work which will cause the loss of several assistance programs. The Deal substitute does provide this assistance in the crucial transition period. A 2-year extension for medical assistance allows a welfare recipient to better their life and keep their health care benefits.

The Deal substitute is tough love but it provides the helping hand for recipients to move on to a better life. Deal requires double the number of people to work than the Republicans do and provides more assistance. While the Republicans claim they are tough on requiring work for welfare, the Deal substitute requires it.

The Deal substitute allows nutrition programs to continue under current law. The Republican bill cuts school lunch and completely changes the entire program. Under the Republican's bill, school breakfast and lunch funding is guaranteed to Governors but there is no guarantee of a school lunch meal for our children. The block grant funding system does not allow for any of this and will force the State of Texas to make up for lost funding either by raising taxes or cutting services. Cutting services means fewer meals.

The Comptroller for the State of Texas estimated a loss of federal revenues of over $1 billion in the next 2 years if the Republican welfare bill is passed. Congress must not force this massive cost shift onto the States. We passed the unfunded mandates but this will be an unfunded mandate beyond any other. The State of Texas will be forced to take charge of programs which the Federal Government is abandoning.

We must not turn our backs on the children, seniors, or any Americans. I support the Deal substitute and I ask for its passage.

Mr. DEAL. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. FORD].

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, I rise in strong support of the Deal substitute. I have worked with him over the past 6 weeks, and we have looked closely at this bill. And we strongly support this substitute for a real work bill.

Mr. DEAL. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. LEWIS].

(Mr. LEWIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Chairman, I rise in support of the Deal bill.

Mr. DEAL. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I said at the outset that we are the Cinderella team here. We are just pleased to be invited to the ball. We had to come as we were. One of our stepsisters got invited. They were supposed to be the one that wore the shipper. We have taken 2 days and 31 visits to the beauty shop to try to improve their dress, to improve their hair style and to give them a facial makeover.

But we are glad to be invited to the ball. We thank all of you for that opportunity.

Let me address some of the issues that you have stated previously. First of all, we think that unfortunately, if you are going to break welfare, you have to get people to work. You saw the charts that were displayed on this side.

The one glaring error is that on the Republican bill you can count somebody in your work requirements just by simply kicking them off the rolls whether they ever to go work or not. We do not allow that.

Let us look at the percentages here. You will see the percentages. As you notice, one of the makeovers did increase the percentages, but it did not give the States any additional revenue to achieve these goals. If it costs money to get people to work, where is the extra revenue to get them to work? We believe it is one of the largest unfunded mandates that States and communities will ever see.

We have a letter from the Conference of Mayors, indicating they think that it is a shift, made reference to the fact that the Governors, Republican Governors Association endorsed a letter against us. I notice that only eight of them signed it. I thought you had significantly more than that. Maybe they will get around to signing it later.

Let me talk to you about the issue of flexibility. We talk about flexibility, and we talk about funding. This is the funding mechanism. you are not going to be able to get people off of work by cutting child care benefits. You are not going to get people off of work without giving them the incentive for additional transitional Medicaid so that a working mother does not lose the health care for her children. And that costs the money. You have got to have incentives for people to go to work. We do it and we save money.

How much is it going to cost? I want to talk to you about how much it is going to cost.

The CBO scores these things. That is what they are there for, and they are now under the Republicans' control. And we have talked about how much things are going to cost.

CBO has scored both bills, and they have looked at it from the standpoint of are you achieving the goal of getting people off of welfare and into work. What do they say? They say that we can meet our work requirements under the bill and probably not use all of the resources.

What do they say about the Republican version? They simply say that none of the 50 States, including the territories, will be able to reach the goals of work that they schedule.

You can talk about us being able to allow people to look for jobs and job search. Yes, we do require that within 30 days from the time we began. But, gentleman and ladies on the other side, you allow people to sit at home for 2 years and never have to go to work. They do not even have to look in the yellow pages or in the work section of the newspaper.

I would urge Members to look at this bill on the merits. We think it is a substantial improvement over what is being offered.

We are Cinderella, and we believe at the end of the ball we will be wearing the slipper.

Mr. SHAW. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we have had a long few days. I think we have had some good moments in this Chamber, and I think we have had some of our worst moments in this Chamber. But I am struck by the fact that no one has come to the floor and defended the status quo, despite the fact that for so many years the Democrats of this House have prevented real welfare reform.

The gentleman from Tennessee who spoke just a few moments ago about

working with us on other legislation, he has. The gentleman from Texas [Mr. STENHOLM] mentioned the child care bill. We worked on that together, and we got good legislation.

The problem is here there is too much politics and there is not enough cure. But let us look for a minute. I want to be very complimentary of the gentleman from Georgia [Mr. DEAL] for doing this and being able to bring about some of the Members of his party who are dead fast against any reform to bring them on board.

You say you have been back and forth to the beauty parlor. Some areas you have sat under the dryer too long, I might say. I think that there are areas that your bill is very commendable. But I am not here to tell you where you did good.

I am here to tell you where you messed up. And I know you messed up because of the compromises that you had to make to bring so many of your Members aboard.

You increase the deficit by $2 billion. This is not a time to do this. The Republican bill decreases the deficit. It adds back to $67 billion. That is a big, big difference.

You increase taxes. That is a mistake in this atmosphere. It is a mistake to increase taxes, and you increase it on over 2 million middle-income families. That is a very, very big mistake. You should not have done it. You should not have weakened to that.

It is weak on work. There is no question about it. When you say someone is looking for work, that counts as work. And you say you are tough on work. All you have to do is go home and say, I am working on my resume or send your resume to be president of General Motors and by God you are looking for work. But that should not score.

On our side we say that you cannot, it is not a question of sitting home 2 years. Many of the Governors today, they provide that you have got to work the first day. You absolutely gut the program that is now in place in places such as Massachusetts and Michigan, where they are requiring them to go to work.

Under the Deal bill they can say, I am getting an education and training. I am not going to go to work. I got 2 years.

Under our bill, the States can say, no, you do not. You are going to work right now, because there is work out there and it is there for you and you are going to be able to take it.

The unfunded mandates and keeping the bureaucracy here in Washington is the greatest tragedy of this bill.

Vote ''no'' on the Deal bill.

Mr. HOYER. Mr. Chairman, the current welfare system is at odds with the core values Americans share: work, opportunity, family, and responsibility.

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.

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 common-sense 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.

And it must give states maximum flexibility to shape their welfare system to their needs, while upholding the important national objectives I have just listed.

Tuesday, in debate on the House floor, Mr. CASTLE said the Republican bill is a ''big bang'' approach to changing welfare. He was right—and it's the kids who are getting banged up.

As Governor Mike Lowry of Washington State says regarding the Republican bill, ''I recognize the serious need to reshape and revitalize our public welfare system, but I oppose prescriptive Federal mandates that would harm children.''

I rise today to support the Deal substitute. This is the only bill before this House which meets my criteria. It is the only bill before us which makes fundamental changes to the current system without hurting children.

The Deal substitute reinforces the values which Americans share: Hard work, self discipline and personal responsibility. It is tough on work, fair to kids, holds recipients accountable to the government, and makes both parents responsible for taking care of their children.

The Deal bill is tougher on work than any proposal before the House. As Governor Tom Carper of Delaware wrote, the Republican bill ''will not do what the public is demanding—that is, ensure that welfare recipients work.''

Under the Deal bill, each individual coming onto AFDC will be required to sign a comprehensive individualized responsibility plan. This contract outlines what welfare recipients must do in order to receive Government assistance. The plan requires that each recipient begin to look for a job immediately, and work to gain the tools which will move them from welfare to work. Nobody who refuses to work will get benefits.

In addition, the Deal bill requires States to meet higher participation rates than the Republican bill does. The Republican bill would count any kind of caseload reduction towards States' work participation rates, whether people are working or not. Under the Deal bill, people will be given the opportunity to gain the skills they need to get a job—with time limits that create the right incentives to do so.

The Deal bill is also better than the Republican bill for what it does not do—it does not make children pay for the behavior of their parents. As Governor Benjamin Cayetano of Hawaii says, ''The Republican proposal will bite into the already overburdened safety nets of State and local government and numerous nonprofit organizations. It will bite into the tight budget of families working hard to get off welfare. And, most unfortunately, it will be the children in these families who will suffer the most.''

Unlike the Republican bill, the Deal bill maintains the guarantee that no kid will go to school hungry. The Deal bill budgets enough funding for child care to make sure no kid will be left at home alone when mom and dad go to work. As Governor Dean points out, the Republican bill ''not only appears to reduce child care assistance by roughly 20 percent over 4 years, it would not account for projected increases in child care needs for welfare recipients who are required to work under the bill.'' The Deal bill makes sure welfare recipients can go to work without fearing for their children's safety—a critical element of workable welfare reform.

As Governor Roy Roemer of Colorado points out, ''it is unacceptable to expect a parent to enter employment if it means their children's safety and well-being is jeopardized by lack of child care or medical assistance.'' Governor Gaston Caperton of West Virginia tells us that ''we need to eliminate the disincentives to work running through our welfare system, by providing transitional health and child care benefits.'' Unlike the Republican bill, the Deal bill provides adequate funding for child care, and extends Medicaid eligibility for an additional year to help people move from welfare to work.

The Deal bill also cracks down on deadbeat parents to make sure

they live up to their responsibility to support their kids. It sends a crystal clear message to all Americans: You should not become a parent until you are able to provide and care for your child.

The Deal bill puts the teeth into our child support enforcement system that the Republicans took out of their bill. It includes the provisions Mrs. KENNELLY and I fought for in the Rules Committee last week which withholds or suspends the professional and driver's licenses of people who have not made their child support payments.

The Deal bill will send a strong message that parents—even teenagers—must be responsible for their children. Under this bill, teen mothers will be required to live at home and stay in school. We will send the message that we will support children of teenagers only while their parents are preparing to support them independently.

The Deal bill is also better than the Republican bill for what it does not do. The Republican bill wages an attack on the basic food programs that make sure 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 almost $7 billion below the funding that would be provided by current law.

Do not just rely on me to tell you. Gov. Howard Dean of Vermont says, the Republican bill ''would decrease funding, repeal nutritional standards and permit States to siphon off school lunch funds to pay for other programs. This is wrong and it should be stopped in its tracks.''

In the Republican bill, funding for the Women, Infants and Children Program is 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.''

The Deal bill maintains the current-law competitive requirements in WIC that save money for the taxpayers—and increase the number of women and children we can help in this program.

The Deal bill also maintains current funding levels for foster care. Adoption and foster care services are already overloaded, and 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.

As Governor Lowry says, ''The overall effect of the welfare reform proposal may force more children into foster care; yet the State will have fewer funds to meet this increased need. Moreover, if the funds provided are diverted primarily into foster care, then there will be even less money available for family support and preservation, adoption, finding permanent homes for children, or prevention.''

The Republican bill restricts State flexibility. Gov. Mel Carnahan of Missouri says that H.R. 1214 ''would undermine the reform that has already begun in States like Missouri'' because it would ''provide (block grants) with very little flexibility. The legislation is full of micromanagement prescriptions. Furthermore, the funding to achieve true reform and provide for recipients in harsh economic periods would be, at best, uncertain.'' Governor Dean says that H.R. 1214 ''is overly prescriptive by telling States how to design their reforms and who they can serve. It fails to meet the commitment of the leadership to grant States the flexibility we view as critical to successful State-based welfare reform.''

As Governor Carnahan says, the Deal bill ''acknowledges what is needed to help people move from welfare to work. This measure would emphasize work requirements, bind recipients to an individual responsibility contract in order to receive benefits, and encourage responsible parenting.''

Both Democrats and Republicans agree the current welfare system needs to be overhauled. The Deal bill is tough on work without being tough on kids. It represents true welfare reform—not the wealth-fare reform the Republicans propose.

The Deal bill is the change we need to end welfare as we know it. I urge your support for this bill.

I would like to submit the text of these letters from Governors across the country for the RECORD.

OFFICE OF THE GOVERNOR,
Montpelier, VT, March 22, 1995.

Hon. RICHARD GEPHARDT,
Democratic Leader, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE GEPHARDT: As the House of Representatives debates welfare reform, I wanted to share with you my concerns about the Republican proposal, H.R. 1214, The Personal Responsibility Act.

Vermont was the first state in the nation to implement a statewide welfare reform initiative that includes both work requirements and time limits. Our goals are to strengthen incentives to work, make dependence on cash assistance transitional, and promote good parenting and individual responsibility. Although our reforms took effect in July we are already seeing encouraging results. In the first six months of operation, the number of employed parents in our program increased by 19 percent and their average monthly earnings grew by 23 percent.

We were hopeful that federal reforms promised by the 104th Congress would complement and propel Vermont's reform initiative. However, after closely following the progress of welfare reform in the House and examining the details of H.R. 1214, I can only conclude that this proposal will deal a severe blow to our efforts in Vermont by shifting responsibility and costs to the states.

First, I believe there is a national interest in protecting children and that a child in Mississippi is no less important than a child in Minnesota. Any welfare reform should embrace this national priority and ensure that children are protected and not penalized for the mistakes of others. The Personal Responsibility Act fails to meet this minimum test of decency and represents a declaration of war on America's children.

The failure of the leadership to meet this test is best illustrated by their proposal to block grant the school lunch program, a program that works and puts food directly into the mouths of hungry children. The bill would decrease funding, repeal national nutrition standards and permit states to siphon off school lunch funds to pay for other programs. This is wrong and it should be stopped dead in its tracks.

Second, states have asked for flexibility to tailor welfare reforms to meet the special circumstances present in every state. H.R. 1214 is overly prescriptive by telling states how to design their reforms and who they can serve. It fails to meet the commitment of the leadership to grant states the flexibility we view as critical to successful state-based welfare reform.

Finally, I am convinced, based on our experience in Vermont, that real welfare reform will not save the states or the federal government money in the short run. If the leadership is serious about moving people from welfare to real and meaningful work, it has missed the mark. Slashing $69 billion dollars over five years from the very programs that would help people transition from welfare to work is a demonstration of the leadership's seriousness of purpose in welfare reform. Without sufficient federal support for true welfare reform, H.R. 1214 is simply another unfunded mandate imposed on the states.

Dick, I stand ready to work with you in any way to improve this bill and I appreciate your leadership on this critical issue. Please feel free to call on me if I can be of any assistance.

Sincerely,

HOWARD DEAN, M.D.
Governor.

EXECUTIVE CHAMBERS,
Honolulu, HI, March 21, 1995.

Hon. RICHARD GEPHARDT,
House Democratic Leader, U.S. Capitol, Washington, DC.

DEAR CONGRESSMAN GEPHARDT: On behalf of the State of Hawaii, I want to express my strong support for the efforts of the House Democrats to craft a bill that would produce meaningful and effective welfare reform.

The State of Hawaii believes that real welfare reform invests in people. This means welfare programs that train people for the kinds of jobs that will allow them to earn a decent living, to live a life off welfare, to be self sufficient. Our state Department of Human Services is taking action to make this kind of program a reality. We have in place programs which require recipients to work part-time while receiving job skills training. This type of program empowers the recipients by providing them with meaningful work experience concurrent to learning more effective job skills. It also will save the state millions of dollars.

Under the House Republican bill, welfare stands a good change of becoming well-unfair. Unfair to welfare recipients who will see basic benefits cut and eligibility standards devised which do not work in the real world. And, unfair to the states who will find themselves paying out of their own pocket for programs mandated, but not funded, by Congress.

On the surface, the House Republican bill's goals of turning 336 welfare programs into 8 block grants sounds appealing. It sounds like common sense. It sounds like government being wise. In reality, the sound bites of the House Republicans are just that—sound bites. The Republican proposal will bite into the already overburdened safety nets of state and local government and numerous nonprofit organizations. It will bite into the tight budget of families working hard to get off welfare. And, most unfortunately, it will be the children in these families who will suffer most.

We in Hawaii cannot let this happen. Our community will not stand idly by while others attempt to hobble our ability to care for our vulnerable populations.

I and other Democratic Governors believe that the health and safety of children should be protected. That means welfare reform with compassion. The House Republicans proposal overlooks this key guiding principle of welfare.

This proposal also restricts a state's ability to gain meaningful welfare reform tailored to the specific needs of an individual state. I stand with my fellow Democratic Governors in asking for significant state flexibility which is free of the bureaucratic prescriptive language and hazy funding mechanisms.

Congressman Gephardt, your leadership in crafting a reality based welfare reform bill is heartily appreciated in the Aloha State. The Democratic Governors have been national leaders in the welfare reform movement, and we stand ready to help you in any way possible to fashion a welfare bill that will emphasize personal responsibility, promote self-sufficiency, provide economic opportunity and encourage families to stay together.

With warmest personal regards.

Very truly yours,

BENJAMIN J. CAYETANO,
Governor.

OFFICE OF THE GOVERNOR,
Jefferson City, MO, March 22, 1995.

Hon. RICHARD GEPHARDT,
House Democratic Leader, Washington, DC.

DEAR DICK: I am writing to express my concerns about the welfare reform proposal, H.R. 1214, scheduled this week for debate on the House floor. Unfortunately, this legislation is not a serious attempt to reform welfare. If passed, it would cause more damage than good to Missourians who are trying to improve their lives.

Democratic governors want to accomplish real welfare reform and understand how to achieve it. It has been Democratic governors who have instituted statewide programs to help recipients break the cycle of dependency and go to work. Democratic governors know that to achieve true change, people must become self-sufficient, find and maintain a job, and be responsible for their families.

The welfare reform legislation that was passed in Missouri last year accomplishes all of these goals and more. Missouri's program emphasizes jobs and self-sufficiency. AFDC recipients, for example must enroll in self-

sufficiency pacts that are time-limit contracts with a 24-month time limit and possible 24-month extension. Minor parents must live in their parent's home to receive AFDC.

Missouri's reform does not stop there. Work is rewarded by allowing families to keep a greater share of the money they earn without experiencing a sudden loss of resources. Wage supplements go to employers who create jobs in low-income neighborhoods. Child care is made accessible for those who go to work. Paternity acknowledgment at birth is increased. Perhaps most importantly, Missouri does not tear away the ''safety net'' for children. These are the responsible ways to help people to help themselves.

Unfortunately, the same cannot be said for H.R. 1214. Self-sufficiency and work are not emphasized. Support for children is not ensured. In fact, this legislation would undermine the reform that has already begun in states like Missouri. For example:

Block grants (which are by their nature intended to provide flexibility to states) would be provided along with very little flexibility. The legislation is full of micro-management prescriptions that are required of States. Furthermore, the funding to achieve true reform and provide for recipients in harsh economic periods would be, at best, uncertain.

Welfare recipients are denied the training, child care, and health care that are needed to help recipients to qualify for, obtain, and keep jobs. In fact, child care assistance would be reduced approximately 20% over the next five years.

Innocent children would be punished because federal funds could not be used to support children born to a young mother, born to current AFDC recipients, or born into a family that has received AFDC for more than five years. Foster care protections currently in place would be eliminated by this bill and the guarantee of child nutrition programs for low-income children would be eliminated.

These are only a few examples of the problems that are evident with the Republican approach to welfare reform. As for alternative approaches, the proposal put forth by Congressman Nathan Deal (the Individual Responsibility Act of 1995) seems to be a much more legitimate approach to improving the current welfare system. This measure acknowledges what is needed to help people move from welfare to work. This measure would emphasize work requirements, bind recipients to an individual responsibility contract in order to receive benefits, and encourage responsible parenting.

Dick, I appreciate your leadership in trying to achieve true welfare reform. There are ways to reform welfare without punishing those who are less fortunate. I am proud of what we are doing in Missouri and pleased to see many other Democratic governors striving to better serve the people of their states.

Please let me know if there are more ways we can work together with Congress to reward self-sufficieny, hard work, and personal responsibility.

Very truly yours,

MEL CARNAHAN,
Governor.

STATE OF DELAWARE,
OFFICE OF THE GOVERNOR,
March 21, 1995.

Hon. RICHARD GEPHARDT,
Washington, DC.

DEAR DICK: As one of the NGA's two lead governors on welfare reform, let me take this opportunity to bring to your attention my serious concerns about the House Republican welfare plan, H.R. 1214, which I understand will be considered by the House this week.

You may be aware that earlier this year, I announced my statewide welfare reform initiative, ''A Better Chance.'' My plan seeks to ensure that 1) work pays more than welfare; 2) welfare recipients exercise personal responsibility; 3) welfare is transitional; 4) both parents help support a child; and, 5) two-parent families are encouraged, and teenage pregnancy is discouraged.

Under this plan, welfare recipients who go to work will receive an additional year of child care assistance and Medicaid, as well as part of their welfare grants for their families and an individual development account for continuing education, job training, and economic stability. Welfare recipients will be required to sign contracts of mutual responsibility, and a two-year time limit on cash assistance for recipients over 19 will be imposed, after which recipients will be required to work for their AFDC checks. Teenagers will be required to stay in school, immunize their children and participate in parenting education. To discourage teenage pregnancy, I've begun a grassroots and media outreach campaign to convince teens to postpone sexual activity or avoid becoming or making someone else pregnant.

In essence, Delaware's plan contains strong work requirements, addresses the critical need for child care and health care for poor working families, helps recipients find private-sector jobs, outlines a contract of mutual responsibility between welfare recipients and the state, imposes real time limits on benefits, and lifts barriers to the creation of two-parent families.

As I've reviewed the House Republican plan, H.R. 1214, I believe that it will undercut our efforts in Delaware to enact real welfare reform. As written, H.R. 1214 will not ensure that welfare recipients make the transition to work, will not give states the flexibility needed to enact real welfare reform, and will not assure adequate protection for children.

WORK

The House Republican plan, H.R. 1214, will not ensure that welfare recipients make the transition to work. The litmus test for any real welfare reform is whether or not it adequately answers the following three questions 1) Does it prepare welfare recipients for work? 2) Does it help welfare recipients find a job? 3) Does it enable welfare recipients to maintain a job? The Republican proposal, H.R. 1214, fails to meet this litmus test. This proposal will not do what the public is demanding, that is, ensure that welfare recipients work.

Real, meaningful welfare reform requires recipients to work and my welfare reform plan for Delaware contains stiff work requirements. However, this proposal not only does not include any resources for the creation of private sector jobs, but it would repeal the JOBS program, a program focused on assisting welfare recipients in preparing for and obtaining private sector jobs, and reduce funding for combined AFDC and work requirements. The JOBS program, a central component of the 1988 Family Support Act, received strong bipartisan support from Members of Congress, the Reagan Administration, and the National Governors' Association. The JOBS program in Delaware, ''First Step'', has been nationally recognized for its success in training and placing thousands of welfare recipients in jobs. While I certainly support greater state flexibility in the use of JOBS funding, I am concerned that the elimination of this program without replacing it with a means for ensuring the transition from welfare to work would reduce the focus of welfare reform on work. I believe that additional resources, not less, should be targeted to ensuring that welfare recipients can successfully make the transition to work.

The Republican proposal, H.R. 1214, will not assure that families who work will be better off than those who don't because it would deny welfare recipients who go to work the child care, health care, and nutrition assistance they need to improve their lives and to keep their children healthy and safe. That is simply impractical and wrong.

For example, H.R. 1214 will not assure child care assistance to welfare recipients who go to work, or participate in job training or job search activities. In my state, I will be requiring welfare recipients to go to work, and to ensure that they can prepare for, find and maintain a job, I will be providing significant new state dollars for child care assistance. However, this legislation not only appears to reduce the child care assistance by roughly 20 percent over five years, but it would not account for projected increases in child care needs for welfare recipients who are required to work under the bill. I believe that it is unrealistic to expect many welfare recipients to keep working or participate in job training if they are not provided some assistance with child care.

Additionally, H.R. 1214 allows the one-year extension of Medicaid benefits for welfare recipients who go to work to expire at the end of fiscal year 1998. The expiration of this provision will remove both the work incentive that this provision provides, as well as the assurance that welfare recipients who go to work and their children can continue to receive health care coverage. I authored the one-year extension of Medicaid benefits which was adopted by the House in the 1988 Family Support Act, and I am disappointed that this legislation would not extend such a work incentive. I would urge consideration of an additional year extension of Medicaid for welfare recipients who go to work, as I am seeking in my federal waiver application.

STATE FLEXIBILITY

The House Republican plan, H.R. 1214, will not give states the flexibility needed to enact real welfare reform. In addition to the roughly $69 billion projected loss in funding for these programs, H.R. 1214 significantly alters the federal-state partnership which has assured both federal and state support for children and families in need. Under H.R. 1214, states would not be able to count on increased federal support during times of recession, to help the thousands, perhaps millions of children and families who will need government assistance.

When I came to the Congress in 1982, I recall the state of our nation's economy. Working families who never thought they'd need the government's support, applied for government assistance. Both the federal and state governments reached out to these families and their children by providing critical support through this difficult time. I am deeply concerned about the next recession, or the next disaster, or the next unforeseen circumstance that will occur in my state, in any of our states or in our country, in which the people in our states will call for our assistance. This proposal makes no attempt to address these unforeseen calamities—it does not include adequate adjustments for recessions, population growth, disasters, and other events that could result in an increased need for services. As you may recall, the welfare reform resolution which was unanimously approved by the governors at the National Governors Association meeting in January called for any block grant proposal to address such factors. I've attached a February 23 letter to Chairman Archer, signed by Governors Thompson, Engler,

Carlson, Dean, Camahan, and me, outlining these and other concerns.

While I recognize that the bill includes a Rainy Day Fund, the meager size of the fund and the fact that it is a loan fund which states are required to repay within three years, rather than a grant to states, makes it a wholly inadequate anti-recessionary tool.

In addition, H.R. 1214 expressly prohibits states from using the funding under the cash assistance block grant to serve children born to unmarried mothers under 18, additional children born to mothers who currently receive AFDC, and children and families who have received AFDC for five years or more. Decisions on which populations to serve should be determined at the state level, not mandated by Congress. These provisions should be modified as state options.

Furthermore, states are required, under H.R. 1214, to reduce AFDC benefits for children for whom paternity is not yet established. I favor requiring full cooperation in paternity establishment as a condition of AFDC receipt, but I believe that this particular provision in H.R. 1214 discriminates against women who have fully cooperated.

I believe that this proposal's significant reduction in funding, lack of a safety net and recessionary tools, as well as its numerous prescriptive mandates, threatens to limit the very flexibility I am seeking to ensure successful reform of the welfare system in my own state, and very likely in other states.

CHILDREN

The House Republican proposal, H.R. 1214, will not assure adequate protection for children because it reduces the federal commitment to some of the country's most vulnerable children in a number of significant ways.

For example, H.R. 1214 eliminates the safety net for children by removing the entitlement status of AFDC. Under H.R. 1214, states are expressly prohibited from using these federal funds to serve millions of children, and the bill does not assure children, whose parents go to work, child care, adequate nutritional assistance, or health care coverage. By requiring states to reduce benefits to children for whom paternity has not yet been established, H.R. 1214 will negatively impact millions of children. The most egregious examples are the bill's dramatically reduced federal commitment to assist disabled children, children in foster care and adoptive placements, and children who are abused and neglected. Historically, Congress determined a federal responsibility to support children placed in foster care who came from AFDC-related households in the same way parents continue to pay child support while their children are in foster care. To end this relationship is a fundamental change in the federal government's national commitment to children.

In addition, H.R. 1214 reduces the federal commitment to a number of crucial child nutrition programs, namely school lunch and school breakfast, as well as WIC. During my tenure in Congress, I, along with most of my colleagues in the House, strongly supported the school lunch and breakfast programs because these programs have been critical in ensuring childrens' health and nutrition, and also strongly supported fully funding the WIC program. Over the past twenty years, WIC has been a critical program in dramatically improving the nutritional status of mothers and their infants. Proper nutrition during pregnancy and in the early years of life is the most critical element in the development of a child. WIC is cost-effective, as a noted Harvard study demonstrated—every dollar invested in WIC saves three Medicaid dollars. I am disappointed that this legislation reduces WIC funding, and eliminates federal cost containment requirements to competitively bid formula rebate contracts, a provision which reduced WIC costs by a billion dollars in FY94.

I am concerned about the serious negative impact of all of the above provisions on children. None of these provisions are essential to transforming the welfare system and in some instances, e.g. child care reductions and removal of a federal guarantee of child care for welfare recipients who go to work, they will have the direct opposite effect on reform efforts.

It is disturbing to me that children who are most at risk are targeted under this bill—this will only serve to put more children at risk and further exacerbate an already overburdened child welfare system. Early proposals in the Contract with America, spoke to the potential increased need for a safety net of foster care when hard time limits for welfare reform are put in place. To reduce funding for foster care while acknowledging increased demand from the very population federal foster care was designed to protect is illogical at best. Essentially, these provisions are outright discriminatory and unconscionable, and should either be modified or entirely removed from the bill.

In sum, this legislation will not transform the welfare system. Rather, it would severely undercut our efforts to reform the welfare system in my state. As I am seeking to ensure that welfare recipients prepare for, find, and maintain jobs, I am deeply troubled by this legislation's negative effect on reforming the welfare system here and elsewhere.

I am strongly opposed to H.R. 1214 and I would urge Members of Congress to vote against this legislation, and instead, support the Deal substitute, which in my view, represents real welfare reform. Representative Deal's legislation focuses on providing assistance to prepare welfare recipients for work, and to help welfare recipients find and maintain jobs, as well as ensure that work pays more than welfare, which H.R. 1214 fails to do.

Representative Deal's legislation, in contrast to H.R. 1214, appropriately establishes the framework of a federal-state partnership to transform the welfare system by giving the states the flexibility to pursue innovative approaches and the resources to successfully implement work-focused welfare reform.

I appreciate the opportunity to share my concerns with you, and I look forward to continuing to work with you in the effort to transform our nation's welfare system.

Sincerely,

TOM CARPER,
Governor.

STATE OF WASHINGTON,
OFFICE OF THE GOVERNOR,
Olympia, Washington, March 22, 1995.

The Hon. RICHARD GEPHARDT,
House Democratic Leader,
Washington, DC.

DEAR CONGRESSMAN GEPHARDT: I am writing to express my concerns about the proposed Personal Responsibility Act (PRA). I believe this bill, which would essentially dismantle this country's social safety net and replace it with a series of block grants, will be detrimental to Washington State and the nation as a whole. This bill contains a number of provisions that will harm children and likely result in higher, hidden costs to states and local governments.

The welfare reform provisions of this bill would disallow cash assistance to both mother and child when a mother under age 18 bears a child out of wedlock. The bill will also deny additional cash assistance for a child born while a parent is on welfare, bar most legal immigrants from receiving public assistance, and stop aid to families with an adult not cooperating with the child support enforcement system.

While I support the broad program goals of the PRA and recognize the serious need to reshape and revitalize our public welfare system, I oppose prescriptive federal mandates that would harm vulnerable children. I would like to see specific policies in place that protect the well-being and safety of children. This is not a state-by-state interest, but a national one. I favor retaining Aid to Families with Dependent Children (AFDC) as an entitlement program open to any needy family and child who qualifies for benefits.

I am also concerned that block granting will not provide our state with the funding needed to make the radical changes to our welfare system mandated by this legislation. Block granting cash welfare as proposed represents the worst of both worlds—not only reduced funding, but also higher program costs for states to meet expensive conditions and restrictions. If block grants are going to be created then the entitlement nature of the programs must be retained and the prescriptive mandates eliminated. Each state should have the flexibility to determine what reform will work best in that state.

Further, the PRA food and nutrition proposals will be determined to the children of Washington State. Due to effective targeting and outreach, there has been a 43 percent increase in the number of children receiving low and no cost school lunches in Washington State over the past four years. We have enjoyed a 23 percent increase in the number of children eating school breakfasts. The need for these programs by the children of our state is growing at a rate much faster than the graduated increases allowed in the proposed federal legislation. The dollars invested in the entire continuum of food programs, beginning with WIC and continuing through the Child and Adult Care Food, school lunches, breakfasts and summer meals are wisely invested in our children. The quantity and quality of these meals must be protected.

The proposed changes to the child welfare programs will eliminate the entitlement to foster care and adoption support. Again, the block grant funding would be capped by a formula that is calculated to be particularly harmful to Washington State. Under my administration, we have moved dramatically toward local control of many prevention and early intervention programs to address the problems faced by our communities and our youth. The overall effect of the welfare reform proposal may force more children into foster care; yet the state will have fewer funds to meet this increased need. Moreover, if the funds provided are diverted primarily into foster care then there will be even less money available for family support and preservation, adoption, finding permanent homes for children or prevention.

The PRA also proposes denying Supplemental Security Income (SSI) for drug addicts and alcoholics. We believe that any progress states have made in helping and treating this population will unravel with this change. There is a clear need to provide these individuals—many of whom have serious medical problems and who are marginally attached to the workforce—with a basic safety net. Because that need will not disappear, state, city and county resources will be taxed. To support this provision, state and local governments need assurance there will be federal funding available to enhance their capacity to provide these individuals with support services and treatment they need for rehabilitation.

In shaping national policies, flexibility in the design and implementation of reform programs is critical if states are to make optimum use of agency resources and develop strategies and approaches that can achieve maximum results. As Congress considers these issues, I urge you to consider the likely outcomes of these reform measures and to give states the latitude to vary from the current proposal in areas we feel will work for us.

I believe there are several key elements that warrant special attention by decision makers. First, these measures would have a devastating effect on the safety net now in place for many low-income families and children. Because the needs of these individuals will continue and likely grow, it could result in more poverty and more spending by states and local communities when we desperately need less. Passage of the bill could well increase the number of children in foster care and other expensive alternative living situations. I understand the need to challenge parents to take responsibility for their own lives and for the children they bring into this world, but I disagree with the approach taken in the PRA, which would punish children for the shortcomings of their parents.

Second, I welcome the opportunity to tailor programs and services in ways that meet the unique needs of our individual states, but the current proposal to cap block grant funding does not take into account uncertain variables like recessions, higher unemployment and other changes that result in higher costs to states. I would like to see fiscal protections in place beyond the ''rainy day'' fund to ensure states have adequate resources to meet the needs of low-income families and children.

Third, information technology is fundamental for states to effectively deliver services to clients and meet federal reporting requirements. Federal resources must be brought to bear so that states can make necessary changes to their current information systems as well as keep up with advances in management information technology.

Finally, as Governor of a state with a large, growing and vibrant immigrant population, I am concerned that we not tip the balance against these families. While the intent of the legislation is not cost-shifting to states, that would be its effect. In addition, the well-being of many immigrant families and children could be jeopardized.

I urge you to consider amendments which would protect children and give states the funding and support needed to turn the corner on poverty and dependency. Effective welfare reform must include a license suspension program for child support enforcement, continuation of the child care guarantee, and safety net provisions to protect children if jobs are not available to their parents.

I appreciate this opportunity to raise these concerns on the proposed legislation. I want to work with you to create and shape a public welfare system that can make a positive difference in the lives of those in need.

Sincerely,

MIKE LOWRY,
Governor.

STATE OF COLORADO,
Denver, Colorado, March 22, 1995.

Hon. RICHARD GEPHARDT,
House Democratic Leader,
Washington, DC.

DEAR CONGRESSMAN GEPHARDT: As the House of Representatives initiates its floor debate on welfare reform, I am writing to express my encouragement for the development of a bill that will respond to the needs of the nation's children and at the same time effectively reform the welfare system. The current Republican proposal falls short of these goals in my opinion.

I believe true welfare reform should be based on the following principles:

1 States need maximum flexibility in managing the programs to address their unique circumstances and needs.

2. Moving welfare recipients into employment and keeping them there ought to be the primary goal of any legislation. However, in order to accomplish this goal, there must be upfront investments in education, skill development, and job training.

3. Support services such as child care, medical care, transportation and housing are also critical to successful welfare reform. It is unacceptable to expect a parent to enter employment if it means their children's safety and well being is jeopardized by a lack of child care or medical assistance. These services are costly. For example, in Colorado, a parent with two children, making around $9.50/hour would spend from 25 to 40 percent of their income to purchase child care alone. Even though costly, these services are necessary for parents to obtain and maintain a job.

4. Any legislation must establish a requirement for state fiscal participation in its welfare reform effort. Without this commitment, there will be a tendency for programs to be reduced to the level of available federal funding which will be inadequate. Those states choosing to spend state funds to augment their programs may become magnet states for the population seeking employment opportunities. This ''race to the bottom'' is a short-sighted approach to public policy.

5. Funding must be adequate to support the total cost of work initiatives and support services cited above. Efforts to balance the budget by reducing the federal participation for these programs either shifts costs to the states or results in inadequate work programs to meet the objective of welfare reform. For example, under the current proposal, Colorado would have to increase state spending by over $200 million over the next five years to maintain its existing programs. Increasing participation in employment programs as required in proposed legislation will expand this cost beyond the savings generated by increased flexibility.

Thank you Congressman Gephardt, for your leadership in trying to craft a bill that will lead to real welfare reform.

Sincerely,

ROY ROMER,
Governor.

STATE OF WEST VIRGINIA,
OFFICE OF THE GOVERNOR,
Charleston, WV, March 21, 1995.

Hon. RICHARD GEPHARDT,
House of Representatives,
U.S. Capitol, Washington, DC.

DEAR CONGRESSMAN GEPHARDT: I am writing in support of your efforts to craft a sensible welfare reform strategy that encourages and supports personal initiative of people involved in our welfare system.

West Virginia has made great strides in recent years bringing its economy back from an enduring recession in the 1980s. We are adding jobs, our population is up and our unemployment is the lowest in 15 years.

Yet, even in the best of times there are hard-working, honorable West Virginians that are unable to find work. Contrary to most stereotypes, in West Virginia the majority of people on welfare live in families headed by two parents. In spite of a lifetime of various manual jobs, these parents may now lack the skills to work in our changing economy. Or they may be unable to afford the child care or health care insurance needed for their children while working a minimum wage job.

We have both a moral and an economic obligation to help these families help themselves. Arbitrary ''cut-off' deadlines will not return these people to work nearly as effectively as creating meaningful economic opportunities for them through education and real work experience. Rather, we need to eliminate the disincentives to work running through our welfare system, such as providing transitional health and child care benefits.

Our state's economy used to rely on natural resources extraction. As in other states, jobs in these sectors are declining while technical and service jobs are increasing. This trend has caused and will continue to cause significant disruption and dislocation to families in our state. As public officials, we need to support, not punish, these families in this increasingly complex and competitive world by creating opportunities and expectations to return to the world of work. I am concerned that current proposals under discussions are long on expectations, but short on opportunity. They must go together.

I look forward to working with you and the members of Congress as you address meaningful and effective welfare reform.

Sincerely,

GASTON CAPERTON,
Governor.

Mr. RICHARDSON. Mr. Chairman, I am proud that Congress this week will be saying no to the status quo and yes to welfare reform.

It is time to get rid of the fraud and abuse in a welfare system designed to help people get back to work.

Democrats have worked hard at finding smart ways to fix a system that has been overcome with problems.

The Democratic bill is tough on fraud, it gets rid of abuse, and most importantly, it gets people to work.

The Democratic bill requires responsibility and accountability, provides real programs to move people into work, and does not punish children.

The Democratic bill ensures that recipients are not penalized for working. It provides temporary medical assistance, expands the use of earned income tax credits, and gives parents necessary child care while working.

The Democratic bill requires that recipients establish an individual responsibility plan to move from assistance to the workforce and if a recipient refuses to work—AFDC benefits will be terminated; this is the sort of responsibility and practicality we must demand.

The democratic bill sets an aggressive and realistic compliance schedule for the States, but also allows States to accommodate economic cycles.

The Democratic bill is tough on child support enforcement—requires a central registry to track support orders, makes interstate enforcement uniform, and enforces income withholding for irresponsible parents.

The Democratic bill makes teen parents responsible without punishing their children—it requires teen parents to live at home and sends benefit checks to a responsible adult; most importantly—it demands that teen parents stay in school and establishes a national campaign to stop teen pregnancy.

Finally, the Democratic bill is fair in its treatment of legal immigrants—legal immigrants who have worked and paid taxes in this country for 5 years and not denied benefits, and all legal immigrants can receive medical care.

I support the Democratic bill because it does not tolerate people who refuse to work or parents who abandon their children; also, it does not seek to destroy families or condemn children who are born poor.

The Democratic bill gets to the heart of the matter; it creates a rational, comprehensive, and compassionate avenue to move people from welfare to work—to truly end welfare as we know it.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Georgia [Mr. DEAL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DEAL of Georgia. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 205, noes 228, not voting 1, as follows:

[Roll No. 266]

AYES—205

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Laughlin
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOES—228

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—1

Tucker

□ 1946

Mr. BLILEY changed his vote from ''aye'' to ''no.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. MEEK of Florida. Mr. Chairman, I missed rollcall vote No. 265. I was unavoidably detained. If I had been here I would have voted ''yes.''

PERSONAL EXPLANATION

Mr. TUCKER. Mr. Chairman, I missed the last vote. Had I been here I would have voted ''aye.''

Ms. FURSE. Mr. Chairman, I support responsible welfare reform that is prowork and prochildren. But H.R. 4—the Republicans' bill—undercuts children and it undercuts work.

We all agree: the current welfare system is broken and needs to be fixed. I am committed to welfare reform that moves people from welfare to work. In order to do that, we must ensure that people receive the necessary support to get off welfare and into liveable-wage jobs.

The Republican proposal does nothing to enable adult welfare recipients to become self-sufficient, and it would hurt their children by denying them the basic necessities of life, including nutrition, shelter, and health care. I am committed to providing those necessities to all children living in poverty while we require their parents to assume responsibility for themselves and their family.

Children must not be victimized by welfare reform. Whatever we may feel about the behavior or situation of their parents, as a nation we must not allow children to become victims.

Our focus must be on eliminating poverty and creating the economic conditions in which jobs can flourish. Any welfare reform effort that limits access to welfare without reducing the need for welfare will only increase poverty and hurt needy families.

Mr. Speaker, we committed $264 billion for production of weapons and preparations for war this year. If our Nation is able to do that, we have a moral responsibility to ensure that our citizens do not go hungry, have adequate housing and access to basic health care, and are given opportunities to work at a living wage.

GETTING PEOPLE OFF WELFARE ROLLS AND INTO JOBS

Welfare reform means requiring and assisting people to move out of dependency and into self-sufficiency. It means getting people off the welfare rolls and into jobs.

From the very first day an individual receives benefits, the central focus of any welfare reform legislation should be work. H.R. 4, however, has no work requirements for the first 2 years benefits are received.

I am disappointed the Deal substitute was rejected tonight. I hope the other body will give its provisions thoughtful consideration.

The Deal substitute required individuals who enter the AFDC program to develop a plan which addresses who they will move into the work force. The Deal approach did not wait for 2 years to address the issue of work, as the Republicans' bill does.

I believe in tough, but fair, work requirements. From the very first day of receiving benefits, individuals will only receive assistance if they play by the rules under the Deal substitute. Those who refuse to work or turn down a bona fide job offer will not receive benefits.

As my State's newspaper, the Oregonian, stated, at a time when national attitudes toward welfare reform focus on linking recipients' assistance to behavior, Oregon has a message to send: incentives help.

We have a Federal waiver in Oregon that allows us to make public assistance to teen parents contingent on their participation in the

Job Opportunities and Basic Skills Program, and the strategy pays off. Four years into the program, 89 percent of teen parents on assistance are cooperating in educational plans or have already completed their high school diplomas or GEDs.

The critical yardstick is how many people are moving off the welfare rolls into self-sufficiency. And it's working in Oregon. Recipients are finding work faster. The State's welfare caseload has actually declined.

H.R. 4 doesn't train people for jobs. Few people can pull themselves up by their bootstraps if they haven't any boots. The reality is that some people not only lack basic skills, but also don't know how to go about looking for work in the first place.

The Deal substitute focused on work. It ensured that a welfare recipient would be better off economically by taking a job than by remaining on welfare. From day one of receiving benefits, its focus was on helping individuals join the work force. It extended the amount of time people could retain their health care benefits after leaving welfare for a private sector job from 1 year to 2 years.

Unlike the Republicans' bill, the Deal substitute added $9 billion to assist States in establishing programs to move people into work. As introduced, the Republicans' bill did include $9.9 billion for work funding but that funding has now been removed.

The Deal substitute provided State and local governments the flexibility and resources necessary to deal with the specific conditions they face and move individuals from welfare to work. The school lunch block grants in H.R. 4 will leave States to bear the burden of increased costs from inflation or increased caseload. H.R. 4 will force States and local governments to bear the financial burden of welfare reform.

The Congressional Budget Office has estimated that under the provisions of H.R. 4, none of the 50 States will be successful in reaching the employment goals of the bill. Their views echo those of scholars who have studied welfare-to-work programs.

The U.S. Conference of Mayors has recognized H.R. 4 as just exactly what it is, a huge cost shift to the State and local governments. People need jobs, but we don't need this unfunded mandate.

FEEDING OUR CHILDREN

I want to talk about the damage H.R. 4 does to our Nation's school lunch programs.

In my State, Oregon, 5,800 students would lose eligibility for free or reduced-price lunches. Currently, 62 percent of Portland students qualify for free or reduced-price lunches. Kids are caught in the middle and will pay a heavy price for this change.

Well-fed children learn better than poorly fed children. These cuts set up a cruel cycle where kids fall behind when they've barely begun to grow. School lunches are an education program, not a welfare program. Until now, they have enjoyed bipartisan support.

This reform is mean-spirited and does direct harm to our children. It means $1.2 million less for Oregon alone next year. It certainly does not take into account increases in enrollment, poverty, and food prices. There are no nutritional guidelines. The block grants in H.R. 4 provide incentives to serve fewer and fewer children.

H.R. 4 decreases the amount of funds that must be spent on poor children. The Republicans' bill requires targeting of 80 percent of the funding for children below 185 percent of poverty, while USDA reports that closer to 90 percent of school meal funds are currently spent on these children.

For a family of four, 185 percent of poverty is $27,380 a year. In 1992, one in four children in America lived in poverty. That was up from one in five in 1987. Cutting the School Lunch Program truly hurts the poor and the working poor.

When Republican leaders talk about defense spending, they expect maintaining existing spending levels as a minimum, adjusted for inflation. When they talk about programs to feed kids, provide medical care for veterans, or retirement security for seniors, they use a different measure. They use phrases like ''controlling the growth of programs,'' which means ''feed kids less or feed less kids.''

H.R. 4 increases bureaucratic requirements for school lunch providers. It retains most Federal administrative burdens such as meal counting and income verification, adds another layer of State bureaucracy, and requires program managers to establish a system to identify the citizenship and visa status of participants.

The School Lunch Program was established in 1946 to prevent future generations from suffering the malnutrition that disqualified many of the draftees for service during World War II.

Today our national security is just as dependent on the nutrition programs put at risk by H.R. 4. That kind of national security—well-fed children—is of at least equal value to the Pentagon which we continue to feed lavishly.

I do not oppose cutting waste in government. Last week, I tried to offer an amendment to the rescissions bill that would have but $8 billion for cold war weapons systems that are still in their research stage, but are no longer needed. Unfortunately, the Republican leadership did not accept my amendment for consideration.

Mr. Speaker, Jesus said, ''Suffer the little children to come unto me, for theirs is the Kingdom of heaven.'' He did not say, ''Make the children suffer.''

Let's get our priorities straight.

Mr. VENTO. Mr. Chairman, there are many problems with H.R. 4, the Republican welfare reform bill which patches together disparate policy changes on AFDC, governance, School Lunch, Food Stamps, SSI Disability and numerous other public assistance programs. The GOP welfare measure is punitive without purpose or promise and in the final analysis turns out to be weak on work and tough on children and families. There is nothing in this bill that would successfully move welfare recipients back into the world of work. There are certainly problems with our current welfare system but the GOP policy effort is not going to solve those problems. This bill will punish children and leave people to languish on AFDC for 2 years before they would be required to work or be actively engaged in job search or job training. The Republican bill doesn't have the best interests of children or their families at heart. It perpetuates a cruel hoax and is fundamentally flawed in its core ''solutions.'' Current and former welfare recipients have to fight day by day for child care, health care, education and training, all within the shadow of a welfare stigma to become successful. The Federal Government has a role in helping these people and their children.

Today in our society the number of people earning and holding minimum wage jobs is expanding and increasingly, these minimum and low wage workers can't support themselves and their families. Therefore, such low wage workers slide into the welfare system to make ends meet or to make a transition to a skilled, better compensated position. This phenomenon is a reflection of social, economic and numerous other changes in the latter years of the 20th Century and the shortfalls in existing education, training, unemployment and numerous public assistance programs. We need policies that will help people move off of welfare for good. People need jobs that will pay a livable wage with which they will be able to support themselves and their children. They need the transitional services which will enable them to achieve a stable situation in which they can maintain a home, pay their bills and feed their children. This is common sense and the Federal, State and private sectors ought to be partners in such endeavors. This requires more than cutting off benefits with the notion that you can forcefeed change through such harsh action. A rational policy would start with work so that a person is doing what they can for themselves, fostering independence rather than dependence and passivity. Our purpose must be to change the public assistance system once and for all; to protect children; to empower families; and to take the time honored values of the dignity of work and the significance of the individual and place these values at the core of the policy reforms we shape.

Last Friday, I met with two women from my district, St. Paul, Minnesota, who had received welfare, one is now employed and has moved off of AFDC and the other is about to leave the system. One of these women shared with me her experience prior to receiving assistance when she worked in a minimum wage job, diligently trying to support her child and found she was unable to do so. Most minimum wage jobs do not provide health care benefits and adequate, affordable child care is very difficult to find, perhaps the most important threshold need for the single parent.

Yes, there are problems with the current system and they are especially stark when it comes to making the transition from welfare to work in today's economic environment. We already have long waiting lists for child care in my Minnesota district. Cutting funds for child care programs, which this Republican bill does, flies in the face of that need. Child care is a crucial need for single parent families attempting to move away from dependence on welfare and into productive work.

This Republican bill launches an extreme and broad-based attack on poor children and families. From cutting funds for nutrition programs to reducing funds, incredibly, for families who are maintaining a disabled child at home. There have been problems with the SSI Disability Program, but this bill attacks the program without taking proper account of the needs of disabled children and their families. Congress can do better, we can make changes to the system that ensure that the truly disabled are effectively served. The changes in this bill are focused on change at the bottom link producing enough money for tax breaks for the well off, not empowering families with special challenges to successfully participate and achieve greater independence for individual with disabilities.

In my Minnesota district there is a large population of Southeast Asian immigrants, mostly Hmong from Laos. Many of the Hmong are citizens but some are not because of an unusual problem. It has been estimated that 6,000 to 7,000 noncitizens in Ramsey County, Minnesota will lose benefits under the Republican welfare bill. Most of the Hmong in Minnesota face special obstacles to becoming citizens. The Hmong did not have a written language until more recent times and many, especially the older people among them had their lives disrupted in their homeland of Laos by the Vietnam war. Members of that generation have found it very difficult to learn English and to become U.S. citizens. Many are struggling to learn English and are working to improve the lives of their families, becoming productive members of American society.

This Republican bill hurts the Minnesota Hmong by denying these tax-paying families the regular and usual help accorded others in our society. The significant obstacles which the Hmong face to supporting themselves and their families and in becoming citizens is exaggerated by this poor policy of denying noncitizens assistance. The Republican welfare bill arbitrarily drops people, dumping them on the doorstep of the States and counties in which they live. Minnesota and specifically my area didn't choose to be the home of the Hmong; secondary migration has greatly contributed to this concentration. But the Hmong and other noncitizens will continue to have needs which will have to be met and it will be left to the State and local governments to meet these needs without the Federal Government bearing its share of the burden. I might add that even the regular refugee and new immigrant assistance grants were prematurely curtailed and that non-profit groups have done an outstanding job in helping our communities cope with this challenge.

Yet another policy area of deep concern is child protection services which are overburdened today, reducing these resources will not help children or their families. The GOP cuts to child protection services put children in danger. What alternative would such children have when the monetary and professional resources are not there to help their families change their circumstances? How can a family be held together or a child be removed if they are at risk?

Mr. Chairman, initially I thought there were virtually no positive benefits from the Republican welfare reform bill but then it would be positive for one segment of our society—the affluent. This measure gives new meaning to the phrase, ''Women and children first.'' This bill is fundamentally punitive—punishment for children born into a circumstance not of their making—punishment for mistakes that young women and men make. Will this punitive action result in social justice, or a better society. Visiting the minor parent's sins upon their new born child is a big step backwards, it is beyond the pale of a society which is thought of as civilized. Those working at the community level are worried and we should readily understand why. The real needs persist where the rubber meets the road. That is where the programs are implemented and if the House Republican welfare bill were the law they would not have adequate resources to meet the needs and be strapped with punitive new Republican social engineering policies so contradictory to basic fairness, common sense and decency.

I assume we could all support moving welfare recipients from welfare to work but there is nothing in this Republican welfare bill which will have this effect. This Republican bill has all sorts of requirements. It requires that, after being maintained on AFDC for a certain period, that people work but it does not help facilitate States in meeting such requirements. The Republicans say that this measure will move people off of welfare, off of SSI, off of Food Stamps and reduce spending by nearly $70 billion over 5 years. The question is; where are the children, women and the elderly going? The GOP wants to take away their entitlement, the social safety net of education, training, child care, shelter, medical care and food and admonishes the Congress to trust the States because flexibility and block grants are held forth as a cure for all ailments, that frankly makes no sense. No realistic economic countercyclical capacity exists in this GOP policy. There is no common sense to this Republican policy path. The only cents in this bill are the $70 billion worth of cuts that are being extracted from poor and working American families and bestowed on the affluent through the Republican tax give aways already passed by the Ways and Means Committee. The fiscal deficit won't be helped by this action. The States will experience a trickle down tax increase and America's human deficit; the numbers of kids below the poverty level, the underemployed and unemployed, the malnourished, the abused women and kids, the noncitizens without recourse will grow by leaps and bounds. Mr. Chairman, it is time to stop blaming the poor for being poor—stop our abandonment of people in need and to renew real investment in our greatest asset—the American people. We can't afford to desert people, even those who may have made a mistake or two, certainly not those who are simply born into poverty. Mr. Chairman, it seems in this Chamber that some have strayed far from the common sense path of compassion and human understanding. They profess an understanding of cost in dollars but understand the value of nothing. They are incorrect on all counts. This GOP measure should be defeated.

Mr. YOUNG of Alaska. Mr. Speaker, I voted for the rule on H.R. 4, however, I am deeply disturbed and angered that the Rules Committee has chosen to ignore a major committee which has jurisdiction on issues which affect the daily lives of American Indians and Alaska Natives. Many of my colleagues in the Committee on Resources are very concerned that this body has chosen to overlook the concerns of American Indians and Alaska Natives in the welfare reform bill and how deeply this action will affect them. American Indians and Alaska Natives have contributed much to this great country of ours and yet, again have been placed at the bottom of the totem pole.

I offered a bi-partisan amendment to the Rules Committee, however, my amendment was not accepted. My proposed amendment would have set aside 3 percent of appropriations for block grants to Indian tribes. This would have allowed Indian tribes to operate their own block grant programs on the same basis as states. For those tribes who would have declined to assume this program funding, the funds would have reverted to the state. The State would then operate the program in the tribes service area according to their population. My amendment would have allowed American Indians and Alaska Natives to participate fully in the welfare reform process.

Mr. Speaker, there is an obligation here, a trust obligation of fair and honorable dealings with American Indians and Alaska Native tribes. Tribes have a government to government relationship with the Federal Government and a right to self-determination in the operation of programs intended to benefit Indians. Congress and Presidents Nixon to President Reagan have recognized the special government to government relationship. Yet, the Rules Committee has failed to recognize the long standing trust obligations that this body and the Federal Government have to tribes.

At current time, tribal programs suffer from two problems which handicap tribal social service programs. First, tribes generally can only contract for operation of secondary social service programs, since the Bureau of Indian Affairs programs are secondary and available only if an Indian is not eligible for other generally available programs (AFDC). Consequently, reform of the primary welfare system operating in tribal communities is beyond tribal control. Second, tribal social service programs, such as Indian Child Welfare Act, were funded on a competitive basis for 1 to 3-year terms. This disrupts tribal programs when funding interruptions occur. Despite the problems above, tribally run social service programs generally outperform state operated programs in tribal communities. [Indian Child Welfare: A Status Report (IHS/BIA 1988)].

Efforts by tribes to reform welfare programs have been opposed by the Bureau of Indian Affairs [BIA], which in fiscal year 1994 attempted to cut off funding for tribally initiated Tribal Work Experience Program [TWEP] in the Tanana Chiefs Conference and Tlingit and Haida Central Council regions in my state of Alaska. It is interesting to note for this member of Congress that the Assistant Secretary of Indian Affairs took credit for the very TWEP program the Bureau tried to nullify. Within Indian country there is a consensus that welfare reform is needed and that tribes are best equipped to accomplish that task. By excluding tribes from reform of the primary welfare programs, this Congress has abandoned one segment of society truly in need and supportive of welfare reform.

Tribes have some of the highest levels of poverty in the country. At least 51 percent of all reservation Indian families are below the poverty line. While the merits of the current welfare system can be reasonably debated, there is little doubt that it is not working for Indian people. This bill as written, excludes tribes from the primary welfare program. While

it provides a 3 percent set aside for one program only, the Child Care Block Grant program, the bill excludes funding for tribes in all of the other programs of the bill. Again, this body is not meeting the obligation of trust responsibility to American Indians and Alaska Natives and I must voice my grave concern with this inequity. Thank you for the opportunity to vote my objections in omitting American Indians and Alaska Natives in participating in the welfare reform bill currently being debated by this body.

Mr. RANGEL. Mr. Chairman, during my tenure here in Congress, I have seen and participated in several attempts at reforming welfare. The Democrats have always crafted bipartisan bills and the far-reaching 1988 Family Support Act with its JOBS component is one result of cooperative work between Democrats and Republicans. However, in crafting the Personal Responsibility Act, Republicans apparently do not believe in continuing this bipartisan spirit. Out of the 150 amendments submitted to the Rules Committee, only 33 were accepted. And of the 33, only 7 will be offered by the Democrats with the Republicans offering 26 of their own amendments.

It is a shame that an issue that will impact millions of low-income and poor families in our nation is not debated in a democratic forum. The Republicans continue to exclude us even after they have incorporated some of the Democrats' ideas such as allowing immigrants who are veterans and fought to protect this country access to public assistance if they fall on hard times. And although some of the Republican amendments attempt to correct the mean-spirited provisions such as letting states give vouchers to teen mothers, vouchers cannot pay rent or the bus fare to work.

Critics of our welfare system always divide the poor into two groups: the deserving and the underserving poor. Never before have I seen the so-called reformers exaggerate the underservingness of our poor as I have seen in the past couple of months. The Republicans vilify the poor and uses misinformation to justify their welfare cuts.

The typical AFDC mother is seen as an African American teenage girl who has at least three children and is breeding more for money. This gross exaggeration and misperception is used over and over again. The truth is that only 10–15% stay on welfare continuously for five year or more. The rest cycle on and off welfare, finding jobs but never one secure or stable enough to stay off welfare permanently. These people who look for jobs want to work and need help and training so that they can find secure and permanent jobs. Instead, they are described erroneously as undeserving.

Republicans also argue that out of wedlock births and single parenthood causes poverty which in turn, fuels a host of all these other social problems like crime and moral decay. Their cause and effect equation is all wrong. What they fail to see is that poverty is the source of social problems, and joblessness is what destroys hope and dignity. We need to train these parents and educate their children so that they are able to take advantage of opportunities and overcome poverty.

Welfare reform is about helping and investing in people so that they can become economically independent which is not the same thing as refusing help. The Republican welfare bill will refuse to help AFDC recipients who are looking for jobs, those who are working but need child care, and those who are teen mothers. The Republican bill will deny benefits to: 70,000 children whose mothers are under eighteen; 2.2 million children because of they happen to be born to a family on AFDC; 4.8 million children due to the 5 year cutoff even if their parents cannot find jobs; 3.3 million children because they cannot establish paternity even though they are fully cooperating and the states are slow to officially establish paternity.

By the year 2005, an estimated 6.1 million children will be ineligible for welfare benefits. Is this really welfare reform or is it just refusal to help—a refusal to help poor people and children just for the sake of the bottom line or even worse, to finance a tax cut for families making $200,000 a year.

There has been talk of compassion and tough love but is it compassionate to tell a family who cannot find a decent job in 5 years that they will no longer get benefits? Is it compassionate to tell a legal alien who has been working and contributing in the United States for over 20 years that he can't get public assistance? Is it compassionate to cut money for school lunches for poor children just to save money?

Republicans want to foster personal responsibility in these AFDC recipients but the federal government will be guilty of abrogating our responsibility to the poor families and their children in the United States if we pass the bill.

The Federal government should bear part of the responsibility for ensuring that AFDC recipients find jobs or get training to be more marketable so that they can get jobs. This Republican bill doesn't ensure that they are working but rather, counts people who are cutoff from the welfare rolls as meeting work participation rates even if they do not have jobs. In my book, work participation is about people in jobs, not just kicking them off the rolls.

Beyond this issue of welfare reform is this role of the federal government. We have a necessary role to invest in our people, in our children and to rebuild broken families. It is in our national interest to make sure that American families can contribute and that their children can grow up to be productive citizens.

This so-called Personal Responsibility Act does not invest in our people and help make America more productive. Instead, it denies help to people and cuts funding for programs that feed children and in the long run, the human consequences of this bill will come back to haunt us. This bill encourages joblessness, drug abuse, crime and perpetuates hopelessness. In this case, the Republicans are willing to spend $60,000 a year to lock a kid up in jail but not spend $6,000 to keep that kid in school

This bill is not about investment in our children and country but a conspiracy to end assistance to the neediest Americans.

Mr. DINGELL. Mr. Chairman, several amendments have been offered to improve the unwise and unwarranted provisions of H.R. 4, the Personal Responsibility Act, relating to legal immigrants. Sadly, none of them goes far enough to correct a serious defect in this poorly drafted bill.

The legislation now before us prohibits most legal immigrants from receiving certain welfare benefits, food stamps and Medicaid. It also contains an ill-advised ''deeming until citizenship'' provision that could render legal immigrants ineligible for benefits under a wide range of federal, state and local programs. This punitive approach, that runs counter to our best traditions of fairness and decency, is strongly opposed by the Catholic Church, the Council of Jewish Federations and a host of other prominent organizations.

As we discuss this issue, I would remind my colleagues that under current law legal immigrants are effectively barred from receiving most welfare benefits for several years after entry. Moreover, they are required to fulfill virtually the same responsibilities as citizens. They must pay taxes, and they can be drafted.

Under the proposed restriction, a legal immigrant, who has been working for years and paying taxes, will be denied assistance if he becomes disabled. Many others who have worked hard but never officially become citizens will be refused coverage for valuable health care services.

For those who assert that legal immigrants represent a drain on Government, I commend to them a study conducted last year by the Urban Institute. The Institute estimated that immigrants contribute $30 billion more in revenue than they collect in services each year. These findings echoed an earlier study by the Federal Reserve Bank of New York showing that immigrant families on average contribute about $2,500 a year more in taxes than they obtain in public services. We should also remember why many immigrants come here. Like many of our ancestors they land on these shores because they want to work and be productive, self-sustaining individuals.

I believe it can only be characterized as callous and mean-spirited to bar taxpaying, law-abiding persons from participating in programs that they must help support.

Refusing benefits to legal immigrants will clearly not translate into savings for everyone. State and local governments will be forced to make increased expenditures as those noncitizens left with no means of support turn to their programs. Under the proposed bill, states and localities are able to deny assistance to legal immigrants. However, I believe the damaging repercussions of such a decision will make them reluctant to do so.

I am sure that state and local officials around the country are surprised to see my colleagues creating these financial burdens less than a week after Congress sent unfunded mandate legislation to President Clinton, which he signed.

Eliminating Medicaid coverage for legal immigrants will be particularly costly to state and local governments, as well as hospitals. 1.7 million noncitizens—many of whom are children—will be forced to let their illnesses go untreated until they become emergencies. As we all know, treating persons on this basis is generally far more expensive than providing routine care.

Past experience shows that it can also be fatal. Two studies that appeared in the New England Journal of Medicine are particularly instructive. One focused on the State of California's decision to terminate Medicaid eligibility for 270,000 people in 1982. Public health experts examined the effect on a number of patients with high blood pressure. Within 6 months of losing coverage, these patients suffered an average increase in blood pressure associated with a four-fold increased risk of death.

Another study focused on New Hampshire's limitation on prescription drug coverage in 1981. This policy change, which was reversed 11 months later, limited people to three prescriptions per months. Among chronically-ill elderly patients nursing home and hospital admissions rose significantly. In fact, the resulting increase in mental health costs alone exceeded the $400,000 savings realized by a ratio of more than a 17 to 1.

It is clear that this poorly drafted legislation will leave states and hospitals with unfair choices. Do they absorb 100% of the costs of providing non-emergency care, or do they only treat legal immigrants on an emergency care basis. Focusing on emergency care potentially risks the health of citizens, as well. In addition, as CBO noted in its cost estimate for this legislation, this approach requires significant federal spending. Medicaid expenditures will be needed to finance emergency services and disproportionate share payments to hospitals.

These are just a few examples of the dangers that America's less fortunate will have to face with passage of H.R. 4. I would welcome the opportunity to work with my colleagues across the aisle to enact well-reasoned and effective welfare reform legislation that does not imperil the children, elderly, and legal immigrants of this nation. However, I refuse to blindly support extreme legislation that is contrary to personal responsibility.

Mr. PACKARD. Mr. Chairman, 30 years of ''Great Society'' Government handouts has transformed America into a tragic society. Our current welfare system subsidizes illegitimacy and promotes personally destructive behavior. It tears apart the very fabric of our society—the American family.

For too long, liberal lawmakers fooled Americans into believing that big Government programs provide the best solution to poverty. Americans have seen the disastrous results and will no longer tolerate the liberal lie. They know that the so-called welfare safety net is really a web which traps welfare recipients in a cycle of dependency and despair.

Hard-working families have poured more than $5 trillion into this bureaucratic black hole. They demand and deserve more for their money. That is why they overwhelmingly support the Republican Personal Responsibility Act.

Our welfare reform bill works to restore family values by replacing the failed welfare system with compassionate solutions. Our bill offers tough love reforms based on the dignity of work and the strength of family. It breaks the cycle of dependency by promoting personal responsibility and self-worth.

Mr. Chairman, the Personal Responsibility Act emphasizes work and life attitudes to rebuild a family-based society. The family represents the core of our society. We must act now to mend the tattered values blanket before another family gets trapped in the Federal bureaucratic safety net.

Mr. RANGEL. Mr. Chairman, the rule governing debate on H.R. 4—the welfare reform bill—was narrowly passed yesterday. I voted no on that rule with a clear conscience because the rule the Republican majority crafted makes certain that we will never debate the fundamental issues raised by welfare reform. Worried about their ability to keep their own troops in line, the Republicans picked 31—minor and generally non-controversial—amendments for debate.

From a policy perspective, their priorities are baffling. Rather than debate whether to guarantee a safe foster home for abused or neglected children, or discuss whether welfare benefits should be terminated if the person is able and willing to work but cannot find a job, the Republican majority chose to have us debate ways of tracking down deadbeat dads who have died, and sense of the Congress language that blames single-parents for crime, violence and most other ills of our society.

In the interest of full disclosure, let me share with you some of the important amendments that Democrats sought to debate. In each instance, the Republican majority REFUSED to grant our request.

A Stenholm (TX) amendment to require that net reductions from this bill be used for deficit reduction.

A Matsui (CA) and Kennedy (MA) amendment to guarantee foster care and adoption assistance for any child who is abused or neglected.

A Kleczka (WI) and Rangel (NY) amendment to give States the option of waiving the 5-year time limit for any individual who is willing to work, but for whom no job is available.

A Kennelly (CT) amendment stipulating that child care be made available for the children of parents required to participate in work, training or education programs.

A Clayton (NC) amendment to require that an individual employed or participating in a work or workfare program shall be paid at least the minimum wage.

A Hall (OH) amendment to preserve the WIC and school lunch and breakfast programs.

A Kleczka (WI) and Kennelly (CT) amendment to prevent States from reducing cash assistance to a family when the child's paternity has not been established due to a State backlog or inefficiency.

A Levin and Rivers (MI) amendment to pay benefits to a teen mother and her child only if she lives under adult supervision, stays in school and cooperates with paternity establishment.

A Levin (MI) amendment to require all States to report child support obligations to credit bureaus.

A McDermott (WA) amendment to require that a State not terminate a recipient's benefits unless it had made available necessary counseling, education, training, substance abuse treatment, and child care.

A Torricelli (NJ) amendment to preclude States from providing welfare to a family who has not vaccinated their minor children.

A Miller (CA) amendment to require that States continue to comply with national nutritional standards until they develop their own standards that the Secretary of Agriculture approves.

A Rangel (NY) amendment to prohibit the use of Federal funds to displace currently employed workers from their jobs.

These are issues the American people expect us to debate. But we can't because the Republican majority has gagged us. That makes me wonder, why are the Republicans afraid to vote on these amendments? Are they simply playing politics or are they interested in true welfare reform? The American people can judge.

Mr. GIBBONS. Mr. Chairman, my Republican colleagues have chafed at suggestions that their welfare reform bill—H.R. 4—is cruel to children. I say again what I have said on the floor: The truth hurts. Let me list for you just ten examples of the cruel policies embedded in the Republican Contract on America:

10. It punishes the child (until the mother is 18 years old) for being born out-of-wedlock to a young parent (title I). Number of children punished: 70,000.

9. It punishes a child—for his entire childhood—for the sin of being born to a family on welfare, even though the child didn't ask to be born (title I). Number of children punished: 2.2 million.

8. It punishes a child—by denying cash aid—when a State drags its feet on paternity establishment (title I). Number of children punished: 3.3 million.

7. It leaves children holding the bag if the State runs out of Federal money (title I). Number of children punished: ?

6. It does not assure safe child care for children when their parents work (title I). Number of children punished: 401,600.

5. It allows children to die while in State care without requiring any State accountability beyond reporting the death (title II). Number of children punished: ?

4. It throws some medically disabled children off SSI because of bureaucratic technicalities (title IV). Number of children punished: 75,943.

3. It denies SSI benefits to children who didn't become disabled soon enough (title IV). Number of children punished: 612,800.

2. There is no guarantee of foster care for children who are abused or neglected (title II). Number of children punished: ?

1. It cuts aid to poor children to pay for tax cuts for the rich. Number of children punished: 15 million.

Is this a cruel bill? I suggest my colleagues ask those 15 million children. There is no question in my mind. Taking $70 billion dollars from programs for poor children to pay for tax cuts for the rich is—without question—cruel.

Mr. FORD. Mr. Chairman, since introducing H.R. 4, the Republican majority has changed the allocation formula for title I of the welfare reform bill four times. Those changes mean millions to the affected States.

For example, Speaker GINGRICH'S State of Georgia gained $45 million after backroom negotiations produced a new formula in the Rules Committee. Those same private deals reduced California's block grant funding over 5 years by $670 million. In every public discussion of the bill, California's share was higher. And, on the way to the Rules Committee, New York lost $275 million.

But that's not all; there's more. After criticism that the subcommittee bill looked like a sweetheart deal for two Republican Governors—in Michigan and Wisconsin—the formula was revised. Michigan lost $430 million and Wisconsin lost $200 million. By the time the bill got to the Rules Committee, Michigan had recouped $225 million of what they lost. Wisconsin was still nearly $200 million in the hole.

And, Representative BILL ARCHER (R-TX) must have been persuasive in those behind-closed-doors caucuses that Republicans held. By the time the bill left Ways and Means, he had gathered up more than $20 million for his home State of Texas and—surprise, surprise—he held on to most of it in the Rules Committee.

The facts are simple. Under the latest formula, 17 States get less money than the Ways and Means Committee approved; 32 States are winners. The losers are: Alabama, Arizona, California, Colorado, Florida, Guam, Illinois, Indiana, Iowa, Maryland, Minnesota, Missouri, New Mexico, New York, Texas, Virgin Islands, and West Virginia.

For the record, every time the Republicans changed the formula, four States got less. They are: Iowa, Maryland, Minnesota, and West Virginia. Eight States were winners every time. They are: District of Columbia, Hawaii, Idaho, Kansas, Nevada, Puerto Rico, Rhode Island, and Virginia.

And the important point for the American people to understand is this: All of these changes happened without 1 minute of public discussion. So much for government in the sunshine. I guess the Republican majority thinks secret closed-door meetings are OK—so long as they are the ones having the meetings and making the deals. The American people deserve better.

Mr. SHAW. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CALVERT), having assumed the chair), Mr. LINDER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence, had come to no resolution thereon.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 26 AND H.R. 209

Mr. CHRYSLER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 26 and H.R. 209.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PUTTING AMERICA'S CHILDREN AT RISK

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. FALEOMAVAEGA. Mr. Speaker, I submit to my distinguished colleagues in this chamber that the lives and well-being of some 21.6 million of our nation's children are at risk if we are to allow the proposed welfare reform bill to pass.

I do not believe there has ever been any disagreement on both sides of the aisle of the need to reform our welfare programs. But to do so with such haste as if there is no tomorrow, or that because the Contract With America must be signed, sealed and nailed to the cross within the 100-day period—literally begs the question of why all the rush? Thank God for the U.S. Senate.

Some of my friends across the aisle have repeatedly said the best way to administer these welfare programs is to let the States do it. And without question some States have been very successful at getting people off the welfare rolls, and give them productive jobs and add more meaning to their lives.

The problem, Mr. Speaker, is that not all States operate with the same efficiency, and I can just imagine that with 50 different bureaucracies, with 50 different sets of laws and regulations, with 50 different state court rulings, with 50 different budgetary priorities—will result in what I suspect will be utter chaos and confusion—and if I'm correct Mr. Speaker, when you block-grant a federal program to a state, that state does not necessarily have to spend the funds for what Congress had intended—and if that is the case, Mr. Speaker, my heart goes out to those 21.6 million children that are not going to receive the full benefits of such federal programs.

Let us reform our welfare system, Mr. Speaker, but let us do it like we are flying like eagles, and not run around doing so like a bunch of turkeys.

Mr. Speaker, I include for the RECORD newspaper editorials on this subject, as follows:

WHAT SPECIAL INTEREST?

(By Bob Herbert)

MARCH 22, 1995, NY TIMES.—On Sunday more than 1,000 people, many of them children, rallied outside the Capitol in Washington to protest cuts in the school lunch program, which is just one of many excessive and cruel budget proposals the Republican majority in Congress is trying to hammer into law.

The theme of the rally was ''Pick on Someone Your Own Size,'' which was another way of saying that the G.O.P. bully boys might consider spreading the budget-cutting pain around, rather than continuing their obscene offensive against the young, the poor, the crippled, the weak and the helpless.

The Republican reaction to the rally was interesting. Amazing even. Spokesmen for the party denounced the protest organizers as exploiters of children and defenders of special interests. Exploiters of children! What an accusation from a party that is trying to throw poor children off the welfare rolls; a party that would eliminate Federal nutritional standards for school meals; a party that would cut benefits for handicapped children; a party that would reduce protection for abused and neglected children, even though reported cases of abuse and neglect tripled between 1980 and 1992.

Please, a reality check.

And ''defenders of special interests''? A Republican in the era of Newt can say that with a straight face? On Monday, Richard L. Berke wrote in The Times:

''Indeed, many Republicans are seeking to punish groups that did not support them in the past to insure that they are never again abandoned. While Democrats have never been timid about hitting up lobbyists, Republicans are going even further, to the point of dictating whom business groups should hire.''

The cold truth is that the Republicans currently in Congress are raising the phenomenon of special interests to dangerous new heights. The lead paragraph on a Washington Post article on March 12 said:

''The day before the Republicans formally took control of Congress, Rep. Tom DeLay strolled to a meeting in the rear conference room of his spacious new leadership suite on the first floor of the Capitol. The dapper Texas Congressman, soon to be sworn in as House majority whip, saw before him a group of lobbyists representing some of the biggest companies in America, assembled on mismatched chairs amid packing boxes, a huge, unplugged copying machine and constantly ringing telephones.''

The eager lobbyists had wasted no time in taking up Mr. DeLay's offer to collaborate in the drafting of legislation that would scrap Federal safety and environmental rules that big business felt were too tough. When the bill and the debate moved to the House floor, the Post story said, ''lobbyists hovered nearby, tapping out talking points on a laptop computer for delivery to Republican floor leaders.''

The mind boggles at the very idea of a Gingrich Republican criticizing anyone as a captive of special interests. Republicans in the era of Newt aggressively hunt down special interests and demand to be taken captive. If, of course, those interests have lots of money.

And when it comes time to make sacrifices to bring the Federal deficit under control, those interests are spared. No pain inflicted there. The Republican zeal for budget cuts comes to an abrupt halt in the face of the real special interests. The so-called Contract With America is actually a contract with big business. Keep in mind the lobbyists writing legislation in Tom DeLay's office. They weren't representatives of the American people, poor or middle class. They represented the real beneficiaries of the contract.

According to the National Center for Children in Poverty, 24 percent of all American children under the age of 6 are poor. Under the twisted values of the new Republican majority, these children become like wounded swimmers in shark-infested waters. Their very vulnerability is a signal that they should be attacked.

James Weill, general counsel of the Children's Defense League, said, ''They are taking that part of the American population that is in the deepest trouble to begin with, the group with the highest poverty, the greatest vulnerability, and because they are so politically powerless they are attacking them the most. That, to me, is the worst aspect of what they are doing.''

HOUSE TAKES UP LEGISLATION TO DISMANTLE SOCIAL PROGRAMS

(By Robert Pear)

WASHINGTON, March 21.—The House of Representatives today took up sweeping legislation that would dismantle many elements of the social welfare systems put in place by the Federal Government over the last 60 years.

There was little suspense about the outcome; Republicans predicted that the bill would be approved late this week on a party-line vote.

''Based on the hysterical cries of those who seek to defend the failed welfare state, you would have thought Republicans were eliminating welfare in its entirety,'' rather than just slowing its growth, said Representative Bill Archer, the Texas Republican who is chairman of the Ways and Means Committee.

Mr. Archer, declaring that ''the Republican welfare revolution is at hand,'' said the Republican bill sought ''the broadest overhaul of welfare ever proposed.''

For their part, Democrats acknowledged that their substitute measure had little chance of passage but predicted that they would make political gains in the debate by attacking the Republicans as cruel to children. Representative John Lewis, Democrat of Georgia, for instance, infuriated the Republicans when he said their ''onslaught'' on children, poor people and the disabled was reminiscent of crimes committed in Nazi Germany.

Representative E. Clay Shaw Jr., Republican of Florida, said the comparison was ''an absolute outrage.''

The Congressional Budget Office said this week that the Republican bill would cut $69 billion, or 6 percent, from projected spending of $1.1 trillion on welfare, food assistance, child care, Medicaid and other programs over the next five years. The cuts appear larger—about 11 percent of projected spending. If Medicaid is omitted from the calculations, as Democrats say it should be. The bill makes only minor changes in Medicaid, the health program for low-income people.

The outlook for the bill in the Senate is murky. Senators of both parties have expressed doubts about the House Republican plan to give each state a lump sum of Federal money to help the poor, with few Federal standards or guarantees. Many senators say the Federal Government must retain more responsibility for the use of revenue raised through Federal taxing power.

Representative Harold L. Volkmer, Democrat of Missouri, attacked the Republican bill as ''very mean-spirited, very radical.'' Much of the money saved by cutting aid to the poor would be used to finance tax cuts for the wealthy, he said.

The welfare bill, a cornerstone of the Republicans' Contract With America, would replace several programs, like Aid to Families With Dependent Children and the school lunch program, which guarantee benefits to anyone who meets the eligibility criteria, with direct cash payments to states. The states could then use the money in any way they chose to assist low-income people.

Republicans are still wrestling with the concerns of anti-abortion groups and some Republican lawmakers who say that provisions of the bill would encourage abortions. Those provisions would prohibit use of Federal money to provide cash assistance to children born to unmarried women under 18 or to women of any age already receiving welfare.

House Republican leaders said the ban on cash assistance for those children would probably remain in the House bill. But they said they might accept amendments allowing such families to receive assistance in the form of vouchers, which could be used to buy diapers and clothing for the children.

Representative Bill Goodling, Republican of Pennsylvania, said current welfare programs had ''enslaved'' the poor. And Representative Gerald B. H. Solomon, Republican of upstate New York, asked, ''What is compassionate about welfare programs that encourage dependency for two, three or four generations?'' Democrats said they were not defending the current welfare system.

In its report on the bill, the Congressional Budget Office made these points: The proposed work requirements for welfare recipients are unrealistic. The bill says that half of single parents and 90 percent of two-parent families on welfare must work. Based on experience with work programs in the past, the office predicted that no states would meet those requirements.

The Federal Government would save more than $5 billion a year by making legal aliens ineligible for Government benefits that they now receive. The budget office said 1.7 million aliens would lose Medicaid coverage, while 1.1 million would be denied food stamps.

The bill would cut $20 billion, or 14 percent, from projected spending on food stamps over the next five years. About 800,000 of the 27 million people now on the rolls would lose their benefits because of work requirements, which stipulate that able-bodied people 18 to 50 with no dependents must work at least 20 hours a week.

Of the 5 million families now receiving Aid to Families With Dependent Children, 2.8 million would lose some or all of their benefits. The number of disabled children receiving cash benefits under the Supplemental Security Income program would be reduced to 538,000 from 900,000.

Representative Sander M. Levin, Democrat of Michigan, told the Republicans, ''You use a meat ax against handicapped children and their parents.''

WORK REQUIREMENTS—TEMPORARY FAMILY ASSISTANCE BLOCK GRANT

(Mr. ORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ORTON. Mr. Speaker, we do need to reform the welfare system. I rise in support of the Deal substitute and wanted to raise one issue to my colleagues.

Yesterday during this debate the Utah demonstration, welfare demonstration, was raised by one of my colleagues on the Republican side as an example of work requirements which work, which H.R. 4 was patterned after. I would like to just share a memorandum from the State of Utah Department of Human Services and let me quote:

We do need to alert you to the impact which one key element, prescriptive work requirements, will have on our own very successful welfare reform demonstration program. Our understanding is that the work requirements were modeled after Utah's program. The following is meant to clarify that the prescriptive work requirements of title I are not congruent with our policy.

They go on to say that the act, as drafted, would prohibit this approach, the act, as drafted, would require dramatic changes in how SPED is operated in Utah. I would urge my colleagues to support the only bill which does follow the Utah work requirements approach, the Deal substitute.

[The letter referred to follows:]

STATE OF UTAH, DEPARTMENT OF HUMAN SERVICES, OFFICE OF EXECUTIVE DIRECTOR, SALT LAKE CITY, UT.

To: Laurales Sorensen, Legislative Analyst, Governor's Office, Washington, D.C.

From: Robin Arnond-Williams D.S.W., Deputy Director.

Date: March 9, 1995.

Re: Work Requirements—Temporary Family Assistance Block Grant.

It has come to our attention that the House Ways and Means Committee has now completed its mark-up of welfare reform including Title I. Temporary Family Assistance Block Grant. On behalf of the Department of Human Services, I want to express our appreciation to you and Joanne for allowing us maximum opportunity to provide input into this process. While we believe the final product embodies the core tenets of welfare reform and will strengthen efforts to move individuals off assistance and out of poverty, we do need to alert you to the impact which one key element—prescriptive work requirements—will have on our own very successful welfare reform demonstration program. Our understanding is that the work requirements were ''modeled'' after Utah's program. The following is meant to clarify that while the concept of requiring participation and work are integral to both Utah's single parent Demonstration Program (SPED) and our Working Towards Employment Program (formerly EWP), the prescriptive requirements of Title I are not congruent with out policy. To summarize our requirements:

SPED requires universal participation in self-sufficiency related activities by all single parent recipients of cash assistance—no exemptions are provided. 90% of recipients actively participate, those who choose not to participate are sanctioned $100 per month.

Two-parent families are served under the Working Towards Employment Program. Universal participation of 40 hours per week for one parent and 20 hours per week for the second parent is required. Cash assistance is received only after completion of these participation requirements. Of the hours required, at least 8 hours must be in job search, the remaining hours can be any combination of employment, education, or training.

While most adults in SPED participate in job search or work prior to education or training, this is not appropriate in all cases. Often, we involve participants simultaneously in employment/job search and education/training activities under the philosophy that employment and education go together.

Twenty-five percent of SPED recipients are working in unsubsidized employment which strongly show Utah's commitment to employment (this compares with a national rate of approximately 10%). About 27% of recipients are involved in education activities ranging from basic education to GED to short-term skills training to college. Over half of these recipients are also involved in employment, job search, or mental health counseling. For the remaining recipients, two issues are paramount:

First, for those in GED, short-term training or English as a Second Language educational activities, our experience has shown that the best course is for them to concentrate their full-time efforts on completing these educational paths and then moving into employment that will eventually move them off the system. The act as drafted would prohibit this approach. If we expect a recipient without basic education, specific skills or a work history to immediately go into job search and employment there is a danger of setting them up for failure, producing only short term results, and encouraging the ''revolving door'' approach to receipt of public assistance.

Second, some individuals cannot work 20–30 hours a week as well as attend school, particularly persons with other barriers such as mental health problems, a disabled child, or transportation problems. This will be particularly detrimental to our rural SPED sites where geographical distances may add as many as 2–3 hours of driving time as a recipient goes from home to child care to place of employment to school to child care to home is a given day. The act as drafted would require dramatic changes in how SPED is operated in our rural areas.

Under SPED. we often push adults to complete education and training as soon as possible. Often we require 40 hours of participation with no time off for summer etc. This significantly reduces their stay on assistance. We expect that the language restricting participation in education and training, could double the length of time some participants are actually involved in education or training and therefore, remain on assistance.

Finally, we need to once again express our concern regarding this level of prescriptive statutory language. In order to effectively meet the goals of welfare reform, states

must have maximum flexibility. Public welfare programs must be designed to allow states to respond to rapidly changing environments. The reason we are struggling with AFDC today is that the prescriptive statute has not kept pace with changes in public attitudes, economics, social conditions. etc.

Once again, we appreciate the opportunity to provide input. Thanks for all that you are doing on this important issue.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. CALVERT). Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members are recognized for 5 minutes each.

TERM LIMITS DEBATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. GUTIERREZ] is recognized for 5 minutes.

Mr. GUTIERREZ. Mr. Speaker, assuming, for argument's sake, that term limits really will have the beneficial effect on the Congress that their proponents claim, why should we pass a term limits amendment that does not apply with full force to current members?

Do current members possess some special virtue which immunizes them from the hazards of extended incumbency? My good friend Rep. MCCOLLUM has said that ''those of us who believe in term limits * * * need to stay longer'' to make sure that a term limits amendment is passed.

Do I sense a contradiction here? By the same reasoning, we should encourage the alcoholic to continue drinking, so that he will be able to keep his goal of quitting one day.

But the McCollum resolution doesn't just buy the alcoholic a drink; it gives him an open tab at the bar.

Were the McCollum resolution to be ratified by the states and become part of the constitution immediately following next year's elections, Mr. MCCOLLUM himself would still be eligible to serve in the Congress until 2008. By the time he retired, he would have been in Congress for 28 years.

Twenty-eight years.

Of course, the states can take up to seven years to ratify the term limits amendment. If the states do so, then Mr. MCCOLLUM—who has already served for 14 years—will have 19 more years to talk about our need for ''citizen legislators'' while he waits for his term limit to take effect. Under this scenario, when Mr. MCCOLLUM's term limits amendment finally forces him out of this body, he will have served for 33 years.

It's a tough situation for Rep. MCCOLLUM. As he himself has noted, ''The worst thing that anybody could do who supports term limits as a sitting member of Congress is to step aside right now.'' (Press Conference on Term Limits, 5/4/92)

Every once in a while Members of this House are called upon to cast a truly difficult vote, one that affects their own lives directly. Such is the constitutional amendment mandating retroactive term limits, of which I am an original sponsor. Members who have already served six terms when the amendment passes will be ineligible to run again. This amendment will give Members who really believe in term limits a chance to vote for a term limits amendment with teeth.

But while we're waiting for term limits to pass, there's something else we can do to clean up Congress, to make elections something more than the ''mockery'' which our Speaker has said they often are, to reduce the overpowering advantages of incumbency in the American political system.

I am talking about campaign finance reform.

I've noticed that the Contract With America is completely silent on the issue of campaign finance reform.

Yet the rhetoric about term limits grows louder by the day. Whether you are on this floor, in your car listening to the radio, or at home watching your television, it's everywhere these days.

Yes, it's true, we have too many Members of Congress who have been working here so long that they now feel that they are entitled to be Members of Congress.

And we have too many lobbyists, too many ''public relations'' specialists in this town, and they certainly have a lot more influence over the legislation that is produced by this body than the average working man or woman does.

But this problem does not exist because people are serving in Congress too long; many of our greatest statesmen have had unusually long Congressional careers.

This problem exists because of the way elections are paid for.

To hear them talk, you would think my Republican friends are boldly leading the way into the era of Citizen Legislator, and that term limits are the definitive answer to the problem of the professionalization of politics.

But all the while, my Republican friends are completely ignoring the legislation that will do more than anything else to release the Congress from its bondage to the lobbyists and the special interests—campaign finance reform.

The McCollum term limits resolution is really nothing more than an incumbency protection resolution. This is why more than 30 Members who have already been in Congress for 12 years or more support it so enthusiastically.

Instead of following such an uncertain and indirect path to reform, wouldn't it be much simpler to pass real campaign finance reform, and take away the money and influence that allow people to stay in this body for year after year by drowning their opponents in a sea of money?

Wouldn't it be much simpler to stop talking about phony term limits resolutions and instead do something to seriously limit the influence of big money campaign donors on our political system?

But the Contract With America is silent on this issue.

It's time to stop posturing on this issue and do the right thing.

If you are for term limits—really for term limits—support the real thing, support retroactive term limits.

But even more importantly, let's reform the campaign finance laws and restore equity to the electoral process.

Whether you are in your first term or your twentieth, let's try to create a political system in which the citizens rule, and in which the dollar is no longer king.

QUOTABLE QUOTES ON TERM LIMITS

''This is a tool that I think will do for Congress exactly what I did with a pitchfork for my dad's stable.''—Dick Armey (first elected, 1984) (Seelye, N.Y. Times. 1/12/95)

''I have served here now in my 13th year. I am not ready to walk away from here until Teddy Kennedy and you guys want to voluntarily walk away. Those of us who believe in term limits and those of us who want to see things change around here need to stay longer, unfortunately, because the system is the way it is, in order to have the influence it takes when you get a few years in here.''—Bill McCollum (Testimony before Subcmte. on Civil and Constitutional Rights, 11/18/93)

''If the Republicans can straighten out the House, I think Americans will find their enthusiasm for term limits waning quite a bit''.—Dick Armey, after Nov, '94 elections (AP, 12/6/94).

''Term limits are essential for a healthy and open political system.''—Dick Armey, one week later (AP, 12/6/94).

''I am for them [term limits] myself, but the retroactive feature is not a fair feature. It's not the way the Florida statute reads.* * * I think that's unconstitutional.''—Bill McCollum, CNN's *Crossfire*, 11/29/94.

''***I think systematically the balance of power in favor of professional politicians as incumbents is so great that in fact it may—in many places it has made a mockery of the process of open elections.''—Newt Gingrich (Press Conference on Term Limits, 1/11/95).

SUPPORTERS OF NON-RETROACTIVE TERM LIMITS WHO WOULD BE FORCED TO STEP DOWN UNDER RETROACTIVE 12-YEAR LIMITS

Dornan (1976), Solomon (1978), Roth (1978), Packard (1982), Stump (1976), Crane (1969), Fields (1980), McCollum (1980), Hansen (1980), Bereuter (1978), Gekas (1982), Gunderson (1980), Leach (1976), Saxton (1982), Schaefer (1983), Shaw (1980), Wilson (1972), Goodling (1974), Gingrich (1978).

SUPPORT TERM LIMITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MCCOLLUM] is recognized for 5 minutes.

Mr. MCCOLLUM. Mr. Speaker, I have just heard the gentleman from Illinois say it to everybody out there that, gee, MCCOLLUM must not really believe in term limits because he does not believe in the particular version that the gentleman prefers, with retroactivity in it. I hope every Member on that side of the aisle who wants to support their version will do the same thing I am going to do, and that is make a pledge

and then live up to it to vote for whatever version of term limits comes out of here next Wednesday when we finally get a chance after all of these years to vote on term limits and vote for whatever version is on the floor for final passage.

If it is the gentleman's version out here with retroactivity in it, BILL MCCOLLUM is going to vote for it. I urge them to do so. I happen not to prefer that, I prefer another version, but I think we need to put all of the term limits business in perspective, and that is why I am out to help do that a little bit this evening.

Next week this House of Representatives is going to have an opportunity to cast a historic vote. For the first time in the history of this country in either the House or the Senate, we are going to get to vote on a constitutional amendment to limit the terms of Members of the House and Senate. Just two Congresses ago, in the 102d, there were not more than about 33 Members of the House willing to publicly support term limits. In the last Congress, in the 103d, thanks to the sophomore class that came in of both parties last time, we got up to 107. Now we are trying to get to 290, the magic number it takes to pass a constitutional amendment to give us term limits throughout this Nation.

I do not know if we are going to achieve 290, but I think it is going to be a very big successful day for term limits getting to the floor and having the vote. And I believe we are going to go well over 200. We have a good chance and we are working very hard to get 290, but we need everybody who says they support term limits, and I hope they really do, to be there, to be there on the final vote, to cast their vote yes for whatever is out here.

There are going to be four options. Yes, my bill is the base bill, but it may not be the one that is finally there standing. I personally favor 12 years in the Senate, 12 years in the House. I think it makes a lot more sense than versions that have a shorter number of years in the House of Representatives to cap the length of time you can serve here. I personally believe that it would be a very serious problem in terms of the power of the House versus the power of the Senate if we had the House serving less time. I think you would have a stronger Senate vis-a-vis the House and a weaker House if that occurred, and I do not think that is smart for us to do 6 or 8 years for the House and 12 years for the Senate.

So I think 12 and 12 is the right balance.

I also think 6 years is too short, but that version is going to be out here. I think it is too short in the sense from my experience here, as complex as this government is, you need to be here about that length of time, 6 years before I want you to be a full committee chairman or in leadership of either of the parties, but that is a judgment call on my part.

Mr. ENGLISH is also going to offer 6 and 12. If it gets enough votes to be here on final passage, I am going to vote for that, I am going to encourage you to vote for it.

Then we are going to have an option out on the floor, Mr. HILLEARY's option that will say we pass a 12-year cap for the House and Senate and if the States want to decide under that 12-year cap whatever they want to decide in lesser years, then they ought to be allowed to do that and we will put it in the Constitution. I personally do not favor that. I happen to think that that is going to allow a lot of hodge-podge around the country for years to come with some States with 6 for the House and some 8 and gosh, maybe 4 and 10 and so forth.

□ 2000

I do not think that is good Government. I think uniformity throughout the Nation is preferable. My particular proposal is going to be silent with regard to what the Supreme Court is going to decide. It would not preempt the State. If the Supreme Court decides in the Arkansas case later on this spring that the State provisions that have been passed around the country for 6, or 8 or other years is a constitutional thing to do, then they will indeed prevail but the 12-year cap will be there, and the Hilleary idea will be ingrained into law by virtue of the Supreme Court decision, but I do not think it is a good idea, and I think, if the Supreme Court decides the present powers of the States do not exist in the Constitution to do this, then we should not give them the additional powers. We should go ahead and pass my version of the amendment, and then it would become at that point, if the court rules otherwise, it rules that States cannot do this, the uniform national 12-year standard. But if the Hilleary proposal prevails here and it is the wisdom of the majority to have it as the substitute amendment, I am going to vote for that on final passage, and I hope my colleagues do, too.

And, yes, the Democrat version with retroactivity is in there. I do not agree with that. I happen to think that all 22 States that have passed term limit proposals in the States are right. They did not pass retroactivity in any of those States, and in the one State it came up, in Washington State, they defeated it and had to come back later with one that was not retroactive. I do not think that is smart. We can debate it out here, but, if that version happens to prevail, I am going to vote for it, too, on final passage.

The bottom line is we have a chance finally to do what the American people, nearly 80 percent, have been saying all along, and that is for us to pass a term limits constitutional amendment, and nobody should try to hide or be allowed to hide under dodge of one preference or the other. The key is going to be to get to final passage and vote yes. I say to my colleagues, ''If you don't vote yes for term limits on final passage, don't come back to your voters next year and tell them you're for term limits.''

H.R. 4 REWARDS THE RICH, CHEATS THE CHILDREN AND IS WEAK ON WORK

The SPEAKER pro tempore (Mr. CALVERT). Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, in one hand I have letters from the students of Cesar Chavez Elementary School in San Francisco asking President Clinton and the Congress not to cut the school lunch program. In the other hand I have H.R. 4, the Republican so-called welfare reform bill. Mr. Speaker, I hope never the twain shall meet. I hope that the children of Cesar Chavez Elementary School, or any of the other children throughout this country, never have to feel the pain of this legislation. I hope it does not pass.

Mr. Speaker, why I hope it does not pass is because in this legislation is contained provisions that will cut the children's nutritional programs, and, yes, even the school lunch programs. Why? Because it does not provide enough money to cover all of those programs because it does not require the Governors of the States to spend 100 percent of the school lunch monies that are sent to the State, but only 80 percent because it eliminates the nutritional standards that are contained in the school lunch program presently, because it eliminates the eligibility that is contained presently in it so that poor children, who really need nutrition, will suffer from this legislation.

And why is that?

That is because our Republican colleagues want to save money for a tax break for the wealthiest Americans. Why start with children first? Women and children first were traditionally those first to the lifeboats. Here they are first to the gangplank, to walk the plank.

Mr. Speaker, I yield now to the gentleman from California [Mr. FARR]. As he comes up, I want him to join me in recognizing that this school lunch program cut will cut 503,000 children, will be dropped from the school lunch program under the Republican plan in the first year.

Mr. Speaker, that is why I say that H.R. 4, the Republican so-called welfare reform bill, rewards the rich, cheats the children and is weak on work, and in our State of California, and the gentleman from California [Mr. FARR] and I will place this on the map together—67,900 children will be cut from the school lunch program in just the first year.

I urge my colleagues to vote no on H.R. 4, and I am pleased to yield to my colleague from California.

Mr. FARR. Mr. Speaker, I really appreciate the gentlewoman yielding to me, and I want to bring up a point about H.R. 4.

It takes food away from poor kids to fund tax breaks for the wealthy, sort of Robin Hood in reverse. According to the California Department of Education, each day 745,000 children will no longer be eligible for school and child care needs. Almost 1,000,000 kids a day, will no longer be eligible for meals.

H.R. 4 really hurts because it abolishes the donated food program, donated food. Right now 49 counties in California have been declared natural disasters. More than 6,000 pounds of food has already been delivered.

In the Loma Prieta earthquake 880,000 pounds of food were delivered. H.R. 4 eliminates those food donation programs.

People in my district are livid. A letter from John Cruz, superintendent of Fowler Unified School District in Fowler, California, writes:

> Living in an agricultural area with a large population of low-income students, I am keenly aware of the negative impact this legislation will have on our students and parents. You can rest assured that a large number of students will come to school hungry. We make every effort to overcome obstacles so that we can effectively educate our students. But hunger has no remedy but a warm meal, served in the comfort of a school cafeteria. I understand that tough decisions must be made, but please don't make them at the expense of our kids.

This is a bad bill. I urge everyone to oppose it.

Not to mention the fact that this bill abolishes the donated food program—donated food, Mr. Speaker—which is crucial during natural disasters like the devastating floods that have pounded my district this year. More than 880,000 pounds of food was delivered to needy families who fell victim to the natural disasters of the Loma Prieta and Northridge earthquakes. Six thousand pounds have already been delivered during the recent floods in my district.

I have received hundreds of letters from community leaders across California and throughout the country who are alarmed by the threat this GOP bill poses to kids. John Cruz, superintendent, of Fowler Unified School District in Fowler, California writes:

> Living in an agricultural area with a large population of low-income students, I am keenly aware of the negative impact this legislation will have on our students and parents. You can rest assured that a large number of students will come to school hungry. We make every effort to overcome obstacles so that we can effectively educate our students. But hunger has no remedy but a warm meal, served in the comfort of a school cafeteria. I understand that tough decisions must be made, but please don't make them at the expense of our kids.

Suzanne Du Verrier, supervisor for Alisal School District food services department in Salinas, California writes:

> School lunch is not a welfare program. Including school lunch in Personal Responsibility Act as a part of the nutrition block grant would become an administrative nightmare for States and the various school districts. All the work that has been done to bring meal requirements into a healthier realm will evaporate. Our Nation's children must not pay for the sins of the Nation's adults.

Maria Doyle, from Monterey, writes:

> This approach will increase child care costs for low- and middle-income parents, even forcing children out of regulated care and back into latch-key situations.

Finally, little 8-year-old Annie Brown of Salinas, writes:

> Everyone needs to learn to love, please don't hurt the children.

Mr. Speaker, don't be mistaken, Democrats across the board are demanding change. Democrats want to reform welfare, but we know we can do it without putting the health of innocent children at risk.

Democrats believe that we must move people from welfare to work not homeless shelters. We should demand and reward work rather than punishing those who go to work. This mean-spirited GOP measure will hurt far more than it will help Americans who want to free themselves from the destructive grasp of social welfare programs. It will only throw them out into the street, without the benefit of the training they need for meaningful employment or the child care they need for their children.

H.R. 4 is poorly conceived legislation and deserves to be rejected. It's been rushed through Congress for one purpose and one purpose only: campaign P.R. and a spot on the nightly news. The children of my district can't stand up to this Speaker's bully pulpit, but I can, and I encourage my colleagues to do so as well.

Ms. PELOSI. Mr. Speaker, I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE. Mr. Speaker, I thank my colleague from California, and I would simply like to rise to oppose H.R. 4 because I think there is some misinformation around, and that is that the H.R. 4 does not cut school lunch. There is something about a 4.5 percent increase, and let me simply say to you that first of all H.R. 4 has no money for school lunches, and, second of all, the cash assistance does not take into consideration the value of direct food purchases, and there is no guaranteed funding level. We in Texas lose some $690 million in school nutrition programs or total nutrition programs, and let me tell you that the State of Texas loses 58,400 children that will not have lunch.

Let us vote against H.R. 4. Let us stand for the children.

Ms. PELOSI. Mr. Speaker, I thank the gentlewoman from Texas [Ms. JACKSON-LEE] for her leadership on this issue and for informing us of the impact of the Republican cuts in Texas.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. CHABOT] is recognized for 5 minutes.

Mr. CHABOT. Mr. Speaker I yield to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I just want to point out in this child nutrition school based block grant and current law, CRS report dated March 20, that in the State of California the increase from 1996 over 1995 on these school based programs is from $808 million to $854 million, an increase of $46 million.

Mr. CHABOT. Reclaiming the balance of my time, Mr. Speaker, I would like to read a direct quote, what one of our former Presidents said about welfare. Here is what he said:

> The lessons of history show conclusively the continued dependence upon relief induces a spiritual and moral disintegration fundamentally disruptive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit.

Now some of my liberal Democratic colleagues on the other side of the aisle would probably call that statement mean spirited. But do you know who said that? Which one of our Presidents? Well, he was a Democrat. It was Franklin Delano Roosevelt. He was speaking to Congress, and he was absolutely right.

Sadly, Congress did not listen. Instead the Federal welfare monstrosity tore families apart. It destroyed individual initiative and mocked the concept of personal responsibility. It has become the narcotic, the destroyer of the human spirit, that Franklin Roosevelt decried. The welfare system has trapped millions upon millions of Americans in a snare of dependency.

□ 2015

Generation after generation of people in this country never work. They get a welfare check every month, and they live off those Americans who do work. It is an absolute disgrace, in fact. And here may be the saddest fact of all. Innocent children born into the welfare habit are 300 percent more likely than others to be on welfare when they grow up.

We have kids all over this country who grow up in homes where they never see an adult in the home go to work. But I refuse to believe that we should write off entire generations and consign them forever to desperate and unproductive lives.

As terrible and as horrifying as it is, there are some politicians who have a vested interest in perpetuating the current system of handouts. This determination to hold people down is sickening, but the huge Federal welfare bureaucracy has real political power.

The architects of the current disgraceful system fight hard to keep what they have created, and those who have been complicit in creating the cycle of dependence that is our current welfare system simply do not want to see any changes at all.

When those of us who are working for reform propose some initial efforts to

break the bonds of dependence, we are told to sit down and shut up.

Well, Mr. Speaker, we will not sit down, and we will not shut up. We are going to stand up for the hopes of future generations. We are going to speak out on behalf of victims of the current system, both recipients, yes, and the taxpayers.

If the only coherent, straightforward argument made against welfare reform is the two command words to shut up, then maybe the protectors of the present system ought to consider at least getting out of the way.

The intellectual wellspring of the status quo seems to have run dry after a torrent of rhetoric and $5 trillion of taxpayer money spent over the last 30 years on this ridiculous system of welfare that we have. The nay sayers simply have not made the case for protecting a bureaucratic Federal welfare system that penalizes work and rewards irresponsibility and writes off whole segments of our community.

So this Congress, I hope, is finally prepared to pass welfare reform. This bill is based upon true compassion. It has the work requirement. It protects children.

It seeks to discourage teenage sex and to crack down on deadbeat dads who want the Government to take the responsibilities for kids that they produce. They ought to own up and pay for these kids themselves. These deadbeat dads have been getting off for far too long.

Our welfare reform eliminates taxpayer-financed subsidy payments for drug addicts and alcoholics. We have been paying drug addicts and alcoholics welfare benefits and SSI benefits. It is disgraceful.

Importantly, it ends discrimination in adoption.

It is time for welfare reform. It is long overdue. We are finally going to pass this tomorrow.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. MFUME] is recognized for 5 minutes.

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

CHILD SUPPORT ENFORCEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. WELLER] is recognized for 5 minutes.

Mr. WELLER. Mr. Speaker, as one of the chief sponsors of the Family Reinforcement Act, I rise in strong support of the goals of child support enforcement provisions and the Personal Responsibility Act. All are Republican welfare reform initiatives.

The condition of America's families is of utmost importance to the future of our country. We must act quickly and decisively to restore and encourage and protect our most fundamental unit of America society, the family.

I am here today to voice my support for the common-sense goals of H.R. 4, reducing welfare dependency by ensuring that parents support their children, strengthening and streamlining the State-based child support system and giving the States the tools they need to get the job done.

Too many single parent families have had nowhere else to turn but to resort to government support programs. Too many children go to bed hungry or do without, all because their deadbeat parents outrun the current bureaucratic and time-consuming child support collection system. This has got to stop.

Republicans are working to change our child support collection system. Republicans want to help the needy children of America, particularly when we see that today $34 billion is owed to children today by deadbeat parents. In my own State of Illinois, that is $176 million on unmet obligations to the children of Illinois.

Let us look at what is in H.R. 4 regarding child support. The Personal Responsibility Act has three goals in child support: to reduce welfare dependency by ensuring that parents support their children, strengthening the State-based child support system and giving the States the tools they need to get the job done.

It provides for strong measures to establish paternity, requiring applicants and recipients of public aid to establish paternity for their children, granting States financial incentives for establishing paternity.

The bill also provides better tools to locate absent parents, making additional information available to the States, including law enforcement systems and data on licenses, newly hired employees and members of organized labor.

H.R. 4 also provides streamlined procedures to collect child support. In fact, if you look at the States' caseload, which has grown almost 150 percent since 1983, then you will discover that this plan helps States manage caseloads more effectively by providing expedited procedures to order genetic testing, enter default orders and issue subpoenas.

It also removes the barriers that exist when parents reside in different States by requiring States to honor the child support orders of one State so no parent can avoid child support by leaving the State their child lives in.

And it also puts in place tough techniques, tough tools so States can enforce child support orders, strengthening the States' enforcement capability by allowing States to use assets, income and even lottery prizes to satisfy child support debt.

It also requires licensing agencies to collect social security numbers so States may match child support and licensing records and impose restrictions on licenses held by people who fail to support their children.

With adoption of the Salmon amendment today, it allows States to place liens on property of deadbeat parents who fled their States, such as someone who would flee my home State of Illinois, to avoid their responsibility to their own children.

Ladies and gentleman, H.R. 4 provides tough tools to help deadbeat parents be located and, of course, be forced to meet their responsibilities. If you look at the facts, if you look at the record, H.R. 4 helps kids. In fact, when you know the facts, that too many deadbeat participants have stiffed their own flesh and blood for far too long, then it is time to support the Personal Responsibility Act.

Let us vote for real reform that helps kids, helps children. Let us pass H.R. 4 tomorrow on Friday.

REMOVAL OF NAME OF MEMBER AND REQUEST OF MEMBER ON SPECIAL ORDERS LIST

Mr. CLYBURN. Mr. Speaker, I ask unanimous consent to have my name replace that of the distinguished gentleman from New York [Mr. OWENS] on the list for special orders.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina [Mr. CLYBURN]?

There is no objection.

WELFARE TO WORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. CLYBURN] is recognized for 5 minutes.

Mr. CLYBURN. Mr. Speaker, I think we can all agree that the welfare system is in need of reform. But the Republicans' idea of welfare reform is to callously toss welfare recipients off the government rolls without much thought to getting or keeping them on payrolls.

You will get no arguments from me that the best way to reduce the welfare rolls is to find jobs for many of the recipients. But merely requiring welfare recipients to find jobs without looking at the factors that make it difficult for them to get or keep these jobs is a reform measure that is primed for failure.

H.R. 4, is the GOP's ''Personal Responsibility Bill,'' takes practically no responsibility for providing mechanisms by which these welfare recipients can make a realistic transition from welfare to work.

First, the bill that we are debating here today contains no funding for work programs. Under this bill, welfare recipients can receive government assistance for up to two years before they are required to work. Why not begin right away with helping these recipients find gainful employment?

Second, this is the same bill that would put low-income working mothers in a bind by cutting federal funds to existing childcare programs.

Let's look at South Carolina, for example. Under this bill, federal childcare programs would be consolidated into a State block grant that would cut $31 million in Federal funds to the State over five years—meaning that over 5,000 fewer children would receive Federal childcare assistance that year. When are they going to realize that affordable and reliable childcare is a major factor in a single mother's ability to find and keep a job?

Also, another crucial factor in getting welfare recipients to work and in keeping them working, is income. We can not realistically expect a working mother to be able to take care of a family while only earning minimum wage. If we are going to require welfare recipients to go to work, why not require that these jobs provide a liveable wage so that working moms may be able to sustain themselves and their families?

And although this is a separate issue, if you look at the fact that a single mom stands to lose Medicaid benefits for themselves and their children in lieu of a low-paying job with no health benefits, it would make more sense to stay on welfare.

Mr. Speaker, I have long been an advocate of welfare reform. But I support realistic and humane welfare reform—one that includes programs that will train current recipients for real jobs; one that addresses the real need for reliable and affordable day care; and one that take into consideration the need for real wages so that these recipients can become self-supporting, productive members of society.

ILLEGITIMACY AND REDUCTION OF POVERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. HOKE] is recognized for 5 minutes.

Mr. HOKE. Mr. Speaker, tonight we are talking about welfare, and the reason we are talking about welfare is that H.R. 4 is on the floor and for the first time in 40 years we are going to undertake to reform a failed system.

How do we know that this system has failed? Well, first of all, I suppose we know because there is acclamation on the point. I do not think anybody is arguing it. But, besides that, what we can do is look at certain indicia of whether or not it is a success. What have we done, what have we gotten after 35 years of great society?

Well, what we have gotten is we have spent about $5.3 trillion on welfare since the early 1960s, $5.3 trillion. Have we reduced poverty in that time? No, we have not reduced poverty. In fact, what we have found is that provety was coming down year by year by year by year, right from the beginning of this century to the late 1950s and early 1960s, and since we have been throwing money at the problem in tremendous amounts poverty has leveled off and stayed flat.

But the amount of money that we have thrown at the problem has increased and increased and increased and increased by any measure, by measure of nominal dollars, current year dollars or by measure of percentage of Gross Domestic Product. In fact, when you measure by Gross Domestic Product, we have increased the amount from about less than 1 percent of GDP to nearly 4 percent of GDP that we are spending on welfare.

What have we gotten? Have we reduced poverty? No, we have not reduced poverty. What have we done? Well, we have found that we are in a situation with respect to illegitimacy that is truly alarming, truly alarming because it has more impact, it has more implications for what will happen in the 21st century than any other social challenge that we face.

Let us look at numbers for a minute. First of all, we know that in the minority community among blacks two out of every three births is now out of wedlock. For all those people that think this is a problem that is somehow only in the minority community, let me tell you that is absolutely wrong. One out of four white babies is now born illegitimate. Fully one out of three of all births in this country is now illegitimate.

What do we know will happen with respect to kids who grow up in single-parent homes? Well, we know that welfare has failed children more than anyone. It is the cruelest thing that we could be doing to our children.

□ 2030

We know it for a number of reasons. First of all, children in families which are dependent on AFDC for prolonged periods have more developmental problems than children dependent for shorter periods. Sixty-nine percent of children in chronically dependent welfare families score in the bottom third of all children on vocabulary and language skill tests. The source on that is the Life Circumstances and Development of Children in Welfare Families, a profile based on national survey data in the Child Trends Magazine.

We also know being raised in a family dependent on welfare dramatically reduces a child's intellectual abilities and life prospects. Researchers from Baruch College in New York City studied the effects of being raised in a welfare family on the intellectual abilities of children aged three to six. Children on welfare do worse in school, they tend to have other developmental problems, they are three times more likely to end up on welfare themselves. And teenage girls who grow up in fatherless families are far more likely to have early intercourse, pregnancies and abortions than those from two parent families.

What kind of perverse and cruel form of compassion would encourage children to have children? And then condemn them to a dead end cycle of government dependency? What could possible be more cruel to children than this failed system?

We could not have consciously designed a more destructive system than the one that we currently have. And that is what perplexes me the most about how it is that liberals are defending this system.

What you hear from my friends on the other side of the aisle is well, yes, we need reform, but. It reminds me of the ''me too, but'' disease, where you say ''Yes, we are going to fix this now. We didn't bother for the past 30 years, even though we have been in control of this place for the past 40 years. But now we agree with you, we need to fix this, we need to have reform, but.''

Then you start to equivocate and change and not come up with the real reforms that in fact will do the two things that we must do in order to restore some sort of confidence in a welfare system that will actually help people, to give them dignity. And those two things are to encourage marriage and to encourage work.

NUMBERS OF CHILDREN AND SCHOOL LUNCH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, last night, we showed how the Republicans are playing a shell game with the Nation's child nutrition programs. We illustrated that the Republicans would rob Peter to pay Paul in order to support programs, such as school lunch, school breakfast, and WIC. Tonight, no games—just the sad, sorry truth.

The truth is if the Republican welfare reform proposal is enacted, thousands of children in this country will lose their access to a nutritious school lunch. The number I am placing on this map tonight represents the 3,600 children in my homestate of Connecticut who will be dropped from the School Lunch Program under the Republican proposal—and that's in the first year alone. The Republican plan cuts funding for school lunch and by doing so it cuts kids. The Republican plan takes money away from programs, like school lunch, which are efficient, effective, and working to keep our kids healthy and productive, for one reason and one reason only—to pay for tax cuts for the rich.

This is the truth. This is why the Republican welfare proposal must be defeated. I urge my colleagues to look at this map and contemplate the horror of these number. These numbers represent children—children who need our help and who are relying on us to do the right thing. I urge my colleagues to remember their needs when the time comes to cast this important vote.

Mr. Speaker, I yield to my colleague from Puerto Rico [Mr. ROMERO-BARCELÓ].

Mr. ROMERO-BARCELÓ. Mr. Speaker, we are witnessing an assault on the

children of this Nation. Many of our colleagues from the other side of the aisle know this and they still have time to address the draconian measures contained in the Republican welfare bill.

Good programs that work, that have bipartisan support, are being sacrificed under the guise of efficiency and savings. For example, the School Lunch Program has no guaranteed funding level in this bill, contrary to current law. Governors and State bureaucrats may assign only 80 percent of the funds of the block grant for school meals and will be able to divert up to 20 percent to other welfare programs. This may lead to the neglect of legitimate and vital nutrition needs for our children.

The concept of block grants is being sold as a panacea for all the ills related to welfare. The Republicans claim that administrative costs and bureaucracy will be cut by block granting programs. In fact, the Republican bill actually increases bureaucracy. Under current law, the administrative cap on the child nutrition programs—except WIC—is 1.8 percent. The proposed block grant increases such costs to 2 percent and adds another layer of State bureaucracy, charged now with even determining the immigration status of children.

The cuts to nutrition programs for children are real. The Congressional Budget Office estimates that this bill cuts $7 billion in the next 5 years. To add insult to injury, the so-called savings will be used to finance tax cuts, subsidies, and perks for wealthy individuals and corporations. The Republican admit that these moneys are not geared toward deficit reduction but will go to pay for their special tax package, which will cost America over $180 billion in the next 5 years. The cost is even higher when we take into consideration the harm this bill can inflict in programs that truly help our children.

Beginning in October, the start of the fiscal year, the School Lunch Program will suffer a cut of over $140 million forcing approximately 503,000 needy children out of the program. This is only the tip of the iceberg, more children will be either forced out or underserved in years to come.

In my district, Puerto Rico, just as everywhere else in the Nation, the school breakfast and lunch programs have been excellent programs for many years. I assure you that healthy children equate with healthy minds. Feeding our students mean that they are ready and able to learn. As I have stated before, this is a simple premise, but it is a premise that has worked well since the original School Lunch Program was signed into law in 1946.

As a former mayor and Governor, I believe that it is a shame to destroy such a successful program. I have grave reservations about the effectiveness of a system of block grants where vitally necessary nutrition programs are forced to compete against each other for increasingly scarce dollars. Local officials will have to juggle powerful local interests which will affect the distribution of the funds available under this massive block grant.

In Puerto Rico, for instance, the reduction of $129 million less in Federal funding for nutrition assistance programs in the next 5 years, would limit our children's access to this important program, severely risking our children's nutrition and health.

There are many children in school in Puerto Rico who, unfortunately, must depend on the school nutrition program. Remember, Mr. Speaker, that these children can't vote and have no way to defend themselves in this welfare war. No student in Puerto Rico or elsewhere in the United States deserves to go to school hungry or suffer from malnutrition. Taking school lunches and breakfasts away from children will result in more children falling further behind because children simply don't learn as well when they are hungry.

Don't cut the school lunch program and other important nutrition programs. Don't continue expensive and inefficient corporate welfare programs and tax subsidies for wealthy corporations at the expense of our children's physical and emotional health. We need true welfare reform that helps people—not this mean-spirited Contract With America proposal that threatens our children, the handicapped, the poor, and the elderly.

Ms. DELAURO. Mr. Speaker, I yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, I thank my colleague.

Mr. Speaker, we all agree that reform of the welfare system is long overdue. The current system is costing billions and not solving the problem. It does not put people to work but instead has created an unhealthy cycle of dependency. But this bill does nothing to improve the welfare system so that children in poor families can themselves be successful and avoid a cycle of dependency. It does not make welfare work for children by moving their parents into work—rather, it would hurt children by moving their parents off the welfare rolls and onto the streets.

Let me outline the effect the majority's bill would have on children in New York: Over the next 5 years, 24,240 children would lose access to child care; 16,592 children would lose access to assistance and medical services under the SSI Program; 477,000 children living in poverty would lose cash assistance by the year 2000; in 1996, some 8,500 children would no longer receive assistance to buy school lunches.

Mr. Speaker, the majority's bill will not work for children and their families. That's why we support a bill that promotes work—and works for children.

Welfare to work—not welfare to nowhere.

WELFARE RESPONSIBILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. GREENWOOD. Mr. Speaker, I thank the gentleman for yielding. I simply want to quickly respond to two previous speakers. The gentlewoman from Connecticut made reference to cuts in the School Lunch Program in her State. Actually under our proposal Connecticut will receive more than $3 million over what they received in this year's allotment.

The gentlewoman from New York also referenced reductions. We will actually increase funding under the Republican proposal by $29.78 million in the State of New York. So this discussion of cuts in the School Lunch Programs is pure mythology.

Mr. GUTKNECHT. Mr. Speaker, I would like to read a poem that I read earlier today, because we are hearing an awful lot about children in this discussion, and I think in some respects the children are being used in this debate as pawns in a much larger play.

But I would like to read a poem from Bill Bennett's ''Book of Virtues.'' It is entitled ''The Bridge Builder.'' I read it earlier today, and would like to read it again.

''An old man, going a lone highway,
Came, at the evening, cold and gray,
To a chasm, vast, and deep, and wide,
Through which was flowing a sullen tide.
The old man crossed in the twilight dim;
The sullen stream had no fears for him;
But he turned, when safe on the other side,
And built a bridge to span the tide.
''Old man,'' said a fellow pilgrim, near,
''You are wasting strength with building here;
Your journey will end with the ending day;
You never again must pass this way;
You have crossed the chasm, deep and wide—
Why build you the bridge at the eventide?''
The builder lifted his old gray head:
''Good friend, in the path I have come,'' he said,
''There followeth after me today
A youth, whose feet must pass this way.
This chasm, that has been naught to me,
To that fair-haired youth may a pitfall be.
He, too, must cross in the twilight dim;
Good friend, I am building the bridge for him.'''

Mr. Speaker, when we talk about welfare reform, when we talk about reforming the way business has been done in Washington, when we talk about balancing the budget, what we are really talking about is saving the American dream for future generations. This is not some mean-spirited accounting exercise. It is serious business. Because right now when we talk about the children, what we are doing to the children, the truth of the matter is, and I think everyone here knows this, we are saddling our kids with a debt that they will not be able to pay off. The President's own advisors last year said if the Congress does not do

something about this, by the time our children reach middle age they will be confronted with a tax rate of 82 percent just to finance the debt and social programs. Since Congress did nothing last year, the President came forward this year and slipped under our desk a note that said we are now talking about 84 percent.

So when we talk about what we are doing to the children, I think we also have to look at what we are doing to the children of the next generation when they become of age. It is just simply wrong.

In 1994 as we were told earlier, President Lyndon Johnson declared war on poverty. I think it is time that we as a Congress take a look around and count the casualties. Fortunately, or unfortunately for us, we do not have to go very far from this Capitol to see many of the casualties. As a matter of fact, if you walk about 10 blocks in any direction from the U.S. Capitol, you will see those casualties. You will see the hopelessness. You will see the despair. You will see the ingrained poverty which we have created.

I want to read a quote, and I think it is so good and it says so much.

> By intervening directly in depriving society of its responsibility, the social assistance state leads to a loss of human energies and an inordinate increase of public agencies which are dominated more by bureaucratic ways of thinking than by concern for serving their clients and which are accompanied by an enormous increase in spending.

It was not me who said that, it was not NEWT GINGRICH who said that; it was Pope John Paul II, and he was absolutely right. The social welfare system created by Federal bureaucracies simply does not work. The tragedy of our welfare system in part is that it is costing too much money, and we are burdening our kids with a debt they will never be able to pay off.

But the real tragedy of their inalienable rights to use their God-given talents. We are with the perverse incentives of the welfare system today creating a system that creates dependency.

We have perverse incentives within the system. Children raised in families who receive welfare are three times more likely to be on welfare when they become adults. This system just simply is broke, and tinkering around the edges is not going to solve it.

Mr. Speaker, the American people are way out in front of us on this issue. They demand welfare reform. They want it this year. Thankfully, I think we are going to give it to them finally.

DO NOT CHANGE SCHOOL LUNCH PROGRAM

The SPEAKER Pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, all of us agree the welfare system needs major changes, but I have not met anybody in my district, students parents, teachers, school administrators, cafeteria workers, that think that we need to radically change the school lunch program.

Earlier this week I visited Tennyson Elementary School in Sheffield Lake, OH, east of where I live in Lorain County. I was taken around this wonderful little school by a couple of young men, 9-year-olds, third graders, named Will Emery and Zach Russell. I also met with Jennifer, Kelly, and Sarah Ward, three sisters at the school, and lots of other children; Mrs. Urmston, the principal, some people on the school board, administrators, and others.

It is clear. Every one of them said:

> Do not mess with the school lunch program. It works. We do not want any changes in the school lunch program.

Unfortunately, Republicans in this radical proposal do not see it the same way in their move toward their extremism.

□ 2045

I would like to put on this board, add to this board what the school lunch cuts will mean in Ohio, another 13,400 children will lose their school lunches as a result of this Republican extremism.

Mr. HOKE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. HOKE. Have you seen this CRS report?

Mr. BROWN of Ohio. I have seen it. Every speaker that comes up uses the CRS report.

Mr. HOKE. We are both from Ohio. We both care about Ohio. It shows that there is an increase in funding for school nutrition programs, school lunch, $11,500,000, 1996 over 1995. Why are we not on the same page with this?

Mr. BROWN of Ohio. Every teacher, every PTA, every group out there, every organization, every individual that knows about this understands the mean-spiritedness of these cuts. You claim $7 billion in savings on the one hand so you can score for your tax cuts for your wealthiest constituents on the west side of Cleveland, and yet, on the other hand, you are saying ''we are not making any cuts.''

Mr. Speaker, I yield to the gentlewoman would from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. I thank the gentleman for yielding. I want to get in on this a little bit, too. The fact of the matter is that the block grant program, with some increase, is really the amount of children right now in the State that requires nutritional help. If there are more, as one of my colleagues has said earlier, it is like counting up to 100 and saying the rest of you are out of luck.

It does not take into account any recession. It does not take into account the fact that 20 percent of that block grant can be used for anything in the world that the State wants to use it for, even to build a bridge, if they like.

Mr. BROWN of Ohio. If the economy goes bad in a certain area, there are a lot of parents laid off, those school lunches will not be increased for those kids.

Ms. SLAUGHTER. Correct. There is nothing more coming from here. Nothing more will come from here. The States, there is nothing in the world to make the States do anything, including putting people to work. As a matter of fact, the Republican head of the Congressional Budget Office said just today that there was not a single state in the union that was going to meet the goal of putting people to work that is in this contract. That is the Republican CBO director. That is the word we got from him today.

We are trying, on our side, to get people back to work. We do not think that just after the amount of time that you can spend on welfare is up and you are thrown out in the street, we do not consider that success. We look at success in getting somebody to a job that they badly need and they badly want.

The Republican bill does not do any of that. It simply gives you the amount of time. If there are more children that need food than the block grant allows for, tough.

Now, if we can feed children in Somalia, we can feed people in the United States.

I yield back to the gentleman from Ohio, after I stick this on New York, 7800 children in my district alone will go without lunch.

Mr. BROWN of Ohio. Reclaiming my time, we will see, instead of running the School Lunch Program the way it has been run for 49 years to the satisfaction of almost every one in this country, we will turn it over to 50 State bureaucracies.

We will lose the power buying, if you will, and some of the savings that way, particularly in the WIC program, where infant formula will cost as much as $1 billion more, several groups have estimated, because we will lose competitive bidding. We will end up in a situation where we have programs that work and instead we may turn them into programs that do not work.

If something is working, certainly the welfare needs reform, but something like the School Lunch Program standing alone works. I see no reason to change it.

MORE ON THE SCHOOL LUNCH PROGRAM

The SPEAKER pro tempore (Mr. CALVERT). Under a previous order of the House, the gentleman from Illinois [Mr. LAHOOD] is recognized for 5 minutes.

Mr. LAHOOD. Mr. Speaker, I yield to the distinguished gentleman from Ohio, [Mr. HOKE].

Mr. HOKE. I thank my friend from Illinois. I just have to point out that each time we see one of these little

pins go up on the map, there is a fundamental deceit going on. It is the only way that I can describe it.

In the State of California, I am sorry, in the State of New York, 1996 over 1995, under the block grant program, there is a $28,798,000 increase in funding for school lunch programs. In the State of Ohio, $11,500,000 increase in funding.

All that I can do is, I have to wonder if there is not something else going on. Who is being represented? What vested special interest is being represented? Could it be government bureaucrats? If we look at this, what have we got, $1,900,000 that has been contributed by Federal employee PACs to Republicans; $17,682,000 contributed by Federal employee PACs to Democrats, about a 10-to-1 ratio.

What is going on here? Are the children being represented? Or are the government bureaucrats, the Federal Washington bureaucrats being represented?

Mr. LAHOOD. Reclaiming my time, I yield to the distinguished gentleman from Georgia, [Mr. KINGSTON].

Mr. KINGSTON. I still was confused if the State of Ohio is getting, is this 11 million, $11.5 million more?

Mr. HOKE. Eleven and a half million dollars more in 1996 under the block grant program than in 1995.

Mr. KINGSTON. I just want to make sure the record is complete. One of the other statements of the previous speaker was that the program has been rocking along for 41 years to everyone's satisfaction and there have not been any problems.

Here is the problem, and this is something really, I wish the President was watching tonight. We spend the third largest item on our national budget is interest on the national debt. We have not had a balanced budget since 1969. The third largest item is interest. It is just short of $20 billion a month that we pay in interest on the national debt. To say that this program is not a problem is to me unbelievable.

Program after program is okay, not this program, not this one, everything is running fine, hunky-dory, no problems at all.

If you want to help children, you keep the country from going broke. How many kids are you going to feed when you are broke? You cannot do it. I am telling you, you cannot always lead with your heart. You have to use your brain and the formula.

Mr. LAHOOD. Reclaiming my time, I have not said one word yet on my own time, but I want to tell the American people what is happening here.

Last night we saw the distinguished gentleman from California stand up here with his paper plate display and move them around and try and shift things around to try to persuade the American people that if you say something often enough, my gosh, they might even believe you.

So we move this paper plate here and this one here and this one here and, all of a sudden, we have moved a bunch of paper plates around. But we have not proved anything.

So tonight we get a little geography lesson. They bring a map of the United States of America. And we are trying to teach a little geography. And we bring these little cutouts of children to try and tell the American people again to continue the drumbeat, as I said, if we say it often enough, somebody is going to believe us, we are cutting school lunch programs.

You believe that if you tell the American people something often enough they will believe you. That is why you have been on the floor every night. And the truth is, and you know it is the truth, there is not one Member in this House, not one Republican, not one Democrat that want to cut the school lunch program. Nobody wants to do that. Nobody wants to do it.

But what we want to do is what you could not do when you had control of the White House, the House of Representatives, and the U.S. Senate. We want to reform welfare. You had your chance to do it. Where were you? You had two years to do it. You talk a good game. You talk a great game. But you never produce.

WELFARE REFORM

Tomorrow the House of Representatives will deliver on one of President Clinton's own campaign promises. We will ''end welfare as we know it.'' But it will be a Republican-controlled House of Representatives forging ahead with this revolutionary task—not his own Democrat-controlled House.

This piece of legislation, the Personal Responsibility Act, is quite possibly the most important piece of legislation that I will vote on as a Member of Congress.

We have fought the war on poverty and, unfortunately, we have lost that war. We must now turn to solutions that will stop this cycle of generational poverty. Even though Americans remain compassionate people, we have to do something to stop kids from having kids—to make fathers and mothers more responsible—and to encourage able-bodied members of the work force to provide a proper livelihood for their families.

Welfare has exploded into an industry that no longer cares for—or effectively deals with—what Lyndon Johnson envisioned. His temporary assistance has turned into permanent poverty. The collapse of work and family has spawned crime, drug use, problematic educational environments, and other social ills—and the people who have suffered the most are the ones we want to help the most—the children.

Residents of my hometown of Peoria have been horrified last week by an occurrence on the north side. A young boy, age 11, was found dead in a vacant lot covered with plastic garbage bags. He has been beaten with a metal pipe and suffocated to death, a 14-year-old ''friend'' was charged with the murder. The mother of the slain boy was alleged to have allowed the child to smoke marijuana when he was 5. He was put in a foster home at a young age, but, later, was given back to his mother—a mother who has been convicted on prostitution charges, and is currently facing another charge for the same offense. And neighbors say the slain boy would wander the neighborhood late at night—sometimes being locked out of his house. This is just another in a long succession of American tragedies. This takes place, only with different names, in cities all across our Nation. This is shameful—and immoral—and we must have the courage to face up to the tragedy of circumstances like this and do something about it.

This monumental task of reform will not be accomplished without naysayers decrying at every attempt. One example of this has been the Women, Infants, and Children [WIC] program. Liberals have been racing around breathlessly accusing Republicans of gutting the WIC program. When, in fact, the $25 million rescission is coming out of a $3.5 billion-a-year program. But, this is not a cut, as you and I understand the program. Each year, the WIC program runs a $55 million to $125 million carry-over of funds. In other words, this is what they usually have left over, because they have not yet been able to spend all of their budget. When the Federal Government is adding $200 billion a year to the national debt, one place to start saving money to balance the budget is in carry-over funds.

More lies have been told about the school lunch program. Liberals have again accused Republicans of either cutting or abolishing these programs. The fact is that our plan would do neither. Our Nation's school lunch program for children would not be abolished or cut. School lunch spending will, in fact, grow by 4.5 percent every year through to the end of this century. Far from cutting its programmatic spending, the block grants would increase from $6.7 billion next year to $7.8 billion over the next 4 years. Our bill seeks to turn over all of the program's money to the States and let them run it in the most efficient way possible.

Finally, the $27 billion food stamp program will be reformed by capping its growth to 2 percent a year and combining four other food programs into one. The bill preserves food stamps as a federal program to guarantee that any American who needs food will continue to have access to nutrition assistance. The reforms will result in a savings of over $26 billion in 5 years.

The Republican proposal will break this vicious cycle of welfare. All able-bodied welfare recipients between the ages of 18 and 50, who do not have children, will be required to work. Having more children will no longer be rewarded. And we will means test for the nutrition block grant programs.

You will hear much crying this week from old-line liberals. We are about to bring changes to some of their favorite programs—programs that have been proven failures. These changes are desperately needed to change this system into a trampoline—not a hammock—for its recipients.

Mr. GENE GREEN of Texas. Mr. Speaker, will the gentleman yield?

Mr. LAHOOD. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. Let me remind, I have heard it tonight that we started with Lyndon Johnson's Great Society, 1969 was the last time we had a balanced budget. That was the last budget Lyndon Johnson submitted. So even though you trace it to 1965, the last budget, after 18 years of Republican leadership in the White House, we have not had a balanced budget since

the last one President Johnson submitted.

Mr. LAHOOD. Reclaiming my time, I am happy to say that we have all supported a balanced budget amendment. We could not get some of you to help us.

ON REPUBLICAN AND DEAL PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. MALONEY] is recognized for 5 minutes.

Mrs. MALONEY. Mr. Speaker, the former speakers keep talking about how they are not cutting money and then they start talking about how they are cutting the deficit. So which is it?

Mr. Speaker, the current welfare system has created a culture of dependency.

The system offers several incentives for welfare clients to shun independence and stay on the dole.

A single mother who goes to work could lose here child care, forcing her to leave her children home alone.

She could lose Medicaid benefits and go without health insurance.

And she could lose the food stamps that help her feed her children.

And for what?

To get a low-paying job that will leave her worse off financially, uninsured, and unable to supervise her children during the day.

You might ask, what could possibly be worse?

The answer is, H.R. 4 the Republican's Personal Responsibility Act.

The Republican bill would worsen poverty and hunger for innocent children by making deep cuts in benefits, especially during economic downturns.

It would do far too little to empower welfare recipients to rejoin the work force with education and training.

It would scale back the very child care funding that would liberate welfare recipients to go to work.

The plan is punitive, irresponsible, and cruel to children.

The Republican plan could render millions of Americans with nothing to lose.

No cash assistance, no housing, no day care, no medical care, and no jobs.

In New York City alone, experts are projecting that by the year 2000: 76,000 poor children will lose AFDC benefits, an allowance they need for food, shelter and clothing; 300,000 more children will require child care slots so their mothers can work. However, the Republican plan cuts child care spending by $1.6 billion; 60,000 children would be dropped from the school lunch programs; 640,000 children would see their food stamps decrease by 30 percent.

Simply saying, ''No more welfare, go get job'' is not welfare reform.

The Republicans want people off of welfare. The Democrats want people to get a job.

The Deal substitute is not perfect.

But it is far better than the Republican plan.

Although it was defeated tonight parts of it should be a model when the Senate takes up the bill.

At least, the Deal substitute operates in the real world.

It recognizes that for welfare recipients to go to work, child care is essential.

So it invests in comprehensive child care.

It recognizes that for welfare recipients to go to work, they need skills and training.

So the plan invests in comprehensive training, education, and workfare programs.

The Deal plan's Work First Program supplies a vehicle of real assistance for recipients to move into the work force.

And once they do find a job, the Deal plan would extend their medical coverage for 1 to 2 years.

These are the tools of economic empowerment which are tragically absent from the Republican plan.

But make no mistake: this is a tough plan.

People must develop and carry out comprehensive plans to get back to work or they lose their benefits.

The Deal substitute requires teenage recipients to stay in school and make the grade or they lose their benefits.

It calls for punitive measures for deadbeat parents, like direct income withholding, revoking their drivers' license, or revoking their professional licenses, thus paralyzing their careers until they do right by their children.

And the Deal substitute targets a major source of welfare dependency—teen pregnancy—with major prevention.

The Republican plan contains no prevention plan except to cut off benefits, and hope less children are born.

It could be described as tough love.

The Republican bill just tells children, ''tough luck.''

The Democratic bill requires work and demands responsibility.

I would like to put this into the map illustrating the children cut off of school lunches.

Mr. Speaker, I include the following information for the RECORD.

CRS REPORT ON CHILD NUTRITION—TALKING POINTS

CRS released a report Tuesday comparing 1996 estimated state funding levels for the child nutrition programs under current law and under the Republican block grant. The numbers in the report are calculated differently for the school based block grant that we have seen before, showing a $73 million increase in school lunch and breakfast funding under the block grant when compared to USDA's 1996 baseline. The Republicans are using these numbers to show that they do not cut school meals even when compared to the USDA baseline projection in 1996.

The report supports Democratic statements about total cuts:

Over $800 million CUT in the total amount available for child nutrition programs in 1996

CRS supports CBO's estimate of a total child nutrition cut of $7 billion over 5 years (this is not stated in this report but is the CRS stated position)

The report assumes a cut in school meal service to children:

Because the block grant provides so little ($1.5 million per state, on average) over what schools will need to serve their students just lunch and breakfast, the CRS chart assumes that schools will not use these funds to operate summer food or after school food programs.

The report compares projected spending for lunch and breakfast under current law in 1996 to the Republican's entire school meal block grant. The block grant is supposed to be used for lunch, breakfast, summer food, and after school food. It compares apples to oranges.

The summer and after school/child care food programs serve some of our nation's poorest children. Summer food programs, in particular, have proven essential to the health and safety of children in high poverty areas—these children get what may be their only nutritious meal of the day and become involved in planned community group activities. Summer food keeps kids off the streets and in the school yards.

Furthermore, the report states the, ''FY 1995 and FY 1996 estimates of spending under current law are likely to be understated. The amounts shown in the tables do not reflect the actual amounts of funding that States will receive either under current law or under the proposed block grants. They should be used only for the purpose of comparing the likely shifts in spending among the States under the proposed block grants.''

Mr. TAYLOR of Mississippi. Mr. Speaker, will the gentlewoman yield?

Mrs. MALONEY. I yield to the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. I thank the gentlewoman for yielding.

I really had not intended to get involved in this until I had heard one of the most flagrant misstatements that might have ever been made on the House floor when my friend from Georgia said, you know, we want to put this money towards the deficit.

Less than an hour and a half ago, the Republican Members of this body had an opportunity to vote for cuts that would have put the money towards the deficit. Unanimously, they voted against it because they want to give that money to millionaires who got all the tax breaks during the 1980s so they can get more tax breaks now.

□ 2100

MEMBERS' DISCUSSION RELATIVE TO RECOGNITION IN SPECIAL ORDERS

The SPEAKER pro tempore (Mr. CALVERT). The gentleman from Illinois, Mr. EWING, is recognized.

Mr. GREENWOOD. Mr. Speaker, I ask unanimous consent that my name be substituted for that of Mr. EWING.

The SPEAKER pro tempore. Without objection.

Mr. GENE GREEN of Texas. Mr. Speaker, I would object.

Mr. GREENWOOD. Would that be the gentleman to whom I yielded half my time last night objecting?

Mr. GENE GREEN of Texas. I thought we were under a five-minute rule. I would be glad to yield time when I come, but, Mr. Speaker, if we

are going to have that as a procedure, then we will probably have about 20 Democrats over here.

Mr. GREENWOOD. It was a procedure that your side began earlier in the evening.

Mr. GENE GREEN of Texas. We have someone who has already spoken, Mr. Speaker.

Mr. GREENWOOD. No, I have not spoken.

Mr. LAHOOD. Parliamentary inquiry.

The SPEAKER pro tempore. State your inquiry.

Mr. LAHOOD. Previously when a Member from the other side asked to have their name substituted earlier this evening, it was allowed. But if you do not want to play by those rules, that is fine, Mr. GREEN, but that is what we were doing earlier on.

Mr. GENE GREEN of Texas. Mr. Speaker, I was under the impression that Mr. GREENWOOD had spoken earlier under the 5-minute rule. If he has not, and I will take your word for it because I know you spoke, but maybe it was yielded because we have been yielding time to many different people.

The SPEAKER pro tempore. The gentleman has not spoken on his own time.

Mr. GENE GREEN of Texas. I will withdraw my objection.

Mr. GREENWOOD. Actually, my intention is to yield some time to your side because I think the Nation deserves a little debate.

Mr. BROWN, if you would like to step up, I would like to yield some time to you so we could have a colloquy here because I was mystified by your comments.

SCHOOL LUNCH PROGRAM

Mr. GREENWOOD. Mr. Speaker, the gentleman from Ohio [Mr. BROWN] took the microphone earlier this evening and talked about the State of Ohio losing X number of dollars under the Republicans' proposal for the school lunch program. And we checked, and in fact under what we are proposing to do, compared to what would have happened had we done nothing, the State of Ohio gains $11.5 million.

Then I think your colleague from Ohio [Mr. HOKE] queried you and said, gee, why are we not on the same page here?

The Congressional Research Service tells us that the plan the Republicans have proposed, a 4.5 percent increase gives Ohio $11.5 million. Your response was, well, just ask PTA leaders or the teachers. We are supposed to be here providing the Nation with some information.

Now, let us get it straight. Here are the facts:

When the Democrats, and I went through this last night, when the Democrats controlled the House and the Senate and the White House just last year, you made available for the school lunch program an increase of 3.1 percent. The President of the United States in his budget proposal for this year said, let us take it up to 3.6 percent increase this year. So we say how about 4.5 percent? And how about 4.5 percent for the next 5 years?

Now, I would like to know what the assumptions are that you use to put your little stickers up on the map. What is the assumption that you use as to why there is a cut in the program when we are increasing it 4.5 percent for the next five years, which is far more than the President has proposed in his budget? How does that become a cut?

Mr. BROWN of Ohio. The fact is you talked, the Republicans over and over and over again take credit for $7 billion in savings.

Mr. GREENWOOD. Wait, I reclaim my time. I will yield you time if you will and if you can respond to the question. And the question is this:

The Congressional Research Service says, quite logically, if we increase funding for the school lunch program by 4.5 percent compared to what your President asked for, our President asked for, 3.6 percent, Ohio receives an $11 million windfall. Now, you have said Ohio is going to get cut. If you can and if you will respond to that question, I will yield you time. Comments I have no time for.

Mr. BROWN of Ohio. There is an overall cut in nutrition funding. That money can be in at least one of these nutrition programs, children nutrition programs.

Mr. GREENWOOD. We are talking about the school lunch program.

Mr. BROWN of Ohio. The fact is that with inflation, with more children in the program, with bad years that can happen when parents are laid off in a school district, that there will not be enough money for school lunches.

Mr. GREENWOOD. Reclaiming my time. Reclaiming my time.

That is what I thought. That is what I thought. The fact of the matter is that the Office of Budget and Management in the White House looked at inflation in the food market, looked at the trends in the growth of the school population for the whole country, and said if you want this program to continue to meet all of the eligibility requirements, if you want to produce the benefit, if you want to anticipate growth in the program, if you want to anticipate inflation in the food market, in the food basket, you are going to need 3.6 percent in the coming fiscal year. We said we want to do better than that. We went to 4.5 percent.

Now your hypotheticals are, well, what if there is a recession? What if children appear from another planet unpredicted by the White House? Now, come on, let us get serious.

Mr. BROWN of Ohio. If the gentleman would yield, the President has a 6.5 percent increase built into his budget. There is no——

Mr. GREENWOOD. In the school lunch program?

Mr. BROWN of Ohio. No. Overall in the child nutrition program.

Children, it is not necessarily a national recession or children falling from another planet. It is a plant closing in a community when a lot of parents all of a sudden are out of work and there is no help for those families, they turn to the school lunch program.

Mr. GREENWOOD. Reclaiming my time.

So, in other words, the cuts on your map, despite the fact that we are increasing funding for every State, the cuts that you are illustrating on your map are anticipating hypothetical plant closings?

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. GREENWOOD. Hypothetical recessions, hypothetical depressions?

Mr. BROWN of Ohio. Will the gentleman let me finish a sentence?

Mr. GREENWOOD. Sure.

Mr. BROWN of Ohio. The fact is you claim $7 billion in savings so you can fund tax cuts for millionaires, not deficit reduction.

Mr. GREENWOOD. Reclaiming my time. That is a diversion. I am reclaiming my time, Mr. Speaker.

The fact of the matter is that every time we try to pin you down about what these funny numbers are about compared to the realities, compared to the truth.

Mr. BROWN of Ohio. Where in the legislation does it say 4.5 percent? If the gentleman would yield? It does not. It is a number that you have manufactured to try to hide the cut in school lunches and cut in child nutrition.

SCHOOL LUNCH PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BECERRA] is recognized for 5 minutes.

Mr. BECERRA. Mr. Speaker, let me try to respond a bit to the colloquy that has occurred in the last few minutes and say that it does not make any difference what CRS says or what we say. Ultimately, it is what the principals in our schools say about their School Lunch Programs that matters. And what they will tell you is that each time they get more children.

The point I wish to make is, ultimately, what matters is what the principal says about how much money she will have to feed those kids through a School Lunch Program, given the growing number of children and the growing cost of feeding those children. That is what counts most.

What is worse about this bill, H.R. 4, that you have in the Contract on America is that when you say you are going to increase funding 4.5%, that is just talk. Because, quite honestly, what you have done in H.R. 4 in the Contract on America is you have changed the game. No longer do you guarantee a child that lunch.

Because, see, you may want to give 4.5 percent increases. I may want to

give 4.5 percent increases. We do not make the decision. The appropriators do in this House of Congress. And if the appropriators do not allocate your 4.5 percent increase, if they do not allocate a dime, those children do not get a dime.

That is not current law. Current law does not leave itself at the whims of politicians to decide what children will get. Current law says, we do not want to put this in the political realm. Let us leave it for the children, and let us make sure they are guaranteed an opportunity to have a decent lunch or breakfast.

Your bill, the Contract on America bill, does not do that, and that is perhaps the most important point. You can claim you are increasing funding by billions of dollars. You can claim percentage increases over what we have this year. It is all just a claim because you cannot guarantee you are going to do one thing or the other.

In fact, you are already making changes to your own Contract on America welfare proposal from what was in writing and what you promised people in November 1994. So why should anyone believe that what you promised in November, which has already changed, is what you are going to do in 1997?

Let me go on to something further I prefer to discuss because it is getting very little attention.

For children who are disabled right now, we should beware. If you are a parent of a child who is disabled, it is tough enough right now to raise a family. But if you have disabled kids, I suspect you can tell just about anybody in this room, in this floor right now, that it is an even more daunting challenge, regardless of your income level.

But if you are a parent trying to raise a family and if you are a parent trying to raise a family with a disabled child, beware because H.R. 4, the Newt Gingrich Contract on America welfare proposal, will tell your children you are no longer going to get supplemental security income which helps you supplement your family income to provide services to your disabled child.

Beware because about 225,000 children in America are going to be dumped from a program where families are assisted in aiding their disabled child. And over the next 5 years, around 700,000 disabled children will be denied SSI as a result of the Contract on America welfare proposal.

In Los Angeles, roughly 20,000 disabled children and also blind children receive SSI. H.R. 4 changes all of that.

Now, we hear claims by the supporters of H.R. 4 that we have parents who are abusing SSI. The supporters of H.R. 4 say that the caseload in SSI for disabled children is growing because parents are teaching their kids to pretend that they are retarded in order for them to qualify for SSI.

Are there parents abusing SSI? Are there 225,000 disabled children faking their disability? Well if there is fraud, then let us deal with that aspect within the eligibility process for SSI for disabled kids. But the political Contract on America goes too far. It is overkill.

Let me give two or three quick examples.

Six-year-old Jennifer suffers from congenital bowel malformation which requires a colostomy. She also suffers from eye problems and lacks peripheral vision which causes her to run into walls. At age 6 she was not yet toilet trained.

Kendra, 2 years old, suffers from a rare growth condition in which one arm is twice as long as the other, causing loss of balance, motor impairment and spinal curvature and a loss of lung volume.

Both of these two young children probably will not qualify for SSI. So here we see it. Cuts to kids. Cuts to school lunch. And what else do we have? Cuts to taxes for the rich and wealthy. $66 billion is saved under H.R. 4. What is it for? Tax cuts for the wealthy. This is not the way to go.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Mrs. SEASTRAND] is recognized for 5 minutes.

Mrs. SEASTRAND. Mr. Speaker, here we are debating what I believe to be one of the most important issues of our time, welfare reform.

This has not been a particularly civil debate. Frankly, I am amazed by the rhetorical warfare being waged by the opponents of welfare reform. And that is exactly what they are—opponents of welfare reform who are defending a failed system which has cost this Nation almost $5 trillion and has hurt the very people it was designed to help.

In addition, many of the comments made by these welfare reform opponents have been completely out of line. I find it ironic that the standard lines Democrats have used for years—lines like dividing the country along racial lines; deceiving the public by hiding the facts; engaging in class warfare; favoring the rich at the expense of the poor are precisely—are precisely—what the Democrats themselves are doing.

What we are trying to do is fundamentally reform a system that does not work.

How compassionate is it to continue with a system that has quadrupled illegitimacy rates over the last 25 years; where 68 percent of black children and 23 percent of white children are born out of wedlock?

The current welfare system has created a cycle of dependency where the average length of stay, including repeat periods, is 13 years. The current system robs people of the dignity of work. Of the 5 million families on welfare, only 20,000 people work. Is it compassionate to maintain this kind of system?

There are rampant abuses in the current system such as in the SSI Program. The number of recipients in this program has nearly tripled over the past 5 years because SSI isn't going solely to the disabled children where it's supposed to go. It is going to drug addicts and alcoholics who are not eligible for these benefits yet continue to receive them.

Is it compassionate to maintain this kind of system?

Then there is the exploding cost of maintaining the current welfare system. Over the past 30 years, the Federal Government has spent almost $5 trillion on various forms of welfare assistance. If we do not act, welfare spending will increase from $325 billion in 1993 to $500 billion in 1998.

Is this what the Democrats call reinventing government and cutting spending?

The Republican reform bill will fundamentally change the welfare system of America, but not in the way our opponents have described. Allow me to remind welfare reform opponents and the American people of the facts in the Republican bill:

First, the Republican welfare reform bill saves $66.3 billion dollars over 5 years by slowing the growth of, or freezing, welfare spending not by cutting it. Only in Bill Clinton's Washington would reductions in the rate of increase or a freeze be considered a cruel slashing of spending.

Second, with all of the reforms Republicans intend to make in the current welfare system, spending will still increase from 1 year to the next.

For example, under the Republican plan, funding for school lunch programs increases 4.5 percent in each of the next 5 years—which is more than Bill Clinton's proposal.

Third, the Republican bill addresses the critical problem of skyrocketing illegitimacy by no longer rewarding those on welfare with additional benefits for having more children.

Fourth, the Republican bill is based on the belief that work is necessary, essential, dignified, and is the best opportunity for moving welfare recipients into jobs.

Fifth, the Republican bill puts American citizens first by eliminating welfare assistance—not emergency medical services—to noncitizens.

Sixth, the Republican bill cracks down on the deadbeat parents who would abdicate their responsibilities by establishing uniform state procedures and computer registries.

Seventh, the crux of the Republican bill is an acknowledgement that the Federal Government has not done a good job of administering aid to those in need and that the States can do a much better job of providing this aid—if they are given the flexibility to do so.

Mr. Speaker, there is nothing that would more clearly demonstrate a lack

of compassion than not making fundamental reforms to our welfare system. When Bill Clinton campaigned for President, he told American that he was going to ''end welfare as we know it.'' In reality, what the President and the Democrats are doing is defending welfare as we know it.

The Republican bill will make the welfare system more just, more compassionate, more efficient, and more responsible. It does this by recognizing and facing up to the fact that the current system simply does not work. The current system has compounded the problems that it set out 30 years ago to eliminate.

If we are truly interested in breaking the cycle of dependency; if we are truly interested in maintaining a safety net for those who are unable to help themselves; if we are truly interested in offering credible and responsible solutions for the 21st century; and if we are truly interested in creating and expanding opportunities for all Americans; then we must pass the Personal Responsibility Act. Now.

□ 2115

The SPEAKER pro tempore (Mr. CALVERT). Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 5 minutes.

Mr. POSHARD. Mr. Speaker, thank you for allowing me to address the House. I ask permission to revise and extend my remarks.

Mr. Speaker, I have listened carefully to this debate on welfare reform over the past 2 days. I have read my mail, trying to understand how the people I represent feel about this important tissue. And, yesterday, I received some correspondence from the Christian Coalition, a group whom I respect, articulating their strong support for H.R. 4, the Republican welfare reform bill, and at the same time, their equally strong support for the $500 per child tax break for families with incomes up to $200,000.00 per year. And, having grown up in a fundamentalist church, being a southern Baptist by personal choice, I have struggled in my spirit to understand these seemingly disparate views.

The Christian Coalition, as have other religious groups in the past, has chosen to enter the political arena and to use the weight of their membership to influence public policy. The particular position of the Christian Coalition on any given issue is almost always the Republican position and thats understandable. After all, it is run and financed by Rev. Pat Robertson, a former Republican presidential candidate. The vote of each member of Congress is recorded on a scorecard and sent out to the membership of the Christian Coalition and, by and large, Democrats score poorly. And, as a result of that, although it is not explicitly stated, the inference drawn by Christian Coalition members is that Democrats are less Christian, more ungodly. This is, afterall, the ''Christian'' scorecard.

As a Democrat, as a Christian, as a southern Baptist, as someone who fundamentally believes in the words of the Bible, this approach troubles me greatly. Not because of what a low score on the Christian Coalition scorecard means to my political career. Everybody puts out scorecards—we have so little control over what people say about us or how they judge us. That doesn't bother me. What troubles me is when I see a particular position taken by the Christian Coalition, that position being portrayed as the ''Christian position'' and yet in my heart I feel, as someone who has shared this basic Christian culture all my life, that the position doesn't match up to my understanding of the Bible.

Which brings me to this debate on welfare reform. Let me say that I do not believe that God's response to the poor is some wild-eyed liberalism running around with a guilt ridden conscience, trying to do more things, asking neither responsibility nor good judgment from those whom we seek to help. Not realizing that often in our desire to do good, we build systems that end up manipulating and controlling the poor, more than liberating them.

But, neither do I believe that God's response to the poor is to treat them as though they are the least priority, almost as though they are a nuisance to be dealt with. And, if the words of the Scripture are true, God would never have us stand in judgment of a poor person by saying in our hearts or assuming in our minds that ''there he stands in the midst of rural Appalachian poverty or ghetto tenements, among the homeless, the dispossessed, the disenfranchised because he chooses to be there.'' God would never condone that presumptuous attitude.

And with all due respect to the Christian Coalition and its position on this, the recission bill and the tax relief legislation next week, where does it say in the Scriptures that the character of God is to give more to those who have and less to those who have not? I understand that there is still an overall increase in the growth of the federal spending for some of these programs, but it is questionable as to whether or not that will keep up with the need, and in any case, it should not be the position of the Christian community to slow down the growth of assistance to the poor while increasing the growth of assistance to the wealthy. Out of a $1,600 billion budget less than $300 billion go directly to support the poor.

If there is one thing evident in the Scriptures, it is that God gives priority to the poor. In the Old Testament, the subject of the poor is the second most prominent theme only to idolatry. In the New Testament, one out of every 16 verses is about the poor.

In Christ's first sermon at Nazareth, he laid down the mission of his ministry, He said:

> The Spirit of the Lord is upon me, because he has anointed me to bring good news to the poor. He has sent me to proclaim release to the captives and to give sight to the blind, to let the oppressed go free.

In the Beatitudes from the Sermon on the Mount, time and again he says, blessed are the poor.

He said in the day of judgment:

> I will say enter my good and faithful servant, you have been faithful over a few things, now I will make you master over many things. When I was thirsty you gave me drink, when I was hungry you fed me, when I was naked you clothed me, when I was in prison you visited me.

And we will say in that moment,

> Lord when did I do these things?

And he will say,

> When you did it to the least of these my brethren, you did it to me.

The least, the poorest, those who are at the bottom-most rung of the ladder—these are the ones to whom God gives the priority. This to me is the Christian message as I understand the scriptures.

Mother Teresa last year spoke to us about God coming to us in the ''distressing disguise of the poor.''

Dorothy Day of the Catholic Worker said this:

> The mystery of the poor is this: that they are Jesus and what you do for them you do for Him. It is the only way we have of knowing and believing in our love. The mystery of poverty is that by sharing in it, making ourselves poor in giving to others, we increase our knowledge of and belief in love.

I do not question nor judge Rev. Robertson nor the Christian Coalition, nor my colleagues here who embrace this legislation. I do not believe they are mean-spirited. They are all good people, I'm sure they are true to their faith and desiring to do what is right.

But, I pray that you do not judge me, or any other Democrat, in the name of the Christian faith as though the leading of the Holy Spirit within us is somehow less valid or less Christian than the way you are led by that same Spirit.

WHAT DO YOU WANT TO BE WHEN YOU GROW UP?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON of Florida. Mr. Speaker, as I go through life, there are many events and things people say that become very riveting and memorable for me, and one of the most memorable events that I experienced in my campaign for the U.S. Congress was when I met a man who was an administrator of one of the hospitals in my community in the 15th District of Florida, and this gentleman told me that, before he had moved to Florida, he had lived in Oklahoma, and he had taken part in a program where he would go into inner city housing projects and read to young children in those projects. This program started because it has been

shown in research studies that, if you read to a child, you can improve their reading score. Actually there are some studies that show that, if you read to a child, you may actually be able to raise their IQ slightly, and he told me something that I will never forget.

He was going into those projects and reading to those kids, and those children were, by and large, children of single parents on welfare, and he would ask, many of them 5, 6 and 7-year-old children, ''What do you want to be when you grow up?'' And, yes, some of them would say I want to be a fireman or a nurse, but some of them would say:

''I don't want to work. I want to collect a check.''

Mr. Speaker, a program that does that to millions of children is not a program of compassion and caring to children. It is a program that is cruel and mean spirited to children.

Today a young male being born to a mother, a single mother on welfare in the United States, has a greater likelihood of ending up on drugs or in the penitentiary than graduating from high school. The problem that we have with illegitimacy in our Nation today is a problem that has been created by the program that we are trying to change, and you cannot fix this problem by tinkering around the edges. The illegitimacy rate in this country has gone up from 5 percent to almost 25 percent in the white community. In the black community it has gone from less than 25 percent to, in some areas, as high as 70 percent.

If you look at what correlates best, what correlates in communities with problems like teenage pregnancy, drug use, illiteracy, juvenile crime, the thing that correlates best in those problems in those communities, Mr. Speaker, is the amount of illegitimacy, the amount of fatherlessness in those communities. A program that perpetuates and cultivates things like this is a cruel and mean-spirited program, and that program needs to be changed, and our bill makes a serious attempt at doing that.

We are not talking about tinkering around the edges. We are talking about promoting family unity, discouraging teen-age pregnancy and illegitimacy.

The fact that this program perpetuates it, Mr. Speaker, was driven home to me when I was a medical student working in an inner-city obstetrics clinic, and I had a 15-year-old girl come in to see me who was pregnant, and I had never seen this before, and I was so upset. I was grieved to see this. I looked at her and said her life is ruined, she cannot go to college, and I said to her, ''How did this happen, why did this happen,'' and she looked up to me and told me that she did it deliberately because she wanted to get out from under her mother in the project, and she wanted her own place and her own welfare check.

This program needs to stop. The people have asked for it; we are trying to deliver.

Mr. Speaker, I encourage the Members of the minority to stop their partisan rhetoric and join with us in reforming welfare and creating a program for the poor and the needy that strengthens family, does not undermine them, that strengthens the bonds of marriage, because it is strong families that make strong communities that makes strong nations, and our Nation cannot survive with a perpetuation of a program like this.

THE DIFFERENCE BETWEEN THE TWO WELFARE REFORM PLANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. OLVER] is recognized for 5 minutes.

Mr. OLVER. Mr. Speaker, I am happy to add my little figure of the 8,200 students in my district in Massachusetts who are in danger of losing their School Lunch Program.

Mr. Speaker, we are nearly at the end of the debate on the Welfare Reform Program, and I do not understand really how anybody who has been listening to this debate or watching this debate could really understand the essential differences between the major bills, the Deal bill named after Congressman NATHAN DEAL from Georgia, and the Republican bill because I have rarely seen such deliberate misrepresentation in a debate. Today we saw Republican Representative from Missouri—and each of us has our charts—claiming with his chart that the Deal bill does not require work, does not require people to work, when the fact is that because—it was only because the Republican bill was ridiculed all over the country for not requiring work that they added an amendment just yesterday that brought the work requirement in their bill close to the Deal bill.

□ 2130

We had another top Republican leader from Pennsylvania going to the very edge of personal vilification today in suggesting to a Member that it was corrupt and immoral, yes, the words corrupt and immoral, not to support the Republican version of this legislation.

Well, my colleagues, the Deal bill had the strongest work requirement of any of the bills by honestly recognizing that if you care about getting people to work, you have also got to combat illiteracy and provide people with job training and a good piece of education and maybe some job placement services and reliable and safe child care so that parents can go to work.

All of those programs were cut under the Republican bill. All of those provisions were cut under the Republican bill.

Also a bill, by the way, that does not cut breakfast and lunches in a mixture, in a whole shell game of block grants. And it does not cut protection for abused children, and it does not cut day care for children so that their parents can work.

That was the kind of a bill that every Member of my party proudly voted for, and it represented real reform and a real opportunity to change the way we deal with welfare people in this country.

Now, Mr. Speaker, the Republicans say that the war on poverty is lost, so they are substituting a war on poor children for the war on poverty. Five million families with 9.5 million children who are living on AFDC, plus millions more families with millions more children who are working families but low-income working families, those families would, under the Republican bill, lose $50 billion of income and of food and of care for children while the parents work.

And for protection for children, protective services for abused children, all of those would be given over instead to some of the wealthiest people in America.

It is not to balance the budget, not even to deal with the deficit that we have in this country that we have been running. That is the kind of deficit that has been building, those huge deficits under President Reagan and President Bush year after year after year after a nearly balanced budget for many years beforehand. Not to do anything like that because they added an amendment that allows this money to not be used for the deficit but to be used for the tax cut that I have described.

This $50 billion, and I have left out the $17 billion that is used to pay by way of legal immigrants and changes in the legal immigrant status, this $50 billion is exactly the amount of money that would be used in the next 5 years to provide tax cuts for the top 2 percent of Americans, those families making more than $200,000 per year.

Mr. Speaker, only in NEWT GINGRICH's Washington would cutting $50 billion in food and housing and income for low-income working and nonworking people and shifting that to the wealthiest Americans, only in NEWT GINGRICH's America would that be even possible.

REMOVAL OF NAME OF MEMBER AND REQUEST OF MEMBER ON SPECIAL ORDERS LIST

Mr. KINGSTON. Mr. Speaker, I ask unanimous consent to speak out of order and substitute for the gentlewoman from Washington [Mrs. SMITH].

The SPEAKER pro tempore. Is there objection?

There is no objection.

CREATIVITY IN ARGUMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, it is interesting to listen to the Democrats talk. They have the fantasy of Disney, the creativity of Steven Spielberg. And if they could speak as eloquently as Bill Clinton, they, too, would be in the White House.

Let me start by yielding the floor to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I want to point out that, with respect to the State of Massachusetts from which the gentleman from Massachusetts [Mr. OLVER], who just spoke on the other side of the aisle, comes and actually comes from a town that is close to my heart. I happened to go to Amherst College, and I believe that is the city he represents, among others in western Massachusetts.

According again to CRS, the State of Massachusetts will see a $7.255 million increase in the block grant program, 1996 over 1995, for school-based child nutrition programs.

If anybody can show us how that is a cut over the CBO baseline, over demographics, over interest rates, over inflation rates, please come forward and show us how that is a cut. I keep seeing these red flags appear, and I am baffled. All I can do is go back to this other chart.

Mr. OLVER. Would the gentleman yield?

Mr. KINGSTON. I control the time, but I would be happy to yield to you.

Mr. OLVER. I think if the gentleman from Ohio [Mr. HOKE] would remember, I was very careful to point out that my 8,000 children are at risk of losing their school lunches, and the major reason why that is possible is because we have lumped several programs together in a block grant, which is the movement of the plates that has been talked about from last night.

In that process, 20 percent of that money can be moved at the whim of the Governor of Massachusetts to other programs in a whole series of different block grants. So there is extreme danger that a very large number of children may be left out of food in this particular program.

Mr. KINGSTON. Let me reclaim my time only to keep it going quickly because we have got 5 minutes.

I yield to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. If there is extreme danger of any child being at risk in the State of Massachusetts in 1996 for nutrition programs, then there would be even greater danger that that child would be at risk under the CBO baseline, the President's own numbers for 1996, because we are increasing the amount from 1996 under the block grant program more than under the CBO baseline program for the administration.

Mr. KINGSTON. If the gentleman would yield back.

Also, the Governor of Massachusetts could put that 20 percent into the nutrition program rather than take it out.

Now I do not know who the Governor is, but I would trust my Governor. My Governor is a Democrat Governor of Georgia, and the Democrat Governor of Georgia, who is a big NEWT GINGRICH supporter—he is in the national Democratic clique—he says, ''Give me the money. I can spend it better.''

Now, whether your Governor is Democrat or Republican, I will bet our Governor will be willing to go up there and show you fine people up in the Commonwealth of Massachusetts how to better spend your money. And if the people of Massachusetts do not trust him, maybe it is time to change water. That might be true also of the State senate and State legislature.

Mr. OLVER. Would the gentleman yield?

Mr. KINGSTON. I am going to yield to you, but we have got a real brief time, so please go quickly. No speeches.

Mr. OLVER. The gentleman is correct in indicating that it would be possible to move money from others of the five large block grants in this welfare bill. But take, for instance, the child care bill. You claim you want to put people to work. Our bill requires people to go to work.

Mr. KINGSTON. Reclaiming my time. When we are talking nutrition, and I guess we scored a hit because the gentleman has moved over to another field, let me say this real quickly. There is something that is very fundamentally important about this whole welfare debate, and I am glad we are here tonight. I am glad to hear folks like you talking about the Deal bill because it would have never gotten to the floor of the House had the Republican majority not taken over.

It just frankly was a very, I think, fairly responsible moderate proposal, but it never would have made it to the floor last year, and it did it now.

You know, the President said he is going to end welfare as we know it. He never offered a bill. Never. He ended welfare debate as we know it by not offering a bill.

Mr. HOKE. Would the gentleman yield for a question?

Mr. KINGSTON. Yes.

Mr. HOKE. How many years did the Democrats control the House?

Mr. KINGSTON. Forty.

Mr. HOKE. When did the Great Society start?

Mr. KINGSTON. 1965.

Mr. HOKE. 1965. So the Democrats, is this their welfare program that we are talking about?

Mr. KINGSTON. Generally.

Mr. HOKE. Did they try to reform it? Have they changed it?

Mr. KINGSTON. No. They got a lot of religion November 8.

FOOD ASSISTANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, tomorrow, the debate in the House on the Personal Responsibility Act will conclude. We will take a vote, and it may pass. But that will not end the fight. This struggle will continue in the Senate. And if the bill passes there in substantially the same form as the House, that will not end the fight. In America, nothing becomes law until both the House and Senate have acted and until the President of the United States has signed the bill. If the Personal Responsibility Act passes the House and Senate in its current form, it is my hope that the President will veto the bill.

Tomorrow, we will also consider the Mink substitute. Either the Deal substitute or the Mink substitute would be better alternatives to the Personal Responsibility Act. Both Deal and Mink provide resources to help move recipients from welfare to work—resources such as education, training, child care, and transportation.

The Deal substitute received a significant number of votes tonight. There is a chance that it may have more votes than the Personal Responsibility Act will get. In that case, it will pass the House.

One of the issues that remains as a point of contention is whether the Personal Responsibility Act cuts or increases spending for child nutrition programs. According to the Congressional Budget Office, an office now headed by a Republican appointee, the bill cuts child nutrition programs by $7 billion over the next 5 years.

In 1996, we will spend $300 million less on these programs than we are spending this year. When less is being spent from year to year, that is a cut in spending, not an increase. And, while there are dollar increases in spending in the years beyond 1996, those increases make no provision for inflation; population increases, that are certain; or for economic downturns. In other words, any increases in spending in the out years, will be offset by other cost considerations. Under current law, those cost considerations are taken into account.

By changing current law, the effect is that we are spending less for nutrition programs. When we spend less, that is a cut. Worse yet, under the block grant proposal, the States will be able to shift one-fifth of the funds to nonnutrition uses. When 20 percent of the money goes elsewhere, that is a cut.

The Republican majority calls these cuts ''savings.'' But, while insisting on calling them ''savings,'' they refuse to apply the money to deficit reduction. Instead, they intend to apply these ''savings'' to tax cuts for the wealthiest Americans. It may seem confusing; however, let me summarize. The Republicans say their bill will increase spending. To increase spending, they want to ''reduce'' spending and call a cut a ''savings'', but instead of applying the ''savings'' to ''reduce'' the deficit, they want to apply the ''savings''

to a tax cut. By applying the ''savings'' to a tax cut, they will ''increase'' spending. Does that make it more clear? Some refer to this logic as ''sincere confusion.'' In my State of North Carolina, we call it ''sleight of hand.'' If it wasn't so sad, it would be very funny. They claim they want to help children, but their bill hurts children.

Under their bill, there is no guarantee that poor children will receive free meals when they are hungry. Under current law, children in poverty levels get their meals free. Under their bill, only 90 percent of funding is targeted for children at certain levels of poverty. Under current law, about 10 percent more of such funding is targeted for these same children.

They say that block grants will save on administrative costs. But under their bill 80 percent of the ''savings'' or cuts will come directly from food assistance. Tomorrow, the debate on the Personal Responsibility Act will conclude in the House. We will take a vote, and it may pass. But that will not end the fight.

WELFARE REFORM NEEDED IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. NORWOOD] is recognized for 5 minutes.

Mr. NORWOOD. Mr. Speaker, I would like to yield to my friend, Mr. HOKE.

Mr. HOKE. Mr. Speaker, I just want to point out to the gentlewoman from North Carolina [Mrs. CLAYTON], that according to the CRS report of March 20, 1995, that for her fine State of North Carolina there will be a $10,343,816 increase from 1995 to 1996 in the Republican block grant program for school-based child nutrition programs.

□ 2145

Mr. NORWOOD. Mr. Speaker, I rise this evening to speak about fathers. In our debate on this critical welfare reform bill, it seems to me that in all our talk of mothers and children, we have forgotten the role of fathers. Now I know that our welfare reform bill includes tough legislation to make deadbeat dads pay for the children they have fathered. But I would ask my colleagues to consider the much larger issue of why we have such a problem with absentees fathers. The tragedy of the present welfare system is that it has lead to in increase in illegitimacy.

Could the welfare system be any more destructive to the family than it is? It has made fathers trivial. The illegitimacy rate in this Nation has risen from 7 percent in 1965 to 32 percent in 1992. The more I think about it the more I struck by one simple question—where have the fathers of these illegitimate children gone? The answer is terrifying. Fathers have been replaced by the Federal Government through the welfare system. What a ridiculous idea. The Federal Government is nobody's father. The Federal Government should never try to serve as anyone's father. It is disgraceful that so many people have become dependent upon the Federal Government

Mr. Speaker, when I was growing up in Valdosta, Georgia, my father Charles Norwood was there for me. He was a simple man, a printer, and he was there for me, to teach me right from wrong, to let me know in no uncertain terms when I behaved unacceptably. My father put bread on our table, clothes on our backs, and a roof over our head.

All I learned about respect and responsibility, I learned from my Democratic father. From him, I learned that I needed to be responsible for myself, not ever once considering that government would take care of me.

Mr. Speaker, an entire generation of young people are being born today without fathers. Why do children need fathers in today's America? The food on their table comes from food stamps. The roof over their head comes from public housing. When you need a doctor, there's always Medicaid. And of course the clothes on their backs come by way of a welfare check. We are replacing the financial importance of fathers with the power of the Federal Government to take from one man's labor and give to others. But what of the moral importance of fathers? That role has simply been abandoned by the welfare system. The social fabric of our society is being torn apart by the disappearance of the family unit.

Mr. Speaker, our welfare reforms are an important step forward in trying to restore the value of fatherhood in this Nation, because we say to those people who would seek the assistance of government * * * you must be responsible in having children; you cannot continue to expect an additional payment simply for having an additional child. We say to welfare mothers, you must name the father of your child * * * and we say to those fathers, you must be responsible for your actions. Our reforms force people to consider the responsibility of their behavior in parenting.

Mr. Speaker, I know the debate has tended to focus on welfare mothers, but I'm deeply concerned about the fathers of the 1 in 3 babies born out of wedlock. I want to say to them, be a man and accept your responsibilities. Parenting is not a game; it means tremendous obligation that you must uphold. It is not just a financial responsibility, it is being there for your children, it is teaching them right from wrong, it is teaching them values and making sure they know what it means to be a productive member of our society. It is being sure that your children learn to take care of themselves. It is making sure that your children live a better and more productive life than their parents. It is making sure that you leave your children a better America.

To my colleagues on the other side, I would ask you to step back and consider what has happened to our society. This bill is not simply about welfare mothers and their children. This bill is about the destruction of families. You cannot possibly defend what the welfare system has done to families. It is deplorable; it is immoral; it is undeniably wrong. Mr. Speaker, I urge my colleagues to drop the nasty rhetoric we have used the past few days, and do what is so clearly right to reestablish the sanctity of the American family.

The SPEAKER pro tempore. Under a previous order of the House, the House, the gentleman from Georgia [Mr. LEWIS], is recognized for 5 minutes.

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

FALLACIES IN REPUBLICAN REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GENE GREEN] is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, I want to address some of the CRS report Mr. HOKE brought up tonight and last night, because we have had a chance to analyze that. Mr. Speaker, I want to place in the record a letter from a student I received today from the Aldine School District who talks about how important the school lunch is to her and how she believes the Preamble to the Constitution pointed out that we are supposed to provide for the general welfare. Now, we need to reform welfare, but we need to recognize that is still a part of our Constitution.

The student praises the benefits of the school lunch program in the Aldine community, and last night Members from the Republican side and Congressman HOKE talked about the CRS memorandum, that I had a chance to read today and claims that school lunch funding under the welfare block grants was sufficient.

However, this memorandum points out that the children under the Department of Defense were left out, were left out, until it was put in on the floor, because three committees looked at it and forgot 57,000 children. This memo says that was left out.

The memo does not take into effect the programs folded into the school nutrition block grant. The memo does not estimate the 1997 to year 2000 funding based on the assumption that the CRS did not want to guess at what new programs would be established by the States.

This does not do anything except talk about next year. When they talk about the State of Ohio getting $11 million, we hope the Committee on Appropriations in 1997, 1998, and 1999 would fund that money, but there is no guarantee. This assumes the system will change in such a dramatic way that the current assumptions will not work. That is what this CRS report says.

That is why it is extreme to stand up here and talk about it in this bill. What Members of Congress should focus on is the shell game that this does. It takes away that guarantee of that school lunch for an authorization and maybe an appropriation, maybe.

In the amendment today we had a chance to vote on the school lunch program in Mr. DEALs's amendment. The school lunch program would have been protected in current law. But we saw on a party line vote who wanted to protect the school lunch program, and that voted failed on the Deal substitute.

Current law provides that school districts are reimbursed for every meal and the Republicans' promise of an increase again depends on what will happen in their Committee on Appropriations.

Let's take for example what happened last week in the rescissions bill. We have a track record already in the first 100 days of cuts in summer jobs programs for students, and I would hope the U.S. Senate would take that out. I would be glad to pin my label on there for the State of Texas, because our comptroller estimates we will lose $35 million in school lunch funding.

HOUSTON, TX.

Hon. GENE GREEN,
Longworth House Office Bldg.,
Washington, DC.

DEAR GENE GREEN; My name is LaDeirdre C. Lane and I am an 8th grade student at Kentwell, Aldine I.S.D. In my history class our teacher gave us an assignment to write a government official talking about an issues that we feel very strongly about.

I feel strongly about the welfare reform. I feel that this one proposal that shouldn't get past Congress. For one, it would take money out of our school lunch plan. Many of the students in my school already eat free or reduced lunch. For some of these students it might just be the only hot meal that they get all day. Secondly there are people out there who abuse these government fundings, but for every one who abuses, there are two who really need it. Without welfare many families would end up starving and in poor health.

Also another reason is stated in the preamble of the Constitution that we the people must promote the general welfare and in this one saying that must take effect. I would appreciate if you would take my ideas into consideration.

Thank you for your time, and I hope that my ideas have begun to turn the wheels of progress, I will be waiting to hear a response from you.

Sincerely yours,

LADEIRDRE C. LANE.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. COLLINS] is recognized for 5 minutes.

[Mr. COLLINS of Georgia addressed the House. His remarks will appear in the Extensions of Remarks.]

MODERN WELFARE SYSTEM HAS NOT WORKED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. BRYANT] is recognized for 5 minutes.

Mr. BRYANT of Tennessee. Mr. Speaker, the issue before us this evening is what has worked and what has not worked in the modern welfare society of America. Clearly the current system has not worked. It has encouraged dependency upon the Federal Government; it has encouraged illegitimacy; it has discouraged self-reliance and the basic idea of work.

In short, it has promoted many of the behaviors and values that are exactly opposite of what every single Member of this body would raise their own families by.

Mr. Speaker, the original intent of the welfare system has been lost. What was intended to be a compassionate provision to help people has turned into a destructive and permanent fixture of dependency for many who are entrapped within it. Sadly, many of these people have chosen to make their living for themselves and their families without working by choosing to take AFDC, food stamps, and countless other programs which cost over $300 billion annually. This is wrong and unfair for them and taxpayers, and it must stop.

What the Personal Responsibility Act aims to do is to require individuals to look to themselves and their families and not to Washington in order to become productive members of society.

I cannot help but consider it worthy of mentioning a couple of startling facts about a county in my home State of Tennessee, one that I partially represent, the county of Shelby, which includes Memphis. According to the Commercial Appeal, the local daily newspaper in Memphis and Shelby County, one out of every four families with children under the age of 18 draws monthly welfare checks. According to the same publication, when Federal welfare dollars are combined with State welfare dollars, that total amount is the single largest source of money for Shelby County, TN. Not the payroll of Maybelline, not the payroll of Schering-Plough, not even the payroll of Federal Express; not the payroll of any single business or industry can match the welfare dole of the government in Shelby County, TN. That is what welfare is doing for one of Tennessee's most populous counties. And while maybe not to such a large degree, that is what welfare is doing to all the rest of the country, and that is what we are trying to change.

Mr. Speaker, I have listened in recent days to the inappropriate charge that children are going to be hurt with our bill. I sat here and listened as we have gone about our Contract With America and attempted to make those changes we said we would make in our contract. On the balanced budget amendment, I have heard about poor children there. In tort reform, I heard about poor children being hurt there. In regulatory reform, I heard about poor children being hurt there. Unfunded mandates, the same thing. The crime bill, the same thing. Even in the national security bill, I heard about poor children being hurt.

I am most eager, as we begin to talk about term limits next week, to see how they are going to say poor children are going to be hurt by that. But we are not going to hurt children by term limits.

Just as we heard from the other side that Republicans do not have a monopoly on Christianity, and I agree on that, the Democrats do not have a monopoly on love of children. We have got some fathers and some grandfathers on this side, and to do that you have to have children.

We are not going to hurt children. What is hurting children is the current system of welfare. It encourages kids to have kids, and fathers to abandon their responsibilities, and families to set poor examples for their children by not working. The Republican welfare reform plan requires work and other responsibility. It changes the status quo. It encourages dignity, and it gives hope to all who may use it to succeed.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California, Mr. FARR, is recognized for 5 minutes.

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

VICTIMS OF THE REPUBLICAN CONTRACT WITH AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. OBERSTAR] is recognized for 5 minutes.

Mr. OBERSTAR. Mr. Speaker, last Friday in Duluth, in my congressional district, I met with a group of people I can only describe as victims of the Republican contract: College students who will lose their financial aid; poor, elderly people who will lose their home heating assistance; elementary school children who will lose their school lunch and school milk programs; and foster grandparents who work with disadvantaged youth.

□ 2200

Then at the end of the day, late that evening I got a phone call from my son Ted, A graduate student in theology, saying he would lose his summer job if the Republican cuts are enacted.

Let me tell you about Ted. He is a Notre Dame graduate with a double major in theology and great books.

Following graduation, he committed a year to volunteer service at a job placement center for the homeless, Saint Joseph the Worker in Phoenix, AZ, living with five other Notre Dame graduates on $60 a month. And on weekends he volunteered in youth ministry at a neighborhood parish.

Ted then spent 2 years in campus ministry at Sacramento State University and is now in his second year of

study towards a master's degree in theology. His career goal is community service. He wants to work to make life better for the less fortunate of our brothers and sisters.

The accumulation of material goods has never been an objective for Ted. He worked hard on construction jobs and other jobs to earn his way through college and last year, to help pay his graduate school cost, Ted worked at a summer youth job program funded by one of the programs the Republicans propose to cut or eliminate with their cuts last week and those yet to come.

I want to take a close look at this program. He worked with 160 disadvantaged young people, 40 special ed children with learning and developmental disabilities, providing them with academic enrichment and physical development help. He also worked with another group of 120 kids who test below a grade level, are out of school and out of work. His job, teach them how to fill out job applications, how to interview on the phone and in person for jobs, and work with them to improve their basic academic skills.

If the Republican cuts prevail, there are going to be 161 losers this summer. The next group of 160 kids and Ted.

Society will be victimized because these young people will be denied an opportunity to become productive members of our economy.

By the way, Ted's wife Julie, who teaches children with learning disabilities, was planning to do her masters thesis on this project to demonstrate how such a program can be a model curriculum for special ed student's enrichment and move them to jobs and work.

I raise this personal story because I think it is important to put flesh and blood on the statistics we deal with, to put a face on the numbers and to translate the issues into tangible reality. And sometimes that reality hurts personally.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska, [Mr. BEREUTER] is recognized for 5 minutes.

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

TEENAGE PREGNANCY

The SPEAKER pro tempore (Mr. CALVERT). Under a previous order of the House, the gentlewoman from Washington [Mrs. SMITH] is recognized for 5 minutes.

Mrs. SMITH of Washington. Mr. Speaker, throughout the welfare debate we have argued about just about everything. And when I came in tonight and heard a little bit of discussion about religion, I realized just about how far crazy it had gone.

We have argued about how much the school lunch program is supposed to go up, at least it is going up, and we have argued over whether Federal programs work better than the local ones. But we are not talking about cutting them out, just who controls them.

We have even argued about who understands compassion better. But if there is one thing that we have agreed on, without exception, is the fact that our welfare system is failing. The intent of the system was always a noble one, because Americans are kind, loving, noble people. And it was to help those people that were down get back up on their feet and become independent and help those that could not help themselves because of severe handicaps or they were too young until they did not need help any longer.

And for awhile, that is what it was. But then like so many other government bureaucracies, it began to grow. People started taking advantage of it and using it, a practice that has hurt taxpayers. But I want to tell you something, if it only hurt taxpayers, it would not be so bad. But you know, welfare has spawned a social disease that is suddenly destroying our society. And that social disease is illegitimacy. It is babies being born without daddies.

Today the number of illegitimate births in our country is 30 percent. In some major towns, it is 50 percent. That means that we have a major, major problem in our society.

Now, this would not be too bad if it were not that we could look to the inner cities and see that it is worse. Inner city poor, there are 80 percent born out of a married family in the black inner city poor neighborhoods.

It is interesting that we have been so compassionate as some of us were marching liberals in the 1960s that we said it did not make any difference if a baby was born out of wedlock. But I want to stand here tonight and tell you that I was wrong when I was a marching liberal in the 1960s with long ironed hair, because now we see what has happened in this society. We see little girls having babies in their own apartments, where older guys are fathering, not teenagers, folks, they are fathering half of those children, a moral decay, a loss of life for those young teenagers.

But what I want to talk about briefly is those children that we are talking about being so compassionate to as we fight to keep their mothers in poverty by giving them welfare when they are teenagers.

Do you know that these little girls that are born are three times as likely to be little girls that become teenage girls that also go on welfare and have babies when they are still babies?

Did you know these little boys are multi-times, depending on the cities, more likely to go into gangs if they do not of a mommy and daddy at both home? Do you also know that they are born weaker, lower birth weight? Do you know that?

I think that that is what we are addressing with this welfare reform. We are talking about a new world that says no to the liberal 1960s and some of us are going to stand here and we are going to apologize for what we did when we thought telling those young girls yes was okay. We are going to say, we know that was wrong, that the most compassionate thing we can do for these little kids and their kids is to not give them cash grants, to not go on and reward the wrong decisions, to not reward sometimes their mothers who encourage them in some tenement house to go get pregnant so they can get the welfare that they have learned to live on.

The Republican welfare bill does some wonderful things that we can see in the future and be proud of. It says we will take care of these kids and that we will make sure we take care of their babies but we will not lock them into poverty.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. WYNN] is recognized for 5 minutes.

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

SCHOOL LUNCH CUTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. STUPAK] is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, I am here tonight to remind our colleagues and the American people that what we are really talking about tonight in this so-called welfare reform debate, what we are really talking about is really politics. And it is really the politics of the rich and the poor.

Some of you may remember that book, the Politics of the Rich and Poor. It was written by Kevin Phillips. He was President Reagan's economic advisor.

And this politics of the rich and poor that we are talking about tonight goes against children, the nutrition program. The savings that you hear so much tonight that is going to come forth from the Republican proposal is not going for the deficit. It is not going to reduce the debt. It is going to go to the tax breaks in two weeks on this floor for the big corporations and for the wealthiest of this country. So let us talk about little bit about the poor.

The poor tonight are the people in Michigan, the working folks who are sending their kids to school. And after this bill goes through tomorrow, and it will go through because they have more votes than we do, 7,100 children in Michigan will be denied the nutrition program. Michigan will lose $1.5 million for nutrition programs. These are the poor in Michigan who will lose tomorrow afternoon underneath the nutrition program.

But who will win? Who is going to win in this whole program? AFDC. I do not mean Aid for Dependent Children. I mean aid for dependent corporations, the rich. If you look at it, in the fiscal

year that we are in right now, $167.2 billion will be given to corporations as tax breaks, $167.2 billion. For each taxpayer out there listening tonight, that is $1388 is going to support corporate tax breaks, and all these dreaded programs you heard about tonight, what is it going to cost us as a country, $50 billion, $1415 for each taxpayer, three times less.

But if this bill goes through and the cuts that we are going to talk about the next day or two, and we are going to turn around the savings and give it for another tax break for the rich, where does the money go? Why are we giving millions of dollars to McDonald's Corporation to sell chicken nuggets overseas as a tax break but yet we are going to cut $7 billion over five years of the school nutrition program and all these students will be denied? Why do we give Campbell's Soup millions of dollars to sell soup overseas but yet we are going to cut our children $7 billion over five years.

It is the politics of the rich and the poor all right. Today we had a chance to try to correct it with Mr. DEAL's bill, the Democratic bill on welfare reform.

Yes, we have to do some things differently. Mr. DEAL put forth a proposal that made a lot of sense and was defeated by party lines, 205 to 228, one Republican joined us.

What did the Democratic bill say? It was a welfare reform bill. That means requiring and assisting people to move out of the dependency of welfare and into self-sufficiency, work. Democrats believe in tough and fair work requirements, something their bill, which is right here, 1214, never had until yesterday.

At least they are learning from us. What else did the Democrat bill have? We believe that individuals need education and job training to become self-sufficient. You just do not cut them off and say, go get a job. Individuals need the opportunity to find work.

Welfare needs to be linked to work. That is what the Democratic proposal meant. That is what we believe in.

Unfortunately, it was defeated, strictly on party lines.

So as we do this debate tonight, remember, it is the politics of the rich and the poor. The poor are those who will be cut. Their cuts will go to pay for the tax breaks for the rich. AFDC, not Aid for Dependent Children, it is aid for dependent corporations.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BILBRAY] is recognized for 5 minutes.

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

MORE ON WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. HAYWORTH] is recognized for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, I have enjoyed listening tonight to many different viewpoints. I listened with great interest to my good friend from Illinois who could no longer stay with us on the floor.

Let me pause at this juncture to yield to my friend from Ohio [Mr. HOKE] who I think wants to read into the RECORD a couple of items of great import with reference to our friend from Michigan who preceded me in the well.

Mr. HOKE. I just want to point out that from the CRS report with respect to Michigan, there is a $10,489,000 increase in the block grant program from 1996 over fiscal 1995. And in the state of Illinois, we have got a $14 million increase. In the state of Texas we have a $33 million increase. So as those flags go up, we see that in fact CRS has shown very clearly that there are increases.

Mr. HAYWORTH. I thank the gentleman from Ohio.

My friend from Illinois raised a valid point, and I think it is one we should all remember, that good people can agree to disagree, that good people can interpret in different manners the statistics available and the implications of various policy decisions, and, in fact, we can disagree on holy scripture.

I celebrate religious and spiritual diversity in this country. I thank my Creator that we live in a country where we are free to engage in the exercise of religion as we see fit.

□ 2215

But I would simply point out to my friend from Illinois, when he quoted Christ and the Gospel according to Matthew, Christ said when you do this to the least of these, you have done it also to me. He did not say when government does this for the least of these.

And then again there can be a legitimate difference of opinion about that. Perhaps some interpret the ''you'' to be a universal you, to be a government so powerful, so all encompassing that we would leave for government the responsibility to change the hearts of man, that we would leave for government the responsibility of charity and compassion, that it be the sole province of the Federal Government to provide the same according to its own definition. And that is a legitimate policy difference.

That is fine. Good people can disagree. But, Mr. Speaker, again, and I visited in a moment of almost levity with one of our distinguished colleagues on the other side today who looked at me with a wink and smile and asked me to calm down, and I nodded. But I will tell you, when people on the other side do as they did yesterday, comparing those of us in the new majority to members of the Third Reich or those of us involved in legitimate policy differences with a different vision for America to slaveholders of the Civil War days, you wonder what is really at stake. Have we so perverted legitimate policy divisions and discussions that we are willing to engage in reckless name calling?

My friend from Michigan salutes the Deal bill. That is his right. I would simply point out, Mr. Speaker, to those assembled and to our audience gathered beyond this hall via television, that we have a different interpretation of who would have gone to work or who will go to work under our resolution as opposed to the work requirements in the Deal bill. Good people can disagree.

My friend from Minnesota came to talk about the personal nature of the so-called cuts, and I think that term is inaccurate, but he is entitled to that term because I believe he assumes that there is a vacuum into which his son is stepping and which there is no escape. But I know when I heard him speak of his son that his son has the wherewithal and the ability to take a detour in plans. It may not have been what he intended, but he will find another way to help. That his daughter-in-law, so intent on teaching children with learning disabilities, does not rely solely on the province of the Federal Government to do the same.

And I would invite my colleagues to come with me to the Sixth District of Arizona, to the small town of Holbrook, and visit a single mother who has battled the odds to open a restaurant and who time and again offers to the welfare-collecting youth of that city employment, and she tells me invariably after three weeks time the youngsters employed there leave. Why? Because it is simpler to take a check and a handout instead of a hand up.

WELFARE REFORM

The SPEAKER pro tempore (Mr. CALVERT). The gentlewoman from California [Ms. WOOLSEY] is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, I yield to the gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. I thank the gentlewoman for yielding.

The other side said that Michigan would actually gain money. That is only if the bill is not revised, and your CRS report, page 1, says that is subject to a base assumption you make as long as you do not revise it.

But you have revised it. Go to your bill, H.R. 1214. Go to page 122. And what do you do on the nutrition, the food block grants for these kids? You cut it 20 percent and put it in other programs. You have $6.6 billion, take away 20 percent. It is $1.3 billion.

You increase the administrative costs from 1.8 percent to 5 percent, add another $334 million for administrative costs. The first year alone you cut $1.6 billion from the nutrition program. Michigan gets nailed by $1.5 million.

Ms. WOOLSEY. Mr. Speaker, I am pleased to join my colleagues tonight to talk about the Republican's mean-

spirited welfare plan. A plan that will gut the welfare system and shred the safety net for over 15 million children.

I know firsthand about welfare and the importance of a safety net because 27 years ago, I was a single, working mother receiving no child support. I was forced to go on welfare, even though I was employed, in order to give my three small children, ages 1, 3, and 5, the health care, child care, and food they needed.

My colleagues, that experience never leaves me.

My ideas about welfare do not come from books or theories. I know it * * * I lived it. And I am continually amazed that any of you presume that you know what it is like. Make no mistake, I also know the welfare system is broken. It doesn't work for recipients or for taxpayers, and it needs fundamental change.

Unfortunately, the Republican ideas for change are weak on work and tough on children.

The Republican plan does nothing, absolutely nothing, to prepare welfare recipients for jobs that pay a livable wage, or to help recipients make the transition from welfare to work.

There's no job training; there's no education; there's not nearly enough child care.

All the Republicans care about is reducing the welfare rolls, and if that means putting families on the streets, then so be it!! The Chair of the House Budget Committee, JOHN KASICH, told us last week that these cuts will be applied to the Republican plan to cut taxes * * * the great majority of which apply to the very wealthy.

And their bill literally takes food out of the mouths of our kids.

In my district alone, Marin and Sonoma counties in California, almost 7,000 school children will be denied a school meal under the Republican's mean-spirited plan.

If the Republicans think their plan doesn't punish children, they should talk to some of the wonderful children I ate lunch with when I was back in California earlier this week.

When I asked these kids why they liked their lunches so much, they told me that they can not learn or pay attention in class when they are hungry.

One of their teachers told me that when she asked her students to make a list of wishes for their families, over 50 percent of the kids wished for food. I remind you, these are children who live in one of the most affluent counties, in one of the richest Nations in the world.

After meeting these kids, I have only one thing to say about NEWT's pea-brained plan to wreck child nutrition programs: ''States don't get hungry, NEWT, children do.'' and, starving our children is not the solution to the welfare mess.

Democrats, on the other hand, know that we can fix the welfare system without punishing poor women and children.

Democrats offer welfare recipients a fair deal!!

Democrats invest in education; job training; and child care in order to get families off welfare and into jobs that pay a livable wage.

Mr. Speaker, the choice comes down to this: we either punish poor children, as the Republican bill would do, or, as in my case, we invest in families so they can get off welfare permanently.

Let us do what is right for our children. Let us defeat the mean-spirited Republican welfare bill.

WAR ON POVERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Idaho [Mrs. CHENOWETH] is recognized for 5 minutes.

Mrs. CHENOWETH. Mr. Speaker, as I stand before you, we have got to realize that America has been at war, and that war has been called a war on poverty. America has spent 30 years in this war, and we have spent over $3.5 trillion.

You know, it only cost America $21 billion to win World War I, but that war that we are losing now is the war on poverty at great expense, not just taxpayers' dollars expense but expense to a whole class of people that have been held in bondage for generation after generation and cannot get out of the bondage.

If we were at war, what would you expect the generals to do, Mr. Speaker? What would the American people expect the generals to do? The American people would expect that the generals would come together and plan a new strategy. And that is exactly what the Republican majority is doing, planning a new strategy to free a whole class of Americans.

Unfortunately, this class of Americans has not been able to see the light at the end of the table or at the end of the tunnel. This class of Americans have never really been able to realize that unique gifting that our Creator has given them and them alone to be all they can be in this society.

You know, I stand here before you, Mr. Speaker, as a woman who raised two teenage children when I was found to be a single parent, and my income was at the poverty level. But sometimes to get through life it takes a bit of a struggle and sometimes to realize all you can be takes a bit of a struggle.

And, you know, what our new program will do will be able to free people up to begin to realize what their level of self-esteem is. Because you can only find your self-esteem by being able to produce something in the workplace and the home. This is the most compassionate of all programs that we have seen in the last 30 years.

You know, my father told me that one of the best things that a person can do for another friend is not to give them a fish that would feed them for just 1 day but to really help them understand how to craft a fishing pole and then be able to feed himself for life.

Yes, the Republican plan is tough love, but it is a plan that will free people, free them to be all they can be in this great Nation.

WELFARE REFORM AND JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, I am very pleased this evening to rise to discuss the issue of welfare reform and jobs and perhaps looking at it at a different perspective than some of my colleagues who have stood today. It is amazing what people do not say on this issue, and I think far too many Members of this body are looking through the wrong end of the telescope on opportunity.

There is no question that America's families and America's welfare families often fail to remain whole because America's job-producing machine is failing.

In my own home district of northwest Ohio, half the people, I repeat, half the people on welfare are working people. Half the men, half the women are not unwilling to work. They work everyday. Some work two and three jobs. But they still remain on welfare.

Half the people on welfare in my home district are there for one reason only, and that is to receive the health benefit. Half cannot receive a health benefit through their private sector employment and so they fall on to the welfare rolls as the only hope to receive health insurance.

About 15 percent of the people on welfare in my home region are blind or disabled or elderly, and the remaining 30 percent, adults and children, are really what most of this discussion has been focused on.

And we are all for moving able-bodied people into the work force, but I want to concentrate on the half of the welfare rolls that nobody talks about, and those are the people who are out there hustling everyday, and they do not earn enough to buy the basic necessities.

And I have found it rather ironic that, as the House has labored through this welfare reform discussion, it has been interesting to read the newspaper headlines today. In the Washington Post, the lead story, U.S. trade gap soared in January, economists warn of weaker dollar, and the economic growth of this country over the next year dropping a full percentage point because of difficulties we face in our trade and economic policies.

The Wall Street Journal, major story today, United States trade deficit widened in January to a record $12 billion as peso woes and the problems with NAFTA and the Mexico bailout have a terrible impact inside our own economy. And for every billion dollars of

additional deficit another 20,000 jobs lost in this country.

□ 2230

And nobody in Washington really cares.

Another article, ''Dollar Declines Still Further on News of Trade Gap,'' and it talks in the New York Times, ''United States Trade Deficit Soars to Record, Mexico Worsens Problem.''

Today the value of the U.S. dollar dropped again on international markets, and today it was also reported that our Nation's trade imbalance in January dropped 68 percent, got 68 percent worse, the largest ever in a single month in the history of this Nation, another 20,000 jobs, times 20,000, times 20,000, $12 billion of additional deficit, more lost jobs in this country in sectors that the newspapers tell us are very clear in telecommunications, another 30,000 jobs will be lost, in electrical machinery, in office computing machines, the places where we would like to put people who still remain on welfare and are not working, into good jobs, will not be there. The numbers are telling us this.

We know that the wages and buying power of our people have not gone up for 20 years, and we know that thousands and thousands of jobs are being eliminated across this country at companies like Boeing, which is going to lay off another 7,000 workers, and companies like Fisher Price in New York who just announced several hundred more workers out, but do you think anybody here in Washington really hears or understands what is going on?

And there is a major continental economic crisis here in North America that nobody is really talking about in this Chamber caused by NAFTA that is already causing market instability and is going to have far reaching economic consequences for our Nation and for Mexico, lower wages, higher interest rates, a worsening trade situation for our Nation with more lost sales and jobs and a deluge of cheap Mexican imports coming into our market. Five billion dollars from our Treasury has already gone down to Mexico, and another 15 billion scheduled as soon as it can be drawn down.

Does the Contract on America say anything about America's economic plight? No.

Does it say anything about what I have just discussed? No.

The blame is all put on welfare recipients, the majority of whom work in my district. What a shame.

WELFARE—A SPIDER WEB OF BUREAUCRACY

The SPEAKER pro tempore (Mr. CALVERT). Under a previous order of the House, the gentleman from Michigan [Mr. HOEKSTRA] is recognized for 5 minutes.

Mr. HOEKSTRA. Mr. Speaker, I followed the debate very closely during the day today and actually all of this week as we have been debating welfare reform, and it is amazing to me that, as much as everybody says that we need change, there is also such a strong effort to support the status quo, to support a failed welfare state, a welfare state that in the name of compassion we funded a system that is cruel and, experience has shown us over the last 40 years, has been destroying the American family. We have a failed welfare state. Welfare spending now exceeds over $305 billion per year, $5 trillion since 1965. Three hundred five billion dollars is roughly three times the amount needed to raise all poor Americans above the poverty line.

What kinds of results have we seen? Since 1970, Mr. Speaker, the number of children in poverty has increased by 40 percent, the juvenile arrest rate for violent crimes has tripled since 1965, and since 1960 the number of unmarried pregnant teens has nearly doubled and teen suicide has more than tripled.

Next week, Monday, in my Subcommittee on Oversight and Investigations of the Committee on Economic and Educational Opportunities we may take a look at why all of this spending and why all of this bureaucracy in Washington has failed to deliver the kind of results that we all would have wanted to see for America, and I think what we are going to see is that what we have developed is we built off of a system that inherently is wrong. We have the right motivations, but we have developed a system that cannot deliver the kind of results that need to be delivered.

I have a couple of charts here, and what we are going to be doing on Monday in the subcommittee is we are going to have members of the subcommittee, as well as staff, break into different groups and actually go through the process of applying for the benefits of 19 different welfare programs, and I think we are going to find that the process that the poor and those in poverty face and what they take a look at in Washington is a spider web of bureaucracy, regulations, mandates, and a system that just does not work for them.

In the House of Representatives we have 10 committees, 20 subcommittees, that take a look at all of these programs. When you take a look, and I do not know how well it will show up tonight, but this is the spider web and the confusion that we see here between the House and the Senate of different kinds of programs that affect children and families. Certain committees have responsibility for income subsidies, social services, health, housing, nutrition, education, and training. This is what we want to attack in the Republican bill.

We are not going after women and children. We want to get benefits to women and children. We want to actually go through and tear up this bureaucracy in Washington and actually deliver results and benefits back to them and back to women and children so that we do not end up eating the dollars here in Washington.

We need a new process, a new focus, a focus on women, children, and families, not a focus on bureaucracies, and bureaucrats, and rules and regulations here in Washington. We are going to go through these 19 programs, and they are only a small sample of the many programs and many different bureaucracies that we have here in Washington.

In the next chart that we are going to develop that we will not have an opportunity to take a look at on Monday, but will be to take a look at it from the user standpoint, the people that are supposed to be getting these benefits, the ones that we are supposed to be lifting and helping up out of poverty.

There has been discussion tonight earlier that we need more job training programs, we need more money and more programs for child care. The problem is not programs. The problem is not dollars as we are working off a failed model and a failed system.

PROFILE OF WELFARE RECIPIENTS IN OUR COUNTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FAZIO] is recognized for 5 minutes.

Mr. FAZIO of California. Mr. Speaker, there has been a tremendous amount of discussion about welfare in the last couple of days, and we all understand the welfare system has to change. But sometimes I think many of us have a different concept of the welfare system, who is on welfare, how they got there and how they get off, and perhaps the facts would document. So I thought perhaps in my brief time tonight I would speak a little bit to the profile of recipients in our society.

There are some five million families on Aid to Families With Dependent Children, but I think many people are shocked to know that two-thirds of the people who are benefited by that program are children. There is also, I think, some stereotypical beliefs about who in our society is on welfare: 38.9 percent of all the beneficiaries of AFDC are white, 37.2 percent are African-American, and 17.8 percent are Hispanic. The average family size is only 2.9 people.

There is an assumption, I think, on the part of many of our constituents that AFDC is a very remunerative source of income. The facts do not really buttress that assertion. The average monthly benefit is $373 per month. That is less than $4,500 a year, and I might say that in 1970, in current dollars, the average monthly benefit was $300 a month more, $676 a month. We have seen a decline in real dollars of $300 a month in the last 25 years.

Of course some States are more generous. In the contiguous 48 States, Mr. Speaker, New York has a $703 per month average benefit; Mississippi,

$120 a month, which goes, I think, to the issue of attempting, as we debate this bill, to establish some national norms so that people are not solving their economic problems when they are poor by moving from one State to another.

People, I think, have a misimpression of what welfare contributes to our overall budget. I hear people estimating that it may range close to 40 to 50 percent of what we spend at the Federal level. In fact, $13.8 billion is total Federal spending for AFDC. That is less than 1 percent of the Federal budget, and, if you add in State spending, it only comes to $25 billion, State and Federal, across the country, an average of $156 for each American taxpayer.

There is also, I think, an assumption in our rhetoric that those people who are on AFDC are somehow all teenagers, and we are all concerned about young girls becoming pregnant and becoming welfare recipients, but in fact in 1993 only 1.2 percent of AFDC mothers were under 18 years of age. In fact only 7.6 percent were under 20. In fact many people are surprised to learn that 11.8 percent are over 40. There is no question that there are misimpressions about who it is that is on the welfare rolls.

I think it may be even more impressive though to realize that AFDC is not a safety net without holes. In fact the safety net is frayed. Of all poor children in our society, only 40 percent of them are on AFDC. In fact 60 percent of the poor children in this country benefit. Forty percent are still out there struggling to find basic sources of income to put a roof over their heads.

Why are people on welfare? Divorce or separation amounts to 45 percent of all the people who end up, chiefly women, on welfare, and you have heard the gentlewoman from California [Ms. WOOLSEY] talk about her 3-year experience on welfare as a result of her divorce. It is not an uncommon phenomenon. Only 30 percent of the people on welfare get there because, in fact, they were unmarried when they had a child. Twelve percent, as the gentlewoman from Ohio indicated in her comments, are on welfare simply because the earnings of the single mother fall, making them eligible, giving them the additional incentive of getting health care for their children.

But why do people leave the welfare rolls? Thirty-five percent through marriage, 21 percent because the mother earns more income and can afford to leave, 14 percent because of a rise in other benefits, chiefly food stamps, and 11 percent because children grow and leave the home and the mother is no longer eligible. Not enough leave the welfare rolls because of employment, because of the opportunity to work.

It is important, I think, to point out that child support is chiefly available to upper income women. Unmarried mothers above the poverty level who get child support from their fathers amount to 43 percent. For poor women it is only 25 percent.

□ 2245

REMOVAL OF NAME OF MEMBER AND REQUEST OF MEMBER ON SPECIAL ORDERS LIST

Mr. FOX of Pennsylvania. Mr. Speaker, I would make a unanimous consent request that I be able to substitute for the gentleman from California [Mr. RIGGS] on this time.

The SPEAKER pro tempore (Mr. CALVERT). The gentleman from Pennsylvania [Mr. FOX] asks unanimous consent to go out of order.

Is there objection?

There is no objection.

CHANGES IN WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I think the ladies and gentlemen of this House have to realize if you want real change the Republican proposal provides the real change.

Able-bodied people who are on welfare want to be off welfare. In fact, under our proposal, they will have, through job counseling, job placement and job training, the opportunity to have real jobs that are meaningful to help their families.

More than that, our food and nutrition programs, despite what you may have heard from those who would not tell all the facts, realize that in the next five years 4.5 percent per year food and nutrition programs will be increased for our students across the United States.

What we are going to do is we are eliminating 15 percent of the administrative costs the Federal Government normally would expend. We are sending it to the States that can better administer the program, and we are capping their administrative costs at 5 percent.

That 10 percent that would have gone to wasteful bureaucratic expenditure is going to feed more children more often all across these United States in every single State. This is a compassionate and caring program that the Republican majority has presented.

In addition, we have a nationwide system for tracking the child enforcement. Under amendments we passed today that will, hopefully, will be adopted in the final bill, we will be able to make sure that we have more of the child support go to our children to make sure they are fed, to make sure they are clothed better than any other system we have had.

In the State of Maine, they have made sure that they have the collection of child support where you have a parent in one case or another not paying the child support by making sure that we have a system that says, ''If you don't pay your child support, you are going to lose your driver's license.'' That threat of loss of a driver's license has made sure that the Maine system has really been a model for the country.

Here we have a possibility to make meaningful change under the Republican proposals, a tax cut that is meaningful, a $500 tax cut for families with children. We are going to have deficit reduction more than we have ever had, and we are going to have spending reductions.

We have had an out-of-control Congress up until this point, but this 104th Congress has the opportunity in a bipartisan manner for real change.

Beyond the line-item veto, beyond the balanced budget amendment and having the prohibition of unfunded mandates, we are going to have with welfare reform the first real opportunity to make sure we spend less on bureaucrats and we spend more on people.

This is a compassionate Republican proposal which I believe will have bipartisan support, as most of our Contract items have. I think if people read through the rhetoric and move away from the scare tactics, they will realize that the welfare reform, that the reform for America in this Contract With America is the best plan possible and one that is meaningful.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon [Ms. FURSE] is recognized for 5 minutes.

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

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. NEAL] is recognized for 5 minutes.

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

[Mrs. LOWEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

[Mrs. SCHROEDER addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

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

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. KLINK] is recognized for 5 minutes.

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Ms. SLAUGHTER] is recognized for 5 minutes.

[Ms. SLAUGHTER addressed the House. Her remarks will appear hereafter in the Extension of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

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

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. HILLIARD] is recognized for 5 minutes.

[Mr. HILLIARD addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ] is recognized for 5 minutes.

[Mr. ROMERO-BARCELÓ addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. MANTON] is recognized for 5 minutes.

[Mr. MANTON addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. CARDIN] is recognized for 5 minutes.

[Mr. CARDIN addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah [Mr. ORTON] is recognized for 5 minutes.

[Mr. ORTON addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. FIELDS] is recognized for 5 minutes.

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

The SPEAKER pro tempore. All Members having been called, no one is seeking additional time under the 5-minute rule.

CAUSES OF POVERTY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Vermont [Mr. SANDERS] is recognized for 35 minutes as the designee of the minority leader.

Mr. SANDERS. Mr. Speaker, I am pleased to be joined tonight by several other Members who will be speaking in a moment.

Mr. Speaker, most of the discussion today dealt with the need for welfare reform, of which there is not a whole lot of disagreement, but I was rather shocked at how superficial in many ways the discussion about welfare reform today has been.

Illegitimate children and the problem of drug addiction and the very serious crime problem that we face as a Nation are not the causes of poverty and are not the causes of the need for welfare. Rather, to a large degree, it is the reverse, the opposite that is true.

In many respects, our country is becoming a poorer and poorer Nation. And not to talk about the causes of poverty, the loss of millions of good-paying manufacturing jobs, the decline in the wages that our working people are receiving, the growth of low-wage jobs, not to talk about that reality when we talk about welfare is absolutely absurd.

Mr. Speaker, between 1979 and 1992, the number of full-time workers earning wages under the poverty line increased from 12 to 18 percent. Eighteen percent of our workers now are earning poverty wages. Between 1990 and 1992, half of the women in the United States who found full-time jobs were earning the poverty wage.

Mr. HOKE. Mr. Sanders, would you be willing to engage in a debate on precisely this point?

Mr. SANDERS. I will tell you what. We have only 35 minutes, and we have got four of us here. I would really love to do that. And if we do agree to do it sometime later this week or next week, I really would love to do that.

But we have got four people. We do not have Rush Limbaugh and G. Gordon Liddy.

Mr. HOKE. You have got the Washington Post.

Mr. SANDERS. I think not. I think not. But I thank you. I would love to do it. I really would.

Mr. HOKE. Thank you.

Mr. SANDERS. In terms of welfare, not to understand that the $4.25 minimum wage today is virtually a starvation wage which forces people into welfare is not to understand the reality of what is going on in America today. The minimum wage today is 20 percent lower in purchasing power than it was in 1970.

If we are serious, it seems to me, about welfare reform, then we must begin to talk about a real jobs program which rebuilds America. There is an enormous amount of work that could be done. We could take people off of welfare and put them to work rebuilding America, but we are not hearing that discussion from our Republican friends.

If we are serious about welfare reform, we must talk about raising the minimum wage to a living wage so people can escape from poverty and earn enough money to take care of their children.

If we are serious about welfare reform, we must improve our child care capabilities. What mother, what father can go out to work and leave his or her children abandoned in a house or an inadequate child care capabilities? That would be wrong.

If we are serious about welfare reform, we must educate our people and provide job training so they can, in fact, go out and earn the wages that they need and the dignity that they want.

The last point I want to make before I give the floor over to my good friend from Ohio [Ms. KAPTUR] is to say that when we talk about welfare reform, which is a very important subject, we should also understand that welfare reform for the poor is only one part of the issue. We should also be talking about welfare reform for the rich and welfare reform for the large multinational corporations.

Studies done by conservative groups such as the CATO Institute, liberal groups like Ralph Nader's Public Citizen, moderate groups like the Democratic Leadership Council's Progressive Policy Institute have demonstrated that there are tens and tens and tens of billions of dollars in welfare that go to the rich and go to the big corporations. So if we are serious about welfare reform, I think it is appropriate we begin that debate as well.

I am now happy to introduce my good friend from Ohio, MARCY KAPTUR.

Ms. KAPTUR. I want to thank Congressman SANDERS for your refreshing point of view and as the only independent Member of the House of Representatives for the extra effort that you put into trying to look behind the curtain and see what is really going on in important programs like the welfare program which is so much in need of reform.

What I liked about the Deal bill that was before us today was it absolutely linked work with welfare reform, and it provided mechanisms to move people into at least reading the want ads, having job conferences, trying to get the skills right away, the minute that the bill went into effect under the Republican version that I guess we will vote on on Friday. You don't even have to read the want ads for two years.

So I like the tight linkage in the measure that we considered earlier today.

But you mentioned women in the work force. And, of course, there are a lot of women and children on welfare in our country today.

And there was a new Brookings Institution study of women who were in their 20's who had received welfare at some point during the late 1970's and 1980's, and what was very interesting about that study was that it showed they did leave welfare. Two-thirds of the people do. But the women earned a median wage of about $5.20 an hour. That is too little to pull a family of three above the poverty line even with full-time work.

And low wages are the reason that two-thirds of those who leave welfare return within 3 years for some period of time, usually to get their footing again, and then they go back out there. I meet these women in my own district, working in bakeries, working in laundromats, working in restaurants.

By the way, nonunion restaurants, where they are not guaranteed of health benefits. But a lot of them fall back on to welfare. They don't want to be there.

I am sure there are loafers on every program, and we have problems with family structure in this country, but let us recognize that for many people and half of the people in my district on welfare work.

What a terrible, terrible indictment of this society that people who go out there, 40, 50, 60 hours a week, are on welfare. The system isn't working for them. In fact, the numbers show that a person who works 40 hours a week, 50 weeks per year at the current $4.25 minimum earns only $8,500 a year, not really enough to support a family.

If the gentleman would just indulge me one extra minute here.

I was thinking as I was driving through my city the other day about my mother's life. And she doesn't get C–SPAN. She doesn't get cable. So she can't hear me tonight. But how her life really differed from those of the women who are growing up in the neighborhoods that she lived in that she grew up as a child.

And the big difference is that the jobs that were there that she could walk to, because no family was more poor than my mother's family poor, Champion Sparkplug is no longer in Toledo. Chase Bank, that was right up the street where my aunt worked, closed its door, moved offshore. The glove factory that my cousin worked at isn't there anymore. Dana Corporation moved 3,500 jobs to Mexico and out of our city. Bostwick Brown. Durwick Corporation. Swift and Armour. All the bicycle manufacturing capacity of the country was moved to Taiwan. When you think about what has happened to people, it isn't easy for them to find good-paying jobs.

Mr. SANDERS. If I could just jump in and say not to understand that reality and when we discuss welfare reform is totally absurd.

If I might, we have been joined by the gentleman from Louisiana [Mr. FIELDS]. An interesting night because we have somebody from the Midwest, somebody from the south, Mr. BECERRA is from California, and I am from Vermont, so I think it should be a good discussion.

□ 2300

Mr. FIELDS, would you like to join us.

Mr. FIELDS of Louisiana. I thank the gentleman from Vermont for yielding. I just wanted to echo some of the sentiments of my colleagues about the need to create jobs and the need to improve the minimum wage. We have people wake up every morning, as each of you know, and they go to work everyday, and at the end of the day they are still poor. It is not because they are lazy, but simply because we need to raise the minimum wage.

We have Members of this Congress who have the gall to walk into this august body making $560 a day and telling people making $680 a month that they do not deserve a minimum wage increase, and then we say we need to get people off of welfare and we need to put people on payrolls. And if we really want to put people on payrolls, I mean, does the gentleman realize last week we took 600,000 or 1.2 million young people off the payrolls? So if you really want to put people on payrolls, you do not do it by cutting summer jobs. So I think all this is all somewhat inconsistent.

But if I may, if the gentleman would yield a few more seconds, I would like to make note of a scroll I received from my district, to change the subject a little bit, because students at Queensborough Elementary School received a lot of criticism, the teachers as well, by Rush Limbaugh, because these students decided to write a scroll and send this scroll to Washington, DC, concerned about their school lunch program. I just take strong issue with anybody criticizing students for writing their Member of Congress.

Mr. SANDERS. Rush Limbaugh is that low income fellow that has a hard time feeding himself, is that the fellow?

Mr. FIELDS of Louisiana. I do not think he has missed a meal.

Mr. SANDERS. That makes $25 million a year, I believe, the same fellow.

Mr. FIELDS of Louisiana. If not more. The problem I have with that, the kids have a right to be concerned about their school nutrition program, because the fact of the matter is if you look at the Republican proposal, there is no nutritional standards in the school nutrition program. Not only that, 20 percent of their money can be used for other purposes.

So I want to thank the gentleman for yielding, and I want to thank these kids and all these teachers for writing these very, very distinguished scrolls.

Mr. SANDERS. I yield to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. I thank the gentleman from Vermont for not only yielding, but also for scheduling this special order and giving us all an opportunity to discuss further some of the aspects of this whole debate we are going through on the contract on America. I am glad I can join my colleagues. Ms. KAPTUR and Mr. FIELDS on this particular debate, because it is very interesting.

We are now at a point where we are discussing so-called welfare reform, and what we find in the bill before us, H.R. 4 on the floor, it is the version, sort of a pseudo-version of what was in the contract on America.

What we find is that the Republicans claim that they are going to save about $66 billion through this welfare reform package, yet they are not going to cut school lunches, day-care. Somehow they are going to save without making cuts they say, but we know in fact they will cut.

But perhaps the most egregious aspect of these cuts is not just that they go after kids, not just that some of these cuts they are making overall go after elderly, not that they go after the disabled, but the use of these cuts. We had yesterday debated on the floor of this House a particular amendment that was supposed to be technical. It was a change that was made, and I know the cameras can't pick this up for our colleagues to see, but what I want to read what that amendment said. This is what we had to spot. It said page 393, strike line 4 and all that follows through line 7. Page 393, strike line 5, strike ''technical amendment.''

What that line did was it changed what the bill said which required that monies that would be cut and therefore would be available for deficit reduction would no longer be earmarked for deficit reduction, but instead could be used for things like financing tax cuts. Which tax cuts? Well, we know the capital gains tax cut is being proposed under the Republican's contract on America, and they need about $200 billion to pay for these tax cuts.

So all of a sudden we are finding that welfare reform, which is being used by the Republicans to save monies by cutting children's programs, school lunch, by cutting the disabled programs, by cutting programs for the elderly, are going to be used no longer for deficit reduction, as much as you may not have liked all the cuts, but now they are available to be used for tax cults. As the gentleman from Vermont has indicated, most of these tax cuts will

go to the wealthiest Americans earning more than $200,000.

Mr. SANDERS. Next week I believe the tax bill will be coming before the House. Last week the House Committee on Ways and Means, as I understand it, passed a provision, this is hard to believe, especially for people, those real deficit hawks concerned about the large deficit, that would repeal the minimal corporate tax.

Now, some people may remember that in the early 1980's, when the large corporations in America were writing tax law in this country, what we had is the outrage, was the outrage of huge multibillion dollar corporations like General Electric, AT&T, du Pont, wealthy, powerful corporations, who were paying in the early 1980's zero in taxes. Zero in taxes.

Well, the embarrassment became so deep that finally in 1986, a minimal corporate tax was passed that said, corporations, even with all your good lawyers you can go through all the loopholes you have put into the system and you pay nothing in taxes, there has got to be a minimal tax.

Recently, last week, the House Committee on Ways and Means proposed to do away with that minimal tax. But I know that there is another aspect of corporate welfare that has interested Ms. KAPTUR very, very much, and that is the bailout of Mexico. And maybe in terms of the discussion that we are having now, in which last week we cut back, the Republicans voted to cut back on fuel assistance for 5 million Americans, cut back on the WIC program, cut back on senior citizen housing, now, tell us perhaps how could we find $20 billion, not just the Republican problem by the way, how can we find $20 billion to bail out Mexico?

Ms. KAPTUR. I am glad you asked that question Congressman SANDERS, because it is just another one of those Washington miracles that happens without a vote of Congress. As hard as we tried to get the Speaker of this House to bring a bill on the floor to allow us to stop disbursements of additional dollars to Mexico, he would not bring up that bill, because he was a partner to the decisions that were made by the Clinton administration.

Mr. SANDERS. Let us be fair. This was bipartisan leadership.

Ms. KAPTUR. Yes, about six Caucasian men made this decision for 250 million people. And we effectively, the other 432 Members of this body, had nothing to say about it, and it is amazing to me how few people are even raising their voices. And yet $5 billion is out the door, another $15 billion is ready to go, and who knows how much more, because three banks in Mexico collapsed a week and a half ago.

They are having difficulty refinancing their tesobono offerings, and yet our Government could find $20 billion basically to give to Mexico so she could pay her Wall Street creditors, the speculators who are earning 66 percent interest on bonds that they had bought. They should have eaten their losses, as they ate their earnings over the last 5 years. But they have a special call at the Treasury of the people of the United States, and yet the people from my district, 25,000 of them who got their heating assistance cut, they had no special call in Washington. No Washington miracle happened for them. For those millions of kids that will not get a summer job, there was no Washington miracle for them.

Mr. SANDERS. If I might interrupt, Mr. FIELDS from Louisiana, what does it look like when kids are going to see cutbacks in nutrition programs and $20 billion is spent bailing out Mexico?

Mr. FIELDS of Louisiana. It is quite hard to go home and explain to kids in Louisiana that will not have a summer job this summer if this proposal passes the Senate and is signed by the President of the United States of America. It is difficult to stand up in a town hall meeting and tell the parent of a kid who will not have a summer job that we just sent $20 billion to Mexico.

Then to add insult to injury, while we cut domestic aid, we spend $14 billion overseas. It is all right if you live outside of America and you want a summer job, because we are going to spend $14 billion to do it. It is all right if you live outside of America and you want a balanced meal, because we are going to spend $2.2 billion to do that.

The last point I want to make to the gentleman is we spent a lot of time on the balanced budget amendment. We should be spending some time on a balanced meal amendment, because under this proposal that will pass this House tomorrow, there is no standard, no national standard whatsoever. Yes, you got groups looking at it, talking about what should be done in the future, but there is no national standard. I think that is an insult to the children of our country.

Mr. SANDERS. Mr. BECERRA, what does it look like to the people in California?

Mr. BECERRA. Let me tell you, I have a chart here that I would like to go through a bit with all of my colleagues here, because I think it makes a very interesting point. We find that in the contract with America, we have those who gain, and those who lose. And although I think the writing may be a little bit difficult to read from a distance, what we are talking about is in terms of those who gain, $200 billion, well, if you happen to earn more than $75,000 a year, $94 billion of the 200 billion you can expect to go to you. That group of people. Of course, if you earn over $200,000 a year, you find you get the lion's share of that money. Those between $50,000 and 75,000 in income get 51 billion. You start to go to those of $40- to 50,000 income, 24 billion. Income of 30- to 40,000 dollars, you get 22 billion of the 200 billion.

□ 2310

Incomes of 20,000 to 30,000, you are going to get about 13 billion out of an entire 200 billion pot. If you earn less than 20,000, you will get about 5 billion. So when you look at the average American family, incomes probably below 50,000, you see that you get less than a third of all the benefits of these tax cuts that are being proposed in the Contract on America.

That is not bad enough. Let us take a look at who pays: 24 billion is paid for by poor families with children, mostly through the cuts that we are hearing about in the welfare bill that we have, H.R. 4; 2 billion is being taken from abused and neglected children programs; 19 billion is being taken from food stamp recipients, 12 billion is being taken from kinds who lose school lunches, child care and WIC; 21 billion taken from legal aliens.

I want to mention something here. These are individuals who have every night to be in this country. Ultimately will become U.S. citizens once they achieve 5 years in this country. They are law abiding. They pay every single tax that a citizen must pay. They even serve in our armed services defending this country in time of war.

So they are law abiding. They provide every single kind of tax that is a citizen does, yet they are bearing the brunt of the cost in the so-called reform of welfare under the Republican welfare reform bill. We are taking $10 billion from Medicare. We are taking 12 billion from Civil Service pensions, people who have worked, a lot of them, in our military. And we are taking $100 billion in spending cuts yet to be identified. That means, in other words, that those who sponsor the Contract on America have not yet told us where they are getting 100 billion. So clearly those who gain, if you earn over $100,000, you gain. Those who lose, well, usually if you are middle income or low income, you will pay for those tax cuts that are going to go to top, that earn over $100,000 or $200,000.

Mr. SANDERS. If I could just ask the gentleman a question, within the last couple of months there were two very well publicized fundraising events here in the Nation's Capital. On one night, I believe it was about a month ago, the Republican party raised in one night $11 million. On another occasion, Senator GRAMM, who is a Republican candidate for their nomination for president, raised, I believe, over $3 million on one night. On another occasion, Speaker GINGRICH held a fundraiser for his television network at $50,000 a plate.

Now, I find it interesting that the Contract With America, must have been just an oversight, I am sure, just by accident, they forgot to put in campaign finance reform. clearly an oversight, clearly has nothing to do with what you have just been talking about.

In other words, we all understand that this system is dominated by money and big money. When people contribute $11 million in one night, when the wealthiest people in America make those contributions, they are not

doing it because they are nice guys. It is an investment. And the investment that they are making is precisely what Mr. BECERRA was talking about a moment ago. Tax breaks for the rich.

Mr. BECERRA. I think we should point out one particular aspect of that third fundraising event that you mentioned. That is the event where Speaker NEWT GINGRICH helped raise money for his television network that has a political slant to it. That $50,000 a plate dinner was tax deductible. So about a third of the cost of that $50,000 that is contributed for what will ultimately be fairly political activities, is being written off by those wealthy individuals. And who pays? Obviously, the rest of us middle- and low-income taxpayers, because somebody has to make up the cost of that subsidy that we are paying the wealthy individuals to take.

Mr. SANDERS. At the same time as we are talking about defunding public radio and public television.

Ms. KAPTUR, the relationship of campaign finance reform to our discussion.

Ms. KAPTUR. Maybe we could work out a deal for our senior citizens who just got cut off their heating assistance. Maybe we could give them an equal tax cut where they could get a credit just like those companies got that contributed $50,000, did you say, a plate? But we will turn it into a new form of tax credit and refund their winter heating assistance to them in the same why.

I wonder if Speaker GINGRICH would help us amend the tax code in order to help all those seniors across this country who some from northern climates that are going to have a very difficult time paying their bills? It seems to me what is fair is fair. And I do not support that form of back door campaign financing, but I would think we might use the same measure for people who are truly in need.

Mr. SANDERS. Mr. FIELDS, do many of your constituents spend $50,000 for a dinner.

Mr. FIELDS of Louisiana. Very few. As a matter of fact, I do not know any right off the bat, any of my constituents who would spend that kind of money. It goes to show you this whole debate is not about helping poor people and making them self-sufficient. It is about taking as much as possible away from the poor and giving it to the rich.

It is no surprise that 68 percent of these cuts are coming, laying on the backs of poor people and children. And there is certainly no surprise, the fact that we got people who live on trust funds who try to tell people on welfare how to live. When they talk about how they want to make people self-sufficient and then they penalize babies and they say, we are not penalizing babies.

This is not a surprise to me, and I am sure it is no surprise to you that an infant cannot wake up in the morning and buy milk. An infant just cannot do that. When you take milk away from an infant, you are penalizing the baby. You are not penalizing the mother as much as you are penalizing that infant.

Mr. BECERRA. There is something really strange and perverse about a society when we can have people fly from across the country, if they are wealthy enough to come lobby Members of Congress, go out and have lunch. Deduct it because it is a business expense of coming down here, deduct that $50 dollar lunch that they may have, deduct it and come over here and tell us that we should be cutting school lunch programs for kids while they are writing off as a tax deduction a business tax deduction, the cost of a lunch they may have at a very expensive restaurant. What we are doing is, a lot of us are standing up and saying, what is going on here.

We want to reform welfare. We just voted on a Democratic alternative by some Members, more conservative Members of the Democratic Caucus, that would have reformed welfare but what it would have said is, let us make you work. If you are on welfare, it is a transition to get you to work. And let us understand that we have to be realistic. If you have got a daughter or a son and you need to go to work, well, you are going to probably need some day care. So we are going to help you so you can keep that job by providing you with some day care, making sure you do not lose your medical benefits because, obviously, as soon as you lose those medical benefits and you have some problems with the child getting sick, you are going to drop your job and you are going to get back on welfare.

So let us be realistic. Let us reform, but let us make sure in the process of reforming what we are saying is, get to work.

Mr. SANDERS. If I might, I find really one of the more outrageous outrages of the Contract With America is when we talk, every single day on the floor of this House, people talk about the virtues of education. We hear it all of the time. And yet built within the Contract With America are major cutbacks which will make it increasingly difficult for millions of young Americans to afford to go to college.

I am sure the situation is the same in Ohio, Louisiana or California. Certainly it is in Vermont. I am getting letters every day where people say, Congressman SANDERS, do not let them cut back on the Pell grants. That is what keeps me in college. Do not have them force me to pay interest while I am in college on my loans. It means I am going to drop out of college. Do not let them cut back the work study program.

When everybody understands that it is extremely difficult today to earn a good living without a college degree, the shortsightedness and the selfishness of saying to working-class Americans, sorry, we are giving tax breaks to the rich or maybe we are going to put $50 billion in star wars, but for young Americans, I got a letter today, Congressman SANDERS, I am working two jobs, taking a full-time load in my college in Vermont. Do not let them cut back. Yet some people think star wars, tax breaks for the rich, are a greater priority.

I do not understand that at all.

Mr. FIELDS of Louisiana. National Service is a prime example, National Service. The Republican party decided to take money away from National Service, a program that gives young people an opportunity to earn their way through college, not welfare. But a workfare program, a program where young people go to work every morning and work with civic service organizations and then pay their way through college. Cut it out.

Is that real welfare reform? And is that real, is that what we do for our young people in America? I think not. I think that is one of the problems in this country. It is all about what we do for those who have the most.

Mr. SANDERS. Ms. KAPTUR.

Ms. KAPTUR. I wanted to add a comment there on student loans. In the State of Ohio, we literally, in the last month and a half, have had students arrested. I have not seen this in a couple generations. Arrested in our capital city of Columbus, concerned about the fact that what you said, Congressman SANDERS, that the cost of their loans would be going up even more than they have already gone up, that they would have to be paying interest on their borrowings immediately. And we know that even now most of the students that graduate, graduate in huge debt. And when they graduate, what kind of a job can they go to?

□ 2320

A lot of them are going into jobs that are $14,000-a-year jobs, and they are shocked even with a college degree at how little they earn. I know I have talked to people from Congressman FIELD's State, women who work on those shrimp, in those shrimp operations where they are doing I do not know how many hundreds of those things an hour, they all get carpal tunnel syndrome by the time they are in their mid 30s, and they are making about 3 bucks an hour. Now, those are working people and yet they do not earn a living wage, so whether you are a college graduate in this country, loaded up with debt and the contract says we are going to load you up with more debt and more interest or whether you are working in a shrimping operation in Louisiana or in a dry cleaners shop in Toledo, HO, you can't earn a living wage even if you work 40 hours a week.

Mr. SANDERS. I would just simply say, and I say this, by the way, as an independent, and in my view it is wrong just to blame the Republicans and not to hold Democrats in criticism as well, but I think one thing that has disturbed me very much as we discuss the problems facing this country is

that in this recent election in November when the Republicans took power in both houses, all of 38 percent of the American people came out to vote. Sixty-two percent of the people are so turned off by the political system they did not bother to vote. Most poor people in America, many working people in America do not vote. So what ends up happening is you have 38 percent of the people who vote, you have people who contribute huge amounts of money to the political system, they are able to finance candidates of their choice, so you have one whole group is invisible. If you do not vote and you are earning the minimum wage, who do you think is going to care about you? If somebody contributes, they buy a table for $10,000 at the Republican fundraiser, that 10 people will have far more influence over the political process than 20,000 people in Louisiana who are working for minimum wage or farmers in Vermont who are trying to get by on $10,000 a year.

So I would simply hope that we can revitalize the political process. If we increase voter turnout by 20 percent, this institution would be radically different. Mr. BECERRA.

Mr. BECERRA. I thank the gentleman for yielding again.

I think the gentleman from Vermont is hitting on a very important point. I think a lot of us take our time at 11:30 at night to be here to discuss this because obviously we are not just trying to talk to our colleagues but we are also trying to communicate to the American people. We have to make sure we let folks understand what is going on. This Contract that was a political contract lobbied and campaigned upon back in November, what did it mean, and what is happening with that because really when you take a look at what is being done, there really is an inconsistency with trying to be American and promote America, and what is being done in contracts that say things and when you read those find details of the contract, you find something different. The gentleman from Vermont raised an interesting point. We are talking right now over the last week or so about cuts to children's programs, school lunches, other nutrition programs, child care for kids. You have to say what is next. Then all of a sudden you find on the horizon that the next thing is not just on kids, but now it is on our young people that are getting ready to go to college with student loans and student grants where we are going to cut a lot of the moneys that we provide for our young people to afford a college education.

I have got to say one thing here. I have a 22-month-old daughter. I sat down with a financial planner, my wife and I about 3 months ago, 4 months ago, and we asked that financial planner what will it cost us to get our child through college when she grows up. We were told, well, it depends. Public school, you can probably count on something approaching $150,000. Private school, and I was very fortunate to go to Stanford University, they said Stanford University, you can expect to spend about $400,000 for your child to get educated. What is next? Student loans. My goodness.

Mr. SANDERS. I thank the gentleman from California [Mr. BECERRA], the gentleman from Louisiana [Mr. FIELDS], and the gentlewoman from Ohio [Ms. KAPTUR] very much.

WELFARE REFORM

The SPEAKER pro tempore (Mr. CALVERT). Under the Speaker's announced policy of January 4, 1995, the gentleman from Kentucky [Mr. LEWIS], is recognized for 35 minutes as a designee of the majority leader.

Mr. LEWIS of Kentucky. Mr. Speaker, I would like to yield my time right now to my good friend from Ohio to start us off this evening.

Mr. CHABOT. I thank my good friend from Kentucky [Mr. LEWIS], for yielding this time. What we are going to be doing is discussing the welfare system in this country and why Republicans and some Democrats as well believe that the welfare has been so destructive in this country that we feel very strongly that we need to change the welfare system dramatically.

We have heard a lot of Democrats this week, and in fact since I have been a Member of Congress, be cute when they refer to the Contract With America, and they keep saying it is a Contract On America, which is ludicrous.

It is a Contract With America. This is a document that we all signed. After talking with people all across this country, and they said these are the things that we want. If we elect a majority of Republicans, these are the things we would like you to change when you get there.

Well, the people in my district saw fit to send me here, and one of the main things they wanted to change was the welfare system. They realized, I heard over and over again, that the welfare system is wrong. We spend far too much money on welfare, and most of that money is counterproductive. We are hurting more people than we are helping on welfare.

I was a school teacher in Cincinnati for a number of years in an inner city school. I worked for the recreation department in an inner city area, and I saw kids over and over and over again who came from homes where there was no father in the home.

The vast majority of these families did not have a father in the home. They had the government, in effect, as their father. The Federal Government sent a welfare check every month. No father in the home, no father figure. They expected the government to pay for them from basically from cradle to grave, and that is what we have to change.

We have got kids in homes all across this country who never see an adult in the home go to work. We have to change that. The welfare system is broken.

What I think we are hearing on the other side of the aisle, what we have been hearing the past couple of days from particularly the liberal Democrats on the other side of the aisle is the last gasps of a dying philosophy, a philosophy that says the government is the way to go, the government owes everybody a living, people do not have to work, people do not have to be responsible for their own lives, American families are to support other people's kids.

Not only do they have to support their own kids, but the Federal Government takes a large portion of their money, sends it up here to Washington, it gets eaten up in this bureaucracy, this welfare bureaucracy.

Some of it gets sent back to the States, and much of that money is wasted, and it is counterproductive. We have to change that, and that is what we are here to talk about this evening.

I am very pleased that I am joined here by my good friend from Ohio [MARTIN HOKE], and a very good friend from Arizona [J.D. HAYWORTH], who are also going to contribute and talk in this colloquy.

Mr. HOKE. May I ask the gentleman a question?

Mr. CHABOT. Absolutely.

Mr. HOKE. Does this sound familiar? Who said, ''I will eliminate welfare as we know it today''? Does that sound familiar?

Mr. CHABOT. I believe it was our President who said that in the campaign a couple of years ago.

Mr. HOKE. A couple years ago, 1992, all summer 1992. Was this a sucker punch?

Mr. LEWIS of Kentucky. Yes.

Mr. HOKE. Is that what was going on? Now, in the 103d Congress I do not recall any welfare reform bill whatsoever ever coming to the floor of this Congress.

Mr. CHABOT. That is exactly right. Of course, that is the same President who told us he was going to give us a middle-class tax cut and then did just the opposite and raised taxes on the American people. That is one reason that the American people said enough and changed Congress and sent folks like us here to change Congress.

Mr. HAYWORTH. If my friends from Ohio would yield, and I recognize my friend from Kentucky controls the time, and as I have been checking in other quarters, a certain school from Kentucky controls the basketball game tonight.

Mr. LEWIS of Kentucky. Good

Mr. HAYWORTH. Between the University of Kentucky and Arizona State. Much to his delight, much to my chagrin. But it really brings forth a description of both that basketball tournament and I believe it is safe to say what has transpired here in the halls of the Congress, and that is March madness that is really without parallel. I

could not help but notice my friends on the other side during the course of their 35-minute special order enlist the help of one of their aides, and I am not here to demean that aide in any ways, but I thought it was very interesting, a scroll that was festooned about his person, I suppose in documentation of the working poor, and I would salute the working poor, indeed we are holding them up and championing their efforts. I listened with interest to the gentlelady from Ohio, but I could not help but notice the similarity of that gentleman working to provide that visual aid, if you will.

□ 2330

And instead of really offering stirring testimony to the working poor, it really resembled someone wearing a bed sheet as a ghost as if this were Halloween, and I could not help notice the parallels because this is what it has come down to, a debate from the other side largely devoid of fact, filled with sentiment, much of it heartfelt, but also much of it, I would say, calculated, designed, to scare everyone in America; first the elderly, then the working poor, and now the children.

Children have been used in this debate as pawns in the political process, teachers requesting that students write letters not born of any heartfelt philosophical viewpoint on the part of the young students, but born of an indoctrination of a failed liberal state.

Again I want to say we are not here to demonize those who are down on their luck. We are not here to discourage the working poor. Quite the contrary. We salute their efforts, but what we are here to do in this 104th Congress is to change for the better a failed system, perhaps noble in its intent, but somehow glaringly ignoble because it deprives the very people it purports to help, it deprives them of their dignity, it deprives them of the opportunity to work, and it robs from them not only their rights as individuals, but their responsibilities in a free society.

Mr. HOKE. I wonder if I could ask you to yield some time here because I thought the gentleman from Vermont began the remarks of the earlier special order with what was a pretty honest beginning, and that was to say that we have not spent enough time actually debating the underlying issue here, and the underlying issue has to do with causation, and, by the way, I think I should point out with respect to the remarks of the gentleman from Vermont, whom I have a lot of respect for, he has pointed out a number of times that he is an Independent and the only Independent in the Congress, but I think it is probably only fair and instructive to state that he votes with the Democrats almost all of the time. His committee seniority is with the Democrats, he sits with the Democrats on the committees that he is on, and, as the mayor of Burlington, he was not an Independent, he was a socialist. So I do not know if that means that the Democrats are not liberal enough for him, but I think that—I mean just in the interests of fairness I think those things ought to be pointed out. But I think he was right to ask the question, ''Why aren't we talking more about the root causes,'' and what he would say is that the root causes of the behaviors, and the behaviors he is talking about I think are illegitimacy, developmental problems in school, the chances of being on welfare as a welfare child becoming a welfare mother herself, a welfare child becoming a male on welfare himself. Those behaviors, he clearly stated, are the result of poverty.

What I would like to do is explore that just a little bit because DANIEL PATRICK MOYNIHAN, Democratic Senator from New York, has written extensively on this, and he wrote in 1964, quote, poverty is the principal reason why these young men fail to meet those physical and mental standards. He was saying poverty is the problem; in 1964 he said that. Then in 1989, in his book ''Towards a Post-Industrial Society,'' he wrote, ''Why did I write that this was the result, these behaviors were the result, of poverty in 1965? Why did I write that? Why did I not write that poverty was the result of this; ignorance?''

As Dr. Johnson observed, I do not know how to describe my understanding of social structure a quarter of a century ago except to say that it was not especially formed. He went on to say, ''What I had not adequately grasped was the degree to which these unequal distributions of property were, in fact, themselves dependent upon a still more powerful act, the behavior of individuals in communities. In other words, I had not,''—DANIEL PATRICK MOYNIHAN—''I had not myself understood that it is the behaviors that have fundamental impact on the results as opposed to the result, poverty, being the agent that causes the behaviors,'' and that goes precisely to what the gentleman from Vermont was talking about, and it truly does inform the differences in the debate and the differences in how you can come up with an in-government-we-trust solution, which is what we have gotten from the other side as opposed to in individual responsibility in the private sector, in neighborhoods, in communities we trust, in G-d we trust attitude that we are trying to reform welfare on this side.

Mr. LEWIS of Kentucky. The bottom line is that the War on Poverty has not taken care of poverty. I ask, ''Isn't it true we have more poverty now than when we started?''

Mr. CHABOT. That is exactly what has happened.

As my colleagues know, it really started getting out of control during the so-called Great Society, the Lyndon Johnson years in the sixties, and it has grown worse, and worse, and worse, and illegitimacy has grown in tremendous numbers since that time as have welfare payments. They have both been pretty consistently going up, and you know the real tragedy of the way the current system works now is basically our government, under the way welfare works, it makes a deal with welfare mothers all over this country. I says:

''We'll send you a check every month. We'll get you food stamps, free housing, free cash money. You got to do two things though to get this money. No. 1, you got to not work. You're not allowed to work. And the other thing: You can't get married to anybody who works.''

Mr. Speaker, that is just a prescription for tragedy, and that is what happened in this country, and that is what we are going to change starting tomorrow.

Mr. HOKE. Can you imagine saying to your daughter as she is reaching the age of maturity, 19, 20, 21, 22, getting ready to leave home; you say, ''Well, honey, I want you to know that we will always be here for you. We're always going to be behind you 100 percent, and we're going to support you financially. We're going to be there, you can count on us, but there are two conditions. No. 1 is you've got to agree—it's wonderful you have kids; that's great. But you got to agree you won't get married. And No. 2, you got to agree you won't go to work, and we'll continue to support you.''

That is what we do as a Federal Government. We are saying to your son, ''Son, listen. You know I'm always going to be there for you, but I want you to know one thing. You can go out and father as many children by as many different women as you want; that's great. But just don't marry them, don't get married, and I don't want you to work either. As long as you do those things, we'll continue to support you.''

It is insane, it is perverse. What a perverse norm. What a sick and twisted form of compassion that is. None of us would do that as parents, and yet that is exactly what the Federal Government is doing. How could you possibly expect anything but the kind of results that we are getting?

Mr. LEWIS of Kentucky. Absolutely, and you know the other side keeps saying Contract on America instead of what we actually signed was a Contract With America, and I would like to say right now the Contract With America is not a Republican contract, it is an American contract that the Republicans signed onto to do the will of the American people.

And let me say if there is a Contract on America, it has been the last 30 years of a welfare system that has destroyed individuals and families.

Mr. HAYWORTH. And the incredible observation that we hear from the other side—our good friend from Wisconsin [Mr. ROTH] says it is the yeah-buts. The gentleman from Ohio [Mr. HOKE], my friend, had another description earlier on this. It boggles the mind, and I believe it is summed up in Marvin Olasky's new book entitled,

''The Tragedy of American Compassion,'' and, Mr. Speaker, it is wonderful to have this time here tonight for a little straight talk among friends and to realize that we are poised to change this system for the better.

□ 2340

Mr. HAYWORTH. I wish we could say that in every circumstance in every human endeavor things will change for the better, but I think that would be both practically and intellectually dishonest. We harbor no delusions that this is a perfect plan. But we have seen the height of imperfection and the notion of tragedy born of the last 30 years of so-called compassion.

To spend in excess of $5 trillion, and understand we are just approaching that in terms of our national debt, and that in itself is a tragedy, but to spend in excess of $5 trillion on programs noble in their intent, since we should always assume the best of those with whom we disagree, but to have them fail so completely.

As has often been noted during the course of this debate, if you were going to declare war on the American family, on responsibility, on our very fabric as a society, you could not have done better than the so-called war on poverty, because it, in essence, changed the scope of how we react as a society; and it took away the notion that for every right there is a responsibility.

Indeed, it seems that now the defenders of the old order would say, ''I am, therefore I am entitled,'' instead of, ''I understand as an American that I have rights and those rights are coupled with responsibilities and my rights stretch only as far as the rights of another, and it is my responsibility not to infringe on another's rights.''

Instead, now we have a situation where the working poor and those who are not classified in the working poor, those who are fortunate enough to prosper in this society, many who come to this Nation from other shores legally to live the American dream, find themselves paying and paying and paying into this system.

Mr. LEWIS of Kentucky. Mr. HAYWORTH, I just want to add to that. Another tragedy, and you have just led up to that, is that the average family, the working family, we hear the working class and the working family, the working family today is paying on an average 40 percent of their income in State and local and Federal taxes, 40-plus. If you add in the hidden taxes, it is probably reaching close to 50 percent, utility taxes, gasoline taxes. That is a tragedy.

We wonder why mothers and fathers are both having to work. Because they have to pay their Federal bill. That is a burden that cannot go on. And that is why we are trying to fix this system so that we can have good, wholesome, strong, prosperous families all across this Nation.

Mr. CHABOT. That is an excellent point.

The thing that really gets me is when you think of the average middle-class families out there where sometimes one parent, sometimes both parents are working, they are trying to rase their kids, they are obeying the laws, they are paying their taxes and so much of their money comes up here to Washington or in some instances goes to the State capitals. But it goes to government. And then in our welfare system we then send those dollars back to people who basically are not supporting their own kids.

And as the gentleman from Ohio [Mr. HOKE] had said, so many of these fathers are going around fathering kids and are just assuming somebody else is going to take care of their kids. Because that is the way it works, quite frankly. Let us fact it. They are fathering kids now, and they are not supporting those kids, and we are doing it. The taxpayers, the middle-class people out there, are paying higher taxes so they cannot take care of their families to the degree they want to because they are sending their money up here to Washington.

I was watching a program a couple of weeks ago, it was 48 Hours, on welfare reform. I found an excellent segment on there. They had a young woman, single mother in a wheelchair. This woman was working two jobs to support her own kids, and she was saying, ''I would not go on welfare. I am going to work as hard as I can. I am going to support my own kids.''

But the thing that she was complaining about was that so much of her money was taken in taxes and given to other people who would not support their own kids.

That is not fair. That is what is wrong with the system. That is why we have got to fix it. And we begin to do that tomorrow when we finally vote for welfare reform.

Mr. HOKE. I thought one of the most moving speeches I have heard here recently was from our good friend, the gentleman from Georgia [Mr. NORWOOD] earlier this evening. I do not know if you all heard it, but he spoke about his own father. He spoke about the absolute necessity of fathers in our lives.

I thought of my father, who created an example. He created on a daily basis an example of integrity and character. And when I did not measure up to it, he made sure that I knew it, and he made sure that I was accountable, not always in ways that I particularly appreciated at the time but I do sure appreciate today.

It did occur to me that there is absolutely no substitute for that. There is no substitute whatsoever on Earth. The government cannot be the substitute. There is no substitute.

Mr. HAYWORTH. The gentleman from Ohio [Mr. HOKE] is absolutely right.

And what we have done is we have taken an uncle, Uncle Sam, and not even plugged him as a surrogate father. Instead, we have made him Big Brother in Orwellian fashion, in 1994 instead of 1984.

And now, 1995, we have a significant segment of a once-proud political party engaged in Orwellian newspeak and the tactics of fear, saying that opportunity is somehow perverse, saying that work and responsibility, while giving a rhetorical tip of the cap to those virtues but maintaining that it is the government that is the sole generator of same, and I do not believe that we have seen for those, and I know you have run across people like this.

I think one of the throw-away lines we encounter from time to time is, ''There is not a dime's worth of difference between the two major parties.'' I would beg to differ a great deal.

But the irony will be we will see a number of fair-minded Democrats come with us because, as we have seen on other items in this Contract, when you get away from the smoke and mirrors, when you get away from the Orwellian newspeak, when you get away from the tragedy of a once-proud party now bereft of new ideas, indeed one publication on the Hill said of the Deal plan that the leadership of the other side grudgingly accepted that as an alternative.

Mr. HOKE. I have to share something with you.

Mr. HAYWORTH. Sure.

Mr. HOKE. Name that tune. Name that speaker. Because if we are going to bash the Democrats, and maybe there is something that we can learn here, ''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.''

Who spake those words?

□ 2350

Mr. LEWIS of Kentucky. Franklin D. Roosevelt.

Mr. HOKE. Franklin D. Roosevelt. The father of the modern Democratic Party spoke those words. John Kennedy spoke not dissimilar words in his inaugural address. He inspired me, inspired I know many of my colleagues. And yet somehow that has gone so, so incredibly awry.

I want to share, if I can, one other item, maybe to lighten the mood a little. This is from P.J. O'Rourke, that I think you might enjoy. He says in his preface to the Mystery of Government, ''I have only one firm belief about the American political system, and that is this:''

You have to remember P.J. O'Rourke. I feel a very special kinship with P.J., because we are both sort of refugees from the sixties in disguise. I know we do not talk about this very much, but I know there are many on this side of the aisle who also have been reclaimed from the sixties as well.

But he says:

I have only one firm belief about the American political system, and that is this: God is a Republican and Santa Claus is a Democrat.

God is an elderly or, at any rate, middle-aged male, a stern fellow, patriarchal rather than paternal and a great believer in rules and regulations. He holds men strictly accountable for their actions. He has little apparent concern for the material well-being of the disadvantaged. He is politically connected, socially powerful and holds the mortgage on literally everything in the world. God is difficult. God is unsentimental. It is very hard to get into God's heavenly country club.

Santa Claus is another matter. He's cute. He's nonthreatening. He's always cheerful. And he loves animals. He may know who's been naughty and who's been nice, but he never does anything about it. He'd give everyone everything they want without thought of a quid pro quo. He works hard for charities, and he's famously generous to the poor. Santa Claus is preferable to God in every way but one: There is no such thing as Santa Claus.

Thank you, P.J. O'Rourke.

Mr. LEWIS of Kentucky. You know, there is one thing though that I have noticed in the debate the last few days that I do not think our friends on the other side of the aisle are too willing to give, and that is a tax break to the middle class of this country.

Mr. HAYWORTH. What I find amazing, and we do not want to move too quickly, because I think that we have almost numbed the American people, I hope at the end of these 100 days, when we enact these sweeping changes, I know the reaction of the liberal media in this town and the folks who make up this culture, almost diametrically opposed to the reforms we bring, they will try to stifle a yawn and say, ''Well, so what?'' We can predice that reaction.

But the American people, and this is the key, as my friend from Kentucky points out, the American people recognize that their work helps generate the wealth that they have a stake in that wealth by their very labor, and that they are entitled to keep more of their hard-earned money, and send less of it to Washington, D.C.

My friend from Ohio, from Cincinnati, said it so well, as there is a myopia, or a tunnel vision when it comes to this topic. So many times I have heard other friends, and maybe we just disagree, talk about the money they will quote-unquote ''lose'' in certain projects, but they fail to understand this: It is not the government's money. The President may have proposed it in the largest tax increase in American history. It may have won by one vote in this Chamber, in the 103d Congress, by one vote in the Chamber in the 103d Congress. It may have been foisted upon the American people in the name of so-called deficit reduction, even though those numbers we know are subject to sleight of hand, or shall we say a charitable interpretation by the White House.

But the fact is, the money does not belong to the Federal Government. It belongs to those who labor those hours, who earn that money, and who give in unparalleled fashion freely, voluntarily, into our tax system, obeying our tax code in so many ways. And it is not the Federal Government's money. It is just interesting to see that interpretation that would be so statused in its approach that it would begin and end with the Federal Government.

To the contrary, we say. It begins with the individual and it end with the individual, and responsibility rests with the individual, working together in corporate fashion, for education, for spiritual enlightenment, and, yes, for government, based on a society of law, and for civil order.

And it is an all-encompassing picture that recognizes the sanctity and the primacy of the individual and the freedom and the liberty he or she enjoys in this Nation, in this constitutional Republic. We place our faith not only in God, but ultimately in the American people to decide what is best for themselves.

Mr. CHABOT. I have heard this, and I think your points are absolutely correct, J.D., and I know we are almost out of time, so we probably need to wrap it up.

I guess a couple points I want to make. One thing is I have heard the term mean-spirited so many times the last couple of days from our colleagues on the other side of the aisle that if I hear it one more time I think I am going to scream. But I think there is no question in my mind that there could be nothing more mean-spirited to the kids of this country than the welfare system that we have got now. It destroys lives; it will continue to do so until we change it. We are ready finally to change it.

The school lunch program, they still keep saying, I heard it tonight, that we are going to cut the school lunch program. We are increasing the funding to the school lunch programs all across this country. What we are doing is we are cutting out the bureaucrats here in Washington, and we are sending the money directly to the States. Let the school teachers and the local school boards and the parents decide how they want to spend their own money. Not our money, their money.

Finally, I think the bottom line, and I have only been here 2 months, but what I have seen from my colleagues such as the gentlemen that are here this evening, the difference I think between this side and the folks on the other side of the aisle, is the bottom line is the folks on the other side over there think that Washington knows best, that the decisions ought to be made up here where we are tonight. We ought to decide how the American people's money should be spent, that Washington knows better than the people all over this country.

I do not believe that. I think the decisions should be made and those families, the moms and dads ought to decide how they want to spend money for their kids, not the bureaucrats up here in Washington. Despite all the rhetoric I have heard, calling us mean spirited, we do not care about kids, for God's sake, I have kids myself, a 5-year-old son and 13-year-old daughter, probably in bed right now so they cannot hear me talking, hopefully, because they have school tomorrow, but I think the American people can see through all this rhetoric.

Mr. HAYWORTH. What is more mean spirited than leaving an ever-increasing debt and burden and responsibility like that on the younger generation and on generations yet unborn? The time to change it is now. The steps are being taken in these first 100 days. We take another major step tomorrow with welfare reform.

Mr. HOKE. STEVE, I absolutely agree with you. I think the American people, I have absolute utter confidence in their ability to discern. They cast their ballots last November. They asked that we keep our word, we keep our promises. We are doing everything we can to do that.

Frankly, I think we are right where we ought to be, we are on the right path. We have to keep our shoulder to the wheel and keep pushing and keep telling the truth, because it is obvious there is a massive disinformation campaign going on. We have got to cut through that.

But you know what? We do not have to do all of that work. We have to do a lot of the work, but the public is not going to be fooled. The people will find out. They will find out on their own. They care enough to discern it, to require the information, and to find it, and I am very confident about that.

Mr. LEWIS of Kentucky. I think it goes back to what I said earlier, that we are keeping a contract that we signed, that the American people gave to us. We found out what they wanted, and we said we are going to do it, and we are. We are going to keep our word and we are going to do it. And we are going to reform the welfare system and make it work for people that have real needs.

Mr. CHABOT. I think the American people are a whole lot smarter than the people on the other side of the aisle give them credit for.

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. FIELDS of Louisiana) to revise and extend their remarks and include extraneous material:)

Mr. GUTIERREZ, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

Mr. MFUME, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

Mr. BECERRA, for 5 minutes, today.
Mr. POSHARD, for 5 minutes, today.
Mr. OLVER, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mr. LEWIS of Georgia, for 5 minutes, today.
Mr. FARR, for 5 minutes, today.
Mr. WYNN, for 5 minutes, today.
Mr. GENE GREEN of Texas, for 5 minutes, today.
Ms. WATERS, for 5 minutes, today.
Mr. OBERSTAR, for 5 minutes, today.
Mr. CLYBURN, for 5 minutes, today.
Mr. HINCHEY, for 5 minutes, today.
Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.
Ms. FURSE, for 5 minutes, today.
Mr. STUPAK, for 5 minutes, today.
Ms. WOOLSEY, for 5 minutes, today.
Mr. NEAL of Massachusetts, for 5 minutes, today.
Mrs. LOWEY, for 5 minutes, today.
Mr. DURBIN, for 5 minutes, today.
Mrs. SCHROEDER, for 5 minutes, today.
Mr. MILLER of California, for 5 minutes, today.
Mr. KLINK, for 5 minutes, today.
Ms. SLAUGHTER, for 5 minutes, today.
Ms. JACKSON-LEE, for 5 minutes, today.
Mr. HILLIARD, for 5 minutes, today.
Mr. ROMERO-BARCELO, for 5 minutes, today.
Mr. MANTON, for 5 minutes, today.
Mr. CARDIN, for 5 minutes, today.
Mr. ORTON, for 5 minutes, today.
Mr. FIELDS of Louisiana, for 5 minutes, today.

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

Mr. CHABOT, for 5 minutes, today.
Mr. HOKE, for 5 minutes, today.
Mr. GUTKNECHT, for 5 minutes, today.
Mr. LAHOOD, for 5 minutes, today.
Mr. EWING, for 5 minutes, today.
Mrs. SEASTRAND, for 5 minutes, today.
Mr. CHRISTENSEN, for 5 minutes, today.
Mrs. SMITH of Washington, for 5 minutes each day, today and on March 24.
Mr. WELDON of Florida, for 5 minutes, today.
Mr. ENSIGN, for 5 minutes, today.
Mr. KINGSTON, for 5 minutes, today.
Mr. COLLINS of Georgia, for 5 minutes, today.
Mr. BRYANT of Tennessee, for 5 minutes, today.
Mr. BEREUTER, for 5 minutes, today.
Mr. GREENWOOD, for 5 minutes, today.
Mr. NORWOOD, for 5 minutes, today.
Mr. BILBRAY, for 5 minutes, today.
Mr. HAYWORTH, for 5 minutes, today.
(Mr. SMITH of Michigan for 5 minutes each day today and on March 28 and 30.)
Mr. WELLER, for 5 minutes, today.
Mr. JONES, for 5 minutes, today.
Mr. RIGGS, for 5 minutes, today.

EXTENSION OF REMARKS

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

(The following Members (at the request of Mr. FIELDS of Louisiana) and to include extraneous matter:)

Mr. BONIOR.
Ms. LOFGREN.
Mr. MONTGOMERY.
Mr. ANDREWS.
Ms. DELAURO.
Mr. FRANK of Massachusetts.
Mr. JACOBS.
Mr. COLEMAN.
Mr. REED.
Mr. STARK, in two instances.
Ms. PELOSI.
Mr. TORRES, in two instances.
Mr. SCHUMER.
Mr. SKELTON, in two instances.
Mr. RUSH, in two instances.
Mr. FAZIO.
Mr. MILLER of California.
Ms. RIVERS.
Mr. MANTON.
Mr. DINGELL.
Mr. KENNEDY of Rhode Island, in two instances.
Mr. FARR.

(The following Members (at the request of Mr. HAYWORTH) and to include extraneous matter:)

Mr. MARTINI, in two instances.
Mr. FIELDS of Texas.
Mr. CLINGER.
Mr. QUINN, in two instances.
Mr. YOUNG of Alaska.
Mr. GILMAN, in two instances.
Mrs. VUCANOVICH.
Mr. PACKARD.
Mr. BATEMAN.
Mr. MILLER of Florida.
Mr. SMITH of Michigan.

(The following Members (at the request of Mr. LEWIS of Kentucky) and to include extraneous matter:)

Mr. FALEOMAVAEGA.
Mr. ANDREWS.
Mr. FILNER.
Mr. MARTINI.

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock p.m.), the House adjourned until Friday, March 24, 1995, at 10 a.m.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1994 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85–804:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, DC, March 10, 1995.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In accordance with Section 4(a) of Public Law 85–804 (50 U.S.C. 1431–35), I am reporting to the House of Representatives on all 1994 calendar year actions taken by the National Aeronautics and Space Administration (NASA) under authority of that Act which involve actual or potential cost to the United States in excess of $50,000. These actions include the granting of extraordinary contractual relief and the indemnification of certain contractors.

During calendar year 1994, the NASA Contract Adjustment Board did not meet to consider any cases and granted no requests for extraordinary contractual relief under Public Law 85–804.

During calendar year 1994, NASA provided for indemnification in one prime contract under the Memorandum Decision dated November 5, 1989, to provide indemnification to certain NASA Space Transportation System contractors for specified risks arising out of contract performance directly related to NASA space activities. NASA also provided indemnification in one prime contract under the Memorandum Decision dated July 11, 1990. That decision authorized NASA to provide indemnification to certain NASA contractors involved in providing commercial Expendable Launch Vehicle launch services for NASA spacecraft or for activities which are carried out by NASA on behalf of the United States. A summary description of the contracts which now provide for indemnification is enclosed.

Any future decisions to provide indemnification will be the subject of subsequent Memorandum Decisions by the Administrator.

Sincerely,

DANIEL S. GOLDIN,
Administrator.

Enclosure.

CONTRACTORS INDEMNIFIED DURING CALENDAR YEAR 1994

Name of contractor: International Business Machines (IBM). Date: September 16, 1994.

Affected NASA contract(s): NAS 9–18817.

Name of contractor: General Dynamics Commercial Launch Services Inc. Date: March 9, 1994.

Affected NASA contract(s): NAS 3–23440.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

587. A letter from the Director, National Legislative Commission, the American Legion, transmitting the proceedings of the 76th national convention of the American Legion, held in Minneapolis, MN, September 6, 7, and 8, 1994, plus a report on the organization's activities for the year preceding the convention, pursuant to 36 U.S.C. 49 (H. Doc. No. 104–51); to the Committee on Veterans' Affairs and ordered to be printed. January 9, 1995.

588. A communication from the President of the United States, transmitting his request to make available emergency appropriations totaling $57,800,000 in budget authority for the Department of Housing and Urban Development, and to designate the amount made available as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, pursuant to 31 U.S.C. 1107 (H. Doc. No. 104–52); to the Committee on Appropriations and ordered to be printed.

589. A letter from the Secretary of the Navy, transmitting notification that the C/MH–53E and Standard Missile 2 Block IV

Programs have breached the unit cost threshold, pursuant to 10 U.S.C. 2433; to the Committee on National Security.

590. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation entitled, ''United States Mint Managerial Staffing Act of 1995''; to the Committee on Banking and Financial Services.

591. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Germany for defense articles and services (Transmittal No. 95–12), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

592. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Turkey for defense articles and services (Transmittal No. 95–09), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

593. A letter from the Deputy Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed lease of defense articles to Jordan for (Transmittal No. 14–95), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

594. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 95–16, authorizing the furnishing of assistance from the emergency refugee and migration assistance fund to meet the urgent needs of refugees in Chechnya, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on International Relations.

595. A letter from the Acting General Counsel, U.S. Arms Control and Disarmament Agency, transmitting copies of the English and Russian texts of five implementing agreements negotiated by the Joint Compliance and Inspection Commission [JCIC]; to the Committee on International Relations.

596. A letter from the Secretary, Department of the Treasury, transmitting a financial report on the Department of the Treasury forfeiture fund, pursuant to Public Law 102–393, section 638(b)(1) (106 Stat. 1783); to the Committee on Government Reform and Oversight.

597. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report that during calendar year 1994, the NASA Contract Adjustment Board did not meet to consider any cases and granted no requests for extraordinary contractual relief under Public Law 85–804, pursuant to 50 U.S.C. 1434; to the Committee on Government Reform and Oversight.

598. A letter from the Deputy Director, General Services Administration, transmitting a Federal courthouse construction program; to the Committee on Transportation and Infrastructure.

599. A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation entitled, ''National Science Foundation Authorization Act for Fiscal Years 1996 and 1997,'' pursuant to 31 U.S.C. 1110; to the Committee on Science.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 1216. A bill to amend the Atomic Energy Act of 1954 to provide for the privatization of the United States Enrichment Corporation; with an amendment (Rept. 104–86). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 1217. A bill to amend parts B and C of title XVIII of the Social Security Act to extend certain savings provisions under the Medicare Program, as incorporated in the budget submitted by the President for fiscal year 1996 (Rept. 104–87, Pt. 1). Ordered to be printed.

Mr. BLILEY: Committee on Commerce. H.R. 1218. A bill to extend the authority of the Federal Communications Commission to use competitive bidding in granting licenses and permits (Rept. 104–88). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASICH: Committee on the Budget. H.R. 1219. A bill to amend the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 to extend and reduce the discretionary spending limits, and for other purposes; with an amendment (Rept. 104–89 Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLUTE (for himself and Mr. FRANK of Massachusetts):

H.R. 1304. A bill to deauthorize a feature of the project for navigation, Fall River Harbor, MA and Rhode Island; to the Committee on Transportation and Infrastructure.

By Mr. COSTELLO:

H.R. 1305. A bill to require employers to notify workers before health care benefits or retirement benefits are terminated; to the Committee on Economic and Educational Opportunities.

By Mr. FALEOMAVAEGA (for himself and Mr. GALLEGLY):

H.R. 1306. A bill to approve a multiyear program for the economic development and self-sufficiency of the U.S. territory of American Samoa; to the Committee on Resources.

By Mr. FRANK of Massachusetts (for himself and Mr. BLUTE):

H.R. 1307. A bill to establish the New Bedford Whaling National Historical Park in New Bedford, MA and for other purposes; to the Committee on Resources.

By Mr. HUNTER:

H.R. 1308. A bill to withdraw and reserve certain public lands in the State of California utilized in the mission of the Naval Air Facility, El Centro, CA; to the Committee on Resources, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LIGHTFOOT (for himself, Mr. LAZIO of New York, Mr. CLINGER, Mr. DORNAN, Mr. LANTOS, Mrs. MEEK of Florida, Mrs. MALONEY, Mr. NADLER, Mr. RAHALL, Mr. SCHAEFER, Mr. SHAYS, Mr. STARK, Mr. VENTO, Mr. WELDON of Florida, and Mr. WYNN):

H.R. 1309. A bill to amend title 49, United States Code, to require the use of child safety restraint systems approved by the Secretary of Transportation on commercial aircraft; to the Committee on Transportation and Infrastructure.

By Mr. OBERSTAR:

H.R. 1310. A bill to provide for the management of Voyageurs National Park, and for other purposes; to the Committee on Resources.

By Ms. SLAUGHTER:

H.R. 1311. A bill to provide for a review of all Federal programs that assess or mitigate the risks to women's health from environmental exposures, and for a study of the research needs of the Federal Government relating to such risks; to the Committee on Commerce, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WATERS:

H.R. 1312. A bill to establish a freeze on bank fees for accounts held by average taxpayers; to the Committee on Banking and Financial Services.

H.R. 1313. A bill to establish community support requirements for mortgage banks, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. ZIMMER (for himself and Mr. HYDE):

H.R. 1314. A bill to amend the Internal Revenue Code of 1986 to modify the pension plan rules applicable to State judicial retirement plans; to the Committee on Ways and Means.

By Mr. BONIOR (for himself and Mr. BLUTE):

H. Con Res. 47. Concurrent resolution honoring the memory of the victims of the Armenian Genocide; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

24. By the SPEAKER: Memorial of the General Assembly of the State of New Jersey, relative to urging the President and the Congress of the United States not to close Piscatinny Arsenal; to the Committee on National Security.

25. Also, memorial of the Senate of the State of Missouri, relative to the flow of the Missouri River; to the Committee on Transportation and Infrastructure.

26. Also, memorial of the General Assembly of the State of New Jersey, relative to urging the President and the Congress of the United States not to close Piscatinny Arsenal; to the Committee on Transportation and Infrastructure.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. COLEMAN introduced a bill (H.R. 1315.) for the relief of Kris Murty; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. UNDERWOOD.

H.R. 28: Mr. RIGGS.

H.R. 94: Mrs. JOHNSON of Connecticut, Mr. TALENT, Mr. BRYANT of Tennessee, Mr. WELLER, Ms. DANNER, Mr. STUMP, Mr. HOUGHTON, and Mr. BLILEY.

H.R. 118: Mr. ZIMMER.

H.R. 127: Mr. SERRANO and Mr. ANDREWS.
H.R. 218: Mr. KIM.
H.R. 246: Mr. BACHUS and Mr. ISTOOK.
H.R. 263: Mr. MORAN.
H.R. 264: Mr. MORAN.
H.R. 353: Ms. LOWEY and Mr. SMITH of New Jersey.
H.R. 359: Ms. MOLINARI, Mr. COSTELLO, Mr. BRYANT of Texas, Mr. KINGSTON, and Mr. GILCHREST.
H.R. 364: Mrs. LINCOLN, Mr. MANTON, Mr. KNOLLENBERG, Mr. SMITH of New Jersey, Mr. BREWSTER, Mrs. MEYERS of Kansas, Mr. UPTON, Ms. MOLINARI, and Mr. HEFLEY.
H.R. 370: Mr. TORKILDSEN.
H.R. 485: Mr. EHLERS.
H.R. 501: Mr. ROSE, Mr. PASTOR, Mrs. CHENOWETH, and Mr. JONES.
H.R. 534: Mr. FROST, Mr. MINETA, Mr. HOKE, Mr. DURBIN, Mr. HAYES, Mr. HALL of Ohio, Mr. CAMP, Mr. JOHNSTON of Florida, Mr. LANTOS, Mr. RAHALL, Mr. HINCHEY, Mr. STEARNS, Mr. LAFALCE, Mr. CLINGER, Mr. STENHOLM, Mr. GORDON, Mr. OXLEY, and Mr. METCALF.
H.R. 553: Mr. HASTINGS of Florida and Ms. MCKINNEY.
H.R. 558: Mr. GENE GREEN of Texas.
H.R. 613: Ms. RIVERS.
H.R. 655: Mr. WELDON of Florida.
H.R. 656: Mr. CANADY, Mr. HANCOCK, and Mr. SAXTON.
H.R. 660: Mr. KIM, Mr. YOUNG of Alaska, and Ms. DUNN of Washington.
H.R. 674: Mrs. MORELLA and Mr. DELLUMS.
H.R. 721: Ms. WOOLSEY, Mr. FOGLIETTA, Ms. HARMAN, Mr. SABO, and Mr. MARKEY.
H.R. 733: Mr. KNOLLENBERG and Mr. LATOURETTE.
H.R. 734: Mr. LEVIN and Mr. KNOLLENBERG.
H.R. 752: Mr. CAMP, Mr. BARR, Mr. TRAFICANT, Mr. JACOBS, Mr. THORNBERRY, Mr. COBLE, Mr. LAHOOD, and Mr. BACHUS.
H.R. 757: Mr. MATSUI and Mrs. LINCOLN.
H.R. 783: Mr. BRYANT of Tennessee, Mr. WAMP, Mr. TANNER, Mr. HEFNER, Mr. LEWIS of Kentucky, and Mr. ALLARD.
H.R. 784: Mr. EMERSON and Mr. LINDER.
H.R. 849: Mr. PICKETT, Ms. ROS-LEHTINEN, Mr. GOODLATTE, and Mr. ROTH.
H.R. 852: Mr. FATTAH and Mrs. LOWEY.
H.R. 858: Mr. TORRICELLI, Mr. REED, Mr. EHRLICH, Mr. WAXMAN, Mr. BONO, Mr. FATTAH, Mr. MCHUGH, Mr. COLEMAN, Mr. CARDIN, Mr. UNDERWOOD, Mr. COSTELLO, and Mr. STARK.
H.R. 864: Mr. LAFALCE, Mr. MCHUGH, Mr. FROST, Mr. BLILEY, and Mr. WILLIAMS.
H.R. 873: Mr. FOX, Mr. POMBO, Mr. MILLER of Florida, Mrs. CHENOWETH, Mr. HOYER, Mr. ALLARD, Mr. SHAYS, Mr. COOLEY, and Mr. HILLIARD.
H.R. 910: Mr. YATES, Mr. TORRES, Ms. FURSE, Mr. HOLDEN, Ms. RIVERS, and Mr. RANGEL.
H.R. 911: Mr. STUPAK.
H.R. 969: Mr. LEWIS of Georgia, Mr. WAXMAN, Mrs. LOWEY, Mr. NADLER, and Mr. WILSON.
H.R. 995: Mr. COOLEY, Mr. ENGLISH of Pennsylvania, and Mr. PORTER.
H.R. 996: Mr. COOLEY, Mr. ENGLISH of Pennsylvania, and Mr. PORTER.
H.R. 1005: Mr. BONO, Mr. EWING, Mr. STUMP, and Mr. CHRISTENSEN.
H.R. 1020: Mr. COBLE and Mr. FOLEY.
H.R. 1023: Mr. CLEMENT.
H.R. 1024: Mr. CALVERT.
H.R. 1037: Mr. BREWSTER.
H.R. 1052: Mr. GIBBONS and Mr. DORNAN.
H.R. 1103: Mr. WELDON of Florida, Mr. GORDON, Mr. UPTON, and Mr. DOOLEY.
H.R. 1118: Mr. SAM JOHNSON, Mr. WELDON of Florida, Mr. WELLER, and Mr. HERGER.
H.R. 1137: Mr. SANFORD.
H.R. 1202: Mr. SPENCE, Mr. MANTON, Mr. FRELINGHUYSEN, Ms. MOLINARI, and Mr. PAYNE of New Jersey.
H.R. 1210: Mr. BOEHLERT.
H.R. 1220: Mr. ROHRABACHER, Mrs. CHENOWETH, Mr. LEACH, Mr. LIGHTFOOT, Mr. HOSTETTLER, Mr. ROBERTS, Mr. GILLMOR, Mr. HERGER, Mr. MCHUGH, and Mr. COOLEY.
H.R. 1271: Mr. GILMAN, Mr. BURTON of Indiana, Mr. SHAYS, Mr. ZELIFF, Mr. SHADEGG, and Mr. MARTINI.
H.J. Res. 76: Mr. BALLENGER, Mr. CHAMBLISS, Mr. EWING, Mr. ROHRABACHER, Mr. COX, Mr. SOLOMON, Mr. FOX, Mr. COOLEY, Mr. CHABOT, Mr. BURR, Mrs. CHENOWETH, Mr. COBLE, Mr. FRANKS of New Jersey, Ms. DANNER, Mr. SMITH of Michigan, Mr. GUNDERSON, and Mr. HAYWORTH.
H.J. Res. 79: Mr. WYNN and Mr. KIM.
H. Con. Res. 43: Mr. MCNULTY, Mr. LIPINSKI, Mr. KENNEDY of Massachusetts, Mr. BROWN of Ohio, Mr. TORRICELLI, Ms. DELAURO, Mr. MEEHAN, Mr. EVANS, Mr. LAZIO of New York, Mr. SHAYS, Mr. FATTAH, and Mr. DOYLE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 26: Mr. CHRYSLER.
H.R. 209: Mr. CHRYSLER.

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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

Vol. 141 WASHINGTON, THURSDAY, MARCH 23, 1995 No. 54

Senate

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

The PRESIDENT pro tempore. The Chaplain will now deliver the morning prayer.

PRAYER

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

Let us pray:

We begin this day on the firm foundation of the indefatigable faithfulness of God. We exclaim with Jeremiah, ''Through the Lord's mercies we are consumed, because His compassions fail not. They are new every morning; great is Your faithfulness.''—Jeremiah 3:22–23.

Almighty God, we praise You for the constancy and consistency of Your faithfulness in blessing and guiding the Senate of the United States through the years of our Nation's history. We turn to You again today and know that You will be faithful to give the women and men of this Senate exactly what is needed in each hour, each challenge, each decision. Often we become burdened with the heavy responsibilities of leadership on our shoulders. When we pray: Lord lighten the load or strengthen our backs. Your response is to strengthen us physically, intellectually, and spiritually. You never fail us; never let us down; never leave or forsake us.

Empower us to emulate Your faithfulness in our responsibilities and relationships today. May we be people on whom others can depend. Help us to say what we mean and mean what we say. We want each decision to be guided by how we perceive You would decide. Give us light when our vision is dim, courage when we need to be bold, decisiveness when it would be easy to equivocate, and hope when others are tempted to be discouraged. So we commit ourselves to be Your faithful servants, the examples of patriotism to our people, and the crusaders for Your best for our Nation. In Your holy name Yahweh and through Christ our Lord.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader, the able Senator from Indiana [Mr. COATS], is now recognized.

SCHEDULE

Mr. COATS. Thank you, Mr. President.

Mr. President, this morning the time for the two leaders has been reserved and the Senate will immediately resume consideration of S. 4, the line-item veto bill.

Under the consent agreement, any Senator with an amendment on the list will have until 10 a.m. this morning to offer that amendment. At the hour of 10 a.m., the Senate will begin 2 hours of debate on the Daschle substitute amendment.

Therefore, Members should be aware that rollcall votes will occur throughout the day and that it is the intention of the majority leader to complete action on the line-item veto bill today.

MEASURE READ THE SECOND TIME—H.R. 1158

Mr. COATS. Mr. President, I understand there is a bill on the calendar available to read a second time.

The PRESIDENT pro tempore. The Senator is correct.

Mr. COATS. I ask for the second reading of H.R. 1158.

The PRESIDENT pro tempore. The clerk will read the bill the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes.

Mr. COATS. I object to further proceedings of this measure at this time.

The PRESIDING OFFICER (Mr. COVERDELL). The bill will be placed on the calendar.

LEGISLATIVE LINE-ITEM VETO ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 4, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 4) to grant the power to the President to reduce budget authority.

The Senate resumed consideration of the bill.

Pending:

(1) Dole amendment No. 347, to provide for the separate enrollment for presentation to the President of each item of any appropriation bill and each item in any authorization bill or resolution providing direct spending or targeted tax benefits.

(2) Abraham modified amendment No. 401 (to amendment No. 347), to require the Congress to approve the bills prior to transmittal to the President.

(3) Levin/Murkowski/Exon amendment No. 406 (to amendment No. 347), to clarify the definition of items of appropriations.

(4) Hatch amendment No. 407 (to amendment No. 347), to exempt items of appropriation provided for the judicial branch from enrollment in separate bills for presentment to the President.

(5) Daschle amendment No. 348 (to amendment No. 347), in the nature of a substitute.

(6) Exon (for Byrd) amendment No. 350 (to amendment No. 347), to prohibit the use of savings achieved through lowering discretionary spending caps to offset revenue decreases subject to pay-as-you-go requirements.

Mr. COATS. Mr. President, again, just for the information of our colleagues, under a unanimous-consent agreement, we have only until 10 a.m.

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

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this morning for additional amendments to be offered. Those amendments must be amendments that have been cleared and are on the list as agreed to by the unanimous-consent agreement. Those must be offered by 10 a.m., after which we will turn to 2 hours of debate on the Daschle substitute amendment.

So Members can expect votes throughout the day, but need to be aware of the fact that the time is fast running out for the offering of amendments. That time will elapse at 10 a.m. this morning.

I yield the floor.

Mr. EXON. Mr. President, I appreciate very much the Senator from Indiana outlining the procedures which are strictly in the order of what the agreement has been. Since I know of no person on the floor ready to offer an amendment, except possibly the Senator from Washington, I think it would not be out of order if we would proceed at this time if anybody wishes to offer amendments in order to receive priority before 10 o'clock. In lieu of that, I think it would be in order for statements to be made for whatever purposes.

With that, I yield the floor, as I see my colleague from the State of Washington.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

AMENDMENT NO. 388 TO AMENDMENT NO. 347

(Purpose: To limit the rescission of items of appropriation to unauthorized appropriations)

Mrs. MURRAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mrs. MURRAY] proposes an amendment numbered 388 to amendment No. 347.

Mrs. MURRAY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 5, line 7, after ''and'' insert the following: ''shall not mean appropriations authorized in a previously passed authorization bill; and,''.

Mrs. MURRAY. Mr. President, I had intended to offer this amendment, but in the interest of moving this legislation, I will ask unanimous consent, after I make a brief statement, that my amendment be withdrawn.

The amendment I was going to offer would have allowed the President to rescind all unauthorized appropriations.

I feel that this goes to the heart of the concerns of the American people about line-item legislation.

Mr. President, we need a commonsense solution to cutting out pork, while at the same time, protecting those programs the American people really care about. I want to be able to be here and fight for the people I represent.

I believe that the amendment offered at the end of yesterday's session by my good friend, the minority leader, and the distinguished Senator from Nebraska [Mr. EXON], goes a long way in achieving that commonsense solution.

Like my amendment, this approach will allow the President to cut all those 11th hour deals in conference committees. It eliminates the backroom wheeling and dealing.

Mr. President, without this amendment, the Dole substitute to S. 4 goes too far. It is a radical, unworkable approach to a difficult problem. It gives the President too much power over the American people. It is too complicated. It creates too much bureaucracy.

The substitute before us enables the President randomly to veto programs that the people's representatives in Congress debate, and compromise on, and authorize in the name of our constituents.

Yesterday I listened very carefully to the debate. I heard the comments of Senator NUNN and I heard the comments of my friend and neighbor, the distinguished Senator from Oregon [Mr. HATFIELD]. Mr. President, the chairman of the Appropriations Committee gave a stirring speech, full of wisdom and common sense about why the line-item legislation is bad public policy.

In particular, he noted the unprecedented transfer of power from the people to the White House. Mr. President, I urge our colleagues to read the speech made by the Senator from Oregon in the RECORD. I cannot support the Dole substitute—it is the breeding ground for abuse and political horsetrading.

I want to give the President the ability to line-item veto all those portions of appropriations bills that have not been through the hearing and authorization process. All those pork items contribute to our deficit.

This is the spending the American people are angry about: the unauthorized buildings, the earmarked research, and the special interest projects.

But, Mr. President, the American people are not angry about the programs that have been authorized. These come to life under the full glare of public scrutiny—everyone is given a chance to weigh in. That is why we have public witness hearings in the Appropriations Committee.

And, it is our job, Mr. President, to make tough choices and to craft compromises. Just like we do at home.

Mr. President, after all the public negotiations, after all the compromises that make up the congressional process—we cannot allow the people's wishes to be subject to the arbitrary veto pen of one person.

The Congressional Research Service tells me that it would take them days to compile the list of unauthorized appropriations in the fiscal year 1994 Transportation bill. And, I have another list from the CRS which shows that nearly $1 in $5 in the military construction account was spent on unauthorized appropriations. That is not insignificant.

Mr. President, I intend to vote for the line-item legislation proposed by my colleagues from South Dakota and Nebraska. I want to make sure my constituents' wishes are not subject to the arbitrary budget axe of the executive branch. I want to return some rationality to this debate.

Mr. President, the American people deserve a balanced budget. When I arrived at the Senate 2 years ago, I faced the daunting task of restoring some fiscal restraint to our budget—it was a budget of runaway spending. It was a budget of misplaced priorities.

And, as a member of the Budget Committee, I was tasked by my constituents to correct the way our money is spent.

That is the proper role of Congress. We, as the representatives of the people, have the obligation to form a budget. It is not the President's job to appropriate money—it is this branch's duty.

I have learned a great deal about our budget over the past 2 years. I have worked with great Senators, like the former chairman, Senator Sasser of Tennessee, and the current ranking member, the Senator from Nebraska [Mr. EXON].

Let me say, Mr. President, we are a richer country for the wisdom of my distinguished colleague from Nebraska. I look forward to working with him during the next 18 months, and I will miss his leadership when he retires from this body.

Mr. President, my friend from Nebraska knows, as I know, that crafting a budget resolution takes courage.

Reducing our deficit takes even more courage. And, I am proud of the record of the Budget Committee and the administration over the past 2 years—as you know, we have reduced the deficit by nearly $100 billion.

We did that by leveling with the American people. By making taxes fairer. By cutting more than 300 programs and totally eliminating 100 more.

That is the correct way.

Trying to attack government spending through a radical, unworkable separate enrollment bill is not.

Everyone wants to lower the deficit, which blossomed and grew during the 1980's. And, as I said, we have done a good job of it over the past 2 years.

I am afraid some of these proposals might go too far. We need to keep things in perspective. I am afraid as I look at the rescission package—these are the wrong cuts to the wrong people. And, scoring a few political points in a debate will have dire consequences for millions of average Americans. It might sound good in a debate to control the White House, but it won't feel good to the average Americans who sit around the kitchen table in my house.

Mr. President, I will support line-item legislation, but not the ill-conceived, radical amendment supported by the majority leader.

I ask unanimous consent that my amendment be withdrawn.

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

So the amendment (No. 388) was withdrawn.

Mrs. MURRAY. Mr. President, I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 348 TO AMENDMENT NO. 347

Mr. EXON. Mr. President, in order to conserve time as much as possible and since we have only 10 minutes left, I will be glad to interrupt my remarks to accommodate any Senator with regard to bringing up a measure before 10.

If not, I thought I would make some statements that I have with regard to the matter that we will be going into controlled time on at 10 o'clock.

Mr. President, I rise in support of the Daschle substitute and urge my colleagues to support it as well. Earlier this year I joined with Senator DOMENICI in introducing S. 14, which then enjoyed the support of the majority leader, the minority leader, and, of course, the chairman of the Senate Budget Committee, Senator DOMENICI. I believed then and I continue to believe now that S. 14, or a similarly crafted bill, would be the best course of action. S. 14 is now effectively before the Senate in the form of the Daschle amendment.

As Senators know all too well, passing a line-item veto is only the beginning and not the end of the debate. We will need to go to conference with the other body, which has already passed a line-item veto bill in the form of an enhanced rescission bill quite similar to S. 4.

The facts are, the Daschle substitute essentially is S. 14 and certainly is, in my view, far superior to the Dole substitute proposal that is before the body. Unlike the Dole proposal, it was not crafted in a matter of a day or two. Unlike the Dole proposal, it has seen the light of day and was not devised primarily as a means to obtain party unity. In fact, S. 14 enjoyed bipartisan support from the very beginning, and it thus represents the middle ground in this very important debate.

In my statement yesterday, I outlined some of the concerns that I have with the Dole substitute. These concerns remain today. Those of you who may have been listening last night heard an excellent presentation from Senator LEVIN about the difficulties that will be faced by the cutting and slicing of the bills that will be required by the Dole proposal. Although it may sound rational on paper, we do not know how it will work in reality.

No Senator should vote on these proposals without hearing or reading Senator NUNN's Senate speech of last night. We all know SAM NUNN, his integrity, his courtesy, his understanding of the issues. And we should at least listen to him.

In addition, the Dole proposal raises serious constitutional questions. There are scholars who come out on each side of the issue, yet no one can deny that the question will not be fully resolved until the proposal is reviewed by the U.S. Supreme Court.

I have long supported the idea of giving our President the line-item veto power. We should do so in a manner that will most likely stand the test of constitutionality. I have been in the Senate for over 16 years, and this is the closest we have come yet to actually passing a line-item veto. We should do the job right. Mr. President, we should do so in a way that effectively covers special tax breaks and tax loopholes. We have to look at all of the pieces of our budget if we are going to solve deficits of over $200 billion annually, feeding the national debt that is rapidly rising, which is now at or near $5 trillion.

The Daschle amendment will address tax loopholes and will assure that tax giveaways receive the same scrutiny as pork in our appropriations bills. By covering more of the budget, the Daschle substitute will be a more effective tool to help our President bring some fiscal sanity to the Government. The Daschle substitute will allow the President to scale back on appropriations, while the Dole substitute does not.

Yesterday I talked about the dilemma that the President faces in signing a bill that on the whole is good but includes some bad parts. The same view would apply to individual amounts as well. I have found the Dole substitute to be an honest proposal that merits serious consideration. It took a step in the right direction by including some special tax provisions. I am pleased that the majority accepted my lockbox amendment. The Dole bill includes a sunset provision and will require Congress to review the bill in the year 2000.

In many ways the Dole substitute, as amended, comes a long ways toward S. 14. Yet I remain disappointed by the process which has been followed to bring the Dole substitute to the floor. Bipartisan cooperation was cast aside in the name of party unity. Such action is an ill wind for future cooperation in the U.S. Senate. The Daschle substitute is a reasonable and responsible solution to pork-barrel spending. The Dole proposal, with all of its questions, remains at best a shot in the dark. It might hit the mark. It might not.

The Daschle substitute will work. Once again, I urge its adoption.

AMENDMENT NO. 348 TO AMENDMENT NO. 347

The PRESIDING OFFICER (Mr. KYL). Under the previous order, the Senate will now resume consideration of amendment No. 348 on which there shall be 2 hours of debate equally divided.

Mr. EXON. I see the Senator from Georgia is on the floor.

I would simply say at this time that his remarks last night and the remarks that he is amplifying today are so important that I have asked that the remarks printed in the RECORD last night be laid on every Senator's desk because I think every Senator should know about them.

I now yield whatever time is required to the Senator from Georgia.

Mr. NUNN addressed the Chair.

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

Mr. NUNN. Mr. President, I made a lengthy presentation last evening relating to the defects in this substitute that is now before us. I would like to say at the outset I believe the current practice, where rescissions come over from the President and if we take no action nothing is changed, is unacceptable. That practice gives the President, really, no authority to point out specific items in appropriations bills and to have any hope that they will be corrected if they are wasteful.

I have always contended and still contend that Presidents have enormous power if they would just veto the whole bill and then indicate to the American public what is wrong with the bill. That would put the onus on Congress to correct it. But apparently Presidents do not choose to do that.

I have listened with care in the last few days to the debate on this so-called line-item veto. There are several things I do not believe we have properly focused on. The first point that I think people need to understand is the current appropriation process. There are two types of documents that are produced by the Congress in the appropriation process, and I really do not believe the distinction between the two is commonly recognized in this Chamber.

The first document is an appropriation bill, which is passed by both Houses of Congress. It is signed into law by the President, or vetoed—usually signed. Last year's defense appropriation bill, for example, was 61 pages long. The bill is legally binding on the executive branch. It becomes law.

The second type of document is a different type of document altogether and that is the report issued by the Appropriations Committees and the report issued by the House-Senate conferees. The three reports issued, just for instance, in connection with last year's Defense bill are 853 pages, covering over 2,300 lines. The policy direction in these reports, often known as pork-barrel spending to the critics—some of it—is not binding on the executive branch.

Much of what is complained about as wasteful spending by the President and by the media and by others, including people in this body, is not even binding on the executive branch. But people do not recognize that. Not all of it, but much of it.

There is no requirement in law or Senate rule that an appropriations bill or report must contain any specific level of detail. I want to repeat that because that goes to the heart of what is wrong with this proposal. There is no requirement in law and no Senate rule, nor would they be if we passed this—there is no change here—that an appropriations bill or report contain any specific level of detail.

Mr. President, I want to repeat that. There is no requirement in law nor any Senate rule that an appropriations bill or report contain any specific level of detail. Most appropriations bills, particularly in the defense arena but not limited to defense, set forth large lump sum amounts that are not tied to specific programs, projects, or activities.

Looking to an example from last year's Department of Defense Appropriations Act, the act provided a specific sum for Army aircraft procurement, $1.164 billion. The text of the act does not require the Army to spend that money on any particular type of aircraft. Then the report comes along and indicates how the Congress expects the money to be spent. But that is a matter of political comity. It is not binding. That is the key to understanding what is wrong with this substitute proposal which we have before us.

I would say most of the defects I have pointed out do not apply to either of the bills based on rescissions. These defects do not apply to the Domenici rescission bill, which is now before us and is known as the Daschle-Exon amendment, nor to the McCain rescission bill. Most of the defects I am pointing out here this morning do not apply to either of those. I do have some problem with the McCain proposal, as I said last night, because of the two-thirds requirement and the huge, huge shift of power to the executive branch of government, but that is a different matter.

What is wrong with this proposal? This proposal is aimed at cutting out pork-barrel spending. That is the aim of it. I understand that. I share that goal. I quote directly from the Dole substitute:

> The Committees on Appropriations of either the House or the Senate shall not report an appropriations measure that fails to contain such levels of detail on the allocation of an item of appropriation proposed by that House as is set forth in the committee report accompanying such bill.

So what is it we are calling for the President to have on his desk to be able to veto out, to cut out, pork? In the words of the amendment, we are calling for such level of detail as is set forth in the committee report. There is no requirement that there be any specific level of detail in the committee report.

So what are we saying is going to be on the President's desk? Nothing, unless the Appropriations Committees choose to do it voluntarily. We are basically creating a loophole big enough to drive all the pork through that has ever passed the Congress, if the Appropriations Committees decide to move in that direction.

So that is what is wrong with this proposal. There can simply be an appropriations bill that says so many dollars for Army procurement. Then instead of having the information in a report, the Appropriations Committee can come out on the floor, and they can make a statement saying here is what we expect. And that statement would not be subject to being put in the bill. The President will not have anything to veto.

The same thing could be done on a conference report. This proposal is shooting at a target and missing it completely, unless the Appropriations Committees decide to continue to put all of it in the appropriations report and then to incorporate that in the bill, which would be an entirely voluntarily act.

So the authors of this bill are trying to reach a compromise and have totally missed the target.

Mr. President, the other big feature that is wrong with this: Let us assume for a moment that the Appropriations Committee decides that, in spite of this legislation, they are going to continue to operate with detailed reports which will invite the President of the United States to take certain actions on items which he does not like. If they do that, what they are going to do then is they are going to put all of these line items in a report. They are going to put it in a bill. It will be enrolled. We will send down to the President thousands of bills. He will get Band-Aid hands doing it. We will get candidates for the Presidency on TV, and let us see who can sign the things the quickest because that will be the criteria of who will be President. They will have to sign 10,000 or 15,000 bills a year. We will have to get a great signature guy, or gal, in there for President of the United States.

So let us assume, though, that they decide not to drive a pork truck through this huge loophole. Let us assume they do not. Let us assume they send all of these bills down there. Now guess what happens? The Department of Defense then has no flexibility for reprogramming. What that means in practical effect is, if the C–17 runs into a contractual problem or some kind of technical problem and it can spend only $500 million of a $1 billion account, the $500 million that would otherwise be available to put on readiness or pay or some other urgent need will not be able to be reprogrammed because you will have a line item in there. What does that mean? It means every time the Department of Defense, or any other Department for that matter, decides they are going to change anything on the budget—and that happens every year; that happens to the tune of billions of dollars—they could not do so. Congress has the informal procedure we call reprogramming. They send over to us a letter to let us know over a threshold what they are doing, lets all four committees sign off on it. It is not telephone; it is in writing. All four committees have to sign on it—Appropriations, and Armed Services in the case of defense. Then they are able to shift money around. That is good government. It encourages managing programs right.

What we are doing is we will now be saying they have to come over for a statutory change on every single item that is signed into law. Do you know how many bills they are going to have to come over here with every year? Hundreds of them. We struggle to get one supplemental through.

This bill here is an absolute joke. It is a joke. I really have a hard time believing we are really even considering this.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. NUNN. I yield.

Mr. BYRD. The Senator is exactly right with respect to the reprogramming requests. Every year we get committee reprogramming requests from the executive agencies. These reprogramming requests do not come to the Senate floor or the House floor. They come to the Appropriations Committee or the Armed Services Committee, or both.

The chairman of the appropriate subcommittee on the Committee on Appropriations takes a look at this, along with the ranking member, and they both sign a letter giving their approval of the reprogramming. This allows the agencies to have flexibility in dealing with matters and changing circumstances. And it is utter nonsense—nonsense—to force the Congress, and in the first place to force the agencies to have to come on bended knees to the Congress to change the law so that they can spend the taxpayers' money wisely.

It all goes to show how utterly insensible this approach is. This bill was brought in here on Monday of this week, this substitute. The Budget Committee and the Committee on Governmental Affairs, on which the distinguished Senator from Georgia sits, studied carefully S. 4 and S. 14 and sent those bills to the floor. They were put on the calendar. And neither of those bills is before the Senate.

Mr. NUNN. That is right.

Mr. BYRD. Neither of those bills is very likely to be voted on by the Senate.

But this hybrid monstrosity has been brought in here on Monday, and on the same day that this substitute was offered a cloture motion was offered, saying to the Senate we are going to have

a cloture vote on the following day but one.

Now, several flaws have already been pointed out. I pointed out the flaw, and several other Senators did, too, with respect to the presenting clause of the Constitution.

Here we were, about to pass legislation that would give to the enrolling clerk of the originating House the authority and the power to break down an appropriations measure after it has passed both Houses in the same form, which means the conference report, and break that bill down into hundreds—as I pointed out with respect to the energy and water bill of 1995, it would be 2,000—around 2,000 small bills, ''billettes,'' and send those to the White House. The Senate and the House would not have passed any one of those bills. Neither the Senate nor the House would have passed any one of those little ''billettes,'' and they would have been sent down to the White House, and the White House would presumably sign them or veto some of them and then they would be sent back to the originating body.

I can just about guarantee the Senator that there will never be an override of any of those little bills, never be an override, and some of them may be of utmost importance to a region of the country or a few of the States or a single State.

This is the forum of the States. The States are represented in this body. It is the only forum in which the States are represented as States. And I can just about guarantee the Senator that not one of those would ever be overridden because there would not be the national interest in one of those that there may be when an entire bill is vetoed by the President. And without the national interest, I pity the poor little northeastern region of this country that can only muster a few votes in the House if the President were, for political reasons—if the President for political reasons were to veto some of the little ''billettes'' that were of vital interest to the northeast region. The northeast region, with its few votes in the House, would never be able to muster a two-thirds majority of that body to override that bill which would be of significance only to a region, or only to a few States.

When I called this measure a monstrosity, I aptly named it. I will try to search Webster to see if I can find a more accurate definition of the measure. But several flaws such as that have been found.

Now, the other side is attempting frenetically to fix those flaws that have been brought out. Just think, as the distinguished Senator from Georgia said last night, if this bill were to be before the Senate for a few more days, how many more flaws would be found.

Mr. NUNN. Mr. President, I say to my friend from West Virginia if this bill were before the Senate, understood by people in this body and the American people, we would be going back to some other bill. We would be going to a rescission bill or we would be getting on welfare. This would go back to the shop for repair.

This bill is in bad shape, and it is going to be looked on, it is going to be looked on with scorn if it passes the Senate. We are going to look silly. We are going to look like we make speeches and pass them into law instead of legislating. I would say to my friend from West Virginia there is another defect.

The Somalia date for a time certain——

Mr. BYRD. Exactly. Exactly.

Mr. NUNN. On deploying troops last year. It was the only way Congress—because the War Powers Act does not work. We know that. The Senator from West Virginia and I have alluded to that, along with the Senator from Virginia [Mr. WARNER], and others. The Somalia restriction about how long troops can be deployed abroad, the President could veto that the way the bill is right now.

Mr. BYRD. Right.

Mr. NUNN. That may be worked on. I hope that will be corrected. They just found out about it. I do not think that is what the authors intended. But the President could take the line item that had Somalia troop deployment in it and restrictions on it, veto that, spend the money—no power of the purse at all in terms of our foreign troops deployment.

Another would be the Hyde amendment. Many people in this body are very much concerned about the abortion question. When we legislate funding restrictions on abortion in this body, one way or the other, whether it is rape, incest, to protect the life of the mother, the President can take the money and veto the paragraph. Now, unless that is corrected, that is another tremendous, tremendous diminishing of congressional power and increasing the executive branch power.

Mr. BYRD. Will the Senator yield?

Mr. NUNN. I hope that will be corrected.

Mr. BYRD. In other words, the President may strip out the language that imposes a condition and make it a nonconditional appropriation.

Mr. NUNN. Right.

Mr. BYRD. Is that correct?

Mr. NUNN. That is correct. And the question now is—I know that my friends on the other side from Indiana and Arizona are going to try to correct that. The Senator from Michigan pointed out last night they are going to try to correct it. But in correcting it, can you correct it and still be able to get at earmarks? I do not think so. I think when you correct that, you are going to have to unwind the earmark language, which brings us back. This bill needs to be thought through. We are talking about serious matters here. We are not talking about something that is going to be in a 30-second ad or a bumper sticker. This is serious business.

Mr. McCAIN. Will the Senator yield?

Mr. NUNN. We are talking about the balance of power between the branches of Government. We are talking about war powers. We are talking about the power of the purse. We are talking about serious business.

Mr. McCAIN. Will the Senator yield?

Mr. BYRD. Will the Senator yield?

Mr. NUNN. I yield to the Senator from West Virginia.

Mr. BYRD. I do not intend to—this will be my last question.

Would not the President then be given a tool whereby he could use the vetoed bill and formulate policy? He would not be using the veto pen necessarily to reduce the deficit.

Mr. NUNN. Correct.

Mr. BYRD. He would be using the veto pen to formulate national policy. We are giving him that kind of power in this bill.

Mr. NUNN. The Senator is exactly right. As this bill is now written, it gives the President the ability to legislate by deletion.

Mr. BYRD. Absolutely.

Mr. NUNN. There is no doubt about it. I will tell you what else it gives the President. We passed a supplemental appropriations bill last week that had rescissions in it. Some of the President's favorite programs were cut. The Technology Reinvestment Program was cut $200 million, as I recall. Environmental restoration funds were cut. Now this proposal is intended to just let him cut spending. That is what the authors intend. I know that. But it lets him veto rescissions. If we had had this in effect last week, the President could have vetoed the deletions or the reductions in his own budget and left the increases in.

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

Mr. NUNN. I will be glad to yield. I just have brief time remaining, and I will yield right at the end of it.

Mr. McCAIN. I am sorry that the Senator will not yield to me as he yielded to the Senator from West Virginia.

Mr. NUNN. I say to the Senator, I will yield to him when I finish my remarks. I will be glad to yield, glad to have a discussion. I know there is limited time and I have to complete my remarks.

As drafted, Mr. President, the substitute provides:

> The Committee on Appropriations of either the House or the Senate shall not report an appropriation measure that fails to contain such level of detail on the allocation of an item of appropriation as is set forth in the committee report accompanying such bill.

The whole thing is tied to the committee report, but there is no requirement for a committee report. This is an empty shell unless the Appropriations Committee decides they are just going to send a report to the President, incorporate it in a bill, have it engrossed, and give him a target to either increase or decrease spending, change policy, whatever he would like to do.

I know certain provisions are being worked out to change. We are on the floor of the Senate under a time agreement and we are now going to make fundamental changes by amendment in a bill that is flawed, badly flawed. We are going to, in the last hour, deal with questions of war powers; we are going to deal with questions of whether rescissions will be deleted. In effect, if they can delete a rescission, the President has increased the spending.

The best indictment against this approach comes from the Republican majority on the Governmental Affairs Committee, because they brought out bills that deal with rescission. The Domenici bill, now known as the Exon-Daschle bill, that is based on rescissions, does not have these flaws in it. It does not tie the President's powers to items in the committee report. If it is a letter, if it is a statement of managers, the President can delete by rescission under the Domenici bill. That is the bill we ought to be voting for.

I know the majority is going to vote against it, but the majority is going to regret this.

Look at what the majority said in Governmental Affairs Committee in their report on this bill 10 days ago. And this goes right to the heart of the way we are now proceeding under this substitute. This is a quote from the majority report of the Governmental Affairs Committee.

> It is possible, although not desirable, to apply the state budgeting system to the Federal Government and give Presidents the kind of line-item veto available to Governors. To maximize item-veto authority for the President, the details in conference reports, agency justification materials, and other nonstatutory sources could be transferred to appropriations bills. . . .

That is precisely what the substitute does, precisely.

> However, placing an item in appropriations bills would produce an undesirable rigidity to agency operations and legislative procedures.

That is a quote. Exactly what this bill does.

> If Congress placed items in appropriations bills, agencies would have to implement the bill precisely as defined in the individual items.

That is exactly what this bill does.

You talk about tying up the Department of Defense. This bill is going to do more damage to the Department of Defense than anything I can imagine. They are not going to be able to shift money on lapsed contracts or delayed contracts with the permission of Congress to pay or to have readiness to make up for critical shortfalls.

Last fall, the Republicans complained about readiness in the campaign. I share some of those concerns. We had a committee this week that reported at the request of the Senator from Arizona. Four retired generals talked about the problems with the defense budget—not enough funding for force structure, not enough funding for modernization.

Now, what are we going to do? We are going to take all of this material, if the Appropriations Committee acts in good faith, and we are going to put it into a law. They are going to have no flexibility whatsoever unless they come back for statutory changes. We are going to have the most bogged down legislative process that I can imagine in the history of this Republic. We are going to have statutory changes by the hundreds requested on every single defense bill.

Quoting again from the majority report:

> In cases where the specific amounts detailed in the appropriations statutes proved to be insufficient as the fiscal year progresses, agencies could not spend above the specified level. Doing so would violate the law.

Exactly what we are doing in this bill.

I will not quote it because I do not have the time this morning, but the House Committee on Government Reform and Oversight, the majority Republicans, said the same thing when they brought out their rescission bill.

So we have the absolute, unbelievable paradox where the majority reports of the Republicans on the Governmental Affairs Committee, in the House and the Senate, have decried the very approach that we are now about to vote on and pass. And it has all been done in the last 2 weeks.

This is not a Democratic kind of critique. This is a Republican critique of the legislation now being presented and supported by the majority.

Continuing to quote the Governmental Affairs majority report:

> Agencies and departments would have to come to Congress and request supplemental funds for some items and rescissions for others, or request a transfer of funds between accounts. Neither the Congress nor the agencies want this inflexibility and added workload for the regular legislative process.

Mr. President, I will conclude my remarks very briefly. There are at least five serious problems with the proposed substitute.

First, it contains loopholes so large that proponents of pork will be able to insulate whole barrels of pork from a Presidential veto if they choose to do so.

Second, the separate enrollment procedure would allow the President to veto funding limitations as well as funding amounts, which would inhibit the ability of Congress to address legitimate policy differences with the President. Some examples I have already given are abortion and troop restrictions on Somalia. He can veto those paragraphs. Maybe that will be changed, but it is my view that you are going to have a hard time changing that without deleting the ability of Congress to do away with earmarks, the very target the Senator from Arizona has been shooting at.

Third, this proposal permits the President to increase as well as decrease spending by allowing him to sign into law those portions of an appropriations bill that increase spending and to veto those portions of an appropriations bill that rescind or reduce pending.

In other words, if a President chose to, under this authority, he could take an appropriations bill that had been passed by the Congress and he could basically increase the amount in that appropriations bill by doing away with or vetoing the rescissions in that bill to reduce funding.

Mr. President, I hope that will be cured. But, again, on something this important, to come out here and have to cure these absolutely colossal defects in this bill in the last few hours is really a hard way for me to visualize responsible legislation occurring.

So just the opposite of what the sponsors have intended could occur.

This is just saying to the President: We think you are a whole lot better at this than we are, so we are giving you congressional authority. We are giving you the power of the purse to make decisions to increase or decrease. You do whatever you want. We want you to do it, because we have proven that we cannot.

Mr. President, the other thing this bill does not do, it does not go after the real problems with our own process—the real problems the Senator from Arizona has pointed out, earmarked funds. We could have a point of order against that. We could have a point of order against an appropriation that comes back from the conference that was not even in the House bill or the Senate bill. We could have a point of order on that. But none of that is in here.

We are basically saying, ''We cannot take care of our problems, so we are going to give the President a huge additional authority.''

Well, the result of that is, believe me, within a year, everybody will realize what we have done and then we will move away from committee reports and we will have statements by managers. And then there will not be anything for the President to veto, and we will start the process all over again, and we add to the disillusionment of the American people. They will finally ask: ''Can't you guys do anything right? We thought we were getting rid of spending, but we are not.''

That is what is going to happen if this goes into law. If this goes into law—and the President says he is going to sign whatever we send down there. That ought to frighten a few people. That ought to make us think.

It is a great pleasure to be able to vote for darn near anything, knowing the President will veto it and you can make your speeches and it is not going to go into law and you do not have to suffer the consequences and the country does not. It is another thing entirely when the President says he is going to sign it. He is going to sign what we send down there on this. And I suppose any President would because,

at least on paper, if it is abided by in good faith, we are going to give him the largest new hunk of Presidential power that we have given any President in many, many, many years.

And then, what we will do, because there are loopholes here, we will take it away by moving the pork out of the reports and moving it into speeches on the floor or statements on the floor, and we will be right back where we are with disillusionment.

Mr. President, I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. McCAIN. Can I ask the Senator from Indiana a question? How many years has he been on the Senate Armed Services Committee?

Mr. COATS. Six years.

Mr. McCAIN. Has he ever seen a reprogramming request?

Mr. COATS. I have not.

Mr. McCAIN. According to the distinguished ranking leader, who served for many years as the chairman, that sometimes entails billions of dollars; is that correct?

Mr. COATS. It appears that it does. In fact there is——

Mr. McCAIN. Although we never have seen them. So if you were the chairman of a committee and ranking member and you were the only one who made a decision on reprogramming, you would be very concerned if something like this—billions of dollars in transfers of funds—was under just your almost direct supervision, would you not?

Mr. COATS. I think the whole purpose of this exercise——

Mr. McCAIN. By the way, I am sorry I did not have a chance to ask the Senator from Georgia, has there ever been a reprogramming request from the Pentagon that says, ''We can't spend this money, so we would like to give it back to the taxpayers''?

Mr. COATS. Mr. President, I ask unanimous consent that I yield to the Senator from Arizona so he may ask questions of the Senator from Georgia and he may respond without having to go through this convoluted procedure. In fact, I yield the floor so the Senator from Arizona can take the floor to ask questions.

Mr. McCAIN. I appreciate the indulgence of the Senator from Georgia, who has obviously for many years been the person who decided whether billions would be transferred from one account to the other without consultation certainly with these two Senators.

Mr. NUNN. Will the——

Mr. McCAIN. Let me finish; I will ask the question. Has the former chairman ever, the distinguished ranking minority of the Senate Armed Services Committee, ever seen a reprogramming request that said, ''We can't spend this money. We'd like to give it back to the taxpayers''?

Mr. NUNN. Let me say to the Senator, all reprogrammings are approved by the majority and by the minority. That was the case when——

Mr. McCAIN. By the chairman and ranking member.

Mr. NUNN. And staff——

Mr. McCAIN. Neither the Senator from Indiana nor I were ever consulted on any of these reprogramming requests, him 6 years and me 8 years as members of the committee.

Mr. NUNN. Will the Senator yield for me to respond?

Mr. McCAIN. Yes.

Mr. NUNN. Staff has the responsibility to circulate the reprogramming request to the respective members on both sides of the aisle. On the Democratic side of the aisle, we do that. If the staff on the Republican side does not let the Republican Senators know, then if I were a Republican Senator on that committee, I would be asking the staff some very tough questions.

We let our members know about reprogramming. That is a question that is up to the Republicans because the chairman or the ranking member on the Republican side understands reprogramming requests. Many times they are pending for 3 weeks to 3 months. Many times there is tremendous discussion. We even have reprogrammings that get folded into the bill itself because they are controversial.

As the chairman of the committee, I never passed a reprogramming request, if I had any member interested on my side raise an issue, without a full discussion. That is the job of the ranking member on the Republican side and the staff.

So I think there are some tough questions that ought to be asked of the staff on the Republican side if the Senator from Indiana and the Senator from Arizona have never seen a reprogramming request. Your staff signed off on it in your name.

Mr. McCAIN. It certainly is alarming that that kind of responsibility would be placed on staff who are not elected by anybody.

Mr. NUNN. This is——

Mr. McCAIN. And the kind of a system where it is up to one or two members, the chairman and the ranking member, whether they want to notify them or not. I have never seen any formal procedure or rule in the committee that says that. In fact, in other committees, it is commonplace that a phone call be sufficient to approve a reprogramming.

Mr. NUNN. That is not the way we do it.

Mr. McCAIN. If the Senator will consider answering the question, if he has ever seen a reprogramming request from the Pentagon that said, ''We would like to not spend this money and send it back to the taxpayers who sent us the money.''

Mr. NUNN. I will say to my friend from Arizona in response to that, the committee has the duty as we see fit to turn down reprogrammings, in which case the money would not be spent, in which case the money could be reallocated to any other Department in the regular process on the budget bills and on the appropriations bills. I thought my friend from Arizona just had a hearing——

Mr. McCAIN. I am sorry the Senator does not choose to answer my question. My question is, if I may restate the question because, obviously, he did not understand it or does not choose to answer it: Did the Pentagon ever request a reprogramming and say, ''We can't spend this money in the Pentagon. We want it to go back to the taxpayers''? That is my question.

If the Senator does not choose to answer that, that is fine. But I hope I made myself clear as to what my question is.

Mr. NUNN. I understand the question completely, and I hope the Senator will listen to the answer. I can state it but I cannot comprehend it for him. Maybe I have been under a false impression. I thought the Senator from Arizona and my Republican colleagues wanted to increase the defense budget. I thought my Republican colleagues had that in their Contract With America. I thought the Senator from Arizona wanted more money for defense. And now he is saying when a C–17 program lapses, do we want to send it back to the Treasury, or do we want to put it on high defense needs? I have been under the mistaken impression that the Senator from Arizona was concerned about readiness, was concerned about modernization and felt there were deficient funds in the Department of Defense.

Mr. McCAIN. I regret the Senator from Georgia will not answer the question. He is entitled not to answer the question. I will repeat it one more time, but it is obvious—I will not waste the time of the Senate, because he is not going to answer the question. I also want to say——

Mr. NUNN. The answer to the question is the Department of Defense always on reprogrammings asks for the money to be shifted to other defense needs, and our committee has supported that.

Mr. McCAIN. Speaking of comprehension, I say again, has the Senator from Georgia ever heard of a reprogramming request where the Pentagon said, ''We can't spend this money. We'd like to give it back to the taxpayers''?

Mr. NUNN. The answer is no, because the Department of Defense has been underfunded.

Mr. McCAIN. Thank you for answering that question. I also regret the fact that the Senator from Georgia alleges that neither the Senator from Indiana nor I understand what we are doing here. The Senator from Indiana and I, for 8 years, have been involved in this issue. We know it very well. It has been before the Senate many times, including 1985.

I did not accuse the Senator from Georgia of not understanding an issue when we had different positions. I did not accuse the Senator from Georgia of

not understanding the situation in the Persian Gulf when he opposed our military involvement there.

The question is not whether we understand it, it is whether we have a legitimate difference of opinion here, and that is what it is all about.

I think that the Senator from South Dakota raised some legitimate concerns. The Senator from West Virginia did. But to allege that the Senator from Indiana and I do not understand what we are doing, I think does not elevate the debate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, some of the logic and reasoning of those who are opposing the line-item veto measure offered by the Senator from Arizona and the Senator from Indiana is curious. On the one hand, they say that the bill is flawed and that if Republicans would simply reach out and attempt to correct what they perceive to be the flaws, we will have a better bill.

They come to the floor and say, we need a line-item veto, we need to have a process in place whereby the executive branch has the option or the ability to check the excess spending habits of Congress that design spending or tax breaks that do not serve a broad purpose, and that they support that effort, but that some of the provisions of the bill, which the Senator from Arizona and the Senator from Indiana have offered, need to be modified.

When the points they make are legitimate points, because we never claimed that our bill was perfect, as no one really claims their bill is perfect—that is why we have an amendment process, that is why we have a debate process—and when a Senator from the other side who happens to want to support it but simply wants to strengthen the bill points out a particular provision that is not designed or drafted as accurately as they think it should be suggests that and we agree with them that it addresses a problem in a more accurate way, then they turn around and say, ''See, that is proof that the bill is flawed.''

Well, what are we to do? On the one hand, they criticize us because the bill, they say, is flawed and needs to be improved. On the other hand, when we say, ''OK, we'll accept that improvement, that's a legitimate improvement,'' they say, ''See, there's proof that it is flawed; therefore, we can't vote for that.'' That is circular reasoning and circular logic that this Senator finds hard to understand.

One of the points that the Senator from Georgia has made is that as the bill is currently constructed and is currently presented, policy decisions would be subject to a Presidential veto and, therefore, it would require a two-thirds override. But that issue has been debated and discussed at length. An amendment has been offered by the Senator from Michigan, Senator LEVIN, to clarify that that will not happen. It has been cosponsored by a Republican Senator, the Senator from Alaska, Senator MURKOWSKI. It has been accepted by the managers of the bill on both sides. It has been accepted by Republicans, and it is designed to clarify a provision in the original language that there is some ambiguity on, or at least some are concerned about some ambiguity. It was never the intent of the separate enrollment legislation to separate legislative language, to have legislative language vetoed by the President. Those were the dollars that are attached to it. That was debated at length. The Levin-Murkowski amendment, which is going to be accepted on both sides, clarifies any question in that regard. Yet, we find ourselves being criticized for a legislation which we have agreed to improve and accept the amendment of the very Senators who have raised the question of criticism.

So I do not understand how our opponents on this issue want us to proceed. Do they want us to work with them or not? Do they want us to improve the bill or not? Do they want us to clarify ambiguities or not? If they do—and it appears that most do—then others should not come to the floor and say, see, that points out that the bill is flawed. The Murkowski-Levin amendment protects all legislative language from being separately enrolled and vetoed. The policy language is protected. That is the intent and that is the result of the amendment which has been agreed to and will be accepted as soon as, procedurally, we can get to that point.

The Senator from Georgia also points out that if we go with the separate enrollment process, it will require an inflexibility in terms of various agencies being able to reprogram funds and, therefore, it will hideously confuse the legislative process. All it will do is change the way in which funds are able to be reprogrammed. Instead of the current practice of a phone call or a letter to a committee chairman and/or the ranking member, instead of a process which involves two, and at most four Senators out of 100, we will have a process which will involve all 100 Senators.

We spend a great deal of time crafting an authorization for the use of funds, and we spend a great deal of time appropriating funds for that authorization. We spend a great deal of time debating those decisions on this Senate floor. Clearly, situations and circumstances change. So that it is appropriate for agencies to come forward and say that circumstances have changed, spending was greater in this area than we anticipated 6 months ago when this was negotiated, or spending is less in that area, and we would like to shift some funds from one area to the other. But what will have to take place now is that that request will have to be made available to all 100 Senators. I think that is appropriate.

If the reprogramming request was always made on an objective basis, always made for legitimate purposes, I think there might be some validity to the arguments presented here this morning. But I think we all know that they are not always made that way, that little side deals are concocted and, yes, phone calls are made; but phone calls are made after hours, and special requests are made from certain Members to other Members for—Heaven forbid—political purposes, and not necessarily for legitimate new expenditures or shifted expenditures, but made for political purposes.

Mr. MCCAIN. Will the Senator yield?

Mr. COATS. I yield to the Senator from Arizona.

Mr. MCCAIN. I ask my friend, is not the issue here programming and not reprogramming? The fact is that this may be a straw man. We are talking about whether we are going to eliminate the waste, and if we want to use the word ''pork-barrel'' spending and put some fiscal discipline in the process. Is that not really what we are talking about here? And the reprogramming issue is something that could be solved through simple changes in the rules or even in how we do business.

I agree with the Senator from Indiana that there are abuses in the reprogramming process. That is not really the fundamental issue, and I do not think we should be spun off into that relatively unimportant side issue as compared with the larger argument here. And the reason why I think both you and I are somewhat agitated is, for somebody to say that this is a joke, that this is not thought through, that we do not know what we are doing—I have never accused any opponent on this floor of not being serious about an issue, nor have I said that a proposal of theirs was a joke, nor did I accuse them of not thinking through a particular amendment when they had it on the floor.

I give them credit for having done their homework and doing what they think is for the good of their State. I think it demeans the debate for anyone, either on this side of the issue or that side of the issue, to say somebody has not thought through an issue, and to say somebody is not serious about it, and to say that what we have been working on for 6 or 8 years is a joke. I think it is wrong and it does not do anything for the debate. I would be glad to and have continued to, since last Thursday—and many years before—debate this issue on its merits, rather than demeaning the motivation or the knowledge or the experience or the talent of those who support it, as I have not those who are opposed to it are.

I ask the Senator from Indiana if he agrees that that might be a good idea for us to elevate this debate back to where it has been, frankly, up until just a short time ago.

Mr. COATS. I thank the Senator from Arizona for his comments. For Members to suggest that this is some surprise that is being sprung on Members of Congress, I simply ask, where have they been for the last decade? This issue has been debated, the merits of this issue have been debated at length on the floor. The Senator from Arizona and the Senator from Indiana have offered time after time various proposals to deal with the fundamental underlying issue.

As the Senator from Arizona has said, the fundamental underlying issue is the ability of Congress, under current law and current procedures, to spend the taxpayers' dollars either in appropriated expenditures or in tax benefits, in a way that serves no national purpose, in a way that is not made available to Members to debate and discuss and to cast their yeas or nays on that particular item. It is an egregious practice that has cost the Treasury and the taxpayers tens of billions, if not hundreds of billions of dollars. It is, as former President Harry Truman said, ''legislative blackmail.''

We all know how the process works, so we can argue some of the fine details about the current practice and what a wonderful practice it is, and we can even talk about reprogramming. But this Congress would easily adapt to and accept the requests of various agencies, if they were legitimate requests. There is nothing to prevent committees from routinely reporting out reprogramming bills en bloc by voice vote at the end of a markup and bringing it to the Senate. There is nothing to prevent routine reprogramming requests from being placed on the calendar and passing by voice vote.

But if a reprogramming request is controversial, if a Member of the Senate or a Member of the House wants to say, ''Wait a minute, what do you mean you are shifting that money from this account to that account? What do you mean there is a problem with spending on the C–17,'' maybe we ought to look into that. Why is there a problem? Do we want to routinely, on the advice of four Senators, simply say, well, that is OK; this program needs more money; let us shift it from this account to another account? Should Members of the Senate have the right to say, ''May I ask some questions about that? Can we debate that on the floor? Can we have some light shed on the reasons this reprogramming is requested?'' That is all we are seeking to accomplish with this procedure.

Again, this whole issue comes down to status quo versus change. Is there a better way to do business? Or do we want to do business the old way? Well, if business done the old way had been satisfactory, if it had not been done in a way which demeans the credibility of individual Senators and demeans the credibility of this institution, we ought to stay with it. Unfortunately, it has. It is an egregious practice that has been abused by Members of the Senate and abused by Members of the House. And, as I said before, we are not here to point fingers. We have all taken advantage of this process.

It is not to our credit that we have done so. It is a time-honored—I now call a ''time dishonored''—practice of trying to slip some goodies in for the folks back home, or for one individual, or a tax break for one person, or one special interest.

Members have spoken eloquently about that practice. We read about it in the news, hear about it on the news. It happens all the time. It is wrong. It ought to stop. We are trying to provide a tool and basis to allow it to stop.

For goodness sake, the sky is not going to fall on Federal spending if we make it a little harder to reprogram something, if, instead of just a letter that comes over or a phone call between an agency and a couple Members of Congress, if we say it will be a little bit tougher to make that decision, Congress is going to have to look at it a little bit longer, Members are going to have the right to raise a few questions and say, ''Is this a legitimate transfer?''

I think it is unfortunate that the C–17—or maybe it is fortunate—the C–17 is a program that has been in serious trouble from the beginning. I am not saying we should not have it. I support it. I think we all have the right to raise questions about whether or not money shifted from one account to bail out a problem with the C–17 is a legitimate shift of money.

There are ways in which Congress can deal with routine, legitimate reprogramming requests without tying this place in knots. For goodness sakes, we are legislators. There are legislators here who know more about how to expedite and loophole things—they have forgotten more—than this Senator can possibly learn.

My concern is not that this process is going to hamstring the process. My concern is that people in back rooms right now are trying to find end runs around what we are trying to do.

Let Members at least do something. Let Members at least make it tougher to spend the taxpayers' dollars. Let Members give the public a better opportunity to look at the way we spend. Let Members at least put our ''yes'' or ''no'' on record so that the taxpayers and our constituents can hold us accountable. Let Members end this practice of saying, ''I could not figure out what was in the bill because it was 2,000 pages long and that stuff was buried or slipped in in conference.'' Let Members make it tougher to spend money, because we have been irresponsible in the way we have spent money around here.

Mr. President, I see there are other speakers on the floor. Let me inquire of the time allocation.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Indiana has 36½ minutes remaining; the minority leader has 30½ minutes remaining.

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

Mr. DASCHLE. Mr. President, I will use my leader time to make comments on the Democratic substitute and reserve the balance of the time allotted to the substitute to the distinguished ranking member, the manager of our bill on our side, the Senator from Nebraska.

Mr. President, the Senator from Georgia raised a number of very helpful points. He makes a powerful case for the substitute that Democrats have proposed. The Senator from Indiana has understandably responded as best he could to many of these questions. The fact remains that there are serious concerns about the proposal, as well-intended as it might be, that the Republicans have offered.

The Senator from Georgia did a real service, I think, in pointing out so well what the Governmental Affairs Committee and the Budget Committee have said about these proposals. Republicans in the Senate have expressed in writing fundamental concerns about what the proposal now put forth by Senator MCCAIN and Senator COATS.

Senator NUNN has clearly recognized what others have recognized—that this proposal is flawed. As everyone probably now appreciates, it has a sunset of the year 2000. I predict this morning that this bill will not last until the year 2000, if it were to pass into law. I make that prediction. I will predict we will be back here at some point before the year 2000 to vote on a bill very similar, if not identical, to the one that we are now proposing, the so-called Domenici-Exon bill.

I say so in large measure because I think many people recognize that in spite of the fact that the other side has come a long way on a number of concerns that we have expressed over the course of this debate, very serious difficulty problems remain. First, there are loopholes in the amendment,—there is no requirement that a conference report contain a line-item level of detail. We can get around the line item almost entirely by putting the details in floor statements or letters to agency heads. We do not have to put it in detail. That is one loophole.

The alternative to that problem is to create so many separate bills, representing so many thousands of line items, that it will make the operation of every agency excessively rigid. If each item becomes separate law, the rigidity of that process becomes so cumbersome people will say it just is not going to work and the whole system will break down.

A third problem is that the President can actually increase spending under the Dole substitute by vetoing line items that actually represent rescissions or general reductions. I know that the distinguished Senator from Michigan, Senator LEVIN, is hoping to address that concern later on. Perhaps we can work something out.

Mr. President, these are very serious concerns. I hope that, as we have with many of the other concerns raised throughout the course of the last several days, we can address those prior to the time we vote on final passage, assuming the substitute is not passed. I am hopeful it will be passed. I will address my reasons for that hope in just a moment.

Let me also address some of the concerns that have, in our view, been addressed at least in part. Our conclusion was that the original tax legislation in the McCain bill that was originally proposed did not go far enough. The other side has come a long way in meeting some of our concerns in adopting a broad provision allowing the President to veto special-interest tax breaks. I read a colloquy into the floor last night between the Senator from Indiana and the Senator from New Jersey [Mr. BRADLEY] about the intention of the Senator from Indiana to broaden the scope to include the issues that were raised on many occasions on this floor by the Senator from New Jersey.

Our amendment is clear and more forceful in that regard. We will talk about that. The fact is that at least the Republicans have begun to accept the realization that we do not have a true, broad scope in our line-item authority unless we have tax breaks on the table as well.

In addition, an amendment by the ranking member of the Budget Committee has been adopted that directs all savings from the line-item veto to deficit reduction. A similar provision was in the Domenici-Exon bill but left out of the Dole substitute. Now, it is back in. We are pleased with that. Without this amendment, savings from the line-item veto could be used to pay for other Government spending. One pork-barrel project could be cut to pay for another. That will not happen now as a result of the legislation offered by the Senator from Nebraska. This was a truth-in-advertising amendment. If we promise deficit reduction, we have to deliver it. It ensures that savings from vetoes of entitlements and tax breaks go to reducing the deficit as well. So that, too, was an improvement.

Then, of course, I am pleased that the amendment by the Senator from Wisconsin was adopted to create a budget point of order against any nonemergency spending included in an emergency supplemental propositions bill. This will ensure that supplementals are truly used for emergencies and are not vehicles for extraneous projects, as we have seen in our recent defense supplemental.

There are improvements in the legislation since Monday. We can be grateful for that. The real improvement, the real opportunity to make substantive progress is to go back to where we started, to go back to what the real experts on this issue have proposed for many, many years. Senator DOMENICI, the chairman of the Budget Committee, and Senator EXON, the ranking member, have worked on this issue, as has Senator COATS, for a long time. Senator DOMENICI and Senator EXON have looked at all the alternatives and concluded some time ago that the most practical approach, the most logical way with which to address this issue is to suggest a line-item rescission.

Forty-three States, including South Dakota, already have a line-item veto. It is time for the Federal Government to adopt one as well.

That bill not only had practicality, and it was most likely to be upheld constitutionally, but it also included the broadest base of a Democratic and Republican consensus—broad bipartisan consensus that this was the approach that could actually work.

I have supported a line-item veto. I supported this concept. I cosponsored it, as did the majority leader. Many others who have cosponsored this legislation this morning or this afternoon will now have an opportunity to vote on a bill that they cosponsored. They clearly saw the wisdom in using this approach or they would not have cosponsored it.

The President has been very helpful in advocating a line-item veto, and has been helpful in moving this process forward.

When the chairman and the ranking member proposed S. 14, obviously they felt, and they had good reason to feel, that based upon broad bipartisan consensus, based upon constitutionality, based upon practicality, that we really had a bill that we have the confidence could be passed. In fact, every single Republican who voted supported this legislation in a bill that was offered last year—by a vote of 342 to 69. That was the vote. Mr. President, 169 Republican Members of the House supported a bill nearly identical to the substitute that we are offering right now. So we have every expectation that this bill has enjoyed support on a broad, bipartisan basis in the past and there ought to be no reason why we could not ensure that the same level of bipartisan support could be found again as we vote later on this afternoon.

That is really what we have all said we want. We want a line-item veto. We want one that is practical. We would like one to see broad bipartisan support when it passes. This substitute offers all of that and more. Basically, there is no secret, no mystery to how this works. I talked about this a little bit last night, but let me make sure everybody understands how simple the process is. That is really one of the advantages to our approach, it is so simple. It gives the President the authority to force Congress to vote on spending and tax provisions that he considers wasteful. That is all it does. And it sets a timeframe within which that must happen.

We all know the situation now. We all recognize that we can ignore line items as they are rescinded now. There is no requirement that Congress needs to respond. But our amendment takes care of that. Our amendment says, within a designated period of time, 20 days, the President notify Congress after passage of a spending or a tax bill of the things he wants to see cut. That is all he has—20 days. Then 2 days later a bill with the President's proposal has to be introduced and within 10 days after that, the Congress has to vote. That is it.

In 1 month's time it is all over; 20 days the President has to notify Congress. Two days later a bill is introduced. And 10 days later it is over. During that 10-day period during which Congress takes it up, we have 10 hours to deal with this issue and be done with it.

Mr. President, it is very clear. Our legislation is as simple as simple can be. It is constitutional. It is a process that would work exceedingly well. We know it will work here.

I believe our amendment has at least four advantages over the pending Republican substitute. Clearly it is more workable; clearly it is more constitutional; clearly it protects majority rule; and, finally, it leaves no question that tax breaks are on the table. It ensures that tax breaks will be subject to review just like any other form of spending.

There is no question about the simplicity argument. The Appropriations Committee has estimated that 13 appropriations bills enacted in fiscal year 1995, sent down now for 13 signatures, will require 10,000 separate minibills under the Dole amendment. So we are going to go from 13 bills to 10,000 bills in just the appropriations process alone. That is what we are talking about. Coming on the heels of the Paperwork Reduction Act, this legislation goes in exactly the opposite direction. That is, the Republican substitute belies all of our public outcry about paperwork and the concerns we have raised time and again about how we want to reduce paperwork, reduce the level of redtape, whether it is in passing bills or the effect the bills have on people afterward.

A good example, of course, is the one I have raised before. This is a 17-page appropriations bill, the Energy and Water Appropriations Act of last year. It is a bill that has 17 pages. That is all it has, 17 pages of line by line appropriations. This is a simple little document that for 200 years we have sent down to the President for signature and that is it. He signs it, he vetoes it, it is over.

Mr. President, this is 1,746 pages. This is what we are going to change it to if the Dole substitute passes. We are going to go from that 17-page bill to this. And the whole story is that when the President gets it, page by page, one after another, he has to get his pen out. He will probably have to get hundreds of pens out. But he is going to have to sign every one of these.

Of course the distinguished President pro tempore, our dear friend, Senator STROM THURMOND, will have to sign

this. The Speaker of the House will have to sign it as well. It takes three signatures, and this is what we are going to be signing: one page after another—1,746 pages. Do we really want that? Is that really paperwork reduction? Is that simplicity? Is that the kind of practical kind of legislating we all espouse? I do not think so. I really do not think we want to go to 1,746 separate signatures every time we pass a simple appropriations bill.

We have a choice of passing a small bill or a large stack of paper. That is our choice. And that is just one bill.

We have also, of course, indicated our concern about the constitutionality of the Dole substitute. The last time this issue came up in committee, the Rules Committee in 1985 voted out a similar proposal unfavorably by a unanimous vote. The separate enrollment proposal was considered then, and voted out unfavorably, with the recommendation that it should not pass, by a unanimous vote, under a Republican Rules Committee chaired by a Republican. The constitutionality was raised again and again. The view then was what we were proposing here was not only impractical but unconstitutional.

As I said, we are going to address that issue of constitutionality with the expedited judicial review and I am hopeful that at some point in the not too distant future the courts will determine for us the constitutional viability of this approach. As others, especially the distinguished Senator from West Virginia, have indicated, it is going to take more than legislative clarification for us to resolve the constitutionality questions. I am hopeful the concerns raised by the junior Senator from Michigan in his proposed amendment will address some of these concerns as well.

But the fact is that, in spite of as much legislative clarification as we can make, we are still rolling the dice when it comes to constitutionality. No one can say unequivocally that what we are now proposing will pass constitutional muster; that we have overcome all of the constitutional hurdles that have been raised over and over again in spite of the changes we have made. As I predicted, this bill will not survive until it sunsets. We will not have to wait until the year 2000 to review this again because whether it is the courts or whether it is the Congress, somebody is going to come back and say: We made a mistake. It may take that. But ultimately we are going to come back here and address it and I am sure at some point that will happen. And certainly the constitutionality question is one of the biggest reasons why I think it could happen, sooner or later.

Mr. President, the third issue has to do with majority rule. Our substitute protects majority rule. Our substitute ensures a central tenent of democracy will be here even after this legislation passes. Our amendment requires a majority of Congress to approve cuts that are proposed by the President, and that majority rule has been something we have supported for 200 years. Under the Dole alternative, the President wins, if he gets the support of just one more than a third of either House of Congress. Either House of Congress can uphold a Presidential decision. If that does not create policymaking potential, if that does not shift the balance of power towards the White House, I do not know what does. In my 16 years in Congress, I have never seen a greater opportunity for the President to become a legislator than this will provide him in the future.

So I am very hopeful that, as we consider the question of Presidential power, the balance between the legislative and the executive branches, that we recognize the magnitude of the opportunity the President will have to set policy for the first time as a result of his ability to line item any one of thousands of specific provisions that may ultimately not only affect spending but affect policy as well.

The fourth issue, as I said, affects tax break language. I indicated that the constitutionality question is unclear. The tax language is even more unclear. The tax language, in spite of the best efforts through colloquies and through changes in the legislation itself to make the tax language clear, is still ambiguous. We still are not sure what ''similarly situated'' is. I hope that we are not creating a provision that would allow us to pass special tax breaks for very small groups of people because they are ''similarly situated.''

I know no one here would support a tax break that only went to Members of Congress or to members of our staff. But under the language, that is a possibility. Under the language, ''similarly situated'' could actually mean that we are allowing tax breaks that would affect a group as small as the Members of this body or our staffs to not be subject to Presidential review.

Through the colloquy and assurances given to us by others, that is becoming less of a threat, I hope. I think we can now be somewhat confident that indeed it is the view of our colleagues on the Republican side that they want broad language here, that they anticipate having the ability or giving the opportunity to the President to review items that are broad in their scope. But it is a roll of the dice. We are not sure what they mean. The language is vague. The language in my view is convoluted. We can do better than that. The way we do it better than that is to pass the Democratic substitute.

Our language is very clear and very direct. It puts special interest tax breaks on the table, period. It is over. We can be very clear, if the Democratic substitute passes, that every special interest tax provision is going to be subject to a line-item veto. Every appropriations bill will be subject to line-item veto. There is no question there. So we will not have to roll the dice when it comes to the interpretation of tax language or constitutionality on any of those.

So, Mr. President, I do not think there is any question, I do not think there is any doubt, that the Democratic substitute is the superior alternative. I do not think Senator DOMENICI and Senator DOLE would have sponsored this legislation had they not had confidence that this is a very workable, simple, practical, constitutional solution. They would not have put their names on a bill if they did not feel that good about it. It is workable. It is constitutional. It projects majority rule. It clearly puts tax breaks on the table. It has solved the problem that we have raised now for days on this side of the aisle. It clarifies our situation while protecting our rights.

So it is that simple. We have an opportunity to vote on something that has history, to vote on something that has been carefully considered by two of our committees, the Governmental Affairs Committee and the Budget Committee. It has a history on both sides of the aisle, with our most esteemed leadership on both sides of the aisle. So without any doubt, with real expertise, our leaders on this issue have come forth and produced a document that I feel enthusiastic about, that I know will work, that I know will found to be constitutional.

So I hope that as we consider our vote, and our colleagues will come back to their original positions on this issue, come back to their original interpretation that indeed this does work well, and support the Democratic substitute.

I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. COATS. Mr. President, may I ask the clerk how much time remains?

The PRESIDING OFFICER. The Senator from Indiana has 36½ minutes, and the Senator from Nebraska has 19½ minutes.

Mr. COATS. Mr. President, I yield 5 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Thank you, Mr. President. I appreciate the Senator from Indiana yielding.

To review the bidding here on this substitute, naturally I support the Dole-McCain-Coats line-item veto because I think it represents a better approach, the approach that the American people understand.

In the first place, in civics class in the eighth grade, we all learned that a veto requires a two-thirds override. That is what veto is all about. That is what this provision has, unlike the version offered by the distinguished minority leader, which would only require a 50-percent override. That is not what we think of when we think of a veto. So that is the first important distinction.

Second, with respect to tax breaks, it has never been the concept, in lining

out pork-barrel spending through the line-item veto, that we would add tax breaks to the line-item veto legislation. But in order to accommodate some of our friends on the other side, we did say that if there is an omnibus tax bill, and somebody decides to slip in a tax break for their friend back home, the President could strike that out just as he would an item of spending, of pork-barrel spending, because a tax break for a very limited group or individual would be similar to pork-barrel spending.

So that is included in the Republican version of the line-item veto.

But what we do not think is appropriate is to put more than necessary roadblocks in the way of reducing taxes for all Americans, as the Democratic approach would do. If we are going to give Americans a $500 child tax credit, or if we are going to provide a capital gains tax relief, or reduce the marginal rates, we think that is a matter that we ought to be promoting and not putting roadblocks in the way. The truth is that in most of these major tax changes, it is a regular bill that comes out of the House and Senate. It is subject to Presidential veto, anyway. So the President can veto it. It would require a two-thirds override by the Members of the House and Senate.

So really, this argument, I think is a straw man. On most tax legislation, there will be the two-thirds override, anyway. On that which does not require that, we should not be throwing up more roadblocks in the way of tax breaks for the American people except for those that represent special interests which are taken care of.

In some respects, it seems to me that the Democrats are not willing to take yes for an answer. They wanted the issue of the tax breaks included. We did it. They wanted the so-called ''lock box'' so that any savings will be applied to deficit reduction. We did that. They want to ensure that the President could not veto rescissions. We are going to be doing that.

In other words, most of the primary concerns that were raised about the Republican version of the line-item veto have been agreed to. We are taking care of those. Let us take yes for an answer. We are willing to make this a bipartisan and better bill.

Of the issues remaining, some are I think matters of legitimate dispute. The issue of reprogramming that the Senator from Georgia mentioned I think represents a potential problem. It may be somewhat cumbersome. We will have to see whether Members of the House and the Senate are willing to deal with each other in a matter of comity and in a matter of expedition in getting these rescissions through. But there is nothing wrong with having all Members of this body consider them as opposed to just a few on the committee. So I think that is something we will have to see how it works. But it should not be a big problem.

There is the possibility that committees will not provide the specificity that is called for in the legislation. What this argument assumes is that Members of the House and Senate, in effect, will cheat; that we will decide to get around the line-item veto by not putting in the specific line items, thus for the President to veto if he does not like them.

It is possible that we could try to conjure up ways of getting around this. That is what happened with the balanced budget proposals. That is what happened with Gramm-Rudman, and with other kinds of legislation.

I suspect, however, that good faith will prevail and that the majority, which in fact favors the line-item veto and favors it working, will ensure that as this legislation does work over the next 5 years, it will be handled in such a way and will operate in such a way that the President will be given the ability to line out specific items as is the intention under the legislation.

Of course, with respect to the argument that there is a difference between the majority position here of a two-thirds override and the minority view that there should only be a 50 percent override, that there is a great deal of power being given to the President, that is a legitimate argument. Reasonable people can differ about this. That is why the sunset provision is in the legislation. This legislation does not automatically continue forever. After 5 years, it is over, and it will not be reinstituted unless we decide it was a good idea and we pass it again.

That is where this issue can be evaluated. And if Presidents have abused their authority, I am sure you will not see the Senate passing this kind of legislation again. But if Presidents have done what they should, if they have acted responsibly, then I suspect we will be reinstituting this legislation. That is what sunset is all about. We will have an opportunity to look at it.

So the bottom line, Mr. President, is really whether we want to continue to conduct business as usual or not. The American people obviously do not want us to do that. They want us to change the way Congress conducts its business and the business that it conducts. The line-item veto is a significant improvement in the way the Congress conducts its business.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I ask the Senator from Nebraska to yield me 5 minutes.

Mr. EXON. I yield 5 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I would ask the Senator from Indiana if he could answer some questions that I have.

Mr. COATS. The Senator from Indiana will be happy to try, depending on the complexity of the questions.

Mr. CONRAD. Well, the thrust of my questions goes to the issue of whether or not, with the Dole substitute, the President would be able to veto any existing entitlement spending.

Mr. COATS. The answer to that is no.

Mr. CONRAD. The answer to that is no?

Mr. COATS. No. It only applies to new spending.

Mr. CONRAD. Well, I am interested in that response because I really question whether it is right. I have here the Senate committee report on last year's VA/HUD appropriations bill. Included in this bill was budget authority and outlays for veterans' pensions and compensation. This indicates that the Senate bill contains $17.6 billion for veterans' compensation and pensions. This is mandatory spending which nonetheless gets included in the VA/HUD spending totals every year. My specific question would be, would the spending authority for veterans' pensions and compensation be enrolled separately and subject to Presidential veto under the Dole substitute separate enrollment bill?

Mr. COATS. The answer to that—if the Senator will yield, Mr. President, the answer to that is no, unless it is new spending or a change in the benefit, it would not be subject to the line-item veto.

Mr. CONRAD. Well, the difficulty I have with that answer is, I say to my colleague, these are appropriated entitlements. These are entitlements that are in appropriations bills, and the Dole substitute provides for the separate enrollment of all appropriated measures, does it not?

Mr. COATS. It does provide for the separate enrollment of all appropriated measures. But the application of the bill, application of the veto, the power given to the President only goes to the new spending or expansion of benefits available under the entitlement program.

Mr. CONRAD. So the answer as I hear it is that, even though these appropriated entitlement accounts are in appropriations bills, specifically included in appropriations, all existing entitlement spending would not be subject to Presidential veto?

Mr. COATS. The mandatory spending must go out under the law as it is currently written—mandatory spending. Only new spending is subject to the line-item veto.

Mr. CONRAD. Well, let me go further if I can. For example, then, in last year's agriculture appropriations bill there was $29 billion provided for the Food Stamp Program. Would this amount be enrolled separately and could the President veto it?

Mr. COATS. I am sorry; would the Senator restate that question?

Mr. CONRAD. There was in last year's agriculture appropriations bill $29 billion provided for the Food Stamp Program, an entitlement program, but it was an appropriated entitlement.

Would this amount be enrolled separately and could the President veto it?

Mr. COATS. The amount appropriated must go out under the existing law. The only way in which the President could veto a provision is if the underlying law were changed to increase the amount of spending as the result of an expanded or new benefit. So additional spending to meet the mandatory requirement under the law would not qualify for a line-item veto. But if there were additional spending as the result of a change in the underlying law which increased spending as a result of that change, that increase is subject to the line-item veto.

Mr. CONRAD. So the Senator is asserting that only the increase in these appropriated entitlements could be subject to Presidential veto?

Mr. COATS. I am sorry; again I was speaking to staff.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CONRAD. I ask the Senator from Nebraska if I might have 2 additional minutes.

Mr. EXON. I grant 2 additional minutes, and then I would also like to follow up on and try to give my perspective of the very legitimate questions that are being asked.

Two more minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I would then ask the Senator from Indiana, is the Senator from Indiana asserting that only the increase in appropriated entitlements would be subject to Presidential veto?

Mr. COATS. The entitlement could be separately enrolled and subject to a line-item veto, but the funds that were obligated to be spent under the law would have to be spent.

Mr. CONRAD. Well, that sounds to me like a contradictory answer. How could it be that the funds could be spent if the President can veto the item?

Mr. COATS. Because it is direct spending which comes directly from the Treasury, it is a protected expenditure under the law.

Mr. CONRAD. Well, I have great reservations about that answer. I would ask the Senator from Indiana, are appropriated entitlements included in the definition of ''item'' under the terms of the Dole substitute?

Mr. COATS. Any allocation of money is an item, so the answer to that is yes.

Mr. CONRAD. So then that suggests to me they would be available for Presidential veto under the terms of the Dole amendment.

Mr. COATS. The Senator from Indiana would answer as he has answered before, that is, that the mandatory spending, the amount of dollars expended to fulfill the requirements of the law under an entitlement—existing requirement of the law under an entitlement—would be spent by the Treasury in accordance with the law. The separate enrollment language relative to entitlements applies, in terms of spending, in terms of dollars that are subject to line-item veto, applies only to new spending under a change in the law which would change the benefit.

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

Mr. COATS. And if that change in the benefit would require increased spending.

Mr. CONRAD. I have run out of time. I have other questions I would like to pursue. But I just say to my colleague and friend, I think we have a real legal problem with the definitions.

Mr. EXON. How much time do we have remaining on this side?

The PRESIDING OFFICER. Twelve minutes and fifty seconds.

Mr. EXON. Let me see if I can begin to clear up some of the very legitimate questions that have been asked by the Senator from North Dakota and others. I believe, with all good intentions, there has been some confusion here. And that is the problem that occurs when we have something that comes up on Monday and, boom, a cloture motion is filed against it, then the we find the bill's language locked in concrete, chiseled in stone.

Certainly, we have made some improvements on some problems in the Dole substitute. And some of the amendments that have been addressed here are likely to be accepted and to improve things.

I want to go to the heart of the matter that has been brought up by the Senator from North Dakota. I think the problem is that there has been a misinterpretation or a misunderstanding on the bill itself.

I refer to the Dole substitute bill, page 5, lines 1 through 6. ''The term 'Item' means—(A) with respect to an appropriations measure''. And down below on line (B), ''with respect to an authorization measure.''

Now, many of the questions that the Senator from North Dakota phrased and were answered by our colleague from Indiana mixed back and forth the difference between appropriations and authorizations.

I simply believe that—and I am not for a moment indicating that the Senator from Indiana is trying to mislead anyone at all—I just think there is a very legitimate difference of opinion. I suspect, when this is looked at in retrospect, most of the legal scholars will agree with the thrust being made by the Senator from North Dakota, which I think has not been fully appreciated.

If I can, let me dwell on that a little further.

The Dole substitute would require all appropriations items to be enrolled separately. Now, remember, that is enrolled separately. Among the items that it would require to be separately enrolled are appropriations for programs that many consider entitlements. Congress funds these entitlements through appropriations acts.

With respect to these appropriated entitlements, the President will be able to veto not only new entitlements, but also the funding for our existing entitlement commitments. And I think we should make that abundantly clear and have an understanding of that. If we want to do that, fine.

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

Mr. EXON. Certainly.

Mr. CONRAD. Would not included in these categories be such things as guaranteed student loans, higher education facilities loans?

Mr. EXON. Absolutely, absolutely, absolutely. And I have seen your list. It is right down the line.

Mr. CONRAD. Medicaid, health care trust funds, Federal payments to railroad retirement accounts.

The President of the United States would be able to veto every one of these programs, every agriculture program, including rural electric and telephone loans, conservation, temporary emergency food assistance programs, Federal crop insurance corporation, all payments to veterans.

Would not all these be included?

Mr. EXON. Absolutely.

Mr. CONRAD. And yet we cannot veto the capital gains tax cut? The President cannot veto the capital gains tax cut?

Mr. EXON. He cannot do it.

Mr. CONRAD. I just say, in conclusion, it seems to me it does not make much sense.

Mr. EXON. I say to my friend from North Dakota, again, I am not sure that that is the intent of the Dole substitute, but that is what the Dole substitute does.

Mr. COATS. Will the Senator yield?

Mr. EXON. I am glad to yield on your time.

Mr. COATS. First of all, it would not make sense for the President to do that. Theoretically, he could under the bill. But it would not have the effect of changing expenditures under those entitlements because those entitlements are contractual obligations entered into by the United States and they must be paid.

First of all, I do not know why a President would want to do that, but particularly he would not want to do that because he knows it would have no legal effect. Those are entitlements that have to be paid under a contractual obligation. And while they would be separately enrolled and theoretically subject to a Presidential veto, such veto could not have legal effect because it is a contractual obligation which the Treasury must pay.

It would only apply, as it is stated, to new expenditures under entitlements or where the benefits package has been changed to expand the entitlement.

Those who suggested this argued, I believe rightfully so—and in fact many Members on the Democratic side, or those opposing this effort—that one of the original problems was that it was too narrowly drafted; it only applies to appropriated expenditures; it did not apply to targeted tax benefits and it

did not apply to entitlements, particularly the new entitlements.

So the habit that Congress has been in, even though an entitlement program is running amok with spending, we cannot begin to pay for it without incurring substantial additional debt. We keep expanding the reach of the entitlement programs and the benefits promised under the entitlement programs. We think those should be subject to a Presidential review and, if necessary, veto of that item, and Congress having a greater hurdle to cross in terms of passing that with a two-thirds veto.

Additionally, I trust that President Clinton and all the other candidates seeking that position would never seek to veto these items.

Mr. EXON. Mr. President, I thank my friend from Indiana. We are talking about fine legal points here that, unfortunately, may have to be decided by the courts at some time.

But let me give you some examples about annual appropriations bills and the enrollment process that has to do with that.

As the Senator from North Dakota has said, the President, under this bill, could veto the Commodity Credit Corporation fund, the Food Stamp Program, the Child Nutrition Program, the Guaranteed Student Loan Program, Federal unemployment benefits, Medicaid, Federal payments to railroad retirement, and a number of other programs under which individuals have legal rights to obtain benefits.

With regard to these programs, the separate enrollment procedure—now we are going back to that dog in the manger again—the separate enrollment procedure would allow the President to veto the funding for our existing commitments.

So the President could veto the funding, let us say, for Medicaid. I do not think he probably would, either, but it is a case in point, and only one. But what would the beneficiaries then do? Well, they, of course, would go to court and get an order getting the Government to pay their benefits. This money would then flow from the claims and judgments act. As a result, we would save no money whatsoever and indeed, probably spend much more on legal expenses.

All that I think it points out is how poorly drawn this proposition is. It should be given much more consideration. Rather than rushing the Dole substitute through as a solution to all of our problems we should go to a simplified, direct procedure such as the Daschle amendment, which is S. 14. Both S. 4, and the enhanced rescission bill that the House of Representatives has already passed, are better drawn and preferable to the Dole substitute we are debating here.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from Nebraska has 6½ minutes remaining.

Mr. EXON. I yield to the Senator from West Virginia 3 minutes.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished manager of the bill, Mr. EXON.

I take the floor at this time merely to express my support for the substitute that has been offered by Mr. Daschle. The Daschle measure provides that any rescissions that the President may recommend to the Congress will receive a vote by the Congress. The President's rescissions may be stricken but, in being stricken, the rescissions will be given a vote.

Under the current law, when the President sends up rescissions, the Congress may, by not acting, force the President to proceed with the obligations of funds, or the Congress may act. The Congress may accept some of the President's recommendations, the Congress may substitute its own rescissions, or it may do nothing, in which case, as I say, the President's recommendations will amount to nothing. And over the years, Congress has rescinded, as the record will show, more in terms of dollars than the total rescissions that have been submitted by the several Presidents in that period of time.

So the Congress has actually rescinded more moneys than have been requested to be rescinded by the Presidents. But under the Daschle substitute, a President may be assured that he will get a vote, and there is a very well-honed, expedited procedure set forth in the substitute. If at the end of the day, the conference committee is unable to meet an agreement—that is the final step—then any Member of either body may call up the President's original rescissions and offer them, and the President will be given a vote up or down.

It seems to me that is fair. The Daschle substitute does not result in any shift of power from the legislative branch to the executive. It is clear cut. It gives the President the opportunity to get a vote.

Mr. President, I yield myself 1 minute out of the 2 hours that have been yielded to me by special order.

The President is assured a vote, and it seems to me that is fair. That is fair to the President. It gives the President an opportunity, in the face of changing circumstances, to suggest certain rescissions, which perhaps the Congress will agree to.

So I am 100 percent behind the substitute by Mr. DASCHLE, and I ask unanimous consent that my name may be added as a cosponsor.

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

Mr. BYRD. Mr. President, while I have the floor, where in the pecking order is my amendment?

The PRESIDING OFFICER. The Senator is advised it will come up after we adopt the Daschle amendment.

Please restate the question.

Mr. BYRD. Where in the regular order is the amendment which I have had made in order for calling up today?

The PRESIDING OFFICER. The Senator is advised that will be the next amendment following the disposition of the Daschle amendment.

Mr. BYRD. I thank the Chair. Mr. President, I ask unanimous consent that that amendment that I am qualified under the agreement to offer may be called up at such time as I wish to call it up. I do not wish it to appear in the regular order.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. COATS. Reserving the right to object, Mr. President, I wonder if I can inquire of the Senator, I want to just make sure I understand what the Senator from West Virginia has requested.

I thought I heard the Chair to say that under the regular procedure, the next order of business following disposition of the Daschle amendment would be the amendment of the Senator from West Virginia.

The PRESIDING OFFICER. The Senator is correct.

Mr. COATS. And is the request of the Senator from West Virginia that that amendment be subject to being called up in a different order at the Senator's request?

Mr. BYRD. Yes; I am not prepared to call it up next, and I merely ask that I be allowed to call it up when I am ready to call it up.

Mr. COATS. Mr. President, I would have no objection to that within the constraints of the overall agreement.

Mr. BYRD. It certainly would be within the constraints of the overall agreement.

Mr. COATS. Can I inquire of the Senator from West Virginia, will he be prepared to call up that amendment today?

Mr. BYRD. Well, I may or may not be, but I can assure the Senator that within the constraints of the overall agreement, that amendment will have to be called up before the substitute by Mr. DOLE is voted on.

Mr. COATS. Mr. President, I certainly understand that. I guess my concern is that the majority leader has indicated that it is his intent, and I think it was the agreed-upon intent of the managers of the bill as well as the minority leader, that we conclude all action on the line-item veto and bring it to final passage today.

Mr. BYRD. I do not think that was the agreement. It was my understanding it would be concluded this week. I do not think there was any assurance that action would be finalized on the line-item veto today.

Mr. COATS. Mr. President, the statement of the Senator from West Virginia is correct.

Mr. BYRD. I will just try to——

Mr. COATS. The original decision did carry through until Friday. Given the progress that we have made and the short list of amendments that was left,

I guess it was the thinking that it could be concluded today, and, obviously, many Members hope that will be the case, but it is not determined and there is no particular agreement says that it has to be.

Mr. BYRD. That is right. I have no intention of trying to lay the matter over until next week. If I had that intention, I would not have agreed to the agreement. I have no intention of that.

Mr. COATS. Mr. President, this Senator has no doubt that had the Senator from West Virginia wanted to carry this over into next week or even beyond, he certainly has the ability to do that. I take him at his word and withdraw my reservation.

Mr. BYRD. I thank the Chair.

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

Mr. BYRD. Did the Chair put the question?

The PRESIDING OFFICER. The unanimous-consent request has been agreed to.

Mr. BYRD. I thank the Chair, and I thank all Senators.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, I inquire as to the time remaining.

The PRESIDING OFFICER. The Senator from Indiana has 27½ minutes left; the Senator from Nebraska has 3½ minutes left.

Mr. COATS. Mr. President, earlier the minority leader, Senator DASCHLE, whose amendment is currently pending, once again made the point that the complexity of the separate enrollment process is a reason to vote against the DOLE amendment, because it would take a fairly simple, several-page piece of legislation that would be sent to the President and translate it into a stack of individually enrolled items, any one of which or several of which the President could veto.

The strength, I will suggest, of the separately enrolled procedure is the very fact that each particular item is separately enrolled into a separate bill. And the purpose of that is so that the Congress, the President, and the American public knows just exactly what is contained in this thin little booklet as to how their money is going to be spent.

It is not a matter of convenience for Congress. It will be somewhat less convenient to go to separate enrollment, although we have demonstrated that the enrolling clerk now possesses the technology through computerization to process separate enrollment in a very expeditious way. So it is not the nightmare that it might once have been. It is not the nightmare monstrosity that has been described.

I wonder what the American people would say if they were polled on the question of whether, to determine how their tax dollars are spent, they wanted a booklet of about 8 or 10 or 12 pages which talked in very broad categories, or whether they would like the ability to see how each particular item is spent, and they could pull that out and say, ''Aha.'' See, the question is not whether or not the rescission process suggested by the minority leader is more convenient; the question is not even whether or not it spends less or more money; the question is, How is that money spent? The question that the American taxpayer is raising is: How is my money being spent? They care a lot more about the details of the specific expenditure than they do the overall total, although I do not mean to suggest the overall total is not important.

So, if a rescission is brought to the floor and the claim is made that this rescission saves as much money as what the President requested, it does not answer the question of how is that money spent. And is it spent for a legitimate purpose? And so we annually run into the question of the expenditures for the Lawrence Welk Home—the studies that most Americans feel are inappropriate uses of their tax dollars, the special little projects and spending that goes to benefit maybe a particular Member of Congress and enhance his or her reelection but really does nothing for the individuals that the majority in Congress represent.

We annually have to deal with how the money is spent. So it is not just a question of how much; it is how much is being spent and is that in the taxpayers' interest? And is there accountability to the Member who has proposed such an expenditure?

Mr. President, last November, anger against this institution burned white hot. With their votes, the American people decisively demonstrated their deep frustration with the status quo. Just weeks ago, I suggest that the Senate fueled that anger and betrayed their trust by failing to pass a balanced budget amendment, demonstrating that we are an institution more concerned with preserving our power than with protecting our Nation's posterity.

That is really the issue that is before us today. Are we going to preserve the status quo? Are we going to preserve the power of spending, so that we can continue to spend the way that we have spent the taxpayers' dollars in the past? Or are we going to change the procedure so that we can be held more accountable to the American taxpayer for how we spend their dollars? That is the question that is before us under the minority leader substitute. Will this institution decide to protect our powers and preserve the status quo? Or are we willing to take bold steps to end business as usual?

The Wall Street Journal editorialized, in 1993, expedited rescission, which is the minority leader's alternative proposal before us that we will vote on shortly, an alternative to the tough measure that the President has requested, that Senator MCCAIN and I have brought forward. ''Expedited rescission,'' the Wall Street Journal said, ''is to the line-item veto what chicory-flavored water is to Colombian coffee. It may look the same, but one taste tells the difference. A true line-item veto,'' the editorial said, ''would mean that the President will receive a spending bill from the Congress and would have the right to strike out items he considered unnecessary spending. Congress could restore the spending but only by a two-thirds vote of both the House and the Senate. The push to replace the line-item veto with a sham substitute is typical of how Congress is dealing with reform in this session. It is faking it.''

The substitute that is offered by the minority leader simply does nothing to change the way in which we spend people's money. It does not alter the balance in favor of savings. The same simple majority that voted to spend the money in the first place is all that is required to continue the spending. Procedure in the minority leader's bill says that Members on this floor can take the President's rescission which, yes, does now have to be brought to a vote under expedited rescission, but with just a simple majority can strike any rescission that the President sends up. So the same majority that passed the bill in the first place can take the President's rescission and strike it.

Although the title of the minority leader's bill is the Legislative Line-Item Veto Act, this is false advertising. There is no veto contemplated anywhere in the bill, none whatsoever. The President is given the chance to veto spending, and Congress is not forced to muster the two-thirds to override the veto.

In 1992, former President Reagan said, ''There is talk that the congressional leadership may offer the new President expedited rescission authority. This will not do the job,'' he said. ''Although it would permit the President to strike budget-busting expenditures, they could easily be reinstated by a simple majority vote of the Congress. A true line-item veto,'' President Reagan said, ''must require a two-thirds vote to override. Not only does the substitute fail to give the President veto power over spending accounts, it does little to address the failures of the Impoundment and Control Act.''

Since 1974, Congress' record on acting on Presidential impoundments has been embarrassing. The minority leader said as much. By simple inaction, we have ignored tens of billions of dollars in Presidential requests for rescission or impoundment authority. It has been the will of Congress not to act. It has been the will of Congress to fail to act. And Members of the minority leader's party have as much as said so. They have come down here and said, ''We have to stop the current practice.'' The problem is, their bill will not stop the current practice. All the substitute does is expedite a vote. It does nothing to change the presumption in favor of savings. It takes no step toward restoring the impoundment powers which the President exercised prior to 1974. And

since 1974, we have seen rescission after rescission after rescission of the President rejected by this Congress.

The separate enrollment legislation before us, on the other hand, would restore authority to the President. It would allow him to veto spending and require two-thirds of both Houses to override it. The substitute offered by the minority retains the current procedures, with the one exception that Congress could no longer bury the impoundments, but they must vote.

Quite frankly, Mr. President, their idea is too little too late. Nothing but the threat of a true line-item veto has even prodded their opposing our efforts into a vote on expedited rescission. Where were they when Senator MCCAIN and I were on the floor year after year after year offering enhanced rescission, offering some way to deal with the problem that they all admit exists? A handful of Democrats—you can count them on one hand—were supporting our efforts. Now it is only the legitimate, real threat of a true line-item veto that brings them to the floor saying, ''We are for line-item veto, we are just not for your line-item veto. Let us do it our way.'' Well, their way basically continues the practice that brought us to this place in the first place.

They have never brought up, since my time in Congress and in the Senate—or Senator MCCAIN's time in Congress and the Senate—a freestanding bill. The majority leader, Senator Mitchell, never brought up a freestanding bill to deal with this problem. Expedited rescission does nothing to restore power to the Executive which Congress grabbed in 1974. Congress, which chose to spend the money in the first place, retains complete control under expedited rescission.

The only argument for expedited rescission is that it might shame the Congress with a public vote. But the time for shame is over. With a $4.8 trillion debt, with our children facing a lifetime tax rate that is unconscionable, shame is simply not enough. We are already shamed. We need more than a sense of shame; we need to give the Executive power to challenge our spending habits. We need a true line-item veto. I urge my colleagues to reject the amendment offered by the minority leader and vote for a true line-item veto.

Mr. President, may I inquire how much time remains?

The PRESIDING OFFICER. The Senator from Indiana has 13½ minutes and the Senator from Nebraska has 3½ minutes.

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

Mr. McCAIN. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I would like to thank the junior Senator from Arizona for a very detailed exposition of our position on this pending amendment.

Have no doubt, this is probably the crucial amendment of this debate because we are back, frankly, where we were at the beginning of this year, when a line-item veto was going to become a reality, very frankly, because of the results of the November 8 election.

As the Senator from Indiana pointed out, he and I, for the last 8 years, have attempted time after time to bring the line-item veto up for debate and amendment. If there was a better idea on that side as to how to do what the distinguished Democratic leader has said, and that is, that we all want a line-item veto, it is rather amazing to me that we were never able to get a line-item veto to the floor of this Senate for consideration. Each time, it was blocked on a parliamentary tactic called a budget point of order, which prohibited Members from bringing up the amendment.

With all due respect to my friend from South Dakota, I wish that he had taken this attitude some years ago. I believe that we would have saved the American people billions and tens of billions of dollars in waste and pork-barrel spending.

We really are, Mr. President, getting down to the crucial aspect of this entire issue, as the Senator from Indiana said, whether a legislative line-item veto will mean the definition that is written in the Constitution of what a veto is, a two-thirds vote by both Houses to override the President's veto, or whether it will simply be a majority vote in either House.

Mr. President, the argument that the majority vote in either House will do the job flies in the face of the experience that I have had for many years now, as I have come down here and tried to eliminate clearly, clearly, wasteful and unnecessary spending that is devoted to the interests of a few, rather than the interests of the American people.

I will provide for the RECORD at some point the many times I have come here and lost amendments to try to remove these incredibly unacceptable appropriations, many times in the most egregious manner, stuffed in in conference between the two bodies, never being brought up in either House.

Last year, in the VA/HUD conference report, there was a couple hundred million dollars stuffed in at the very end, none of which we had ever had any opportunity to scrutinize or look at.

Mr. President, that practice will stop. That practice will stop. Just by bringing it to the attention of the Senate and by seeking a majority vote to overturn it, it is clear that my efforts and others, the Senator from Indiana and others, have been unsuccessful. It took a majority vote of both in order to put it in; it seems to me that a majority vote of one House would clearly keep it in.

We really are talking about what a line-item veto really is, whether we are going to make it—as the President of the United States has stated—a strong line-item veto which he supports. I am a little disappointed that my friends on the other side of the aisle do not support the President of the United States on their own party's position.

I would also like to say, Mr. President, that the debate we have been involved in on this issue—especially the thoughtful comments by the Senator from South Dakota and the very thoughtful and indepth questioning on the part of the Senator from West Virginia—I believe, has made a record here that will help the people in the future if we pass this legislation—I believe we will—as to the exact meaning of this legislation, what it entails, and what is circumscribed by it.

I think it has been a very healthy debate. I look forward to obviously concluding action on this bill in a reasonable time, but at the same time I think that perhaps the entire body and maybe the Nation have been illuminated and informed by this very significant debate.

I want to say, again, I respect the views of the Senator from West Virginia. I know that they are deeply held beliefs. I respect the views of the Senator from South Dakota. I know they are deeply held. We have a fundamental difference of opinion here as to whether the executive branch should have power restored to it. This, in my view, was taken away in 1974.

This is really, fundamentally, what this is all about. I believe that the November 8 election clearly showed that the American people are sick and tired of business as usual in the Congress. If we pass this legislation, especially after having failed to pass the balanced budget amendment, I think that we will at least restore some confidence in the American people, recognizing that it is no panacea. The only real panacea, as even the Senator from Georgia said, is we have to discipline ourselves. I do not see how in the past we have been able to discipline ourselves without the necessary tools to do so.

Mr. President, I would also like to talk about the fact that there are ways to get around this. Mr. President, there are ways to get around every law we pass. There is no better example of that than the War Powers Act. This body passed the War Powers Act and then repassed it over the veto of the President. We routinely ignore it.

I have no doubt, if the Congress of the United States wants to ignore the line-item veto, they can somehow find ways to get around it. What kind of message is that we would send to the American people?

The intention of the legislation is clear. The provisions of the legislation are clear. No, I cannot guarantee the American people that we will comply. But I suggest that if we do not comply with laws that we pass, as we have not with the War Powers Act, we do it at

great risk not only to the institution, but to the entire system and fundamentals of democracy, which is the expectation of the people that sent their representatives to Washington that we would comply with the laws that we pass.

Mr. President, I want to thank my friend from Indiana. I want to thank the other participants in this debate, and I look forward to continuing it after we finish this vote. I do not think there should be any doubt in the minds of my colleagues that this is really the crucial vote of this debate.

Mr. President, I might suggest to the Senator from Nebraska we might move to a vote. I think we planned around noontime, anyway.

Mr. EXON. May I inquire how much time is left on each side?

The PRESIDING OFFICER. The minority side has 3½ minutes; the majority side has 6 minutes.

Mr. EXON. I will use at least 3 minutes, and then maybe we can move on.

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

Mr. EXON. Mr. President, Let me sum up, if I might, in the remaining time. I will simply say, Mr. President, that although I did not support S. 4 in its original form—which was very much akin to what came over from the House of Representatives—I would be far more satisfied with S. 4 in its original form than with what has been put together in a hasty fashion, as demonstrated by the lengthy debate and many amendments that have been accepted with regard to the Dole substitute.

I will simply say that I suspect that there are few times in the history of the Congress of the United States when the Congress of the United States is about to give, in rather shabby fashion, give away the prerogative to the President of the United States.

Maybe if this passes, if the Dole amendment finally passes, we could clean it up in some legitimate way in the conference between the House and Senate.

I simply say I cannot understand how any true conservative could want to give away, to the extent that the Dole substitute as originally proposed would give away the authority of the powers of the purse, to the President of the United States, whoever that President is.

Let me sum up some of the advantages of the substitute offered by Senator DASCHLE, which is the original Domenici-Exon bill. Our substitute allows the President to veto part of an appropriation, giving the President added flexibility. Theirs does not. Our substitute allows the President to veto pork that is caused by colloquies on the floor and other mechanisms, including measures put in the conference report but not forwarded into the language in the statutes. Theirs does not. Our substitute has a clear, broad definition of tax loopholes that plainly covers all tax loopholes. The Dole substitute would allow the President to veto the existing obligation of appropriated entitlements, leading to legal challenges. The Dole substitute raises constitutional concerns that do not exist with regard to our substitute. And our substitute provides an orderly procedure. No 10,000 bills, no new burdens on the President or the Congress or the Members of the Congress who have to sign those bills, in contrast to the Dole substitute which would make a hash of the legislative process.

In closing—and I ask for an additional 1 minute if necessary——

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

The Senator has 30 seconds.

Mr. EXON. In closing, let me say that there are so many things that have not been considered. In a short period of time, we have come up with so many shortcomings. One of the most important, I think, was demonstrated by Senator NUNN when he talked about the action of the Senate not long ago with regard to the issue in Somalia. Here was a situation where we felt that Somalia should be put behind us. We put in an appropriation and we said that appropriation could be used, but the troops had to be removed by a specific date—let us say April 1, I do not remember what the date was. Under the Dole substitute, the President could have simply kept the money, vetoed out the April 1 date, and all of the outreach and control that legitimately is found in the legislative body would go out the window. I do not think that is what they intended, but that is what happens when you put together legislation in the fashion that this was put together.

I hope we approve the Daschle substitute.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I would just point out to my colleague from Nebraska, the pending Levin-Murkowski amendment will make adjustments to take care of the problems which have been highlighted time after time here. That is why we have bills for consideration. That is why we go through an amending process, to improve legislation. If we did not do that, then clearly a bill would be deemed perfect and we would not even have to pass it through the floor of the Senate.

The fact is, though, this legislation was not hastily put together. It has been considered in its various aspects for many, many years dating back to 1867, I believe it was, when a Member of Congress from West Virginia proposed a similar separate enrolling legislation.

We would be glad to consider other amendments which would further improve this legislation, but we are going to get down to, in this vote, whether it is a two-thirds majority to override a veto of the President by both Houses or not. That is really the fundamental question that is being asked when we consider the Daschle amendment.

I might remind my colleagues, that amendment was overwhelmingly rejected by the other body in the form of the Stenholm amendment.

Mr. President, I find no further need for time, I say to my friend from Nebraska.

I yield to the distinguished majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I thank both my colleague from Arizona and my colleague from Indiana. I have been watching at home on C–SPAN, while they have been here in the evening, the remarkable work they have been doing. I appreciate it very much. No one on this side has worked harder and longer than the Senator from Arizona and the Senator from Indiana on what I think now is within reach. That is the good news.

The good news is, while we may disagree on how to achieve it, I think it appears we are about ready to give the authority that should be provided. I guess the disagreement is really what constitutes a line-item veto. Our proposal would require certain items in appropriation, authorization, or tax bills to be enrolled as a separate act, clearly allowing the President to veto these items. And these vetoed measures are then available for consideration by Congress as any other vetoed measure is today. We can choose to override or not.

In the case of the Daschle proposal, the distinguished Democrat leader, there are fast-track procedures for consideration of the President's proposals to rescind, but unlike our proposal, a simple majority can defeat the President's efforts. Is the Daschle proposal better than current law? Probably yes, on the margin, as it does require us to at least consider the rescission. But it also only takes a majority to defeat. In the case of our proposal, the President's action stands unless two-thirds of us overturn that exact decision up or down, yes or no. No confusion. I believe this is a much stronger test.

Separate enrollment is not simple. I acknowledge that. But I believe we should give the President, be it this President or any other President, the opportunity to use this authority. If it is abused, if the executive branch takes the opportunity to subvert our intentions, we can remove this new authority as we have granted it. Of course, there is a sunset of the year 2000, so we have the time between now and then to see how the process works.

Is our substitute perfect? Probably not. But I believe it is much stronger and moves us much further in the right direction. I hope we may defeat the Daschle proposal. Then I am assuming, according to my conversations with the Democratic leader, we will conclude action on this bill today. That is my understanding and the understanding of the Democratic leader, and I

would like to conclude action on it by mid-afternoon so we can move to the self-employed tax measure and complete action on that tomorrow. Then, on Monday, move to the modified moratorium on regulations.

Mr. LEAHY. Mr. President, I commend the Democratic leader for his substitute line-item veto amendment. It strikes the worst features of Senator MCCAIN's version of a line-item veto and the majority leader's separate enrollment version. Instead, it adds the best features of Senator DOMENICI's and Senator EXON's original version of a line-item veto.

The Daschle amendment restores majority rule to the line-item veto process. Under this amendment, the President would have 20 days after signing an appropriations bill or a revenue bill to send Congress a draft bill cancelling any line item. Congress then would have 10 days to vote on the rescissions bill.

If Congress passes the bill by a simple majority and it is signed by the President, all savings must go to reducing the deficit.

This procedure honors the intent of our Founders by embracing the fundamental principle of majority rule.

By contrast, the McCain bill and the Dole substitute would undermine this fundamental principle by imposing a three-fifths supermajority vote in both houses to overturn a line-item veto.

Our Founders rejected such supermajority voting requirements on matters within Congress' purview.

James Madison condemned supermajority requirements in Federalist Paper No. 58. Madison warned that:

> In all cases where justice or the general good might require new laws to be passed, or active measures to be pursued, the fundamental principle of free government would be reversed. It would be no longer the majority that would rule: the power would be transferred to the minority.

Unfortunately, the McCain bill and the Dole substitute would do exactly what Madison warned against—it would transfer power to a minority in either the House or Senate.

Moreover, supermajority requirements hurt small States, like Vermont, by upping the ante to take on the President.

No matter how worthy a project, it will be difficult for States with only a few Members to overcome a line-item veto.

Under Senator McCain's proposal and Senator Dole's substitute, it would require Members from small States to convince two-thirds of Members in each House to override the President's veto for the sake of a project in another Member's district.

With Vermont having only one Representative in the House, why would other Members risk the President's wrath to help us with a project vetoed by the President?

The Daschle amendment keeps the power of the purse with Congress—where it belongs.

As the ranking member of the Foreign Operations Subcommittee of the Appropriations Committee, I am frequently called upon to travel abroad. When I visit emerging democracies, one of the universal praises I hear about our system of checks and balances is the power to spend residing in the legislative branch, not the executive.

Many officials from new democracies believe that a legislature's power over the purse is the best weapon to fight the tyranny of a dictatorship.

The McCain line-item veto and the Dole substitute hand over the spending purse strings to the President.

The President would have no burden of persuasion while a Member would have the Herculean task of convincing two-thirds of his or her colleagues in both Houses to care about the vetoed project. It is truly a task for Hercules to override a veto. Just look at the record—of the 2,513 Presidential vetoes in our history, Congress has been able to override only 104 times.

The McCain and Dole supermajority veto procedures would fundamentally change the balance of powers between the two branches and result in a massive shift of power to the executive branch from the legislative branch.

The Daschle amendment, on the other hand, maintains the constitutional balance between the executive and legislative branches.

For a Presidential rescission to become effective, both Houses of Congress must approve it within 10 days. The burden is on the President to convince a simple majority in both the House and Senate to agree to his line-item veto. The President is guaranteed a vote, and Congress is forced to consider the rescission.

If the President cannot convince a majority of us that a targeted project is unnecessary and frivolous, then his veto should fail.

Like Senator DOMENICI's original version, this substitute line-item veto will sunset at the end of the 1998 fiscal year. I strongly support a sunset provision since any line-item veto legislation is like walking on Mars—it has never been done before.

Let us try it out for a few years and see what happens.

Senator DASCHLE has improved the original Domenici-Exon bill. The Daschle substitute protects Social Security—America's true contract with its senior citizens. The Daschle amendment exempts the administrative expenses of Social Security from a line-item veto.

But the most significant feature of the Daschle amendment is that it closes a multi-billion-dollar loophole in the McCain bill and Dole substitute.

The McCain bill ignores tax break loopholes. And the Dole substitute has such a convoluted definition of tax breaks that no one knows which tax loopholes the President may strike.

The Daschle substitute fixes these flaws by giving the President clear authority to target for repeal all wasteful tax benefits in revenue bills.

I find it ironic that the proponents of the McCain bill and now the Dole substitute—who claim that their line-item veto is the only version that will effectively cut pork-barrel programs—are afraid to give the President the ability to cut pork-barrel tax breaks too. Why should the President be given the power to veto spending for school lunches and not for tax deductions claimed by businessmen for three-martini lunches?

Whether pork-barrel spending is in a program or in a tax break, it is still wasteful. To paraphrase Gertrude Stein: A pork barrel is a pork barrel is a pork barrel.

Over the years, big business and other special interests have lobbied hard for tax subsidies for specific industries. And, unfortunately, they have been successful on occassion.

These wasteful special interest tax subsidies do not increase economic growth. To the contrary, wasteful special interest tax subsidies only add to our deficit, which puts a drag on our whole economy.

Like an old-fashioned pork sausage, it is amazing what is in our Internal Revenue Code. Let me give you an example of the corporate pork in our tax laws today.

Our tax laws allow U.S. firms to delay paying taxes on income earned by their foreign subsidiaries until the profit is transferred to the United States. Many U.S. multi-national corporations naturally drag their feet when transferring profits back to their corporate headquarters to take advantage of this special tax break.

But the millions of small business owners—who make up over 95 percent of businesses in my home State of Vermont—do not have the luxury of paying their taxes later by parking profits in a foreign subsidiary. The bipartisan Joint Committee on Taxation estimates that the U.S. Treasury will lose close to $6 billion from this tax loophole over the next 5 years.

The Progressive Policy Institute, a middle-of-the-road think tank, along with the liberal Center On Budget And Policy Priorities and the conservative Cato Institute, recently identified 31 tax subsidies that will cost U.S. taxpayers almost $102 billion over the next 5 years. A few of these subsidies have merit, but many more are just plain wasteful.

Robert Shapiro, the author of the report, concluded that ''tax subsidies, like their counterparts on the spending side, reduce economic efficiency.* * *'' Budget experts on the right, center and left all agree that pork-barrel tax loopholes are just as wasteful as pork-barrel programs.

Not only does the Daschle amendment vastly improve the McCain bill

and Dole substitute, but it also would clear up a murky area in the line-item veto bill that recently passed the House. In the House passed version, H.R. 2, the President has authority to veto targeted tax benefits, which are defined as providing a Federal tax deduction, credit or concession to 100 or fewer beneficiaries.

Is this definition of targeted tax benefits a practical joke by our House colleagues? I can think of only a handful of tax breaks that fit into this very narrow definition.

In fact,the nonpartisan Congressional Budget Office agreed that defining targeted tax breaks in such a limiting manner would produce laughable savings.

The CBO, in typical understatement, said that repealing a tax break that benfits fewer than 100 people is unlikely to generate large savings.

This extremely limited definition would protect almost all wasteful tax loopholes and invite tax evasion.

Any accountant or lawyer worth his or her high-priced fee will be able to find more than 100 clients who can benefit from a tax loophole. If more than 100 taxpayers can figure out a way to shelter their income in a tax loophole, the President would not be able to touch it.

The bigger the loophole in terms of the number of people who can take advantage of it, the safer it is from being cut.

The Daschle amendment gives the President real authority to go after wasteful tax breaks. Under the Daschle substitute, every wasteful tax break would get the same Presidential scrutiny as every wasteful program.

I believe the Daschle amendment embraces the best parts of various versions of a line-item veto. It honors majority rule.

It keeps the power of the purse with Congress while still giving the President new authority to target wasteful spending. It protects Social Security. And it gives the President authority to target all future tax loopholes for repeal.

The Daschle line-item veto substitute is a reasonable and comprehensive measure. I urge my colleagues to adopt it.

Mr. PRYOR. Mr. President, I rise today to speak for a moment on behalf of the line-item veto proposal that the minority leader has offered. I support this reasonable alternative to the so-called separate enrollment line-item veto legislation. Just one of a number of problems with the separate enrollment measure is that it makes funds for operating the Social Security Administration vulnerable to the President's line-item veto authority.

It is clear that the public expects us to protect the integrity of the Social Security System for current beneficiaries and for the millions of current workers and employers worried about the future of Social Security. The majority leader's separate enrollment proposal would not protect Social Security. A provision, however, in the Democratic substitute would exempt moneys used to administer the Social Security program from the President's line-item veto power.

This provision is almost identical to an amendment that I successfully offered to one of the line-item veto bills during our recent Governmental Affairs Committee markup. This amendment was unanimously accepted. The Democratic proposal simply states that,

> The term ''budget item'' means an amount, in whole or in part, of budget authority provided in an appropriation Act except to fund direct spending programs and the administrative expenses of Social Security.

Under the separate enrollment proposal new direct spending for Social Security would be subject to the line-item veto. But my primary concern is about the annual appropriation that is used to administer the Social Security program. These funds, for the most part, come from the Social Security trust funds, are reviewed annually, and are appropriated by the Appropriations Committees of the Congress. The President, armed with line-item veto authority, could eliminate, or by leveraging a veto, limit these administrative funds.

As it currently stands, the Social Security Administration's operating budget is over $5 billion. The greatest portion of these funds come from the Social Security trust funds and are used to administer the Social Security retirement and disability programs. Operating expenses for these two programs represent only 0.9 percent of total program costs, but are the key to effective distribution of Social Security payments and efficient operation of the Social Security system. If we don't have sufficient operating funds to properly fulfill the mission of the Social Security Administration, we fail to honor our commitment to protect Social Security.

One of the many functions carried out by the Social Security Administration is to make sure that beneficiary checks are correctly calculated and promptly mailed out. This is vital to the 42.6 million recipients of Social Security who deserve to get their benefits on time and also to receive the right benefit amount. In my State alone, according to the Social Security Administration, 489,330 Arkansans receive Social Security benefits. This is 20 percent of the Arkansas population. I can only imagine the outcry and confusion if these citizens were to not receive their benefits on time due to a President's line-item veto of Social Security.

Administative funds also ensure that citizens who apply for benefits under the disability program are reviewed for eligibility and that benefit denials can be appealed. But perhaps even more importantly, these operating funds are also used to conduct continuing disability reviews. These reviews are conducted to determine if individuals continue to be eligible for disability benefits, and, if not, to terminate them from the rolls.

Just yesterday the Subcommittee on Social Security of the Senate Finance Committee held a hearing on the growth in the Social Security disability program. This growth stems, in part, from the lack of resources the Social Security Administration currently has to conduct these important reviews. The resources provided for the Social Security Administration are important to ensure that benefits only go to those individuals who are truly eligible.

In fact, the General Accounting Office has estimated that administrative budget cuts at Social Security have resulted in significant reductions in disability reviews and that the failure to conduct these reviews will cost the trust funds $1.4 billion over 5 years.

Proper administrative funding also means that we can combat fraudulent Social Security claims. Social Security is not immune to fraud and abuse. Without proper funding, it is possible that there could be an increase in fraudulent claims filed by citizens that will try to cheat the system.

Mr. President, before the committee mark-up of the line-item veto legislation my amendment was endorsed by the American Association of Retired Persons. I have a letter from the AARP which makes several important points that I would like to emphasize today. They point out, and I quote, that ''Social Security is a self-financed program and does not contribute one penny to the deficit.'' They also state ''since Social Security takes in more revenue than is needed to pay benefits, Congress deliberately took it off budget in order to shield it from unwarranted reductions.'' I ask that the full text of this letter be printed in the RECORD following my statement.

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

(See exhibit 1.)

Mr. PRYOR. Mr. President, by exempting Social Security administrative funds as incorporated in the Democratic amendment, we can honestly tell the American people that their Social Security checks are secure and that administrative functions and services will not be interrupted, reduced, or eliminated.

EXHIBIT

AMERICAN ASSOCIATION OF RETIRED PERSONS, AARP,
Washington, DC, March 2, 1995.

Hon. DAVID H. PRYOR,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRYOR: The American Association of Retired Persons (AARP) supports your amendment to S. 4, the ''Legislative Line Item Veto Act of 1995,'' that would ensure that Social Security is exempt from the line item veto. Although AARP believes a limited line item veto or other mechanism that allows for appropriate Congressional review may be warranted to help control unjustified tax breaks or spending programs,

we strongly believe that the administrative expenses of the Social Security Administration (SSA) should be excluded for the following reasons:

Social Security is a self-financed program that does not contribute one penny to the deficit. In fact, since Social Security takes in more revenue than is needed to pay benefits, Congress deliberately took it off budget in order to shield it from unwarranted reductions.

SSA's administrative expenses are financed from the Social Security trust funds. These trust funds are financed by the payroll tax contributions workers and their employers make.

SSA's administrative costs are already less than 2 percent. Further cuts could harm the agency's ability to meet its obligations.

Cutting SSA's administrative costs does not always lead to savings. Past underfunding had forced the agency to reduce the number of Continuing Disability Reviews (CDR) it conducts. The General Accounting Office (GAO) estimates that SSA's failure to conduct CDRs will cost the trust funds about $1.4 billion over 5 years.

AARP appreciates your commitment to the welfare of older Americans and the protection of Social Security. If we can be of further assistance, please do not hesitate to call me, or have your staff call Evelyn Morton of our Federal Affairs Department at (202) 434–3760.

Sincerely,

JOHN ROTHER,
Director,
Legislation and Public Policy Division.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I move to table the Daschle amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. EXON. Mr. President, before we call for that, could we maybe make an agreement here on what we have left, I ask my friend?

Mr. MCCAIN. I will be glad to.

Mr. EXON. According to my list, we have the amendment left by Senator BYRD, which we talked about a few moments ago. He reserves the right to call that up sometime today or tomorrow.

We have the amendment offered by——

Mr. MCCAIN. May I interrupt my friend for a minute?

Mr. EXON. Is that right?

Mr. MCCAIN. It is the understanding on this side of the aisle, articulated by the majority leader, the agreement between the majority leader and Democratic leader was that we could conclude this bill today. So we may have to discuss that.

Mr. EXON. I would certainly say, at least one of the principles in this—I understood there was a goal to conclude this today. But I believe Senator BYRD is absolutely correct that when he did not object earlier, the gentlemen's agreement was we would finish it this week. So I would say, despite any agreement that might have been entered into by the majority leader and minority leader, that did not receive unanimous consent and therefore would not be binding. Is that right?

Mr. MCCAIN. I will yield to the majority leader on that one.

Mr. DOLE. It may not be binding, but this is an understanding the two leaders had. We will just leave it at that.

Mr. EXON. I think Senator BYRD could adequately defend himself on that.

Mr. DOLE. I am certain he could.

Mr. EXON. I will not do so. Suffice it to say the Byrd amendment then, whenever it is called up, is one remaining.

The Levin and Murkowski, two amendments, have now been combined into one, so we have that one left in addition to Byrd.

Mr. MCCAIN. It is my understanding also—I think it is my understanding that is acceptable to both sides. Is that your understanding?

Mr. EXON. That is correct. So that should be easily taken care of.

Then we have the Hatch judiciary amendment that has not yet been disposed of and will likely require a vote. Is that the Senator's understanding?

Mr. MCCAIN. Yes, it is.

Mr. DOLE. If it is pursued.

Mr. EXON. And as far as I know, that is all I have on my list. Does the Senator have anything else?

Mr. MCCAIN. Yes, I would say to my colleague from Nebraska, the Abraham amendment, which I also believe would be accepted by both sides.

Mr. EXON. I missed that. I think that is agreed to also. We are pretty close.

Mr. MCCAIN. Could I then say to my friend from Nebraska, without taking much more time of the body, obviously we could finish this today with great ease, perhaps by mid-afternoon. So I hope the Senator from West Virginia might appreciate that and help us move forward. But, as my colleague said, that is an issue that the Senator from West Virginia would want to discuss.

Does that complete our colloquy?

The PRESIDING OFFICER. The Chair rules there was a sufficient second.

The yeas and nays were ordered.

VOTE ON MOTION TO TABLE AMENDMENT NO. 348

The PRESIDING OFFICER. Under the previous order, the question occurs on the motion to table amendment No. 348, offered by the minority leader, Mr. DASCHLE.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 62, nays 38, as follows:

[Rollcall Vote No. 112 Leg.]

YEAS—62

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

NAYS—38

Akaka	Exon	Mikulski
Baucus	Feingold	Moseley-Braun
Biden	Ford	Moynihan
Bingaman	Glenn	Murray
Boxer	Harkin	Nunn
Breaux	Inouye	Pell
Bryan	Jeffords	Pryor
Bumpers	Johnston	Reid
Byrd	Kerrey	Rockefeller
Conrad	Kohl	Sarbanes
Daschle	Lautenberg	Simon
Dodd	Leahy	Wellstone
Dorgan	Levin	

So the motion to lay on the table the amendment (No. 348) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. COATS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 401, AS FURTHER MODIFIED TO AMENDMENT NO. 347

Mr. ABRAHAM. Mr. President, I call up my amendment No. 401, and I have a further modification of my amendment, which I send to the desk.

The PRESIDING OFFICER. Is there objection to the modification of amendment No. 401 by Senator ABRAHAM? Without objection, the amendment is so modified.

The amendment (No. 401), as further modified, is as follows:

On page 3, line 17, strike everything after word ''measure'' through the word ''generally'' on page 4, line 14 and insert the following in its place: ''first passes both Houses of Congress in the same form, the Secretary of the Senate (in the case of a measure originating in the Senate) or the Clerk of the House of Representatives (in the case of a measure originating in the House of Representatives) shall disaggregate the items as referenced in Sec. 5(4) and assign each item a new bill number. Henceforth each item shall be treated as a separate bill to be considered under the following subsections. The remainder of the bill not so disaggregated shall constitute a separate bill and shall be considered with the other disaggregated bills pursuant to subsection (b).

(2) A bill that is required to be disaggregated into separate bills pursuant to subsection (a)—

(A) shall be disaggregated without substantive revision, and

(B) shall bear the designation of the measure of which it was an item prior to such disaggregation, together with such other designation as may be necessary to distinguish such measure from other measures disaggregated pursuant to paragraph (1) with respect to the same measure.

(b) The new bills resulting from the disaggregation described in paragraph 1 of subsection (a) shall be immediately placed on the appropriate calendar in the House of origination, and upon passage, placed on the appropriate calendar in the other House. They shall be the next order of business in

each House and they shall be considered and voted on en bloc and shall not be subject to amendment. A motion to proceed to the bills shall be nondebatable. Debate in the House of Representatives or the Senate on the bills shall be limited to not more than 1 hour, which shall be divided equally between the majority leader and the minority leader. A motion further to limit debate is not debatable. A motion to recommit the bills is not in order, and it is not in order to move to reconsider the vote by which the bills are agreed to or disagreed to.

Mr. ABRAHAM. Mr. President, the purpose of the modification is to address technical concerns which were raised by the distinguished Senator from West Virginia and others.

These concerns pertain to whether parts of a bill that do not constitute an item under the definition set out in the substitute would have to be disaggregated. The effect of this modification is to make clear that only new direct spending or new targeted tax benefits must be disaggregated.

Mr. President, I thank the distinguished Senator from West Virginia for raising questions that led to this clarification. And I wish to thank my colleagues from Indiana and Arizona for their willingness to work with me on this matter.

Mr. President, I yield the floor

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I call for regular order with regard to the Levin amendment No. 406.

Mr. President, I remind my colleagues that this amendment addresses the enrollment restrictions and limitations.

I notice the presence of the Senator from New Mexico, Senator BINGAMAN, on the floor. I know that he wishes to address this amendment. I also note that the sponsor of the amendment, Senator LEVIN, is here, and I believe Senator MURKOWSKI, who is a cosponsor, was here a moment ago.

I yield the floor.

The PRESIDING OFFICER. The pending question is the Abraham amendment, which is amendment No. 401.

Mr. EXON. I request that be temporarily laid aside.

The PRESIDING OFFICER. Is there objection?

Mr. McCAIN. Reserving the right to object.

Does the Senator from Nebraska intend to take up the Abraham amendment?

Mr. EXON. The Abraham amendment is being temporarily laid aside at the request of myself on behalf of Senator BYRD, who wishes to address it before it is voted on. I suspect that we will have a chance to voice vote that, but there has been a request on this side to address it before we proceed.

Mr. McCAIN. I thank the Senator.

I do not object.

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

AMENDMENT NO. 406 TO AMENDMENT NO. 347

The PRESIDING OFFICER. The pending question is now on amendment No. 406, offered by the Senator from Michigan.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I just had a few questions to ask to try to understand amendment No. 406. I was hoping to address those questions to one or any of the sponsors. I note the Senator from Michigan is here. He has previously indicated he would be glad to try to respond to these questions.

So let me just state those questions and then, if the Senator from Michigan or anyone else would want to respond, I would appreciate it.

Let me first just put this in some context, because I am trying to understand the bill that is pending and also understand it in light of this amendment.

As I understand the bill that is pending, it essentially tries to focus in on items of appropriation and provides that an item of appropriation has to be separately enrolled and sent to the President in separate form so that the President has the discretion to either sign or veto that item of appropriation.

I recognize that it is both items of appropriation, and then it is direct spending and one other matter which is covered.

But I guess my concern is this: When we get back to the finding of what an item of appropriation is, what does the term ''item'' mean? We say that it means any numbered section, any unnumbered paragraph, any allocation or suballocation of an appropriation.

And then the amendment that we are now discussing tries to write in an exception to that and say, as to items of appropriation, that an item:

Shall not include a provision which does not appropriate funds, direct the President to expend funds for any specific project, or to create an express or implied obligation to expend funds and—

(i) rescinds or cancels existing budget authority;

(ii) only limits conditions, or otherwise restricts the President's authority to spend otherwise appropriated funds; or;

(iii) conditions on an item of appropriation not involving a positive allocation of funds by explicitly prohibiting the use of any funds.

That is complicated to me, Mr. President. I may be the only Member of the Senate who has difficulty understanding that, but, I have to tell you, I have some difficulty.

Let me just ask a couple of questions.

First of all, what happens to all of these that we are talking about here, all the items which are not included in the definition of items? For example, what happens to the limits, conditions, or other restrictions on the President's authority to spend otherwise obligated funds?

If those are not to be enrolled as separate items and sent to the President for his signature, what does happen to them? Is there anybody—the Senator from Michigan or anyone else—who would like to respond to that question?

Mr. LEVIN. Let me first back up and then attempt to answer the Senator's question.

The problem that this amendment addresses is that there are many items under the definition in the bill which are not spending items, which are not items where Congress is adding on funds, where we are not appropriating money, but where we are restricting or rescinding or limiting, where we are saying, ''None of the funds appropriated in this bill may be spent to keep troops'' in a certain country after a certain date, or where we are saying, ''No more than,'' a certain amount of dollars, ''can be spent on travel,'' or we are saying, ''None of the money that has been appropriated here can be spent on first-class travel,'' or where we are saying, ''Not to exceed,'' a certain amount, ''could be spent on consultants.''

Where Congress in an appropriations bill, which we do all the time, is restricting the use of funds by the executive branch or limiting the use of funds by the executive branch, if those restrictions and limits are items, then to give the President that special veto power, if he uses it, will not save the Treasury any money but will give the President more flexibility exactly the opposite way than we intend.

So we will have failed in restricting the use of funds and we will not have benefited the Treasury one dollar. That is the problem that is sought to be addressed by this amendment.

So in order to avoid at least some of that, as much as we can, as much as we were able to get cleared and support on, what we are saying is, in the cases enumerated here, those are not to be treated as separate items. That is the background of it.

The Senator then says, ''Well, how will they be treated?'' I have a twofold answer. One is that they will be attached to the item to which they relate.

For instance, if you say, ''Here is $10 million, HUD, but no more than $1 million may be spent for'' a particular purpose, the ''but not more than $1 million for'' a particular purpose, would then, my intention is, be attached to the larger item. It would not be an allocation or a suballocation in the words of the bill. It would be connected to the larger item that otherwise it would be separated from.

Now, if for some reason you cannot do that—and there may be circumstances that you cannot do that—then, as I understand the bill, there will be a place where all the items that are not separated out and separately enrolled will be packaged together. I do not know what that paragraph would be called, but there will necessarily be such a paragraph, and these items would then be part of that paragraph.

Let me say to my friend from New Mexico, I have a lot of problems with this bill and with the separate enrollment. I think we are going to find very soon that this is not going to work very well for lots of reasons. And I think one of them is going to be the enrollment process itself and the fact that then, after they are separately enrolled under the Abraham amendment, they would come back to us, they are unamendable, up or down, so forth, and we are going to be sending the President a thousand bills to sign instead of one. I do not know how the President can even veto an appropriations bill under this approach. If he wants to veto the whole appropriations bill, there is no bill to veto. He would have to veto 1,000 bills.

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

Mr. LEVIN. Yes.

Mr. McCAIN. Back on the question that the Senator from New Mexico asked, can I ask him for a practical example and how this amendment would address it, if that would be agreeable?

Mr. LEVIN. I will be happy to accept that, but I want to be sure first that I have done the best job I can in addressing the Senator's question.

I happen to agree with, I think, the thrust of the questions, that we are going to have a huge amount of practical problems, in any event, I believe, with the separate enrollment process. What my amendment may do is create an additional—could be—an additional practical problem so that there will be 51 practical problems instead of 50. But what it is aimed at is a very critical substantive point, and that is the power of the purse of the U.S. Congress.

We have used the power of the purse throughout history to be sure that the President did not exceed certain limits that the Congress has set. We do it all the time. We say, ''No later than'' a certain date. ''None of the funds in this bill may be used to keep troops in Somalia after'' a certain date. That is an absolutely essential congressional power, and we should not give that up.

We are giving up some power in this bill in order to gain some money for the Treasury, in order to limit spending which Congress asks. So there is a tradeoff. Are we willing to give the Executive additional power in order to reduce the additional spending which Congress sometimes puts in appropriations bills? But in these cases in this amendment, there is no additional spending. This is limits on spending. This is where we rescind spending. This is where we restrict spending, and in those cases, it hopefully is not our intention to be giving power to the President to override our policy where there is no gain to the Treasury.

So my answer is twofold: One, that the intent of this amendment is that the restriction be connected to the appropriation item it refers to, and where that is impossible, that it would then be packaged with any other parts of that bill before it became subbills and pieces of bills, and so forth.

I tried to answer the question, and I now yield to the Senator.

Mr. McCAIN. I do not want to take the time of the Senator from New Mexico. A couple of practical examples have been raised. For example, I ask the Senator from Michigan, suppose that the appropriations bill said $10 million for aid to El Salvador but no funds for any military training.

Mr. MURKOWSKI. I wonder if the Senator from Arizona will allow me to answer that question as a cosponsor of this amendment. I have a specific example that will hopefully enlighten and address that question.

On a defense appropriations bill, say we have a provision that provides funding for the Department of Defense for military personnel, $75 billion, provided that none of the funds appropriated will be available to deploy United States Armed Forces to participate in the implementation of a peace settlement in Bosnia unless previously authorized by Congress.

Under the Dole substitute, the President basically gets two bills. The first would be a bill to appropriate $75 billion for military personnel. The second would bar United States troops in Bosnia peacekeeping. The President can sign bill 1 and veto bill 2. He, thus, will be able to receive the $75 billion without restriction and can send troops to Bosnia without congressional approval.

Under the amendment of the Senator from Michigan and myself, the President gets one bill. Since the restriction in the appropriations bill completely bars the use of any funds in Bosnia peacekeeping, the President gets only one bill which contains the appropriation of $75 billion and the Bosnia restriction.

So that is the intent and an example specifically. The President must either sign the bill and accept the Bosnia restriction, or he must veto the bill and not have the $75 billion available.

Mr. BINGAMAN. Mr. President, can I just ask a follow-up question?

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, where in the amendment or the bill does it say what the Senator from Alaska just described? As I see it, the condition that none of the funds in this bill can be spent to support activities in Bosnia, or whatever the condition would be, might just as easily be separately enrolled, along with a lot of other conditions.

I do not see why you could not have, as a result of this process, in the defense area, for example, 2,000 bills go to the President. Each one of those would be bills that qualified under the definition in here for ''item.''

Then you could have another bill go to the President which incorporated all of the various conditions that Congress has put on the President in the expenditure, and one of them would say you cannot do anything more to enforce the Endangered Species Act. We adopted that last Thursday. Another would say you cannot spend more on the B–2. Another would say you cannot go into Bosnia. We can add those together and put them into a bill—I think that is permitted under this—and send it to the President and the President could veto it. He gets his money and he does not get any restrictions. What is wrong with that? Does it say that cannot be done?

Mr. MURKOWSKI. It is in the amendment as offered by the Senator from Michigan and myself, specifically stating that ''conditions on an item of appropriation not involving a positive allocation of funds by explicitly prohibiting the use of any funds.'' That is the amendment.

Mr. BINGAMAN. But, Mr. President, the condition that we are talking about has to be enrolled someplace, if it is going to become law. It has to be sent to the President if it is going to become law, and he has to sign it if it is going to become law. I am just asking, is there anything in this amendment or this bill which keeps us, the Congress—or the appropriators, more specifically, because they are the ones who determine this—from just saying, OK, we are going to take all of these restrictions and we are going to package them together and send them up there and call them a bill, just like we call each item a bill? That would be a natural thing to do if we want to get it to the President for signature.

Mr. LEVIN. If the Senator will yield, is he saying that right now we could do that, and this amendment does not prevent that same thing from happening?

Mr. BINGAMAN. Yes, we could do that now. This amendment, as I read it, and this bill, as I read it, calls for the separate enrollment of the specific dollar allocations or appropriations, so that the President can cross out the allocations or appropriations. There are a lot of conditions we stick into appropriations bills which are not tied to a specific allocation or appropriation. When we adopted, last Thursday, the prohibition against doing anything more to enforce the Endangered Species Act—or whatever the precise language of the Hutchison amendment was—why would that not be a separate item?

Mr. LEVIN. This amendment does not cure that problem.

Mr. BINGAMAN. So you are saying that there are conditions which would be enrolled separately from the appropriation itself and which would go to the President, and he could either defer to the Congress and say they do not want me to do anything more on the Endangered Species Act, therefore, I will sign their bill; or he could say, I am going to veto that part and use the money that they have appropriated as I see fit?

Mr. LEVIN. Well, the amendment addresses those situations where there is

a limitation, a condition, or a restriction on the President's authority to spend otherwise appropriated funds. If there is no appropriated fund in that bill, then it could not be attached to that. You would not be addressing the problem the Senator raises. But that exists right now. That is a problem that exists right now. This amendment does not solve, at all, all of the problems with this bill, or all of the circumstances under which we now legislate. What this does is what I have described.

If we say to the President, here is $100 billion for the United States Army, and none of these funds may be used to have any of these soldiers in Somalia after a certain date, this would require, under this amendment, that the restriction on the funds in that bill be connected to it, or else we are giving the President power without any benefit to the Treasury. If you allow him to veto the restriction, he then has the $100 billion unrestricted, the Treasury has not gained a penny, and we have lost our policy.

The Congress will have ceded to the President that power of the purse, with no financial benefit whatsoever. And I happen to have great problems with the Dole substitute. There are all kinds of problems, I believe, with the separate enrollment which this amendment does not solve, including, I believe, the one the Senator from New Mexico has come up with. If we are going to have separate enrollments, which I oppose—I think they are unconstitutional, unwise, and everything else—at least we should not be giving up the power of the purse, where there is no benefit to the Treasury, where it is a restriction on spending.

I have used the example—and I will use it again—where we give an agency money and say: This is for your general operations, but you may not spend more than $10 million on consultants. I do not think there is any intent—there should not be in this amendment, and I will make sure there is no intent—to let the President separately veto the restriction on the use of consultants and then have all the money without such restriction.

(Ms. SNOWE assumed the Chair.)

Mr. BINGAMAN. Madam President, let me once again go at this and see if I am clear. I am concerned about this. Under the existing procedure—and it has lots of flaws, and I am as critical of it as many in this body are—we send the President a bill and it has money appropriated and it has conditions attached, and those are all together; the President either takes it or leaves it and, clearly, there are major deficiencies with that system.

What I am concerned about with this amendment and this new bill that we are talking about here is that we are requiring that the dollar figures be separately presented as bills. And it would seem logical to me that if those are all items that are separately presented, any conditions we want to attach to the expenditure might be a separate bill, as well, might be presented as a separate bill, and we might put them all together. I do not know what we would call it, but that might be the result. The President would have the choice of vetoing each and every appropriation, and then he would be presented with sort of a catch-all remainder kind of a bill which has all these conditions in it. And there would be a great incentive on the part of the President to say, ''I will sign everything but the conditions. I do not like Congress telling me what to do. They do not know anything about Bosnia up in Congress.''

Mr. McCAIN. If the Senator will yield, I do not believe Congress would be so foolish as to enroll it that way because it would leave it as a target. The Congress would enroll the restricting language along with the money, so that the President had no choice. I cannot imagine that the Congress, if they wanted restrictions enforced, would have one line item with the money and some in a different paragraph—although the language of the Senator from Michigan also provides for that, as well.

So this bill provides for the fencing language, and the amendment provides for the fencing language that affects that appropriation to go together and be inseparable.

Mr. LEVIN. Madam President, if I may ask the Senator from New Mexico a question. In my colloquy, which is going to be made a part of the RECORD, with the Senator from Alaska, we make it clear that where you cannot connect a restriction to an appropriation, it would be put in the kind of package that the Senator from New Mexico describes. There is no other way to do it. But why should we, because there is no alternative but to do it that way. Where there is no appropriation to connect the restriction, why should we give up the congressional power to restrict, limit, and rescind the use of funds, where there is no benefit to the Treasury, just because it is impossible to add all restrictions to an appropriation? To connect all of the limits to an appropriation does not mean we should not try where there is an appropriation in the bill to do so?

Mr. BINGAMAN. Well, Madam President, let me try to put this in into specifics here, and see if I understand it. As I understand it, what the Senator from Illinois and the Senator from Arizona are saying is that if we put a general restriction on a bill which cannot be tied to a specific appropriation, then that could be, or should be, separately enrolled as another bill, along, perhaps, with other restrictions.

Mr. LEVIN. Madam President, the restrictions which are not tied to specific appropriations would necessarily have to go in somewhere.

Mr. BINGAMAN. So they would go into another bill, which the President could either sign or veto, so that any condition that is not tied to a specific appropriation would be there for the President to sign or veto as he saw fit.

Mr. LEVIN. The Senator is correct.

Mr. BINGAMAN. And there would be some incentive.

Mr. LEVIN. The Senator is correct.

Mr. BINGAMAN. Let me ask the Senator from Michigan another question: Taking the example that the Senator from Arizona was referring to, suppose in the defense appropriation bill we were to say, ''Of the funds appropriated in this bill, not more than $100 million can be spent by the Department of Defense to go into Bosnia unless and until the President certifies to the Congress''—whatever. That would be the provision.

Now, the Senator is saying that would be separately enrolled if we had that kind of a reference to a specific amount of money, which was the top amount that could be spent out of a much larger appropriation?

Is that a separate item which would then be enrolled?

Mr. McCAIN. Madam President, if I might say, the conditions that would be tied to any specific amount of money are inseparable.

Mr. LEVIN. Inseparable.

Mr. BINGAMAN. Madam President, my question, though, the money reference in the example I just gave is not a reference that appropriates money.

We have a bill that says we will give the Department of Defense $250 billion; that is the appropriations language. Then we put in a provision that says not more than $100 million of the funds appropriated in this bill can be spent for activities in Bosnia.

Is that a separate item?

Mr. McCAIN. That is correct, but if it has restricted language associated with it, then that language is associated with it, also.

Wherever there is a line where money is mentioned, that is a separate item.

Mr. BINGAMAN. That, to my mind, would be a restriction. That would be a limit or condition or otherwise restrict the President's authority to spend, because it would say, ''You cannot spend more than $100 million.''

Mr. LEVIN. Of money appropriated herein.

Mr. BINGAMAN. To do anything—of money appropriated herein—to do anything in Bosnia, and we are saying that is something that would not be submitted to the President as a separate bill.

Mr. LEVIN. That is correct.

Would the Senator want it to be?

Mr. BINGAMAN. I do not know. I am trying to understand what the President is ultimately going to be presented with.

Mr. LEVIN. I have a lot of problems with this bill, as the Senator knows, for exactly that same reason. It is our effort here to tie the restriction to the appropriation.

Mr. BINGAMAN. Madam President, if that is the case that we are trying to tie the restriction to the appropriation so as to keep the President from

vetoing the legislation separately, what is meant by the phrase ''otherwise appropriated funds''?

It says here, ''only limits, conditions, or otherwise restricts the President's authority to spend otherwise appropriated funds.'' Does that mean I can put a restriction in the defense bill which relates to funds appropriated in the energy and water appropriations bill? Is that what that means?

Why do we intend to exempt from this separate enrollment process limits, conditions, and restrictions on the President's authority to spend otherwise appropriated funds? Why is that? I do not understand.

Mr. LEVIN. The provision that the Senator is referring to is not a provision which appropriates funds. If it were, it would have to be separately enrolled.

Mr. BINGAMAN. So the point is not to require that the limits and conditions and restrictions on the President's authority apply to funds appropriated in other bills; it is rather to require that the limits, conditions, and restrictions on the President's authority instead apply to funds that are in a separately enrolled portion of the bill. Is that what it is?

Mr. LEVIN. If they are already together, then there is no need for this paragraph. This paragraph only says that we will not separately enroll the restriction where we can link it to an appropriation. If we cannot link it to an appropriation, if it is in another bill, it will then have to either be separately enrolled or packaged as a separate enrollment.

There is no cure for that problem under the current law. That is a problem which exists in our current law, that we restrict in one appropriation bill the President's authority to spend money in another appropriation bill. This does not solve that problem. It does not worsen the problem.

In other words, this does not do a lot of the things that I think the Senator would like to see done. It does not do a lot of the things I would like to see done. What it does do is make sure that where there is a restriction on an appropriation in a bill, that we do not separate the restriction from the appropriation, because then again we would be giving up a power over the purse for no advantage to the Treasury.

Where we can do that, we should do that.

Mr. BINGAMAN. Madam President, let me go at this slightly differently. And I am not trying to delay my colleagues here. I do have legitimate questions that I wanted to ask.

If I could get one other example for the Senator from Michigan to respond to. Considering this option, ''Of the $1 billion appropriated for research and development, not more than $100 million shall be spent on'' a specific project. Is that an earmark? I guess that is the question. Even though it does not mandate that $100 million be spent, it is a strong signal by the Congress that we intend that $100 million be available and spent. Is that an earmark which we are trying to eliminate by this legislation?

Mr. LEVIN. The language of the amendment is that if it does not create an expressed or implied obligation to spend the $100 million, then the answer would be ''no.''

Now, in my judgment, the way that was read, the answer would be ''no.''

Mr. BINGAMAN. So the view of the Senator from Michigan is that that kind of a proviso does not constitute an implied obligation to expend those funds?

Mr. LEVIN. That is right.

Mr. BINGAMAN. Let me ask, on the third subsection of this where it talks about—again, we are trying to define items and saying that items do not include conditions—language which ''conditions on an item of appropriation not involving a positive allocation of funds.''

Madam President, my concern is that I thought all items of appropriation were, by definition, positive allocations of funds. That is what I thought an appropriation was. It was an allocation of funds for a purpose.

Here we are saying that we are not going to include in the definition of item language which ''conditions on an item of appropriation not involving a positive allocation of funds. * * *'' I do not understand that language. It sounds to me entirely contradictory. I am obviously missing something.

Mr. MURKOWSKI. If I may respond, it is the implied purpose that no money can be spent. It says ''not involving a positive allocation of funds and explicitly prohibiting the use of any funds.'' Does that answer the question?

Mr. BINGAMAN. Madam President, I guess I still have a concern in talking about language that ''conditions * * * an item of appropriation not involving a positive allocation of funds.'' I did not know there were any items of appropriation that did not involve positive allocations of funds. I thought——

Mr. MURKOWSKI. If I may respond, my example given on the Department of Defense of $75 billion provided that none of the funds appropriated be available to deploy Armed Forces to participate in implementation. None of the funds.

Mr. McCAIN. May I add to that? It refers to any ''conditions on an item.'' Not to the item, I say to the Senator from New Mexico; any ''conditions on an item of appropriation not involving a positive allocation of funds.''

There are many conditions that are placed that do not have anything to do with allocation of funds. We are talking about the condition, not the item, in the amendment.

Mr. BINGAMAN. All right. Let me ask one other question here, Madam President, just to try to get a clear notion. The language of the amendment talks about language which ''rescinds or cancels existing budget authority.'' I guess I have two questions on that.

What do we mean by ''existing'' and what do we mean by ''budget authority''? Are we talking about just this current fiscal year's rescissions? And, if so, is it appropriate to just limit or just exclude from the definition of ''item'' rescissions of budget authority? Or should we also be excluding from the definition of ''items'' rescissions of appropriations, as well?

Mr. LEVIN. First of all, to answer question No. 1, it is not limited to the current year. Second, appropriations, as I understand it, are a budget authority. The words ''budget authority'' include appropriations, I am informed by the technical experts here on our staff. It surely is intended to include appropriations.

Mr. BINGAMAN. So it would not be limited just to the current fiscal year; is that correct, Madam President?

Mr. LEVIN. That is correct.

Mr. BINGAMAN. And therefore a 5-year budget resolution is what would be the determining factor, is that right, in whether or not a rescission would be exempt from the definition of ''item'' for purposes of this section?

Mr. LEVIN. It would cover the rescission of existing budget authority for whatever year that it has been adopted.

Mr. BINGAMAN. OK.

Madam President, I have delayed the Senate long enough. Let me just conclude by making a general statement.

I think what we are faced with, with this amendment—and I think it is a conscientious effort by the Senator from Michigan and the Senator from Alaska to come up with some way of sorting out a separation of the appropriating process from the policymaking process. That is what they are trying to do here, as I understand it. They are trying to preserve to the Congress the ability to make policy while granting to the President dramatic new powers with regard to the actual appropriating of funds or the prevention of funds from being appropriated. That is what I understand is going on.

I think it is very, very difficult to sort those things out. I think it is very difficult to grant to the President one power and reserve to the Congress the accompanying power—which is what this amendment is trying to do. I think it may go a short distance in getting us to that, but I think the grant of authority, if the bill which is pending before us is adopted, as I gather it is going to be—the grant of authority is broad and the President, I think, would find that he has very broad authority to countermand policy decisions by the Congress through the use of this new veto power that we would be granting in this legislation.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Madam President, first let me say I agree with my friend from New Mexico. This is an effort here to

not give to the President, to avoid giving to the President, power which does not lead to a reduction in spending. The purpose of the line-item veto is to try to give the President additional authority over spending where the Congress adds spending. But where the Congress is restricting spending, limiting spending, rescinding spending, conditioning spending for policy purposes that we believe are good and valid, we surely do not want to give the President the veto authority over those restrictions, limitations, conditions, and rescissions.

The Senator from New Mexico is exactly right. That is the purpose of this amendment.

I do not support the underlying substitute to which this amendment will hopefully be attached. I think we are going to create an absolute nightmare for the legislative process, for the executive branch, in splintering up an appropriations bill into all kinds of shards and little pieces. But it appears clear that is what the Senate is about to do. I do not support that approach.

But if we are going to do that, for heaven's sake, let us not go beyond the purpose of a line-item veto, which is to give the President, presumably, the authority to veto additional spending. Let us not give the President the authority to wipe out our restrictions on spending. Let us not give the President that additional authority to wipe out our conditions on spending, our rescissions of spending. There is no reason to do that.

While this only cures one of the problems, in my book, with the underlying substitute—and there are plenty of others that give me cause to oppose the underlying substitute—I think we surely ought to do this much, and do what we can to avoid unintended consequences.

I believe the sponsors of the underlying substitute support this because it is not their intention to give the President authority to wipe out our restrictions on spending and our rescissions of spending. Since that is not, I hope, their intent, we can do the best we can to correct the bill in this regard. But without this amendment, the bill would give the President a separate piece of a bill, of an appropriations bill, and that piece would have just the limitation or just the restriction or just the condition, allowing the President to separately veto that and then to be able to spend all of the money without restriction.

So I think the Senator from New Mexico pointed out what the purpose of the amendment is and is accurate in saying it does not solve a number of additional problems. I would agree with him. But it does solve some of the problems. I hope it will be adopted.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, I would like to thank Senator BINGAMAN for bringing these issues to the attention of this body as we are considering it. I think there will be significant questions. As the Senator from New Mexico pointed out, this is a very significant and fundamental change in the way that business is done. So these examples, and the questions that are in the RECORD, I think, will be helpful when we proceed—I put that perhaps a little too optimistically—when we proceed to implement the line-item veto. I thank the Senator from New Mexico.

I would like to point out that, as I said earlier, we have proved to anyone's satisfaction here that the Congress can ignore or violate any law that it passes. The most outstanding example, of course, is the War Powers Act. The Congress of the United States, over the veto of the President of the United States, passed the War Powers Act. We routinely ignore that legislation—routinely; perhaps one of the most fundamental principles of the separation of powers as embodied in our Constitution.

So I am fully aware that if the Congress wants to violate this law when we pass it, they can. They can find loopholes. They can find ways around it. But this language in the Levin-Murkowski amendment I think makes it very clear that the President of the United States cannot and should not be able to veto an item of condition or money—moneys that the Congress appropriated under those conditions, and be able to separate the two. I think this amendment is very clear in that direction.

Senator LEVIN very thoughtfully points out other problems he has with the bill. I think many of those problems are legitimate. I had a long exchange yesterday with Senator BYRD, who raised some legitimate concerns.

But I believe there are two ways to look at this legislation. One is to go at what the intent is, what the language is, what I think is very clear and has been interpreted on this floor as to what it is. Or we can go at it and say we will find some loopholes here and we will appropriate $50 billion—$234 billion for defense, period; or maybe even break it up into the Army, Navy, Marine Corps, and Air Force.

We can also better shape legislation so the intent of legislation is clear, so it is very easy to enroll and, frankly, Madam President, with some of the extraneous matter taken out of it which I believe will make these bills much smaller than they are today, because I do not think we get away with some of the items that are now put in which some of us only discover weeks or months after the passage of the legislation. Items that are put in in conference between the two bodies, no Members except those members of the conference, a small number of people, ever see until we are presented with that legislation, and we only have two choices: yes or no, up or down on that bill. That is not what the participation of Members of the body in shaping legislation is all about, in my view.

So I again want to thank the Senator from Michigan. I think it is particularly interesting that the Senator from Michigan opposes this bill, yet he is willing to spend an enormous amount of time and energy in trying to make this bill better.

My sincere appreciation goes to the Senator from Michigan for his attempts and for what I think he and the Senator from Alaska have done. Frankly, that is what the amending process on the floor of the Senate is all about: to make legislation better. The Senator from Michigan saw a potential serious problem. I believe that his amendment addresses the vast majority of it.

Madam President, I yield.

Mr. LEVIN. Madam President, let me thank my friend from Arizona, first of all, for his comments and for his support. I want to thank Senator MURKOWSKI because he also noted a very significant problem with this approach. We worked out this common solution to it.

I thank Senator EXON for his cosponsorship and support.

Madam President, I also thank the Senator from New Mexico. He raises some very important questions which will help create a record which, hopefully, will in turn help to implement this legislation, if it is ever passed.

I yield the floor.

Mr. MURKOWSKI. Madam President, I have worked with the distinguished senior Senator from Michigan, Senator LEVIN, in developing some examples of the implications of amendment No. 406. I think these examples provide our colleagues with a clearer picture of the limitations that will be imposed on enrolling line items.

Mr. LEVIN. I appreciate the help of my colleague from Alaska in developing these examples and I believe they reflect our intent in drafting this amendment.

Example I: Absolute funding prohibition as part of an appropriation; a Defense appropriations bill contains a provision that provides:

Funding for the Department of Defense: For military personnel $75 billion: Provided that none of the funds appropriated be available to deploy United States Armed Forces to participate in the implementation of a peace settlement in Bosnia unless previously authorized by Congress. Under the pending substitute, the President would be presented with two bills:

Bill 1 appropriates $75 billion for military personnel.

Bill 2 bars United States troops in Bosnia peacekeeping.

The President can sign bill 1 and veto bill 2. He thus will be able to receive the $75 billion without restriction and could send troops to Bosnia without congressional approval.

Under our amendment, the President receives one bill:

Since the restriction in the appropriations bill completely bars the use of any funds in Bosnia peacekeeping,

the President would receive only one bill which contains the appropriation of $75 billion along with the Bosnia restriction. The President must either sign the bill and accept the Bosnia restriction or he must veto the bill and not have the $75 billion available.

Example II: Funding Prohibition as a Free Standing Provision; other limits and conditions on appropriations are frequently placed at the end of an appropriations bill. For example, in last year's Commerce, Justice appropriations bill, provisions were included prohibiting the expenditure of funds for specific purposes including: publicity and propaganda purposes not authorized by the Congress; expenditures for consulting services that are not a matter of public record; the purchase of certain equipment outside the United States; and the implementation of certain EEOC harassment guidelines based on religion.

Similarly, last year's Defense appropriations bill contained provisions prohibiting the expenditure of any funds for specific purposes, including: To build a specific radar system; to establish or support a specific type of maintenance support activity for the B–2 bomber; or to carry out specified research projects involving the use of animals.

Other examples of limits and conditions on appropriation that are free standing sections within an appropriations bill include last week's Defense supplemental bill passed by the Senate. Section 108 contains a requirement that none of the funds appropriated by the act may be made available for operations in Haiti more than 60 days after the date of enactment, unless the President complies with specified reporting requirements.

Under the substitute, as originally drafted, each of these limitations would be placed in a separate bill, and could be vetoed by the President. For example, the President could sign the supplemental appropriation bill providing the money for operations in Haiti and veto the limitation.

Under our amendment, the general limitations in a bill would not be items, and would be enrolled together in a single bill. Thus the limitation on funds for Haiti would not be a separate item. Because it pertains to multiple appropriations, it would be enrolled with the general limitations described above.

Example III: Limitation and conditions; a VA–HUD bill appropriates $350 million for research and development activities including procurement of laboratory equipment and supplies and repair and renovation of facilities. A proviso in that bill states that no more than $55 million of these funds shall be available for procurement of laboratory equipment. The proviso does not mandate that money be spent on laboratory equipment. Nor should it be considered as creating an express or implied obligation to expand funds. It only provides that if the administration chooses to spend money on such equipment, it can expend no more than $55 million.

The President would receive only one bill containing the $350 million appropriation along with the restriction limiting the amount of money that can be expended for procurement of laboratory equipment.

Similarly, a provision stating that ''not to exceed $8,000'' of an overall appropriation may be expended for official reception and representation expenses would be enrolled with the appropriation that is so limited, and not as a separate bill.

Example IV: Implicit obligation to spend; the same legislation as in example II appropriates $350 million for procurement of laboratory equipment, supplies, repair and renovation of facilities contains a proviso that three research facilities be constructed in a particular State at a cost of no more than $30 million. Such a condition would not be covered under our amendment. That's because the proviso requires the construction of such facilities and therefore implicitly obligates the expenditure of funds.

The President would receive two bills. One would contain the $350 million appropriation for laboratory equipment, supplies, repair and renovation of facilities. The second bill would contain the provision specifying that three research facilities be constructed in a particular State at a cost of no more than $30 million. The President could sign or veto the first bill and could sign or veto the second bill.

Mr. EXON. Madam President, I thank my friend and colleague from Michigan. I think this is a very, very good amendment. It certainly does not cover all of the concerns I have in this area, but a considerable number of those concerns.

I am very pleased to be a cosponsor of the amendment, and once again I appreciate my colleague's attention to the details. I think the amendment makes the proposition, although I still have some concerns, much more palatable. I thank him for offering the amendment. I believe we are ready to act on it.

I yield the floor.

Mr. McCAIN. Madam President, I was admonished yesterday by the distinguished Senator from West Virginia that it is not appropriate to say I move the amendment. I do not say that. But I note that there is no further debate at this time as far as I can tell.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 406) to No. 347 was agreed to.

Mr. McCAIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCAIN. Madam President, I say to my colleague and friend from Nebraska that it is my understanding, now that this amendment has been taken care of, that Senator HATCH is now ready to propose an amendment. I believe that he may decide to withdraw that amendment.

Then remaining, as far as I can ascertain, will be the Abraham amendment which I believe Senator BYRD wanted discussed, and then finally the Byrd amendment itself.

So perhaps we could notify the Senator from West Virginia that his involvement on the two remaining amendments will be what remains after Senator Hatch finishes.

Mr. EXON. We will certainly tell the Senator from West Virginia what is taking place so that he will be fully advised. My conversations with him indicated that he may want to make some comments with regard to the amendment that is going to be discussed by our colleague from Utah.

Also, the Senator from Arizona is correct. I believe very likely we could agree to the Abraham amendment that Senator BYRD wanted to talk on. I do not know what his position is. But he wants to talk on it. After we dispose in some fashion of the Hatch amendment, the only thing, as the Senator from Arizona said, that I know of is the Abraham amendment that Senator BYRD wishes to address, and the Byrd amendment itself. I think that indicates that we have moved in great fashion by working together in moving this. We are much further along than most of us thought we would be on Tuesday last.

Mr. McCAIN. I thank my friend from Nebraska for his totally cooperative spirit in this effort. Perhaps Senator BYRD would want Senator ABRAHAM on the floor when he discusses his amendment. So perhaps we can coordinate that.

Mr. EXON. Senator ABRAHAM told me about one-half hour ago that he, by necessity, had to leave the Hill and would be back in about an hour, which I thought would be around 2 o'clock or something like that. He asked me to tell Senator BYRD that he was sorry that he had to leave. So we will pass along the information to Senator BYRD on the fact that Senator ABRAHAM will be back around 2, and whether or not he wants to come up and talk about the next business, the amendment by the Senator from Utah, and we will see that all parties are properly advised.

I yield the floor.

Mr. McCAIN. Madam President, I note the presence of the distinguished chairman of the Judiciary Committee on the floor.

I yield the floor.

Mr. HATCH addressed the chair.

The PRESIDING OFFICER. The Senator from Utah.

AMENDMENT NO. 407 TO AMENDMENT NO. 347

Mr. HATCH. Madam President, I call up amendment No. 407.

The PRESIDING OFFICER. That amendment is the pending question at this time.

Mr. HATCH. I thank the Chair.

Madam President, my amendment to the Dole substitute version of S. 4 excludes items of appropriation for the judicial branch from enrollment as separate measures prior to presentment to the President. It provides instead that items of appropriation for the judicial branch shall be enrolled together in a single measure. This amendment would help ensure the independence of the judiciary from the executive branch, and would not detract from what this bill seeks to accomplish.

The amendment is designed to protect the judicial branch from attempts by the President to influence or punish the judiciary—or otherwise undermine its independence as a co-equal branch of Government—through exercising the line-item veto power with respect to particular judicial appropriations. While I would hope that no President would think to exercise the line-item veto in such a manner, it remains a very real threat that we can easily safeguard against at this stage through adopting this amendment.

The amendment I propose would do that by excluding items of appropriation for the judicial branch from enrollment as separate measures for presentment to the President. The exception would cover all salaries and expenses related to the operation and administration of the Federal courts. The exception would not extend to courthouse construction, which does not appear in the judiciary's budget and which would remain subject to the line-item veto. Under my amendment, if any of the covered items appeared in an appropriations measure, those items would be enrolled together into a single measure.

The amendment is carefully crafted to avoid creating a loophole through which other expenses could be shielded from the line-item veto. A budgetary item would only qualify for the exception from separate enrollment if it is for one of the functions of the judiciary as those are listed or described in the current appropriations act. Thus, Congress could not seek to hide an item from the line-item veto by slipping it into the judiciary's budget.

I believe that the judiciary needs this protection. In the absence of this exception, the judicial branch would be particularly vulnerable to the President's whim. In one form or another, the executive branch is the largest litigator in the Federal courts. Federal courts frequently weigh in on the legality of executive branch action. It is not difficult to appreciate how the judicial branch would be vulnerable to the line-item veto because of that. Perhaps more important, the judiciary would be relatively powerless to defend itself compared with the legislature. Although a President could conceivably use the line-item veto to target particular functions of the legislative branch, Congress would have a keen interest in defending itself against such a veto if it believed the veto unwise, and would have at its disposal the direct means through which to override a Presidential veto. The judicial branch, however, cannot defend itself.

John Adams stated that ''The judicial power ought to be distinct from both the legislative and executive, and independent upon both, so that it may be a check upon both.'' Just as the judiciary is separate from the executive and legislative powers in our constitutional system, so its independence should be safeguarded through the budgetary process on which it depends.

Current law already protects the judiciary's budget from Presidential action, in large part to insulate the judiciary from political manipulation through the budget process. By statute [31 U.S.C. §1105(b)], the Judicial branch's budget is accorded protection from Presidential alteration. When the President transmits a proposed Federal budget to Congress, the President must forward the judicial branch's proposed budget to Congress unchanged. That process has been in operation since 1939. It was adopted in part because of unilateral action taken by the executive branch in the 1930's to cut the judiciary's funding. The Chairman of the Judicial Conference, Chief Judge Gilbert Merritt of the U.S. Court of Appeals for the Sixth Circuit, testified before the Senate Governmental Affairs Committee, that in the 1930's executive branch action forced the firing of court staff and cut in half the salaries of judges' secretaries. That kind of action to influence our Federal judges cannot be tolerated, and it should not be allowed to creep back into the system.

Under the present system, that does not mean that the judiciary is immune from budget cuts. The judiciary must independently justify its budget to Congress, and must operate within the budget appropriated for it. It would continue to do so under the amendment I propose. In addition, Congress would continue to be as free to legislate the judiciary's budget under my amendment as it is today. The President would also remain free to veto the Judiciary's entire budget. To subject the judiciary's budget to separate enrollment, however, risks undermining the current approach—and the balance of power between the executive and judicial branches—and risks exposing the judiciary to targeted, politically motivated retaliation. The President should not be permitted to veto specific appropriations for the judiciary where those appropriations have been carefully shielded from Presidential alteration in the first place.

Moreover, an exception for the judiciary would have virtually no impact on the Federal budget. The entire budget for the judiciary is two-tenths of 1 percent of the entire Federal budget. While the judiciary could be devastated by the line-item veto if portions of its budget were subject to separate enrollment, subjecting it to the line-item veto could not possibly have any significant impact in terms of budget reduction.

Normally, I would say subject every line item covered by the bill to Presidential veto. But I believe that an exception for the judicial branch is uniquely warranted on principle. The judiciary is a separate and co-equal branch of Government that does not have the institutional power to look after itself under separate enrollment. The Congress can safeguard itself through the use of the veto override process. The judiciary, however, possesses no similar safeguard.

To be sure, Congress would have the authority to override a veto of any item in the judiciary's budget. I feel very strongly, however, that the judiciary should not be placed in the position of depending on that action. That is too slender a reed on which to rest the independence of the judiciary. This amendment will better ensure the judiciary's independence and protect it as a co-equal branch of Government.

Mr. President, my amendment does not alter the basic operation of the underlying legislation. Nor would its adoption be a precedent justifying other exceptions: no other entity or part of our system of Government funded by Congress stands on the same footing as the Federal Judiciary, a co-equal branch of the central Government.

I hope my colleagues will join me in acknowledging the status of the judiciary as a branch of Government co-equal in status to the Congress and the President, and will support this amendment.

Let me give my colleagues a hypothetical which illustrates my concern. It involves private property rights.

The U.S. Court of Appeals for the Federal Circuit is a separate line item, currently at $13 million. Among other matters, this court currently handles all appeals in property rights cases under the takings clause of the fifth amendment. Suppose this court hands down a string of cases favoring property owners, and against the Federal Government. Suppose further that this angers the President. Without my amendment, he could veto the $13 million line item—with the exception of the salaries of the judges, which the constitution protects, return it to Congress, and object that the item should be reduced to $10 million, citing, not the private property rights cases, but some ostensible good Government, cost-saving reason. Now, Congress can either override the veto or pass a new bill giving this court only $10 million, hampering its ability to function. Or worse yet, the President could veto it all and just take the whole $13 million.

What is likely to happen? Most Americans, and probably most Members of Congress, have never heard of this court. No one is going to get worked up about this unknown court and $3 million. The judges of the court

are hamstrung from speaking frankly and accusing the President of undermining them because he dislikes their opinions—that gets them too involved in the political process.

We do not want judges moving back and forth in accordance with every blink or whimsy of the President of the United States or the Congress also. We want judges judging things on the merits, the way they should be judging matters.

Moreover, if enough congressional members of the President's party share his disapproval of how this court has ruled on these matters, a two thirds override will not happen. Congress will be forced to cut the court's budget and the independence of the judiciary has been undermined.

If all of the judicial branch's appropriations are in one bill, however, including the Supreme Court, the other courts of appeal, the district courts, and so on, the President couldn't get away with this. We all know what the Supreme Court and the other courts do. If the President wanted to tamper with the Court of Appeals for the Federal Circuit, he would have to veto the Supreme Court's funding and the funding of all of the other Federal courts. This would alarm people. I doubt very much that a President would veto a $2.7 billion bill for the sake of knocking out $3 million for this obscure court. If he does so, I think Congress would override it so the Supreme Court, for example, is able to function.

I make this argument only in defense of a coequal branch of Government which has no direct means of protecting itself. I am not being critical of the line-item veto in other contexts, and I will support it.

I understand that Senator BYRD would like to speak on this amendment, so I will yield the floor at this time before making any further motions on it.

Mr. BYRD addressed the chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. It is my understanding that the distinguished Senator from Wyoming [Mr. SIMPSON] wanted to speak as if in morning business for 10 minutes. Would it be agreeable——

Mr. HATCH. That is certainly agreeable with me.

Mr. BYRD. With the Senator from Utah? If Mr. SIMPSON would like to come down now, I would like to ask some questions of the distinguished Senator from Utah but I do not want to be in a position of keeping Mr. SIMPSON waiting. If it does not inconvenience the distinguished Senator from Utah, I would be happy to wait until the Senator from Wyoming makes his statement.

Mr. HATCH. That will be fine. I need to go to another meeting for a few minutes anyway. And I will come right back as soon as I am through.

Mr. BYRD. All right.

Could we get the yeas and nays on the Senator's amendment now?

Mr. HATCH. I would prefer to wait, holding out on the yeas and nays for just a short period.

Mr. BYRD. Very well.

Mr. HATCH. If the Senator desires them, we will get them.

Mr. BYRD. Very well.

Madam President, the distinguished Senator from Utah has to be off the floor for a few minutes to attend a press conference. I would prefer that he be here. I do have a few things to say about this amendment and I have some questions to ask. So I would prefer to suggest the absence of a quorum and give the Senator an opportunity to attend the press conference.

In the meantime, if the distinguished Senator from Wyoming [Mr. SIMPSON] could be contacted, he perhaps could make his statement before further discussion on this amendment.

So, unless the distinguished Senator from Arizona or any other Senator wishes to speak, 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. ROTH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ROTH. Mr. President, I rise in support of the Hatch-Roth amendment. This amendment would exempt portions of the budget used to support the Federal judiciary from the line-item veto by directing that the entire appropriation for the judicial branch be enrolled in a single bill.

From the outset, I want to make it clear that I support the idea of the line-item veto. I believe that it is important to give the President the authority to selectively eliminate expenditures of taxpayer funds which are not in the public interest. I believe the legislation we are considering will do that, and that this legislation is a big step toward fiscal responsibility.

But when it comes to the funding of the Federal judiciary, we are dealing with very sensitive constitutional issues. An independent Federal judiciary was so important to the Founders that the Constitution itself not only gives Federal judges lifetime tenure, it specifically prohibits any reduction of salary during a Federal judge's term of office.

Our amendment would exempt the Federal judiciary from the line-item veto. Unless this amendment is adopted, the vast majority of the judiciary's appropriations would be subject to a line-item veto by the President. Only the salaries of article II and bankruptcy judges and retirement-related programs would be excluded.

If the Founders were concerned enough about the independence of the Federal judiciary to prohibit reductions in salary during a judge's tenure, we ought now to be extremely cautious about giving the executive branch the power to exert pressure on the judicial branch by the withholding funds for necessary judicial staff salaries, equipment or communications, for example. Of course, I am not asserting that this President, or any President, would use the line-item veto authority granted by this bill to exert such improper pressure, but the fact is that the power to do so would exist under this bill. We should keep in mind that the Executive branch always has more lawsuits pending in the Federal courts than any other litigant.

Since 1939 the Budget and Accounting Act has provided that requests for appropriations for the judicial branch shall be submitted to the President and transmitted by him to Congress ''without change'' [31 USC 1105 (b)]. This legislation was adopted because of the inevitable conflicts that arose in having the Department of Justice cut funds requested by the judiciary before the judicial budget was submitted to Congress. That legislation is still in effect. It seems anomalous to prohibit the executive branch from changing the judiciary's budget prior to submission to Congress, but then to give the President unilateral authority to revise an enacted budget.

Does this mean that if our amendment is adopted the Judiciary gets a free ride to spend as much as it likes? Of course not. The judicial budget would still be subject to congressional approval and Presidential veto, just as it is now. Moreover, it should be noted that the judiciary's budget does not include funding for courthouse construction. Budget requests and appropriations for building construction are within the province of the executive branch and the Congress, and are not affected by our amendment since the judiciary has no role in the funding of such construction.

For all these reasons, this amendment makes a great deal of sense. It is the prudent and responsible thing to do, and I urge its adoption.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ABRAHAM). Without objection, it is so ordered.

Mr. BYRD. Mr. President, the amendment by Mr. HATCH reads as follows:

On page 3, line 21, after ''separately'' insert ''except for items of appropriation provided for the judicial branch, which shall be enrolled together in a single measure. For purposes of this paragraph, the terms 'items of appropriation provided for the judicial branch' means only those functions and expenditures that are currently included in the appropriations accounts of the judiciary, as those accounts are listed and described in the Department of Commerce, Justice, and State, the Judiciary, and Related Appropriations Act.''

May I ask the very distinguished chairman of the Judiciary Committee, the author of this amendment, why are we seeking to exempt the judiciary from the four corners of the measure that has been introduced by Mr. DOLE as a substitute for S. 4?

Why do we seek to exempt the judiciary from the reaches, from the requirements of the substitute? Why should the judiciary be exempted? I know these are questions that not many Senators are very likely to come to the floor and ask, but I think they should be asked. I would like to have the distinguished Senator's response to that question.

Mr. HATCH. I think it is a good question. Of course, keep in mind that the judiciary is one of the three separated powers in our Constitution. The executive branch of Government has plenty of power under this amendment to veto the line items. The legislative branch has the power to send the appropriations bills and other bills to the executive branch in and of its own; if items are vetoed, the legislative branch can defend itself by, of course, overriding that veto. The judicial branch, however, has no power under the line-item veto in comparison with the other two.

Without a judicial branch exception to separate enrollment, the judiciary is more vulnerable than the other two coequal branches of Government.

Under the line-item veto, the judiciary could be highly vulnerable to targeted budget cuts if its budget were subject to separate enrollment. Congress, as I have said, can protect itself from such use of the line-item veto through the legislative process in overriding a Presidential veto. The judiciary, however, does not have the means to protect itself.

In order to preserve the judiciary's place as a coequal branch of Government, the appropriations items in the judiciary's budget should be excluded from separate enrollment and should instead be enrolled as a separate measure.

Let me just say this. The exception that we are asking for—and I am a supporter of the line-item veto measure before this body—the exception I am asking for would cover all salaries and expenses related to the operation and administration of the Federal courts. It would not extend to courthouse construction, which does not appear in the judiciary's budget, and which would remain subject to the line-item veto.

Under my amendment, if any of the covered items appeared in an appropriations measure, those items would be enrolled together into a single measure.

We feel we have carefully crafted the amendment to avoid creating loopholes through which other expenses could be shielded from the line-item veto. A budgetary item would only qualify for exemption from separate enrollment if it is for one of the functions of the judiciary as those are listed and described in the current appropriations act.

Thus, Congress could not seek to hide an item from a line-item veto by slipping it into the judiciary's budget. We feel this is an appropriate thing to do since the judicial branch of Government is a co-equal, separate branch of Government and is supposed to be kept out of politics.

If, for instance, we allow line-item vetoes on salaries and the administration of the courts, then it seems to me almost impossible to keep the judges out of politics. That is not the direction we want to go. And, frankly, I think this an appropriate amendment under those circumstances.

Mr. BYRD. Well, Mr. President, I certainly respect the views of the distinguished Senator in this area, as well as in all other areas. I have had a long and cordial association with the distinguished Senator from Utah that extends over a period of many years. I sat on the Judiciary Committee at one time with the Senator, and he is a very distinguished chairman of that committee.

But here we are, we are purporting to send to the President legislation that will allow the President to veto any one, or more, of the hundreds, perhaps even thousands of minibills—or ''billettes,'' as I prefer to call them—which will flood the President's desk as a result of the requirements of this substitute by Mr. DOLE.

It seems to me that all of the branches of Government should be governed equally in the enrollment of ''billettes,'' thus giving the President an opportunity, if he thinks there should be reduced expenditures in any of the accounts, with respect to any of the items, allocations, suballocation sections or paragraphs. It seems to me that the taxpayers would expect to be fully protected with reference to all three branches of Government and not just two, not just the executive branch and the legislative branch.

For all practical purposes, I would imagine that the President, in lineiteming the ''billettes,'' will probably not be very severe with respect to items that are in the executive branch. If the judicial branch is to be exempted, then it further seems to me that the legislative branch is the one branch of the three that is going to feel the fall of the scimitar, the fall of the ax. It is going to be the object of the wet veto pen of a President.

So while I realize that most Senators, maybe all except one, will vote for this amendment—I start out by presuming that I will be the only Senator that will vote against it. I presume all of the other Senators will vote for it. But that does not trouble me in the least. I have been in that situation before. I cannot believe that justice is being done in relation to this hurriedly written substitute, which was apparently cut and pasted together over the spread of a few hours, brought in here, laid down on Monday of this week, and upon which immediately was trained the cloture-motion gun. I cannot believe that justice is really being done with this piece of legislation on such short notice and under such limitations of the time.

I agree with the Senator and recognize what he says with respect to the independence of the judiciary. I fully agree with the need for the judiciary to be independent. I do not quarrel with that at all. The constitutional Framers thought likewise, and rightly and wisely. There is nothing we can do with regard to the salaries of judges. Under the Constitution, they cannot be reduced. And I call attention to history in this regard, which is anathema, apparently, to a good many Members of the legislative branch. I am not just restricting my statement to this House. But history is something that, if we read it all, it must be a revisionist history. It cannot be the history that I studied. It cannot be Muzzey's history, because that history is not politically correct. Muzzey. The very first sentence of Muzzey says: ''America is the child of Europe,'' or something to that effect. Of course, that is politically incorrect today to say that. But inasmuch as you cannot teach an old dog new tricks, I still believe in Muzzey.

I studied Muzzey by the old kerosene lamp back in the hills of West Virginia, Mercer County. I memorized my history lessons at night by the light of that old kerosene lamp. So I remember that the Founding Fathers decided that the judiciary should be independent, and they were preeminently correct in that they had studied history also, and they, I am sure, noted that in the English Bill of Rights—which started, may I say to the distinguished Senator from Alabama [Mr. HEFLIN], the English Declaration of Rights became the English Bill of Rights in 1689. In that English Declaration of Rights, there were certain provisions to which William III of Orange and Mary II had to agree before Parliament would make them joint sovereigns. Can you imagine that? Can you imagine Parliament saying to these two eminent personages, ''You will have to agree to this Declaration of Rights before we, the Members of Parliament, will enthrone you. Before we will put that crown on your heads, you will have to agree with these provisions, one of which is that judges shall enjoy life tenure. They cannot be derobed or defrocked or lose their capacity as judges just by the whim and fancy of the king. They are there on their good behavior.'' So William and Mary agreed to the provisions that were laid out in that Declaration of Rights.

Another provision in the Declaration of Rights was that the Members of Parliament had the right of speech, right to free speech. They could not be questioned in any other place. We have the same provisions in our own Constitution to protect us, the Members of the U.S. Senate. We can say whatever we want on this floor. I can criticize the

President of the United States, and there is not a thing he can do about what I say. There is not a thing anybody else can do about it. I have the right of freedom of speech right here on this floor, and I have no compunction with criticizing, in a constructive way, a king, a shah, a prince, or a President. Those are rights that were won for Englishmen, by Englishmen over a period of centuries.

That is one of the things I am concerned about in the so-called line-item veto. This is not a line-item veto. One of the things that concerned me about the line-item veto is the fact that a President might be able to cower a Member of the Congress, and cause that Member to be inhibited from voicing criticism of the President for fear that a project or program affecting the Member's State or the Member's district—talking about a Member of the other body—would be jeopardized if that Member were to speak critically of the President.

So to that extent, it is not a measurable extent, but to that extent, a Member may be to some extent inhibited from exercising his freedom of speech. So these are just a few of the things that I call attention to that have been derived from the English Bill of Rights, the English constitution.

The English constitution is an unwritten constitution except that it is composed of various documents, the Magna Carta, the Petition of Right, Declaration of Rights, other important documents, statutes, court cases, customs, traditions, and so on. All these things go up to make the English constitution, the British constitution.

I am sure such a law would not be constitutional, but I would like to see a law that would place a requirement on every Member of the Senate and the House of Representatives to study American history and to study the history of England. Why? Because not only was England the mother country of our early forebears for the most part—Benjamin Franklin's father was an immigrant from England; Robert Morris, the financier of the Revolution was from England; and James Wilson, one of the delegates of the Convention on the Constitution from Pennsylvania, was born in Scotland.

What I am saying is that every Member of this body ought to have a greater appreciation of the American Constitution. He should note the phrases and the clauses that are in the American Constitution that have their roots deeply embedded in the soil of the English constitution. Many of those rights were gained by Englishmen after centuries of struggle. Many of them were won at the top of the sword.

So I will save any filibuster on this matter until later, if I am forced to. If I should be forced to have to filibuster, I think most Members recognize by now that I would not have to carry a bundle of notes to the floor. As long as my poor old feet that have been carrying me around now for more than 77 years are able to stand on this soft landing, but I recognize and fully support the independence of the judiciary.

I hope that the author of the amendment has not grown tired already of what is just the beginning of what I want to say, and asks about this amendment.

Mr. President, I was going to ask the distinguished Senator what is meant by the words ''currently included.'' I will read the sentence again: ''For purposes of this paragraph, the term items of appropriations provided for the judicial branch, means only those functions and expenditures that are currently included in the appropriations accounts and the Judiciary. . .''

''Currently included,'' only those that are currently included in the appropriations accounts of the judiciary as those accounts are listed and described in the Department of Commerce, Justice, and State, the judiciary and related agencies of the appropriations act.

I promise the distinguished Senator I will repress my appetite for launching into the vast realms of history during the remainder of my discussion of this amendment. What is meant by those words ''For purposes of this paragraph, the term items of appropriations provide for the judicial branch means only those functions and expenditures that are currently included in the appropriations accounts of the judiciary.''

Mr. HATCH. Mr. President, my distinguished colleague is as knowledgeable as anybody on the history of this body with respect to appropriations.

Of course, he is currently the ranking member of that committee and he has chaired that committee. He knows what we are trying to do with that language. We are trying to define the exemption so that this will not become a loophole through which Congress could avoid a Presidential veto.

As I have explained, we believe that the judiciary, which is a truly separated power and a co-equal branch of Government, has no real power unless it starts to politicize itself. I think that is what would happen if this amendment is not adopted and the line-item veto passes. If we do not give some protection here, we will politicize the judiciary.

I think we need to have this protection. What this amendment does is take the vulnerable judicial branch, which is a small percentage of the budget, and exclude it from separate enrollment. We exclude it in accordance with the language in this amendment, with reference to appropriations for the judiciary as listed and described in the Department of Commerce, Justice, State, and Judiciary and related agencies Appropriations Act of 1995.

We define it in that way so that we limit it so that there are no loopholes. We think it is a crucial matter. It is critical to do this because it is such a small part of the budget yet so easily politically manipulable. I do not want the courts manipulated, not by the Presidents, not by the Congress, not by anybody.

Mr. BYRD. But the Senator has not answered my question. What do the words ''currently included in the appropriations accounts'' mean? What about new functions?

Mr. HATCH. They would not be covered.

Mr. BYRD. New functions would not be covered.

Mr. HATCH. Just the ones currently covered. We want to have a definition in time, so if we are going to add features, they would not be covered. They could be enrolled as a separate item.

Mr. BYRD. Let us take a look at what those current items are, what we are talking about.

Mr. HATCH. Maybe I could—will the Senator yield?

Mr. BYRD. Yes. I would like to point out an error that appears to me immediately.

Mr. HATCH. OK.

Mr. BYRD. Which again—which again is indicative of the hurry in which this substitute was put together.

The Senator's amendment refers to Public Law 104–317. It refers to the Department of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act.

Mr. HATCH. I agree with the Senator. It ought to be 103.

Mr. BYRD. It has the wrong citation here.

Mr. HATCH. It ought to be 103–317.

Mr. BYRD. Error. Instead of Public Law 104–317, it is 103–317.

That is a minor error. But just think of the thousands of errors that will be committed in the name of the enrolling clerk of the originating body once this monstrosity becomes law. That is just a small error. That can be cured easily by unanimous consent.

Mr. HATCH. Will the Senator yield?

Mr. BYRD. Yes.

Mr. HATCH. That is a technical error. I think that can be easily remedied.

But let me just say this——

Mr. BYRD. Would the Senator like right now by unanimous consent to cure that error?

Mr. HATCH. Yes. I ask unanimous consent it be cured at this time and it be modified.

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

The amendment (No. 407), as modified, is as follows:

On page 3, line 21, after ''separately'' insert '', except for items of appropriation provided for the judicial branch, which shall be enrolled together in a single measure. For purposes of this paragraph, the term 'items of appropriation provided for the judicial branch' means only those functions and expenditures that are currently included in the appropriations accounts of the judiciary, as those accounts are listed and described in the Department of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act, 1995 (Public Law 103–317)''.

Mr. HATCH. Mr. President, if I could, with the forbearance of my colleague

from West Virginia—he asked the question what really is covered here. Let me just cover it briefly.

The judiciary's budget is broken up into a number of sections and subsections. In the Judiciary Appropriations Act for 1995, the current act that is being referenced in the amendment—those accounts are, 1995 amounts, as follows:

First, Supreme Court of the United States. The 1995 appropriation is $27 million, which is almost a minuscule amount when you look at the total Federal budget of the United States.

Second, Court of Appeals for the Federal Circuit. Their appropriation is $13 million.

Third, the U.S. Court of International Trade's appropriation is $12 million.

Fourth, the courts of appeals, the district courts, and the other judicial services. This account covers the salaries and expenses of all Federal district courts, courts of appeals, and bankruptcy judges. This account also includes subaccounts for defender services, fees of jurors and commissioners, and court security. Salaries and expenses equals $2.340 billion; fees of jurors and commissioners equals $59 million; court security equals $97 million; defender services equals $250 million.

Fifth, the Administrative Office of the U.S. Courts' appropriation is $48 million.

Sixth, the Federal Judicial Center's appropriation is $19 million.

Seventh, the judicial retirement funds are $28 million.

Eighth, the U.S. Sentencing Commission's appropriation is $9 million.

This amendment only involves the judiciary's total 1995 budget, which is $2.9 billion. That is two-tenths of 1 percent of the Federal budget.

I would like my colleagues to note the salaries and retirement expenses for article III Federal judges are constitutionally mandated expenses.

The question might be, why should the exception be linked to today's judicial expenditures? What if there are technological changes or substantial changes in the organization of the courts? Could that not mean in the future some central judicial functions would be left out?

If I interpret the question of the distinguished Senator from West Virginia, it is along those lines. I would respond this way: The judicial expenses included today are broad enough that they should cover most technological advances that might have an impact on the courts and court support services. As for any fundamental organizational changes in the courts, I agree that certain changes might in fact be so fundamental that they would be left out. If that is the case, however, the definition of the excepted judicial expenses for purposes of separate enrollment could be amended by statute to accommodate any fundamental changes.

I do not foresee that as being likely, however, since most changes in court organization and operation would involve the types of services that are currently embodied in the appropriations process.

Again, I commend the distinguished Senator from West Virginia and the distinguished Senator from Oregon and other members of the Appropriations Committee for handling these matters as well as they have.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

What about these items that are in the Department of Commerce, Justice and State, Judiciary and Related Agencies, 1995 Appropriations, and 1994 Supplemental Appropriations? What about such items as these:

> $2,340,127,000 (including the purchase of firearms and ammunition); of which not to exceed $14,454,000 shall remain available until expended for space alteration projects; of which not to exceed $11 million shall remain available until expended for furniture and furnishings related to new space alterations and construction projects; and of which $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions.

Mr. President, we are talking about chicken feed here, I realize that. But we are also talking about taxpayers' money. We are going to send to the President thousands of little billettes every year, any one of which he may line-item out. He can veto it. Any one of the legislative branch's items he can strike.

Under the amendment of the distinguished Senator, as far as the judicial branch is concerned, everything is to be in one package. That package is not to be broken down. The enrolling clerk can go out and take a walk. He gets a rest. When he comes to that item he will not have to worry about breaking those out and enrolling those several little billettes.

But to the taxpayer, $11 million is $11 million. The President might feel he ought to save some money and the judicial branch should not be exempt. Money is tight. We have a $5 trillion debt. The interest on the debt is running over $200 billion a year. The President may feel—and perhaps with good reason—that some of those items ought to be questioned. He may feel they ought to be reduced. There is $11 million that

> . . . shall remain available until expended for furniture and furnishings related to new space alterations and construction projects; and of which $500,000 is to remain available until . . . all other legal reference materials, including subscriptions.

I realize that the judges have to continue to read books, periodicals, and newspapers, and there may need to be some space alterations, and so on. But the President may feel that this is too much money.

Why should he not have the same authority and rights to scrutinize the budget for the judicial branch and question those items, and even strike them out? He could strike them out. If Congress does not want to override the veto, or if it cannot, it could pass a new bill. Instead of providing $11 million, it might provide half of that.

So the Senator's amendment, it seems to me, would let the judiciary go scot-free with no questions asked. The judicial branch is to be a preferential branch. The fact is that it is to be an independent branch. There is no reason why it should be a preferential branch when it comes to the line-item veto. It is a preferential branch under the Constitution by virtue of the fact that the salaries, title III judges' salaries, cannot be cut.

How many Senators are aware of that? How many Senators are aware that when judges retire, they retire at full salary? How many Senators are aware that judges do not pay one thin dime into their retirement—not 10 cents, not one copper penny, not one Indian head penny do the judges pay into their retirement. When they retire, they get full pay.

President Nixon talked once upon a time about nominating me to the Supreme Court of the United States. I was flattered by his consideration. That may be one reason why President Nixon is my favorite Republican President during my lifetime. But I decided that was not the place for me. But, gee whiz. I would not have to pay anything into the retirement. I could retire at full pay. I would not have to run in any election. I would not have to worry about those 30-second ads, would not have to raise any money for elections, would not have to purchase the services of consultants, and would not have to undergo the negative ads. I sometimes wonder if I did not make a mistake. No, I did not make a mistake. I like the legislative arena. I do not like to be quite that independent. I do not want to be quite that independent.

That is not said in derogation of the judges. We have to have them. They have to be independent. But we are talking about a matter here that goes to the heart of the legislative power of the purse. We are going to some extent to shift the power over the purse from the legislative branch, where it has been reposed for 206 years, since the beginning of this Republic, we are going to expand the powers of the President and, of course, we do not operate in a vacuum when we expand the power of the President. In this sense, we are going to lessen the powers of the legislative branch.

Looking further, under ''defender services.''

> . . . provided that not to exceed $19.8 million shall be available for Death Penalty Resource Centers.

I do not know. Who am I to say that every President, Republican or Democrat, is going to be in favor of Death Penalty Resource Centers? Does that have anything to do with the independence of judges? Does that have anything to do with the independence of judges? Death Penalty Resource Centers? Suppose the President wants to whack that $19.8 million. That is not

going to interfere with the independence of the judges, is it?

Let the RECORD show that there is no answer, no response.

Let us go down to the Administrative Office of the United States Courts. There we find advertising and rent in the District of Columbia and elsewhere, $47.5 million, of which not to exceed $7,500 is authorized for ''official reception and representation expenses.''

What is that? What is meant by ''official reception and representation expenses''? Does that mean we can spend money on throwing a party, treating people to a few cocktails?

I cannot believe that if the President wanted to cut that item, that he would be impairing the independence of judges. What about those people up there in the hills of West Virginia, who help to pay the taxes? I believe they would say, ''Well, we are going to have this so-called line-item veto; why should we exempt moneys for official receptions and representation expenses in the judiciary, or in the legislative account, or in the executive branch? Why should that be exempted?''

Then there is the Federal Judicial Center. I see under ''General Provisions, the Judiciary,'' section 304:

> Notwithstanding any other provisions of law, the salaries and expenses and appropriations for district courts, courts of appeals, and other judicial services shall be available for official reception and representation expenses.

Here is another of the same item, ''Official reception and representation expenses'' of the Judicial Conference of the United States, provided that such available funds shall not exceed $10,000.

Well, $10,000 is $10,000, whether it is in the judicial branch or whether it is in the legislative branch; $10,000. You cannot brush that aside with a wink and a nod. That is $10,000. That is more than some people earn in a year in this country. Yet, under the amendment offered by the distinguished Senator from Utah, the President cannot touch that. The President cannot touch that item because it is in the judicial branch.

Why should we give this kind of preferential treatment to the judicial branch in a line-item veto bill? For one thing, it is not a line-item veto. But we will be truly approving exempting one of the three branches of Government. That has nothing to do with the independence of judges.

I have as much respect for the members of the judicial branch of the Government as anybody else does here. I have some very, very good friends. As a matter of fact, Mr. Nixon appointed one of my very best friends to be a Federal district judge. That is another reason I liked Mr. Nixon. He was a Republican President who nominated a Democratic judge, and he has been a good judge, an excellent judge. He is now on the circuit court of appeals. I have other friends.

I am not out to whack the judges. But I want to see justice done. Justice—that is what the judicial system is all about; rendering of justice. So why not do justice to the taxpayers in making subject to the wet veto pen, the wet and ready veto pen of the President of the United States, when we send all of this multitude of little orphan billettes down to President of the United States?

I suppose my questions are being viewed as rhetorical questions, because I hear no answers.

Let me ask the distinguished Senator from Utah a question that cannot be viewed as a rhetorical question.

In section 303 of Public Law 103–317 there is a provision that reads as follows:

> Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Judiciary in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers.

What will happen to that provision in section 303? Does this mean that the judiciary would be the only branch that would still have the benefit of reprogramming authority? As Senator NUNN stated this morning and on yesterday and as I stated a few days ago our concerns with respect to reprogramming and how there can no longer be reprogramming done, if the substitute amendment becomes law, there cannot be any more reprogramming. If agencies get stuck with the need to reprogram moneys, they will just have to come back to the Congress and there will have to be a new law passed.

But now what about this provision here that gives the judiciary the authority to transfer—not to exceed 5 percent of any appropriation made available for the current fiscal year for the judiciary in this act may be transferred between such appropriations?

Mr. MCCAIN. Will the distinguished Senator from West Virginia yield?

Mr. BYRD. I was just going to say, as I see it, as I understand the amendment by Mr. HATCH—then I will yield—as I understand the amendment by Mr. HATCH, the judiciary is going to be exempt from the claws and clutches and jaws and teeth of this substitute. And if it is thus exempt, are we to understand that the judiciary would be able to continue to reprogram, it would be able to continue to make transfers between appropriations? Am I correct?

Mr. HATCH. If the future appropriations bills have section similar to section 303 in them, it would work the same way as it will in fiscal year 1995.

Mr. MCCAIN. Will the distinguished Senator yield for just one question?

Mr. BYRD. Yes. I promised to yield.

Mr. MCCAIN. I have had several requests from my colleagues who are interested in what the legislative schedule is going to be. Does the Senator by chance have an estimate as to how much longer he is going to be with the Senator from Utah on this issue? I am not trying to in any way curtail the Senator's in-depth discussion, but I would just wondered if he had any estimate on it?

Mr. BYRD. I do not have any estimate on the time. I certainly do not intend to take all afternoon on this one item. I am just curious as to the amendment.

Mr. MCCAIN. I thank the Senator.

Mr. BYRD. I assure the Senator I will not be long.

Mr. MCCAIN. I thank the Senator.

Mr. BYRD. As a matter of fact, I have already asked enough questions to indicate that we cannot expect full justice, we cannot expect equal treatment under the law among the various branches of the Government if the amendment by Mr. HATCH is agreed to here.

Let's see now. Where was I? Back on section 303.

So what we are saying then, if I may ask the distinguished Senator from Utah, with respect to the Department of Defense, with respect to the Department of Justice, with respect to the FBI, with respect to any of these other departments, while they will not be allowed to transfer moneys from one account to another, while they will not be allowed to reprogram, they will no longer be allowed to come to the Congress, to the chairmen of the Appropriations and Armed Services Committees and the ranking members and ask permission to reprogram certain moneys, the Justice Department can go on its merry way and continue—the judiciary, not the Department of Justice. I am sorry about the Department of Justice. It will not be able to do that. The crime fighting departments, the FBI, and so on, will not be able to transfer between appropriations that are made available. Yet, the judiciary can go on its merry way—the judiciary, not the Justice Department, the judiciary will be able to continue to transfer between appropriations.

Mr. HATCH. As long as future bills have this provision in them, that is true. We have the right as a Congress to not give them that power. In other words, the full judiciary, a little over $2 billion—two-tenths of 1 percent of the total Federal budget —will be subject to congressional review every year. If Congress decides, as it did in this particular instance, in Public Law 103–317, to have a section 303, then it can. But if Congress decides not to have a section 303, Congress has the power to stop the judiciary from having that right that is defined in section 303.

Mr. BYRD. Do I hear the distinguished Senator saying that notwithstanding the passage of the Dole substitute, notwithstanding it is agreed to in conference, if it is, notwithstanding that the conference reports go down to the President untrammeled, unchanged, unblemished, and unstained, that Congress can come along next year without the Senator's amendment—could Congress then next year write into the appropriations act, the

act making appropriations for the judiciary, could Congress write into that act next year section 303 that not to exceed 5 percent of any appropriations made available may be transferred—notwithstanding that the Dole substitute becomes the law of the land, can Congress thwart that act next year by writing into the appropriations for the judiciary this language that allows the judiciary to transfer moneys?

Mr. HATCH. It is my understanding Congress can do whatever it wants to. All the rest of the provisions would be subject to the line-item veto except for the judiciary's budget as we have defined it.

Mr. BYRD. Then if Congress can do that in the case of the judiciary, next year under the influence of Senator NUNN and Senator STEVENS, Senator INOUYE, Senators who are most knowledgeable with respect to defense appropriations and needs of the country, Congress can come along next year and write into the appropriations for the Department of Defense language that will allow the Department of Defense to continue to reprogram as in the past?

Mr. HATCH. Not as in the past. If the President has the veto, the President has a right to veto or not to veto. Congress can do pretty well what it wants to.

Mr. BYRD. So the President could veto?

Mr. HATCH. The President could veto.

Mr. BYRD. Could the President veto a congressional approval of transfer of authority?

Mr. HATCH. As in section 303?

Mr. BYRD. Yes.

Mr. HATCH. The President could veto that by vetoing the complete judicial appropriations bill. He would have to veto the whole bill.

Mr. BYRD. He would have to veto the whole bill?

Mr. HATCH. He could not line item that one.

Mr. BYRD. He could not?

Mr. HATCH. Not under my amendment.

Mr. BYRD. He could not line item that one item out?

Mr. HATCH. That is right. If the Congress chooses to put it in there, then, under my amendment as I have crafted it, if Congress chooses to do that, then the President could not line item it out. The only way he could get it out would be to veto the whole bill.

Mr. BYRD. Could he do the same with respect to the defense appropriations bill?

Mr. HATCH. He could line item out any provision.

Mr. BYRD. He could line item any provision out of that one?

Mr. HATCH. Right.

Mr. BYRD. But he could not line item any provision out of appropriations for the judiciary?

Mr. HATCH. That is correct.

But if he line items the defense appropriations bill, Congress is here to protect defense appropriations.

Mr. BYRD. Yes.

(Mr. GREGG assumed the chair.)

Mr. HATCH. If he line items a provision, a small, obscure provision in the judiciary, a coequal branch of Government that has no real ability to defend itself, Congress may not feel the need to do so. And if that is so, the judiciary could suffer some crippling line-item vetoes if we get a President who acts officiously, or who is mad at the judiciary for one reason or another, or who wants to give them a rough time. There would not be the same lack of vulnerability that, say, the Defense Department would have.

Mr. BYRD. I am not sure the Senator and I are talking on the same wave length. I think he is talking with respect to his amendment, if his amendment is agreed to. But I am asking a question notwithstanding his amendment.

Mr. HATCH. If my amendment is not agreed to, then the President would have the right to line item any aspect of the judiciary as well.

Mr. BYRD. Yes.

Mr. HATCH. Which I think would be very detrimental to the judicial system of this country.

Mr. BYRD. Congress is responsible for the appropriations for the judiciary, as well.

Mr. HATCH. If the Senator would yield, as much as I respect the Department of Defense, it is not a co-equal branch of Government. The judiciary is. We are trying to keep the judiciary less political than the other two branches. That is the reason I would like to have this protection. It is a very small part of the appropriations process.

And if a President feels strongly about some aspect of the judiciary, the President can veto the whole judiciary bill. But at that point I think Congress will come back and defend the judicial system.

Mr. BYRD. Why does the Senator not include in his amendment the Justice Department? Why does he not include the law enforcement arm? Why does he not include the FBI? Why does he just single out the judicial branch?

Mr. HATCH. If the Senator will let me answer, I believe the reason we have not done that is because we believe that the executive branch of Government is very capable of defending itself.

Those branches are not the judicial branch, which is supposed to be the least political branch of Government. I believe we ought to keep the judiciary as separate, as distinct, and as apolitical as we possibly can.

Mr. BYRD. Well, I respect the Senator's viewpoint. I share with him the belief in the need for complete independence on the part of judges. But I cannot understand how, in protecting that independence, we need to protect items such as furniture, recreation, moneys for travel, limousine service. Such items are subject to the veto pen of the President when it comes to the legislative branch and when it comes to the executive branch, so he is going to look twice or three times before he vetoes something that pertains to the White House or certain other areas of the legislative branch.

The legislative branch appropriations is less than the appropriation for the judiciary, is it not?

Mr. HATCH. I think that is correct.

Mr. BYRD. I believe the Senator said the appropriation for the judiciary is $2.9 billion?

Mr. HATCH. Yes, $2.9 billion.

Mr. BYRD. And he spoke of that as a rather small amount, not exactly trivial, but a small amount. Yet, for the legislative branch, I am advised, the total is $2.3 billion.

Mr. HATCH. Will the Senator yield on that point?

Mr. BYRD. Yes.

Mr. HATCH. Well, I do not think anybody in his or her right mind believes that the legislative branch would not fight with all of its power to sustain its own branch of Government. But who fights for the judiciary if the judiciary branch has been treated unfairly by the President for some political reason? I am hopeful that no President would be that way, but we have all seen some pretty petty things in this town.

I just want to make sure that this very small, coequal branch of Government—which is small but is important as the least political branch of Government—is kept that way.

Mr. BYRD. Mr. President, I cannot think of any Senator who has merited the Purple Heart for standing up for the legislative branch in recent years. As a matter of fact, it has been pretty much open season on the legislative branch around here. We enjoy self-flagellation, nicking our skins, cutting our throats.

I thank the distinguished Senator for his patience and his responses. He is sincere, he is conscientious, and he believes in what he is saying and what he is doing.

I happen to be one who believes that we should not give the judicial branch this kind of preferential recognition in a bill of this kind. We are talking about a so-called line-item veto in which the items in the legislative appropriations bill would be subjected to the scrutiny of the Chief Executive.

There is no reason that is contained within the four corners of the legislation, no reason, there is nothing in there that will keep the President from lining out items in the legislative appropriation. He will have that right. He can line them out. True, Congress may, if it ever returns to its senses, develop the courage to override one of those vetoes by the President. But it has been pretty much bereft of reason in late years and I doubt that it would have the collective guts to muster two-thirds vote.

I think that the judicial branch should undergo the same scrutiny as any other branch.

Mr. BROWN. Will the distinguished Senator from West Virginia yield for a question?

Mr. BYRD. Yes; I am about ready to yield the floor, but I am glad to yield.

Mr. BROWN. I do not mean to interrupt the distinguished Senator. My hope was to take 2 or 3 minutes to explain the new NATO Participation Act. I was wondering if there would be a point that the Senator might yield for me to do that. I do not wish to interrupt his flow of thoughts on this subject matter.

Mr. BYRD. Mr. President, I will not detain the Senator.

I did want to make one other point, and that is that the amendment by Mr. HATCH not only puts the judiciary in a preferential position, it also provides the loophole against the requirement that every appropriation account be divided into separate bills, including items in the accompanying report.

Let us take courthouses, for example. Ordinarily, I believe, they are included in the Treasury-Postal bill. They are included in the Treasury-Postal appropriations bill, and under the so-called line-item veto legislation that the Senate will be voting on, that bill will be subjected to the scrutiny and possible vetoing by the President of certain line items which could include courthouses. There is nothing to protect them.

But it seems to me that if the amendment by the distinguished Senator from Utah is agreed to, which will protect the judicial branch against vetoes of items, it would not take long around here for ingenious minds to decide that if so-and-so wants a courthouse to put it into the judiciary appropriation, put it in there, because it will be scot-free, there could be no tampering with that, there could be no vetoing of items there.

So then that will open up a loophole whereby Senators may get courthouses in their States under the loophole. I would be surprised if that is beyond the reach of the ingenious brains of Members of this body.

But this legislation opens up a loophole there. I bet we will start seeing Federal courthouses with earmarks showing up under the judiciary if this exemption is allowed to create such a loophole.

So the judiciary then would be the only part of Government allowed to retain reprogramming authority.

The Senator has been very patient, if he wishes to respond; if not, I will yield the floor.

Mr. HATCH. May I suggest the absence of a quorum for a minute?

Mr. BYRD. I will yield for that purpose, yes.

Mr. HATCH. 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. BROWN. 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. BROWN. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business for 5 minutes concerning the NATO Participation Act Amendments of 1995.

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

Mr. BROWN. I thank the Chair.

(The remarks of Mr. BROWN and Mr. SIMON pertaining to the introduction of S. 602 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. HATCH. Mr. President, I am very serious about this amendment. I think it is a correct amendment and a good amendment. I would like to go forward with a vote on it.

I have to say that a number of my colleagues have requested that I withdraw the amendment. I ask my dear friend from West Virginia if he would have any objection to my withdrawing the amendment at this time?

Mr. BYRD. Mr. President, I think this would be the first time in my going on 37 years in the U.S. Senate that I would object to withdrawing an amendment. I do not like to object to a Senator otherwise having the right to withdraw an amendment.

In this case, I will object to withdrawing the amendment, and I will insist on a yea and nay vote on the amendment. It is not that I think I have any chance of carrying the amendment. It is not that at all. I do not know whether I will get another vote besides my own. But I think the U.S. Senate ought to be ready and willing to have a showdown as to whether or not we believe there is a special branch of Government that is above and beyond the other two and as to whether or not the appropriations for that branch ought to be exempt from the scrutiny and the possible veto by a President of certain items in an appropriation bill which the President may, with every justification, feel ought to be vetoed.

And so I do object to withdrawing the amendment. I apologize to the Senator.

Mr. HATCH. I think the Senator has every right to do so.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. I believe the Senator has every right to do so. I am disappointed that he has.

Mr. HEFLIN. Mr. President, I have joined my colleague Senator HATCH of Utah in proposing an amendment to exempt items of appropriations provided for the judicial branch from enrollment in separate bills for presentment to the President.

The doctrine of separation of powers recognizes the importance of protecting the judicial branch of government against improper interference from the legislative or executive branch. This doctrine is recognized in article III of the Constitution which protects salaries of article III judges.

Similarly the Budget and Accounting Act provides that requests for appropriations for the judicial branch shall be submitted to the president and transmitted by him to Congress without change. Thus it would be inconsistent to prohibit the President from changing the budget of the judicial branch prior to submission to the Congress, but then by the line-item veto legislation to give the President the authority to change the judiciary's appropriation line-by-line.

A little history may help explain the basis for our bipartisan amendment. Congress created the Administrative Office of the U.S. Courts in 1939 which now has the responsibility for budget submissions through the President and on to the Congress. Prior to that time budget submissions were provided by the Department of Justice, which is an executive branch agency. During the 1930's, according to testimony given to the Senate Governmental Affairs Committee by Chief Judge Gilbert Merritt, chairman of the executive committee of the Judicial Conference of the United States, the Justice Department often rejected the judicial branch's requests for funds, denied requests for new judges, cut travel funds, and denied other requests for appropriate staff support.

Congress reacted to this situation by creating the Administrative Office of the U.S. Courts and by directing it to submit the budget of the judiciary without change by the executive branch. Congress acted to protect the independence of the judicial branch, and I believe this protection should continue.

The protection should continue because often the executive branch of government is a litigant, both as plaintiff and defendant, in lawsuits in the Federal courts. Subtle or otherwise, the judiciary should be insulated from undue presssure from the executive branch.

Further, and most importantly, we are not giving the judicial branch a blank check for any appropriation it wants. The judiciary's budget will continue to be subjected to full congressional review and scrutiny. The judicial branch will still have to appear before the Appropriations Committee and defend its budget request, and we in Congress can amend or change that request as we deem necessary.

I believe that failure to exempt the judicial branch from the provisions of the pending line-item veto legislation will do violence to the separation of powers that was established by our Founding Fathers who wrote the Constitution.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas, the majority leader, is recognized.

Mr. DOLE. Mr. President, I happen to believe that we are going to have a

line-item veto that will apply to everyone. I listened to the arguments of the Senator from West Virginia. I agreed with him before he made his statement. I have already had a call from a friend of mine who is a Federal judge who said, ''Leave us out.'' Why not leave somebody else out? This is serious business, in my view, and if we are serious, everything has to be on the table from A to Z, with the exception of Social Security. Therefore, I am constrained to move to table the amendment of my colleague from Utah, my good friend—or former good friend—and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Before we vote on the motion, would the majority leader allow me to say I had no idea the majority leader was going to support my position on this. If I had known that, I would not have said that in all likelihood mine would be the only vote against the amendment. I do appreciate it.

Mr. DOLE. I hope we have a majority——

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

Mr. BYRD. Mr. President, I do not want the Senator to be broken off in the middle of a sentence.

Mr. DOLE. If my colleague will yield, I think it is pretty hard to make an argument that we ought to exempt the judiciary. I know we have separation of powers, but we are all spending the taxpayers' money.

Mr. BYRD. Exactly.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 85, nays 15, as follows:

[Rollcall Vote No. 113 Leg.]

YEAS—85

Akaka	Dole	Kerrey
Ashcroft	Domenici	Kerry
Baucus	Dorgan	Kohl
Bingaman	Exon	Kyl
Bond	Faircloth	Lautenberg
Boxer	Feinstein	Leahy
Bradley	Ford	Levin
Breaux	Frist	Lieberman
Brown	Glenn	Lott
Bryan	Gorton	Lugar
Burns	Graham	Mack
Byrd	Gramm	McCain
Campbell	Grams	McConnell
Chafee	Grassley	Mikulski
Coats	Gregg	Moseley-Braun
Cochran	Harkin	Moynihan
Cohen	Hollings	Murkowski
Conrad	Hutchison	Murray
Coverdell	Inhofe	Nickles
Craig	Inouye	Nunn
D'Amato	Jeffords	Packwood
Daschle	Johnston	Pell
DeWine	Kassebaum	Pressler
Dodd	Kempthorne	Reid
Robb	Simon	Thomas
Rockefeller	Simpson	Thurmond
Santorum	Smith	Warner
Sarbanes	Snowe	
Shelby	Stevens	

NAYS—15

Abraham	Hatch	Pryor
Bennett	Hatfield	Roth
Biden	Heflin	Specter
Bumpers	Helms	Thompson
Feingold	Kennedy	Wellstone

So the motion to lay on the table the amendment (No. 407), as modified, was agreed to.

Mr. COATS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, for the second time in less than 1 month, the Senate is confronted with a proposal to alter our constitutional system in the name of fiscal responsibility. On March 2, the Senate declined to adopt a balanced budget amendment to the Constitution. Today, we are considering a proposal which, although not drafted as an amendment to the Constitution, nonetheless has important and far-reaching constitutional implications.

The separate enrollment bill would have Congress surrender fundamental constitutional prerogatives to the Executive. I hope the Senate will recognize the constitutional and practical defects of this proposal, and I hope we will again have the wisdom to say no.

Just as importantly, I would hope the Senate would consider the practical consequences of this radical proposal. I would have the temerity to suggest that the White House pay heed as well.

In 1986, on the occasion of the bicentennial of the U.S. Constitution, I had the honor to deliver a lecture at the Smithsonian Institution entitled, '' 'The New Science of Politics' and the Old Art of Governing.'' I take the liberty of repeating the opening passages.

Anyone who has studied American government or taken some part in its affairs will often have asked: ''How goes the science of the thing?''

As we approach the bicentennial of the Constitution, which is not to say our Independence, but our form of government, leafing through ''The Federalist Papers,'' pondering the unexampled endurance of the Constitutional arrangements put in place in those years, we are reminded of the role the ''new science of politics,'' as the founders liked to call it, played in devising those arrangements.

It appears to me that the significance of this bicentennial is predicated on the extent to which the perception is widened that the government of the United States was not fashioned out of ''self-evident truths,'' but rather was the work of scholar-statesmen who had studied hard, learned much, and believed they had come upon some principles—uniformities—in human behavior which made possible the reintroduction of republican government nearly two millennia after Caesar had ended the experiment.

We may doubt that the bicentennial discussion will attain to anything like the level of discourse two centuries ago. We are short on Madisons and Hamiltons and Jays. But it is possible to hope that we may acquire a more general understanding of what it was those men were discoursing about. Else all will be lost to fireworks and faith healing.

The argument was whether government could be founded on scientific principles; those who said it could be, won.

At the risk of reproach from persons more learned than I, let me state in summary the intellectual dilemma of that time. The victors in the Revolution could agree that no one wanted another monarchy in line with the long melancholy succession since Caesar. Yet given what Madison termed ''the fugitive and turbulent existence of * * * ancient republics,'' who could dare to suggest that a modern republic could hope for anything better?

Madison could. And why? Because study had produced new knowledge, which could now be put to use. To cite Martin Diamond:

''This great new claim rested upon a new and aggressively more 'realistic' idea of human nature. Ancient and medieval thought and practice were said to have failed disastrously by clinging to illusions regarding how men ought to be. Instead, the new science would take man as he actually is, would accept as primary in his nature the self-interestedness and passion displayed by all men everywhere and, precisely on that basis, would work out decent political solutions.''

This was a declaration of intellectual independence equal in audacity to anything done in 1776. Until then, with but a few exceptions, the whole of political thought turned on ways to inculcate virtue in a small class that would govern. But, wrote Madison, ''if men were angels, no government would be necessary.'' Alas, we would have to work with the material at hand. Not pretty, but something far more important: predictable. Thus, men could be relied upon to be selfish; nay, rapacious. Very well: ''Ambition must be made to counteract ambition.'' Whereupon we derive the central principle of the Constitution, the various devices which in Madison's formulation, offset ''by opposite and rival interests, the defect of better motives.''

The lecture thereupon considered the development of what seemed to me to be the ''defining failure of the Reagan era * * * that of political economy.'' Specifically, the accumulation in a brief span of a huge national debt, much at variance with any peacetime period in our then two-century experience. That debt has continued to grow, largely the result of compound interest, and is the presumed motivating factor behind the legislation before us now. Even as it was the concern that led to the proposed balanced budget amendment to the Constitution, which we dealt with recently.

In point of fact, that era is behind us. In 1993, the Congress enacted the Omnibus Budget Reconciliation Act which provided for deficit reduction over a 5-year period of some $500 billion—the largest deficit reduction measure in the half-century since the deficit was reduced following the end of World War II. Such was the size of the program cuts and—yes—tax increases provided in the 1993 legislation that interest

rates fell sharply—the so-called deficit premium dropping off dramatically. The result was lower debt service and a cumulative deficit reduction of near to $600 billion.

Citizens who might wonder at this will recall how many individuals, their neighbors, themselves perhaps, refinanced their mortgages following the 1993 legislation and the sharp drop in interest rates. That affected our costs as well—our costs, their costs, the costs of Government.

In consequence of this, Mr. President, we have in fact returned to a primary surplus in this year's budget. A primary surplus or primary deficit is defined as the difference between revenues and outlays for purposes other than debt service.

I pointed this out on February 8 in the course of the debate on the balanced budget, to wit: Spending on Government programs is less than taxes for the first time since the 1960's.

May I repeat that. Spending on Government programs is less than taxes for the first time since the 1960's.

Not a bad performance. But how did it come about?

Given the critical issue that confronts us, I will be candid with the Senate. More, perhaps, than is usual; more, perhaps, than is prudent.

In 1993, I was chairman of the Senate Finance Committee. The task of raising taxes by a quarter of a trillion dollars, and the lion's share of an equal amount in spending cuts, thus fell to our committees and to its chairman.

How did we do it? We did it the way the Framers of the American Constitution envisioned. We made accommodations that made up for the defect of better motives.

Item. Gasoline and diesel fuel taxes were raised 4.3 cents per gallon. Offset. Airlines were given a 2-year exemption from the increased tax. We also took away the tax benefits previously accorded exporters of raw timber.

Item. The business meal tax deduction was reduced from 80 percent to 50 percent. Offset. Restaurant owners were given a tax credit for the FICA tax they are required to pay on their employees' tips.

I could go on at some length. But there must be a point where prudence intervenes. I simply make a point known to every experienced legislator in the Congress. Compromise and trade-offs are the key.

And now I make the further point. If these exchanges cannot be sealed in legislation—all or nothing—the accommodations will be vastly more difficult, if not indeed impossible to reach.

The chairman will say to a Senator: ''If you will go along with this provision not much to your liking, we will be able to get you another provision that will in some measure make up for what you legitimately consider a loss.''

But what if the other Senator knows that his or her provision will end up as a separate item of legislation which could very well be vetoed?

Answer. There would be no deal.

Which is to say, no deficit reduction. Even as we have shown that we are capable of deficit reduction, and only have to keep at it for another 5 years or so to erase the legacy of the 1980's.

Those are the practical considerations. But now to the constitutional ones, which are scarcely impractical.

The Framers were well aware of the importance of the power of the purse, and accordingly made the conscious decision to vest this power in the branch of government closest to the people: Congress. In Federalist No. 58, James Madison wrote:

> This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people, for obtaining a redress of every grievance, and for carrying into effect every just and salutary measure.

According to Madison's notes of the Constitutional Convention of 1787, Roger Sherman of Connecticut said that:

> In making laws regard should be had to the sense of the people who are bound by them and it is more probable that a single man should mistake or betray this sense than the legislature.

Thus, article I, section 9 of our Constitution plainly states:

> No money shall be drawn from the Treasury but in consequence of appropriations made by law.

In a brilliant article on the power of the purse in the Georgia Law Review in 1986, Judge Abner J. Mikva, then of the U.S. Court of Appeals for the District of Columbia Circuit, now counsel to President Clinton, wrote

> . . . if we wish to live in a pluralistic and free society, we will strive to ensure that Congress retains exclusive control of the nation's purse. Only in that event will the delicate balance of our constitutional structure be preserved.

I do hope Judge Mikva has not forgotten his paper.

The line-item veto legislation before us would disturb—profoundly disturb—that delicate balance. It would have us deviate from the explicit procedures for passage and enactment, or veto, of legislation, set forth in detail in article I, section 7, which states:

> Every Bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a Law, be presented to the President of the United States; If he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal, and proceed to reconsider it. If after such Reconsideration two thirds of that House shall agree to pass the Bill, it shall be sent, together with the Objections, to the other House, by which it shall likewise be reconsidered, and if approved by two thirds of that House, it shall become a Law.

The Supreme Court has referred to this part of article I, section 7 as ''a single, finely wrought and exhaustively considered procedure.'' There is nothing ambiguous about it, nor is there any uncertainty about why the Framers vested the power of the purse in Congress.

Why, then, are we now giving serious consideration to measures that would radically alter our constitutional procedures?

The line-item veto is not a new idea. President Ulysses S. Grant first proposed it in 1873. In 1876, Representative Charles James Faulkner of West Virginia introduced an amendment to the Constitution to provide for a line-item veto. Some 150 line-item veto bills have been introduced in the interim, but Congress has never seen fit to adopt any of them.

Today we are told that circumstances, including the failure of the balanced budget amendment, have given the line-item veto a new urgency. It is argued that we need this because congressional spending and the national debt are out of control—precisely the same rationale offered by proponents of the balanced budget amendment. And mistaken for the same reasons.

We ought to be asking ourselves how and when these deficits were created, and whether they are permanent features of our governmental operations, or merely temporary. After a month of debate on the balanced budget amendment, I would hope the Senate knows the answers to these questions.

The point has been made over and over again on this floor by the Senator from New York, and by the distinguished Senators from West Virginia and Maryland, our revered Senator ROBERT C. BYRD and Senator PAUL SARBANES. Insofar as the national debt is a problem in our fiscal affairs, it is a problem that was created—in some measure intentionally—during the 1980's, the single decade of the 1980's. I do not wish to belabor this point. The facts have been well documented by David Stockman, President Reagan's Budget Director, by the journalist and historian Haynes Johnson, and others. It ought to be considered well-settled by now. The debt accumulated during the Reagan era was an historical anomaly. Again, were it not for the interest on the deficits created during those years, the Federal budget would be in balance today. If we recognize this, we will realize there is no need for the legislation before us.

Even if there were a need for a line-item veto, the separate enrollment legislation is surely unconstitutional. It would require the enrolling clerks to dismantle bills passed by the House and Senate before the bills are presented to the President, as provided by the Constitution. You do not need to be a constitutional scholar, or even a lawyer, to recognize that this procedure would violate the Constitution.

The presentment clause in article I, section 7 requires ''every Bill which shall have passed the House of Representatives and the Senate'' to ''be presented to the President'' before it becomes a law. Under this provision of

the Constitution, the bill presented to the President must be the same bill passed by Congress—not a series of smaller bills created by the enrolling clerks, or ''billettes,'' as they have been called by our learned colleague from West Virginia. The separate enrollment proposal would delegate to the House and Senate enrolling clerks a legislative function explicitly assigned to Congress by article I: deciding what bills say.

The Association of the Bar of the City of New York recently produced an exhaustive analysis of the constitutionality of the line-item veto. The association's report was written by David P. Felsher and edited by Daniel J. Capra, who is chairman of the association's committee on Federal legislation. The report finds that under either ''enhanced rescission'' or ''separate enrollment,'' the President would in effect be authorized to restructure legislation after its passage by Congress. This is unconstitutional because it is the province of Congress and Congress alone, to determine the contents of bills; the sole power of the President under the article I, section 7 is to sign or veto legislation. According to the association's analysis, ''it is irrelevant whether the itemization needed to implement the line-item veto is effectuated by the President or the enrollment clerk in Congress.''

I might add that this opinion is shared by other prominent constitutional scholars, including Prof. Michael J. Gerhardt of Cornell Law School, who has written me to say that the ''separate enrollment'' legislation is unconstitutional because it

> . . . effectively enables the President to make affirmative budgetary choices that the Framers definitely did not want him to make.

These scholars have concluded that ''separate enrollment'' is unconstitutional because the Supreme Court has been scrupulous in requiring strict adherence to the legislative procedures set forth in Article I. In INS versus Chadha in 1983, the Court struck down a statutory provision that permitted one House of Congress to exercise a ''legislative veto.'' Chief Justice Burger wrote that the requirements of article I, and I quote:

> . . . were intended to erect enduring checks on each Branch and to protect the people from the improvident exercise of power by mandating certain prescribed steps. To preserve those checks, and maintain the separation of powers, the carefully defined limits on the power of each Branch must not be eroded.

And there I end the passage from Chief Justice Burger. Three years later, in Bowsher versus Synar, the Court invalidated the provision in the Gramm-Rudman-Hollings deficit control law giving the Comptroller General of the United States authority to execute spending reductions under the act. The Court held that this violated the separation of powers because it vested an executive branch function in a legislative branch official. ''Underlying both decisions,'' according to a Congressional Research Service analysis, ''was the premise * * * that 'the powers delegated to the three branches are functionally identifiable,' distinct, and definable.'' I should add that a second en bloc vote on the itemized mini-bills would not cure the constitutional defects of this proposal. I refer of course to an amendment offered to this legislation yesterday. A second en bloc vote on the itemized mini-bills would not cure the constitutional defect of this proposal. We vote on one bill at a time in the U.S. Senate. Professor Gerhardt of Cornell has said that a separate vote would have to be taken on each of those bills in order to satisfy Article I.

If we wish to enact legislation in which we passed a bill for each item of the kind now put together in an appropriations bill, that would be perfectly constitutional. It would require us to pass perhaps 10,000 bills a year, which we could do, but it would be constitutional. What you cannot do is pass 10,000 bills with one vote.

Clearly, the great weight of authority indicates that ''separate enrollment'' is unconstitutional. Yet even if it is not, it is still a bad idea. Its proponents argue that 43 Governors have used this power to great effect in the States. This argument demands closer scrutiny.

Recall that a similar claim was made during our debate on the balanced budget amendment: that balanced budget requirements have enforced fiscal discipline in the States. But word eventually got out that this was not quite true: States also have capital budgets which are not required to be balanced which are, by definition, financed by debt, even as they return benefits over time. Claims about the effectiveness of the line-item veto in the States may be equally misleading.

The late, beloved Prof. Aaron Wildavsky of the University of California at Berkeley wrote in 1985, with characteristic insight, that much of the ''savings'' attributed to use of the line-item veto in the States may be illusory. He cited the experience of Pennsylvania, where one study found that spending bills were deliberately inflated in order to compensate for expected item vetoes, or simply to serve political ends. Thus it does not necessarily follow that X million dollars are ''saved'' merely because a Governor line-item vetoes that amount. They were not meant to be enacted in the first place.

Dr. Louis Fisher of the Congressional Research Service and Prof. Neal Devins of the Marshall-Wythe School of Law at William and Mary concur in Wildavsky's assessment, writing that ''[g]ubernatorial reductions may merely cancel spending that the legislature added because the governor possessed item veto authority.'' Fisher and Devins conclude that '' * * * the availability of an item veto allows legislators to shift more of the responsibility for the fiscal process to the Executive,'' instead of keeping it in the Congress where it belongs and where, in 1993, we showed we could exercise such responsibility. If I may say, Mr. President, without meaning in any way to be partisan, every vote for the 1993 $600 billion deficit reduction measure came from this side of the aisle.

The distinguished chairman of the Appropriations Committee, Senator HATFIELD, testified along the same lines before the Judiciary Committee in 1984 of his experience with the line-item veto when he was Governor of Oregon:

> We also know that the legislators in States which have the line-item veto routinely ''pad'' their budgets, and that was my experience, with projects which they expect, or even want their Governors to veto. It is a wonderful way for a Democrat-controlled legislature, that I had, to put a Republican Governor on the spot: Let him be the one to line-item these issues that were either politically popular, or very emotional.

There is no reason to think these problems would be avoided at the Federal level if we adopt the line-item veto. If the state experience is any indication, the line-item veto might even create more difficulty in the Federal budget process. This has been our science of politics, this has been our experience of politics.

The substitute amendment before us will not impose discipline on Congress. Nor will it erase the national debt. It is very likely unconstitutional. It will undoubtedly be litigated, and the courts will have to decide.

I have great confidence that they will decide the measure before us is unconstitutional and the entire exercise will have been for nothing.

I hope the Senate will say no to separate enrollment. I hope the Senate will decline this invitation to relinquish important constitutional prerogatives to the executive branch. It was why the American Government came into being, Mr. President, in response to what we saw as the abuses in fiscal matters of the executive branch in Great Britain.

Mr. President, I ask unanimous consent that the letter from Prof. Michael J. Gerhardt of Cornell Law School and the report of the Association of the Bar of the City of New York, of which Daniel J. Capra is chair, be printed in the RECORD.

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

CORNELL LAW SCHOOL,
March 20, 1995.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate, Washington, DC

DEAR SENATOR MOYNIHAN: I greatly appreciate the chance to express my opinion on the constitutionality of a proposed scheme directing the clerk of the House in which an appropriation bill or joint resolution originates to disassemble the measure and enroll each item as a separate bill or joint resolution, which is then presented to the President for approval or disapproval. As I explain

below, I consider this proposal to be unconstitutional because it (1) violates Article I by allowing the President to sign or veto a measure in a form never actually by both houses of the Congress; (2) involves an illegitimate attempt by the Congress to redefine statutorily the constitutional term ''Bill''; (3) contravenes both Supreme Court authority severely restricting congressional discretion to delegate a core legislative or lawmaking function and longstanding congressional understanding of the prerequisites for a legitimate bill; and (4) radically alters the fundamental balance of power between the Congress and the President on budgetary matters.

At the outset, I find that merely describing the proposal's intended operation demonstrates its basic constitutional shortcomings. Suppose that an appropriation bill containing 200 separate appropriation items, which was considered and passed by both Houses as a single, whole bill, would be translated at the enrollment stage into 200 separate bills for presentment and veto purposes. Yet, none of those 200 bills would have ever been separately considered, voted on, or passed by the two Houses of Congress. The problem is that Congress cannot pass or enact 200 separate appropriation bills without subjecting each of those 200 bills to the full deliberative processes of the two Houses. The enrollment procedure is simply not a part of the carefully designed procedures for lawmaking set forth in Article I.

More specifically, the proposal violates the plain language of the presentment clauses of Article I. According to the latter, a bill or resolution that is to be presented to the President can become a law only if it has ''passed the House of Representatives and the Senate.''[1] The purposes of this requirement were to circumscribe Congress's lawmaking powers and to define the scope of the President's veto authority. It tortures the English language, however, to maintain that, in the hypothetical above, both the House of Representatives and the Senate actually passed 200 separate bills. A fragmented bill that is never subjected for consideration and approval by both Houses of Congress is not a bill or resolution within the plain and original meaning of the presentment clauses.

Moreover, the framers deliberately restricted the President's role in the lawmaking process to a qualified negative rather than to have him exercise an affirmative power to redraft or reconfigure a bill. Because the President is able under the proposal to pick and choose which budgetary items he would like to see enacted, the proposal allows him to sign various items into law in forms or configurations never actually approved as such by both houses of Congress. This kind of lawmaking by the President clearly violates Article I, section 1, which grants ''[a]ll legislative powers'' to Congress, and Article I, section 7, which gives Congress the discretion to package bills as it sees fit.

The proposal effectively enables the President to make affirmative budgetary choices that the framers definitely did not want him to make. The framers deliberately chose to place the power of the purse outside of the executive because they feared the consequences of centralizing the powers of the purse and the sword. As James Madison wrote in the Federalist No. 58, ''This power of the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people.''[2] Every Congress (until perhaps this most recent one)—as well as all of the early presidents, for that matter—have shared the understanding that only Congress has the authority to decide how to package legislation, that this authority is a crucial component of checks and balances, and that the President's veto authority is strictly a qualified negative power that enables him to strike down but not to reconfigure whatever the majorities of both Houses have sent to him as a bill.

Another major constitutional deficiency with the proposal is that the enrollment process—the phase in which the proposal allows for the fragmentation of a bill to occur—is not mentioned in the Constitution as a step in the bicameral development of a bill or resolution to be presented to the President. Nor it is considered an aspect of the ''step-by-step, deliberate and deliberative process'' by which the two Houses consider and pass a legitimate bill or resolution.[3] Enrollment is supposed to be merely the meticulous preparation of ''the final form of the bill, as it was agreed to by both Houses, for presentation to the President.''[4] Yet, when an enrolling clerk disassembles a unitary appropriations bill passed by both Houses and rewrites it into many separate bills, the clerk is not enrolling what was in fact ''agreed to by both Houses.'' Rather, the clerk is dividing the bill into 200 separate bills—a task that can only be performed by both Houses, acting in the customary bicameral manner.

In addition, Congress's delegation of its authority to enact each item of a bill into separate bills is illegitimate. The basic decision whether to adopt and then present one or many bills to the President is a legislative choice that is, according to the Supreme Court, the ''kind of decision that can be implemented only in accordance with the procedures set out in Article I.''[5] Congress cannot delegate to an enrolling clerk the core legislative function of deciding how many appropriation bills will be presented to the President or the form each of those bills should take.

The seminal case on this point is INS v. Chadha,[6] whose reasoning is directly applicable to the proposal under consideration. Chadha held that Congress cannot delegate to a single house any kind of legislative function that must be performed by both Houses, such as the enactment of a bill or resolution that changes the status quo or affects the interests of those outside the legislature. Because an appropriation obviously affects existing relationships, it is the kind of legislative judgment both as to form and substance that Congress cannot delegate to an enrollment clerk. The proposal deals with an integral part of the deliberative bicameral process. As the Court explained, ''[t]he President's participation in the legislative process was to protect the Executive branch from Congress and to protect the whole people from improvident laws. The division of the Congress into two distinctive bodies assures that the legislative power would be exercised only after opportunity for full study and debate in separate settings. The President's unilateral veto power, in turn, was limited by the power of two-thirds of both Houses of Congress to overrule a veto thereby precluding final arbitrary action of one person. It emerges clearly that the prescription for legislation in article I represents the framers' decision that the legislative power of the federal government be exercised in accord with a single, finely wrought and exhaustively considered, procedure.''[7]

Undoubtedly, the proposal would also significantly alter the balance of power between the President and Congress. The proposal would expand presidential involvement in the legislative process beyond what the framers intended. Such aggrandizement would be at the expense of Congress, which would lose its basic authority to present appropriation bills to the President in the precise configuration or compromises produced by the deliberative processes of the two Houses. The proposal would demote Congress, which the Constitution makes the master of the purse, to the role of giving fiscal advice that the President would be effectively free to disregard. The framers granted the President no such special veto power over appropriation bills, despite their awareness that the insistence of colonial assemblies that their spending bills could not be amended once they had passed the lower house had greatly enhanced the growth of legislative power.[8]

The proponents of separate enrollment argue, however, that the parsing and reformulating of bills by an enrolling clerk involves ministerial rather than legislative tasks. The problem with this contention is that Congress simply does not have the constitutional authority to redefine the necessary ingredients for legislative action for its own convenience. No case makes this point more clearly than Chadha, in which the Supreme Court declared that any action deemed legislative must be undertaken ''only in accordance with the procedures set forth in article I.''[9] Unless both houses of Congress have enacted each item in an appropriations bill as separate bills, it would be unconstitutional for a clerk of either House to do so and to submit his handiwork as a ''Bill'' to the President for approval or disapproval.

In summary, the explicit prescription for lawmaking set forth in detail in Article I, whereby Congress is allowed to present to the President only those bills that have been subjected to the full deliberative process of both Houses, cannot be amended by legislation, as this proposal tries to do. Nor can Congress, by statute, redefine the constitutional term ''Bill'' to include each and every item in a duly enacted unitary bill. This conclusion is supported by the plain and original meaning of Article I, longstanding congressional understanding, and clearly applicable Supreme Court authority.

It has been a privilege for me to share my opinions about this proposed law with you. If you have any other questions or if you need any further analysis, please do not hesitate to let me know.

Very truly yours,

MICHAEL J. GERHARDT,
Visiting Professor.

FOOTNOTES

[1] U.S. Const. art. I, section 7, clause 2.

[2] The Federalist No. 58 at 300 (J. Madison) (M. Beloff ed. 1987).

[3] INS v. Chadha, 462 U.S. 919, 959 (1983).

[4] C. Zinn, How Our Laws Are Made, H. Doc. No. 509, 94th Cong., 2d Sess. 44 (1976).

[5] Chadha, 462 U.S. at 954.

[6] 462 U.S. 919 (1983).

[7] *Id.* at 951.

[8] *See* Note, *Is a Presidential Item Veto Constitutional?* 96 Yale L.J. 838, 841–44 (1987).

[9] *Chadha,* 462 U.S. at 954.

THE ASSOCIATION OF THE BAR
OF THE CITY OF NEW YORK,
New York, NY, February 24, 1995.

Re Line-item Veto Legislation.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MOYNIHAN: I am the Chair of the Committee on Federal Legislation of the Association of the Bar of the City of New York. Our Committee, after exhaustive research, has reached the conclusion that legislation providing for a line-item veto is prohibited by at least three provisions of the

Footnotes at end of article.

Constitution. We hope that you will consider the unconstitutionality of line-item veto legislation in your upcoming deliberations in the Senate.

Very truly yours,

DANIEL J. CAPRA,
Professor of Law,
Fordham Law School.

REVISITING THE LINE-ITEM VETO

(By the Committee on Federal Legislation Association of the Bar of the City of New York)

INTRODUCTION

During the last two decades every President and Congress has attempted to reform the federal budgeting process. The 104th Congress and President Clinton are no exception. One perennial proposal has been to provide the President with a line item veto. This Committee last reported on a legislative line item veto eight years ago.[1] Without coming to any conclusion at that time, this committee did believe that there existed substantial practical, and possibly constitutional, impediments to the implementation of a line item veto. This Committee has revisited the issue because the proposed legislation, H.R. 2, differs in some respects from the line item veto previously analyzed by this Committee and because the changed political environment may allow the line item veto to finally pass; indeed, as of this writing, the line-item veto has been passed by the House of Representatives and is pending in the Senate.

We conclude that a line-item veto may not be implemented by statute. Rather, the Constitution must be amended, because a Presidential line item veto would fundamentally alter the legislative and veto process currently written into the Constitution and would unduly limit the power of Congress to enact legislation.

ITEM VETOES GENERALLY

The line item veto, or more precisely designated, the item veto, is a device that would, if enacted, enable the President to veto particular items in a bill without having to veto the entire bill. In theory, an item veto would enable the President to accept bills without having to accept expensive riders. Such riders are typically attached though the process of ''log-rolling.'' Proponents believe that an item veto would significantly reduce Congressional spending while simultaneously allowing the President to sign otherwise desirable bills.[2]

For over one hundred years, Congress has considered and consistently rejected attempts to provide the President with a line item veto. These repeated rejections have been based on the belief that the item veto would gravely undermine the fiscal authority of Congress and would greatly augment the ability of the President to impose his political agenda on the nation.[3]

There is legitimate concern that if an item veto were implemented, the results might be the opposite of what was intended. Professors Crain and Miller indicate that a line-item veto would lead to an increase in undisciplined federal spending:

''With the item veto at its disposal, the executive branch assumes more responsibility for eliminating wasteful spending programs. This invites legislative irresponsibility because legislators will tend to rely on the executive branch to cut out wasteful provisions with the item veto. By discouraging legislative discipline, critics argue that the item veto actually could discourage fiscal efficiency.[4]

Even if the line-item veto would improve fiscal efficiency, any improvement could come at the expense of disturbing a healthy tension between the Legislative and Executive branches. There is a real danger that the item veto might be used to promote Executive branch interests unrelated to the budgetary process. A President could use the item veto to punish those who oppose him (by singling out an opponent's project for a veto), or he might use the veto as a ''club'' to promote partisan causes generally.

Each member of Congress represents and is answerable to a local constituency, while the President has a national constituency. This difference in representative basis results in a different cost-benefit analysis for legislation and ultimately different policy choices. The President therefore considers the interests of a larger and more diverse group than an individual member of Congress when taking positions on budgetary matters. Congress, like any legislature, is an institution that is conducive to vote trading and log-rolling activities. To be enacted into law, any proposed legislation requires that a majority coalition be formed. Consequently, members of Congress often engage in cooperative legislative activities in order to further their individual agendas. As a result of this ''horse trading,'' aggregate spending levels tend to be greater than they would be otherwise.[5] The line-item veto would undoubtedly alter this process.

Advocates of the item veto often justify their positions by claiming: (1) the favorable experience of 43 states that provide their governors with an item veto; (2) the inability of Congress to curb its own spending excesses; and (3) modern congressional techniques (e.g. riders and eleventh hour omnibus appropriations bills) that create ''veto-proof'' legislation—i.e., a bill which, if vetoed in its entirety, could effectively shut down the federal government.[6]

In contrast, opponents of the item veto argue: that the state analogy is inapplicable (or at the very least, of limited applicability) to the federal situation; that the federal packaging of appropriations bills is not amenable to the effective use of an item veto; that the vast majority of federal expenditures are mandatory and would be immune from the item veto; and that an item veto would substantially alter the Separation of Powers Doctrine written into the Constitution.[7]

At least 43 states have enacted line item vetoes in an effort to give their governors some control over spending. This has enabled some states, at least on the face of it, to save significant sums of money.[8] To date, none of those 43 states has acted to repeal those provisions. Despite these positive indicators, the state experience is not dispositive of whether a line-item veto is workable on the federal level. First, state constitutions differ significantly from each other and from the Federal Constitution. As two commentators have stated, ''[t]here is a much greater state bias against legislatures than exists at the national level.''[9] Second, state budgetary institutions and procedures vary in key respects from each other and from those in the Federal government.[10] Third, appropriations bills in the states are structured to facilitate item vetoes by governors. In contrast, Congressional appropriations bills contain relatively few items, rendering the utility of the line item veto (for anything other than political coercion of individual legislators) more suspect.[11] Fourth, legislators in states which have an item veto have been known to ''routinely 'pad' their budgets,'' resulting in savings that are illusory.[12] Fifth, the item veto functions more as a partisan political tool, increasing tensions between governors and state legislatures, than as an effective means for reducing expenditures. In fact, the experience in at least one state suggests that ''the President may use the item veto to control a Congress dominated by [the] opposing political party.''[13] Sixth, because judicial interpretation, at the state level, has yet to delineate the scope of the item veto powers possessed by the various governors, caution is necessary before an item veto is adopted at the Federal level.[14] Seventh, the item veto could accelerate the use of budgetary legerdemain, i.e., accounting tricks such as moving items off budget or privatizing various programs.

The argument that an item veto would help Congress curb its spending excesses is, we believe, overstated.[15] Currently, only 39 percent of the Federal budget may be classified as ''discretionary spending'' and subject to the Congressional appropriations process. This figure is expected to decline even further. By the year 2003 interest and mandatory spending will account for more than 72 percent of the Federal budget, thus leaving only 28 percent for discretionary spending.[16] On the other hand, in order to be reelected, members of Congress will often log-roll legislation they desire into the budget in order to get their pet projects approved. Their decisions to increase spending will often be camouflaged by the creation of automatic spending increases in various entitlement programs.[17]

Despite the suggestion that the advent of omnibus legislation makes the President's use of his (or her) veto too costly, it appears that when a President has been willing to use the veto power, that President has gained tremendous negotiating leverage over Congress. For example, when President Reagan vetoed two omnibus measures in 1982, parts of the Federal government were shut down. Consequently, Congress was forced to revise those bills to comply with his wishes.[18]

As a result, in later years, President Reagan merely had to threaten to use his veto in order to win important concessions from Congress. Because President Reagan was willing to and did use his veto power, the ''all or nothing'' stakes of omnibus legislation actually increased rather than decreased his power relative to Congress with respect to the content of legislation.

CONSTITUTIONALITY OF THE LINE-ITEM VETO

We expressed concerns above that the line-item veto was an unnecessary measure that might in fact be counterproductive in obtaining fiscal efficiency, and that it might be unfairly used by the President to punish particular members of Congress. Yet even if the line-item veto made sense as a policy matter, it should not be adopted, because it violates several provisions of the Constitution. What follows is a discussion of the Constitutional provisions which are in conflict with the line-item veto.

VETO PROCEDURES

Article 1, Section 7, clause 2 of the Constitution sets forth, in considerable detail, the procedure for exercising and overriding the President's veto of legislation. The procedures set forth in H.R. 2 do not conform with these constitutional requirements.

Section 7 of Article I of the Constitution provides, in pertinent part, that:

''Every Bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a law, be presented to the President of the United States: If he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal, and proceed to reconsider it. If after such Reconsideration two thirds of that House shall agree to pass the Bill, it shall be sent, together with the Objections, to the

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Footnotes at end of article.

other House, by which it shall likewise be reconsidered, and if approved by two thirds of that House, it shall become law. . . .''

Under the proposed line-item veto, a different ''bill'' would be enacted than was presented to the President. Furthermore, subsection 5(a) of H.R. 2 provides that ''[w]henever the President rescinds any budget authority . . . or vetoes any provision as provided in this Act, the President shall transmit to both Houses of Congress a special message . . .'' Subsection 5(b) requires that each special message be transmitted to both Houses on the same day.

Thus H.R. 2 appears to directly contradict section 7 in several ways. First, and most importantly, Section 7 contemplates that the Bill be either approved or disapproved in its entirety by the President. Under the Constitution, when the President approves a bill, he signs ''it.'' When he disapproves of a bill he is not permitted to rewrite it—that may only be done by Congress through the legislative process. The Constitution does not permit the President to rewrite the bill except to the extent that Congress incorporates his Objections into a new or amended bill. Rather, in connection with a non-approved bill, the Constitution directs the President to return the bill in its entirety, together with his objections to the House that originated the bill. At that point that House, and not both Houses, shall enter the President's objections into its Journal. The Constitution then instructs that House, and not both Houses, to reconsider the bill. Under the Constitution, it is only after that House has reconsidered it, and only if two thirds of its members agree to pass the bill, that it shall be sent, along with the President's objections, to the other House, where it shall be reconsidered. It is only after reconsideration of the Bill by the second House, and only if approved by two thirds of the members of that second House, that a non-approved bill can become law.

In sum, Article I, Section 7 prohibits partial vetoes. The literal language of the second clause of this section strongly suggests that bills are to be approved, disapproved and reconsidered in toto and not in part. This is apparent from the repeated use of the terms ''it or its''—12 times, ''the bill''—2 times, and ''reconsider or reconsideration''—3 times, and from the context in which those terms are used. Both ''it'' and ''the Bill'' refer to ''Every Bill which shall have passed the House of Representatives and the Senate.'' They do not refer to any modified or amended version of the bill and do not refer to portions of any bills passed by both Houses. Consequently, pursuant to Section 7, a non-approved bill is returned to Congress for reconsideration. The President does not return a modified version. He is instructed to return the bill passed by the House and the Senate along with his Objections thereto. It is the bicamerally passed bill that is reconsidered. Various forms of the word ''reconsider'' are used not once but three times to refer to ''it'' or ''the bill'' in connection with the return to Congress of a non-approved bill. Furthermore, the framers and ratifiers did not choose various forms of the words amend, change, alter, modify, or some similar word. Instead they chose to provide that Congress could ''reconsider'' a non-approved bill, in order to give Congress a chance to approve the bill as it was originally passed, to modify it or to pass a completely new bill.

The veto provision is one of the most detailed and precisely worded provisions in the entire Constitution. This suggests that the procedures outlined therein should be carefully followed and not artfully evaded.[19]

Considering America's history, it is remarkable that the Constitutional Convention of 1787 included any kind of veto power for the President. Before the American Revolution, legislative acts of the colonies were subject to two vetoes. Both the Governor of the colony and the King of England could veto legislation. Both vetoes were absolute and not subject to override by the legislatures. It is not surprising that the colonists resented these veto powers.[20] In fact, the first two grievances listed in the Declaration of Independence deal with this issue. They are: that ''He [George III] has refused his assent to laws . . . He has forbidden his Governors to pass. . . .'' It is thus clear that, during and immediately after the American Revolution, there was a strong disposition against any Executive veto power.[21] We believe that a strict construction of the detailed veto provisions in the Constitution is consistent with the intent of the Framers to provide a relatively limited, rather than generous, veto power.

BICAMERAL AND PRESENTMENT REQUIREMENTS

One of the most troubling aspects of any item veto bill is that an item veto would augment the President's veto power by permitting him to veto appropriation bills that were never considered by the House or the Senate in such fragmented form. Executive veto power over part of a Bill is, in this respect, inconsistent with the bicameral and presentment requirements of the Constitution. As the Supreme Court pointed out in I.N.S. v. Chadha,[22] legislative actions require approval of both Houses, in a bicameral fashion, and presentment to the President. There is no language in the presentment clause, or anywhere else in the Constitution, that permits the President to approve or veto a bill other than in the form in which it passed both Houses and was presented to him. As Professor Gressman puts it: ''The Presentment Clauses state that the bill which is to be presented to the President, the bill he may veto or approve, is the bill 'which shall have passed the House of Representatives and the Senate.' ''[23]

Under Chadha, when a legislative power is exercised—such as in the case of a one House veto—the legislative act is subject to the explicit provisions of the presentment clauses, Article 1, section 7, clause 2 and 3, and the bicameral requirement of Article 1, section 1 and Article I, section 7, clause 2. With a line-item veto, the President clearly would be exercising legislative power insofar as he performs the legislative act of determining the final content of an appropriations bill and does not merely accept or reject the bill as a unit. It is irrelevant whether the itemization needed to implement the line item veto is effectuated by the President or the enrollment clerk in Congress. The effect is the same. A line item veto will permit the President to restructure legislation after its passage. If the President were to exercise an item veto, the bill that would be enacted into law would not have been voted upon and passed by the two Houses of Congress. One bill would be passed by the two Houses of Congress and presented to the President and a second bill would end up being enacted into law without passage by both Houses of Congress and presentment to the President. As the Supreme Court explained in Chadha, a law enacted pursuant to this process would be unconstitutional because it failed to pass both House of Congress and was not presented to the President after such passage.

It is true that H.R. 2 subsection 3(a) permits an item veto to be overridden by way of a rescission/receipts disapproval bill. However, while a rescission/receipts disapproval bill can restore the legislation to what it was before the exercise of the line item veto, a problem is created because it is the President who actually changed the law and not both Houses of Congress with the approval of the President.

Moreover, as a practical matter, the legislative option of promulgating a rescission/receipts disapproval bill is made difficult by the provisions of H.R. 2. Such a bill must reinstate all of the items vetoed. Thus, if the President vetoes several items from a single bill, the practical reality is that a rescission/receipts disapproval bill is unlikely to be forthcoming from Congress. And even if such a bill is passed, the President can veto that bill, and a two-thirds vote in each House of Congress is required to overcome that veto. Furthermore, under H.R. 2, unless Congress overrides the President's veto of a rescission/receipts disapproval bill within the time specified in the statute, the rescission of discretionary budget authority or the veto of a targeted tax benefit becomes effective. Thus, the veto of the rescission/receipts disapproval does not trigger a reconsideration of a law passed by Congress and vetoed by the President, but rather triggers the automatic implementation of a law presented by the President to Congress unless Congress enacts another law. This stands the Constitutionally-mandated legislative process on its head.

THE RULES CLAUSE

The Rules Clause of Article I of the Constitution provides that ''Each House may determine the Rules of its Proceedings. . . .''[24] We believe that a line-item veto is inconsistent with the Rules Clause. Under a line-item veto, the form, content and subject matter of bills will be determined by someone other than the members of the House and Senate.

Moreover, Subsection 5 of H.R. 2, which deals with ''Consideration in the Senate'' and ''Points of Order,'' appears to explicitly violate the Rules Clause by controlling Congress' internal rules and procedures. For example, Subsection 5(d) of this bill attempts to limit debate on rescission/receipts disapproval bills, debatable motions and appeals in connection therewith. it also provides that a motion to further limit debate is not debatable and a motion to recommit is not in order.[25] Such a provision imposes an obvious limitation on the rulemaking authority of each House of Congress.

It is true that, to the extent item-veto legislation imposes limitations on Congressional rule-making, it is a self-inflicted wound. Congress, if it passes the line-item veto, will have constricted its own rulemaking authority. Yet the Rules Clause does not permit such a self-inflicted limitation on Congressional authority. It has been settled law for more than a century that:

''The power to make rules is not one which once exercised is exhausted. It is a continuous power, always subject to be exercised by the house, and within the limitations suggested, absolute and beyond the challenge of any other body or tribunal.[26]''

Thus each House has the power and authority to set its own rules regarding a variety of internal matters. The problem with passing legislation that restricts the rulemaking power of either House is that the legislation is passed by both Houses and can only be abrogated through subsequent legislation by both Houses. This is inconsistent with the Rules Clause, which provides that each House has the authority to determine ''its'' own proceedings. Legislation affecting the internal rulemaking power of either House results in one House of Congress ceding control over its internal rules to the other House. The power granted in the Rules Clause was granted to each House of Congress in order to make the legislative powers of each House more effective. That power may not be channelled or regulated by a statute passed by both Houses and signed by

the President. As one commentator has stated, the Rulemaking power ''granted in the Constitution is above all law, and cannot be taken away or impaired by any law.''[27]

THE APPROPRIATIONS CLAUSE

In addition to all the constitutional concerns addressed above, an appropriations bill that is modified by an item veto is probably unconstitutional on another ground as well: the ''approved'' appropriations would not be approved ''by law'' as required section 9 of Article I of the Constitution. That section provides that: ''No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.'' The problem created by a line-item veto is that the resulting appropriations would not be made by law, but rather would be made by the President with the tacit approval of Congress.

THE POWER OF THE PURSE BELONGS TO CONGRESS

Providing an item veto to the President could fundamentally alter the balance of power between Congress and the President. Commentators have stated:

''the adoption of what might appear to be a relatively modest reform proposal could result in a radical redistribution of constitutional power * * * At stake are the power relationships between the executive and legislative branches, the exercise of Congress' historic power over the purse, and the relative abilities of each branch to establish budgetary priorities.''[28]

The Constitution places the ''power of the purse'' in the hands of Congress and outside the grasp of the President because of the fear of combining the power of the purse with the power of the sword.[29] Section 9 of Article I of the Constitution provides that ''No money shall be drawn from the Treasury but in consequence of appropriations made by law.'' James Madison wrote that '' [t]his power of the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people.''[30]

Roger Sherman said at the Constitutional convention that ''[i]n making laws regard should be had to the sense of the people who are bound by them and it is more probable that a single man should mistake or betray this sense than the legislature.'' These words apply in the area of fiscal decisions where the decisions regarding taxation and spending depend on the government having taken into account the diverse interests of its citizens. No institution is better suited, able or willing to accommodate these diverse interests than Congress. Based upon this view, the Framers chose to give supremacy in budgetary power to Congress. In fact, only the House—the chamber closest to the elctroate—was given the right to initiate revenue bills. Clearly, the Framers believed that decisions affecting the pocketbooks of the citizens should be made by the governmental institution that is closest to them.[31]

All this does not mean that the President is prohibited from taking an active role in Congress' appropriations decisions. For example Article II provides that the President may recommend to Congress measures that he deems ''necessary and expedient.'' And of course the President possesses a qualified veto over all legislation, including appropriations measures.

Nevertheless, with respect to the budget, under the Constitution, the President's role is subordinate to that of Congress. Despite the President's recommendation and veto powers, it is Congress that must make the final decisions regarding funding levels and the expenditure of appropriated funds. It is Congress that must decide the extent to which the President's views and proposals are accepted. Budgetary ''reform'' that increases the President's power at the expense of Congress would alter this scheme and therefore should be disfavored.

In considering whether Congress may cede any of the Power of the Purse to the Executive, Chief Justice Taft states that:

''it is a breach of the National fundamental law if Congress gives up its legislative power and transfers it to the President. . . This is not to say that the three branches are not coordinate parts of one government and that each in the field of its duties may not invoke the action of the two other branches in so far as the action invoked shall not be an assumption of the constitutional field of action of another branch.''[32]

It could be argued that a line-item veto does not in fact cede legislative power over the purse to the President, given the fact that the President already has the power to veto appropriations legislation in its entirety. The fact is, however, that the ability to veto specific items in a larger bill will definitely increase Executive control of the budget process, at the expense of legislative prerogative; indeed, that is the very reason that supporters are pushing for a line-item veto.

The legislative process is a complex, politically-driven process; one item often gets passed in ''trade'' for another as part of a general piece of legislation. This kind of ''horse-trading'' or ''log-rolling'' was clearly not unknown to the Founders of the Constitution. To the contrary, legislative bargaining is essential to the Constitutionally-mandated process and to Congressional control over the purse.[33]

The line-item veto would upset this carefully-calibrated legislative process by allowing the Executive to pluck out a piece of the Congressionally-passed puzzle and reject it. The line-item veto is therefore qualitatively different from the veto power enacted in the Constitution. It represents an aggressive extension of the veto power, and therefore contradicts the qualified use of the veto power that was envisioned by the Framers.

CONCLUSION

Because the line-item veto conflicts with the veto provisions of the Constitution, with the Rules Clause, with the bicameral and presentment clauses, and with the supremacy of Congress over fiscal matters, we conclude that the line-item veto may only be enacted through Constitutional amendment.

THE COMMITTEE ON FEDERAL LEGISLATION

Daniel J. Capra, Chair.*

Marianne Fogarty, Secretary.

Andrea J. Berger, Stacey E. Blaustein, Richard A. Briffault, Louis A. Craco, Jr., Lawrence P. Eagel, David P. Felsher,** Leon Friedman, Mark L. Goldstein, Helen Gredd, Peter C. Hein, Madelynn S. Heintz, Michael E. Herz, Beth Jacob, Maria Bainor Keane, Nicole A. LaBarbera, Sylvia A. Law, Stephen M. Lazare, Thomas J. Lilly, Jr.

Lewis J. Liman, Robert S. Marsel, Jill Moskowitz, William M. Pinzler, Victor Rivera, Kathleen M. Scanlon, Susan Stabile, Debra M. Torres, Maya D. Wiley, Shawna Yen.

*Editor of this Report.

**Author of this Report.

[1] Committee on Federal Legislation of the Association of the Bar of the City of New York, The line-Item Veto, 41 The Record 367 (1986).

[2] See Maxwell L. Stearns, The Public Choice Case Against the Item Veto, 49 Washington & Lee L. Rev. 385, 386 (1992); Eugene Gressman, Is the Item Veto Constitutional?, 64 N.C.L. Rev. 819 (1986).

[3] See Louis Fisher & Neal Devins, How Successfully Can the States' Item Veto be Transferred to the President?, 75 Georgetown L.J. 159, 162 (1986).

[4] Mark Crain & Jim Miller, Budget Process and Spending Growth, 31 William & Mary L. Rev. 1021, 1031–32 (1990).

[5] See Paul R. Q. Wolfson, Is a Presidential Item Veto Constitutional, 96 Yale L.J. 838, 851–52 (1987).

[6] See Stearns, supra, at 387.

[7] Id. at 387–88.

[8] See Neal Devins, Budget Reform and the Balance of Powers, 31 William & Mary L. Rev. 993, 1005 (1990).

[9] Fisher & Devins, supra, at 162.

[10] Crain & Miller, supra, at 1033.

[11] Devins, supra, at 1005–06, quoting the 1984 testimony of Senator Mark Hatfield, Governor of Oregon from 1978–1986.

[12] Devins, supra, at 1005 n.67 and accompanying text.

[13] Devins, supra, at 1005.

[14] Fisher & Devins, supra, at 182.

[15] See, Anthony R. Petrilla, Note, The Role of the Line Item Veto in the Federal Balance of Power, 31 Harvard J. Legis. 469, 471 (1994).

[16] Letter dated August 4, 1994 from United States Senators J. Robert Kerrey (D.–Neb.) and John C. Danforth (R.–Mo.) to members of the Bipartisan Commission on Entitlement and Tax Reform containing ''Draft Findings.''

[17] Petrilla, supra, at 470.

[18] Devins, supra, at 1016.

[19] Two other possible constitutional problems for H.R. 2 may arise under Article 1, Section 7. First, H.R. 2 subsection 3(b) sets a specific time period in which Congress is permitted to override the President's non-approval. However, the Constitution sets no time limit for reconsideration of a non-approved bill. Second, according to Section 7 of Article 1, the President's special message (his objection) would appear to belong in the Congressional Record and not the Federal Register as provided in H.R. 2.

[20] See Alan J. Dixon, The Case for the Line-Item Veto, 1 Notre Dame J. L. Ethics & Pub. Pol'y 211, 218 (1985).

[21] For example, when the Constitution was ratified, no state, except for Massachusetts, gave its Governor any kind of veto.

[22] 462 U.S. 919 (1983).

[23] Eugene Gressman, Is the Item Veto Constitutional?, 64 N. C. L. Rev. 189 (1986).

[24] U.S. Const., art. 1, sec. 5, cl. 2.

[25] Similarly, Subsection 5(e) indicates that it shall not be in order for either the Senate or the House of Representatives to consider:

(1) any rescission/receipts disapproval bill that relates to any matter other than the rescission of budget authority or veto . . . transmitted by the President.

(2) any amendment to a rescission/receipts disapproval bill.

[26] Wolfson, supra, at 853 quoting United States v. Ballin, 144 U.S. 1,5 (1892).

[27] Wolfson, supra, at 856. See also. Gressman, supra, at 821.

[28] Fisher & Devins, supra, at 162.

[29] Mikva, Congress: The Purse, the Purpose and the Power, 21 Ga. L. Rev. 1,2–3 (1986) (the decision of the Framers to grant Congress the Power of the Purse reflected their belief that a proper governmental system would have the legislature at its core.) See also The Federalist, No. 30, at 188 (A. Hamilton) (J. Cooke ed. 1961) (''Money is, with propriety, considered as the vital principle of the body politic, as that which sustains its life and motion, and enables it to perform its most important functions.''

[30] The Federalist Papers, No. 58.

[31] See Mikva, supra, at 4.

[32] J.W. Hampton, Jr. & Co., v. United States, 276 U.S. 394, 405–06 (1928) quoted in Congressional Research Service, The Constitution of the United States of America: Analysis and Interpretation 64 (1972) (S. Rep. 92–82, 92d Cong., 2d Sess. (1972)).

[33] Stearns, supra, at 397, 399; Wolfson, supra, at 851–52.

Mr. COATS. Mr. President, it is always enlightening listening to the Senator from New York. He always presents a thoroughly researched and thoroughly examined and well-articulated argument for his positions. And I enjoy his presentations immensely.

As the Senator from New York knows, there is a difference of opinion on the constitutionality of separate enrollment. Distinguished constitutional scholars have come to opposite conclusions, one of which is Laurence Tribe, a constitutional scholar frequently quoted by members of both parties, but particularly by members of the party of the Senator from New York. The

American Law Institute and Congressional Research Service have given indication that they believe the separate enrollment procedure is constitutional, and Senator BIDEN, currently a Member of this body and ranking member of Judiciary, has argued articulately for the constitutionality of such procedure.

So, clearly, there are opinions on both sides of this issue. Ultimately, of course, the court will make that determination. We have adopted expedited procedures, traditional procedures of which that determination can be made. This Senator hopes and trusts that the opinions of Mr. Tribe and Senator BIDEN, the American Law Institute, and others, will prevail and be persuasive with the courts. But we will find out in due course what that is.

I thank the Senator from New York for his contributions, which are always valuable contributions and thought-provoking contributions.

Mr. MOYNIHAN. If the Senator will yield for a question, I am sure the Senator would agree that when the Court decides, we will abide by the decision. That is the great fact of the American Government.

Mr. COATS. There is no dispute on that point.

Mr. BYRD. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. COATS. I would like to yield the floor if the Senator from West Virginia seeks the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished Senator from New York for his very scholarly statement today. I am only sorry that more Senators are not on the floor to have heard what the Senator had to say. We know what the Constitution says, and the Constitution says ''every bill which shall have passed.'' Constitutional scholars may differ, but I think that we have to retreat to the Constitution itself, first of all, to attempt to construe and interpret that document and read the plain language of the Constitution itself.

We have, as Senators, a responsibility to make some judgment ourselves as to the constitutionality of a measure before we pass on it. In the final analysis, it will be the courts that will decide. But we cannot pass that cup to others. We have to make that judgment here.

I read the letter by Professor Tribe. It was written 2 years ago, I believe, to Senator BILL BRADLEY, if I am not mistaken. I have great respect for Professor Tribe. But I must say, I was disappointed in reading that letter. I was disappointed that such an eminent scholar of the Constitution would take that view of this measure. I say that with apologies to Professor Tribe. He is a constitutional scholar and I am not. But I was astonished that he took that view and indicated that in his judgment that would pass the constitutional test.

I thank the Senator from New York for his statement here today, in which he pointed to the acknowledged Father of the Constitution, James Madison, who in Federalist Papers No. 58 said, ''This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any Constitution can arm the immediate representatives of the people * * *'' Is that not what he said?

Mr. MOYNIHAN. Yes.

Mr. BYRD. This power over the purse. What escapes my comprehension is how we, as Senators, can so lightly pass that cup; how we can so lightly vote to transfer some of that power over the purse to the Executive. Whether he be a Democrat or a Republican, I have never wavered in my opposition to the line-item veto.

Mr. MOYNIHAN. Will the distinguished and revered Senator yield for a question?

Mr. BYRD. I am delighted to.

Mr. MOYNIHAN. Would he happen to know that in the 1988 text of ''American Constitutional Law,'' which Professor Tribe wrote, he stated that separate enrollment was probably unconstitutional?

Mr. BYRD. Was probably?

Mr. MOYNIHAN. Probably unconstitutional. I think he was right then.

Mr. BYRD. Well, that statement is in stark contrast to the letter which I believe he wrote to Senator BIDEN.

The Senator from New York, who has

A heart as stout as the Irish oak
And as pure as the Lakes of Killarney

has taken the right stand in my judgment. He took the right stand on the ''unbalanced budget amendment,'' commonly referred to as the balanced budget amendment. And he has unwaveringly defended the position that that document which has come to bear the aura of immortality should not be demeaned and debased and, as a matter of fact, defaced by such an amendment.

He takes the right stand today. He is a man of obstinate veracity. I appreciate the fact that he has taken the time here today to make this statement. I wish all Senators heard it. I hope they will read it. I heard part of it. It will be my intention to read Senator MOYNIHAN's statement, and I will keep it. I thank the distinguished Senator for his service.

Mr. MOYNIHAN. I thank the Senator.

Mr. BYRD. Mr. President, I believe the distinguished Senator from Michigan wanted to modify his amendment. Has he modified it?

Mr. ABRAHAM. Mr. President, I have modified it.

Mr. BYRD. Mr. President, let me compliment the Senator on having improved the language of the amendment. I certainly have no objection to adopting the amendment on voice vote.

It is an improvement. He has contributed a very worthwhile service. I just wanted to compliment him and say that even though his action constitutes an improvement, this piece of legislation is beyond the stage of improving in such a way that it will not impair the power of the purse which, under the Constitution, has been lodged in the legislative branch.

If the Senator wishes to have a voice vote on his amendment, I yield for that purpose.

AMENDMENT NO. 401, AS FURTHER MODIFIED TO AMENDMENT NO. 347

Mr. ABRAHAM. Mr. President, I would call up amendment No. 401.

The PRESIDING OFFICER. That is the pending amendment.

Mr. ABRAHAM. Mr. President, I thank the Senator from West Virginia for the comments he made yesterday and the questions which he raised with respect to this amendment. I appreciate his help on that.

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

So the amendment (No. 401) was agreed to.

AMENDMENT NO. 350 TO AMENDMENT NO. 347

(Purpose: To prohibit the use of savings achieved through lowering the discretionary spending caps to offset revenue decreases subject to pay-as-you-go requirements)

Mr. BYRD. Mr. President, I have an amendment at the desk which has been qualified for a call up. I shall call it up at this point.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

Amendment numbered 350:

At the appropriate place insert the following:

SEC. . USE OF THE REDUCTIONS IN DISCRETIONARY SPENDING CAPS.

(A) CONGRESSIONAL BUDGET ACT.—

(1) BUDGET RESOLUTIONS AND LEGISLATION.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

''(j) USE OF REDUCTIONS IN DISCRETIONARY SPENDING CAPS.—It shall not be in order in the Senate or House of Representatives to consider any concurrent resolution on the budget, bill, joint resolution, amendment, motion, or conference report that decreases the discretionary spending limits unless the concurrent resolution on the budget, bill, joint resolution, amendment, motion, or conference report provides that such decrease may only be used for deficit reduction and may not be used to offset all or part of an increase in direct spending or decrease in receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1974.''.

(2) SIXTY VOTE POINT OF ORDER.—Subsections (c) and (d) of section 904 of the Congressional Budget Act of 1974 are amended by inserting ''301(j),'' after ''301(i).''.

(b) GRAMM-RUDMAN.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following:

''(f) USE OF REDUCTIONS IN DISCRETIONARY SPENDING CAPS.—A decrease in the discretionary spending limits may only be used for deficit reduction and may not be used to offset all or part of an increase in direct spending or decrease in receipts under this section.''.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Chair. I thank the able clerk for reading the amendment in its entirety.

Mr. President, I am one Senator who believes that it would be foolhardy to enact tax cut legislation this year. Instead, I believe that we should concentrate all of our efforts and our resources toward reducing the deficit. I am aware that President Clinton has called for a middle-class tax cut and I am sorry that he did so. I am aware that the so-called Contract With America pledges a much larger tax cut than that which has been called for by President Clinton.

The so-called Contract With America pledges a much larger tax cut, would be mostly for America's wealthiest taxpayers. I am opposed to both of those proposals because I believe that deficit reduction ought to be our first priority at this time.

I think the President was on the right track when he worked with the Democratic leadership in the 103d Congress to enact a budget deficit reduction package that amounted to somewhere between $400 and $500 billion over a period of 5 years. He was on the right track. He should have stayed on that track.

According to the Center on Budget and Policy Priorities, the tax bill passed by the House Ways and Means Committee would reduce revenues by nearly $180 billion over the next 5 years. That, I believe, is bad fiscal policy.

Here we are, we are debating today, and we have been debating since Monday, a piece of legislation that purports to do something about the budget deficit. It purports to do something about the budget deficits. ''Oh, we have to do something to get these deficits under control. We have to do something about our horrendous budget deficits. We have to put the tools in the hands of the President of the United States. We have to give him the line-item veto.''

President Reagan often said, ''Give me the line-item veto. When I was Governor of California I had the line-item veto. Give me the line-item veto. I will take on the challenge. I will make the cuts.''

And I hear—it is only hearsay, or ''read-say,'' I hear and I read that the so-called Contract With America—if I ever refer to that as a ''Contract With America'' I hope the Official Reporters will make a correction in my transcript, to put the words ''so-called'' as antecedents to the words ''Contract With America.''

The so-called Contract With America, I understand—I hear and I read—that one of the planks in that so-called contract is a line-item veto. So the so-called Contract With America purports that a line-item veto should be placed in the hands of the Chief Executive. We have all these fine new Senators who have come in here, 11 of them, 11 new Senators, all Republican Senators. I get the impression that these, not only new Senators but several of the Senators who have been around here long enough to know better, consider that as a conservative position. I know there are some real conservatives on that side of the aisle, but I am at a loss to understand how a true conservative can advocate giving to the President a line-item veto and can advocate a balanced budget amendment to the Constitution.

I have been around here now 36 years in this body, going on my 37th year. I have known a lot of conservatives, conservative Senators, conservative Republicans. I cannot imagine the conservative Republican Senators who were in this body when I came here 36 years ago advocating a line-item veto, advocating a balanced budget amendment to the Constitution. I cannot believe that Norris Cotton, George Aiken, or Everett Dirksen, or Bob Taft, I cannot believe that Senators of that day would not roll over in their tombs today if they heard what I have been hearing. Conservative Senators—this is the great conservative cause. ''Stand up for the conservative cause. Put in the President's hand a line-item veto. Power of the purse vested in the legislative branch? Why, article I, section 9 of the Constitution—I don't believe a word of it. I don't believe that the Framers of the Constitution knew what they were doing when they wrote into the Constitution section 9 of article I, which says, 'No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.' And, of course, the first article, the first sentence in the Constitution tells us who makes the laws. 'All legislative Powers herein granted shall be vested in the Congress of the United States, which shall consist of a Senate and House of Representatives.' ''

And here we are, we are being told that the conservatives—this is supposed to be this great new revolution here being carried on by the conservatives, being brought to the floor of both Houses, this new revolution—the conservatives are out to advocate that the constitutional framers were not as wise as we had been heretofore taught they were, and that the President of the United States should have part of the power over the purse; we should place in his hands the line-item veto.

I wish that Henry Clay were still in the Senate. I wish that Henry Clay were still in the Senate.

It is kind of old fashioned around here, I know, to go back and read the old dusty records of the Congresses of yesteryears. But I hold in my hand here some pages from the Congressional Globe containing sketches of the debates and proceedings of the Second Session of the 27th Congress, volume 11, Blair and Rives, editors, City of Washington, printed at the Globe office for the editors in 1842, exactly 153 years ago. And the date, to be very exact, was January 24, 1842.

Let us see what old Henry Clay said. I do not use that word as a word of disrespect. I am getting along in years myself and I expect I am older today than Henry Clay was—I know by a long shot—than he was when he spoke in the Senate. Let us see what Henry Clay had to say.

He was not talking about the line-item veto. He was talking about the veto, the veto, which we all know is in the Constitution. Here is what Mr. Clay said. I will not read his whole speech. I had thought, if I were forced to stand on my feet and take a good bit of the Senate's time I just might read the whole speech of Henry Clay, but I will not do that. Just a little of it will give you the flavor. Here is what he said in part.

After speaking of the veto power generally, and more particularly of its exercise by a late President of the United States, the speech proceeded to say. . . .

You see, this is the reporter of the Congressional Globe who is writing in the third person, so he is saying this is what Mr. Clay had to say. The Official Reporter today will not refer to the Senators as in the third person.

''After speaking of the veto power generally and more particularly of its exercise by a late President of the United States, the speech proceeded to say''—now this is Henry Clay. This is not ROBERT C. BYRD. This is Henry Clay.

The first and in my opinion the most important object which should engage the serious attention of a new administration is that of circumscribing the executive power and throwing around it such limitations and safeguards as will render it no longer dangerous to the public liberties.

Hear me: Henry Clay. We do not hear talk in the Senate about public liberties anymore. We do not talk about the liberties, the people's liberties anymore. We only talk about what is good for the next election. What party is going to prevail in the next election. Who is going to get the upper hand in the next election. There is no time and no place here to talk about the people's liberties.

With the view, therefore, to the fundamental character of the government itself, and especially of the executive branch, it seems to me . . .

This is Henry Clay of Kentucky.

. . . to me that either by amendments of the Constitution, when they are necessary, or by remedial legislation when the object falls within the scope of the powers of Congress, there should be, first, a provision to render a person ineligible to the office of the President of the United States after a service of one term.

Not ''three strikes and you are out.'' One term, then you are out.

Second, that the veto power . . .

Listen to this.

Second, that the veto power should be more precisely defined and be subjected to further limitations and qualifications.

He is not talking about broadening the veto power. He is not saying that we should give the Chief Executive a line-item veto. Clay thinks that the framers went too far in giving the President the veto and requiring that, if a veto is overridden, it be overridden by two-thirds vote.

It was his purpose . . .

This is the reporter again talking in the third person.

It was his purpose—

Meaning Clay's purpose.

to go but very briefly into the history and origin of the veto power. It was known to all to have originated in the institution of the tribunitian power in ancient Rome;

Well, sweet speak of rhetoric. Here is a man 153 years ago who is talking about the tribunitian power in ancient Rome. I have been talking about that also.

Senators could learn a little more about the tribunitian power in ancient Rome.

Henry Clay said.

. . . that it was seized upon and perverted to purposes of ambition when the empire was established under Augustus; and that it had not been finally abolished until the reign of Constantine. There could be no doubt that it had been introduced from the practice under the empire into the monarchies of Europe, in most of which, in some form or other some modification or other, it was now to be found. But, although it existed in the national codes, the power had not, in the case of Great Britain, been exercised for a century and a half past; and, if he was correctly informed on the subject, it had, in the French monarchy, never been exercised at all. During the memorable period of the French Revolution, when a new Constitution was under consideration, this subject of the veto power has been largely discussed, and had agitated the whole country. Everyone must recollect how it had been turned against the unfortunate Louis XIV.

Well, that is an error. The official reporters made an error in the Congressional Globe when they referred to Louis XIV. Clay was talking about Louis XVI. He was not talking about Louis XIV. He was talking about Louis XVI. It is easy to see how a mistake can be made. Instead of XVI the official reporter wrote XIV. But be that as it may.

. . . Louis XVI, who had been held up to the ridicule by the populace, under the title of ''Monsieur Veto'', as his wife, the Queen, had been called ''Madame Veto'' . . .

So it had to be Louis XVI.

. . . although, after much difficulty, the power had finally found a place in the constitution, not a solitary instance had occurred of its actual exercise. Under the colonial state of this country, the power was transplanted from the experience which had been had of it in Europe, to the laws relating to the colonies, and that in a double form, for there was a veto of the Colonial Governor and also a veto of the Crown.

Clay went on to say that:

No doubt the idea of engrafting this power upon our own Constitution was adopted by the Convention from having always found it as a power recognized in European Governments, just as it had been derived by them from the practice and history of Rome. At all events, the power was inserted as one feature, not only in the general Constitution of the Federal Government, but also in the Constitutions of a portion of the States.

I will not tire Senators with reading from the Congressional Globe and reading from the words of one of the all-time great Senators. His picture is out here in the anteroom where we meet with constituents; Henry Clay.

Anyone at all acquainted with the contemporaneous history of the Constitution must know that one great and radical error which possessed the minds of the wise men who drew up that instrument was an apprehension that the executive department of the then proposed government would be too feeble to contend successfully in a struggle with the power of the legislature. Hence, it was found that various expedients had been proposed in the convention with the avowed purpose of strengthening the executive arm.

And the Federalist Papers so state that one reason why the President, why the Executive was given the veto, was to protect himself and his office from the incursions by the legislative branch.

All these propositions had their origin in the one prevailing idea: that of the weakness of the Executive and its incompetence to defend itself against the encroachments of legislative domination and dictation.

It was an axiom in all three governments that the three great departments—legislative, executive and judicial—should ever be kept separate and distinct, and a government was the most perfect when most in conformity with this fundamental principle. But it was said that the framers of our Constitution had nevertheless been induced to place the veto upon the list of executive powers by two considerations. The first was a desire to protect the executive against the powers of the legislative branch, and the other was a prudent wish to guard the country against the injurious effects of crude and hasty legislation. But where was the necessity? Clay asked. Where was the necessity to protect the executive against the legislative department? Were not both bound by the solemn oath to support the Constitution? The judiciary had no veto. If the argument was a sound one, why was not the same protection extended to the judiciary also?

Ah, Clay speaks of the solemn oath to which we swear with our hands on God's gospel and our other hand raised to Almighty God. We do not pay much attention to our oaths anymore. But Clay evidently felt differently about it.

Some of the pages are gone from my faxed copy of the Congressional Globe. But I will continue reading excerpts from the same speech by Clay on the abolition of the veto power in the Senate January 24, 1842.

Clay had hitherto viewed the veto power simply in its numerical weight, in the aggregate votes of the two Houses; but there was another and far more important point of view in which it ought to be considered. He contended, that practically, and in effect, the veto, armed with such a qualification as now accompanied it in the Constitution, was neither more nor less than an absolute power. It was virtually an unqualified negative on the legislation of Congress.

That was Henry Clay.

In such circumstances, when all the personal influence, the official patronage, and the reasoning which accompanied the veto, were added to the substantial weight of the veto itself, every man acquainted with human nature would be ready to admit, that if nothing could set it aside but a vote of two-thirds in both Houses, it might as well have been made absolute at once.

And there have been only 104 vetoes in the history of this Republic that have been overridden—104 in 206 years. So it is virtually an absolute veto. Think of what it will mean. I daresay, once this legislation becomes law, if it ever does become law, which God avert—I wish it would not be done with my help—I daresay there will not be any vetoes of items, any vetoes of these little orphan ''billettes.'' I daresay that there will not be any vetoes overridden because not one of those little orphan ''billettes'' will have the pressure and the power that may be brought to bear on a matter of national significance.

Little West Virginia in the House of Representatives has three votes. There are many other States likewise that are represented by few in numbers in the other body. And as I have already said, let something be of interest—take the Northeast region here because there are a cluster of States up there, very important States. Most of them were States before the Constitution existed. They had a part to play in writing that Constitution and a part to play in the revolution, the Revolutionary War. But if there is something in an appropriation bill that is of major significance to those few little States but not of importance to the rest of the Union, it would be very, very difficult for those few States to muster the votes necessary to override a Presidential veto of some of the little orphan ''billettes'' that will parade across the President's desk once this piece of legislation is enacted.

Mr. Clay contended, that really and in practice this veto power drew after it the power of initiating laws, and in its effect must ultimately amount to conferring on the executive the entire legislative power of the Government.

You wait until he gets this. Clay in his dreams probably would never have conceived of such a massive transfer of power of the purse that we are about to enact here. He was talking about the veto that is in the Constitution, which has been in there for 206 years, which was thoroughly discussed at the Convention, thoroughly discussed in the ratifying conventions of the States. He could not have dreamed of this kind of veto that we are about to hand to the President.

With the power to initiate and the power to consummate legislation, to give vitality and vigor to every law, or to strike it dead—

Or to strike it dead.

at his pleasure, the President must ultimately become the ruler of the nation.

And he will also become the ruler of the Members of the House and Senate. Bow down to this new Caesar, bow down to this power. I wish there were a Henry Clay in this body today.

Mr. Clay warned the nation, that if this veto power was not arrested, if it were not

either abolished or at least limited and circumscribed, in process of time, and that before another such period had elapsed as had intervened since the Revolution, the whole legislation of this country could become to be prepared at the White House, or in one or other of the Executive departments, and would come down to Congress in the shape of bills for them to register, and pass through the forms of legislation, just as had once been done in the ancient courts of France.

There was the voice of prophecy.

There, there, was the security, [Clay said] and not in this miserable despotic veto power of the President of the United States.

That is what he thought of the veto power, ''the miserable despotic veto power of the President of the United States.''

You might take a mechanic from the avenue and make him President, and he would instantly be surrounded with the power and influence of his office. . .

The unpretending name, President of the United States, was no security against the extent or the abuse of power. . . Whether he were called emperor, dictator, king, liberator, protector, sultan, or President, of the United States was of no consequence at all. Look at his power; that was what we had to guard against. The most tremendous power known to antiquity was the shortest in duration.

That was the power of the dictator. Under the Republic, a dictator was chosen for a maximum of 6 months or until such time as the crisis for which the dictator was chosen had run its course, whichever was the lessor. Cincinnatus was chosen dictator because there was a Roman general whose army was surrounded by the tribes of the east. Cincinnatus heeded the call, took off his toga, took on the cloak of the dictator, defeated the enemy in 16 days, gave up the dictatorship, and went back to plowing with his oxen on his little 3-acre farm beside the Tiber.

But what power he had. He had all the power, omnipotent power, over every man, woman, boy, and girl in Rome while he was dictator. He could execute without trial; all power. So the dictatorship of Rome continued but for a brief period. Yet, while it lasted, the whole state was in his hands. He did whatever he pleased, whether it was life, liberty, or property.

I will close with this last extract of the speech of Clay on January 24, 1842.

''Before the power should be utterly abolished, he''—meaning Clay—''deemed it prudent, that an experiment should be made in a modified form; and instead of requiring a majority of two-thirds of both Houses to supersede the veto of the President, he thought it sufficient to require the concurrence of a majority of the whole number of members elected to each House of Congress.''

So that was Henry Clay, one of the great trio of all time, one of the Members of the Senate when it was in its golden age.

What would he say today? What would he say today of this hydra-headed dragon? We are about to sow the dragon's teeth and the country will reap the whirlwind.

Where are the true conservatives of today? You are looking at one. I am a conservative when it comes to preserving the constitutional system, the Constitution of the United States. I am not above many. I have voted for five amendments, as I have said. But never would I vote—I would be shot before a firing squad before I would vote—to destroy the structure of this Constitution.

Talk about our children and grandchildren. We shed crocodile tears about children and grandchildren when it comes to reducing the budget deficit. Well, then, let us start helping our children by taking a forthright stand against the tax cut.

If we want to really help our children and grandchildren, let us take a stand against a tax cut.

It would put us in the hole by another $180 billion in this year's 5-year budget resolution before we even start to work on a plan to reduce the deficit. To make matters worse, these revenue losses would skyrocket over the subsequent 5 years to $450 billion, making total revenue losses over the next 10 years equal $630 billion. Ultimately, when all of the provisions of the House Ways and Means Committee bill are phased in—now. this is the so-called contract with America—the revenue losses every year would be more than $110 billion.

Who would get the lion's share of the benefits of these tax cuts? Again, according to the latest analysis by the Center on Budget and Policy priorities, these large revenue losses, which would total $630 billion over the next 10 years, are largely attributable to provisions that heavily benefit upper-income households and large corporations.

In fact, according to a Treasury Department analysis, less than 16 percent of the benefits of the fully phased-in tax provisions as passed by the House Ways and Means Committee would go to the 60 percent of all families with incomes below $50,000. The top 1 percent of families with incomes of $350,000 or more a year would receive 20 percent of the tax benefits, while more than half of the tax goodies would go to the top 12 percent of families—those with incomes over $100,000 per year.

Of the major provisions in the House Ways and Means Committee bill, the changes in IRA's capital gains taxation, and the taxation of Social Security income are heavily tilted in favor of high-income people.

Past analyses indicate that about 95 percent of the benefits from the current IRA proposal would go to the top fifth of the population.

According to an analysis by the Treasury Department, over half the benefits from the House Ways and Means Committee's capital gains provisions would go to the wealthiest 3 percent of families who have incomes over $200,000, while three-fourths of the benefits would go to the top 12 percent of families who have incomes over $100,000 a year; and the House Ways and Means Committee's reduction in the proportion of Social Security benefits that are subject to taxation would give a tax break to the top 13 percent of Social Security beneficiaries.

Similarly, the changes proposed by the House Ways and Means Committee in rates of depreciation and the repeal of the corporate Alternative Minimum Tax would substantially reduce taxes paid by the Nation's largest corporations.

All of these new tax breaks, Mr. President, will have to be paid for. Over the next 5 years alone, we would have to find $180 billion in spending cuts; $630 billion over the next 10 years; and, every year thereafter, $110 billion per year in cuts in order to bankroll these subsidies for the well off people in this country. That level of cuts would have to be made if we were to enact the House Ways and Means Committee tax bill. Having made these cuts, we will just be breaking even. We will not have reduced the deficit at all. We have heard all this crying out here on the Senate Floor over the cruel effects of budget deficits on our children and grandchildren. Yet, when it comes right down to it, the grandchildren do not vote so we will just wait a little longer to get serious about the deficit. Meanwhile we can dole out a little more tax pork for the privileged few.

It is silly; utter folly. They talk, on the one hand, about reducing these deficits so that we can finally get down to paying something on the principal of the debt, stop having to pay interest on that debt, reduce the deficits, take defense off the table—do not touch defense—even increase defense, and, at the same time, balance the budget and, lo and behold, enact a tax cut. Enact a tax cut—what a joke.

I like to vote for tax cuts. That is easy. That does not take any courage.

Where are these cuts to come from? The Ways and Means Committee will not tell us the specifics; but, according to a Washington Post article of March 17, 1995, the House Budget Committee has approved the ''broad outlines of $190 billion in spending cuts over the next 5 years ''—for what?—'' to finance a massive GOP tax cut. Nearly half the reductions would come from Welfare and Medicare and the rest from hundreds of other government programs and foreign aid.'' So, we cut programs for the poor, we cut programs for the sick, we cut programs for the elderly. For what? So that another Rolls Royce can appear in the driveway of some fat cat. Well, that ought to get your blood pressure up. I have no problem with the idea of slicing foreign aid, but the savings ought to go toward reducing the deficit.

That same Washington Post article also lists what are called ''suggestions in the House Budget Committee's proposal to cut discretionary spending by $100 billion over 5 years.''

I ask unanimous consent to print this article in the RECORD.

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

[From the Washington Post, Mar. 17, 1995]

HOUSE PANEL PLANS BIG SPENDING CUTS—$190 BILLION WOULD OFFSET TAX BREAKS

(By Eric Pianin and Dan Morgan)

The House Budget Committee yesterday approved by the broad outlines of $190 billion in spending cuts over the next five years to finance a massive GOP tax cut. Nearly half the reductions would come from welfare and Medicare and the rest from hundreds of other government programs and foreign aid.

Budget Committee Chairman John R. Kasich (R-Ohio) boasted that his plan would assure that Republicans fully pay for a tax package providing three times as much relief as one proposed by President Clinton and begin to put the government on ''the glide path'' to a balanced budget.

Republicans issued the proposals hours before the House passed a separate bill that would pare $17.1 billion from the current budget. Republicans had pledged that all the long-term savings from that package would go for deficit reduction and not to help pay for their tax cut. But early yesterday, Kasich acknowledged that the promise had been nothing more than a ''game'' to attract conservative Democratic support for the bill, provoking a storm on the floor of the House.

The House approved the spending-cut package, 227 to 200, despite widspread defections by fiscally conservative Democrats who claimed they had been duped. The uproar further soured Republican-Democratic relations and distracted from the COP leadership's message that they were paying for tax relief with ''real'' spendng cuts.

''They lied in order to pass a bill they couldn't pass otherwise,'' Minority Leader Richard A. Gephardt (D-Mo.) said.

Yesterday's contentious, sometimes confusing budget drama underscored the House Republicans' challenge in juggling a number of converging fiscal initiatives—proposing a huge tax cut just as they are promising a balanced budget—with time running out on their 100-day ''Contract With America'' timetable.

The $17.1 billion spending-cut package initially was devised by Republicans to offset the cost of disaster relief for California and to make a down payment on the cost of the tax package, although later they promised to use most of it for deficit reduction. Separately, Kasich and his staff prepared the plan for $190 billion of spending cuts to finance the bulk of the tax cuts, along with a 10-page list of ''illustrative Republican spending cuts'' to show where most of those savings could be found. The five-year plan would take effect in 1996.

In the coming weeks, Kasich must also complete work on yet another initiative, a seven-year plan for balancing the budget. All told, GOP leaders must come up with as much as $1.2 trillion of cuts and savings to eliminate the deficit and pay for the tax cuts by 2002, as they have pledged to do.

Meanwhile, about 100 moderate and fiscally conservative Republicans have joined in a mini-revolt aimed at forcing the leadership to peel back the cost of the proposed $500-per-child tax credit—the most expensive piece of the GOP tax plan—and target the benefits more narrowly to middle-class families.

The Republicans have signed a letter circulated by freshman Rep. Greg Ganske (Iowa) and House Agriculture Committee Chairman Pat Roberts (Kan.) asking Speaker Newt Gingrich (R-Ga.) to assure a floor vote on cutting the maximum income of eligible families from $200,000 a year to $95,000 according to several signers.

''We took a little bit silly passing tax cuts when we don't have any money,'' said Rep. Ray LaHood (R-Ill.), who declined to sign the Contract With America because he opposes its tax cuts.

Yesterday, Sens. Dan Coats (R-Ind.) and Rod Grams (R-Minn.) introduced a $500-per-child tax credit proposal that is similar to the version approved by the House Ways and Means Committee earlier this week and provides benefits to families making up to $200,000 a year.

While the drive for a major tax cut continues to enjoy widespread support among House Republicans, Democrats and Senate Republicans are wary of devoting precious resources to a tax cut when polls indicate that voters are more concerned about deficit reduction and many economists say a tax cut is a bad idea.

But House GOP leaders refuse to back down on their campaign pledge to slash taxes for families and businesses, and yesterday Kasich unveiled his blueprint for financing the package.

About $100 billion of the proposed savings would be achieved by extending and lowering legally mandated limits on discretionary spending over the next five years and leaving it up to the appropriate House committees to determine where the specific cuts would be made.

Suggestions in the House Budget Committee's proposal to cut discretionary spending by $100 billion over five years:

Budget committee's five-year plan

[In billions of dollars]

Reduce funding for ineffective training and employment programs	9.3
Eliminate Low Income Home Energy Assistance Program	7.2
Reduce federal agency overhead	5.0
Reduce violent crime trust fund	5.0
Terminate support for the International Development Association	2.8
Cut funding to Agency for International Development	2.7
Repeal the Davis-Bacon Act (sets wages for federal contracts in construction industry)	2.6
Cut National Institutes of Health funding by 5 percent	2.5
Reduce energy supply research and development	2.3
Reduce mass transit operating subsidies, capital grants	2.3
Eliminate programs in National Telecommunications and Information Administration	2.2
Phase out Amtrak operating subsidies	1.6
Phase out funding of Legal Services Corp.	1.6
Reform management of NASA's human space flight programs	1.5
Terminate funding for the National Endowments for the Arts and Humanities	1.4
Place five-year moratorium on construction, acquisition of federal buildings	1.3
Restructure National Oceanic and Atmospheric Administration	1.2
Eliminate the Economic Development Administration	1.2
Eliminate the U.S. Travel and Tourism Administration and trade promotion	1.1
Privatize the Corporation for Public Broadcasting	1.0
Reduce programs in vocational and adult education	0.9
Reduce assistance to Eastern Europe, former Soviet Union	0.8
Eliminate wasteful rehabilitation of severely distressed public housing	0.8
Cut contributions to international peacekeeping	0.8
Reduce funding for Goals 2000 and School in Work programs	0.7
Reduce funding for construction of Agriculture, Interior facilities and trails	0.7
Reduce domestic volunteer programs	0.7
Reduce Energy Department's fossil energy research and development	0.7
Apply cost-benefit test to Superfund projects	0.5
Reduce General Accounting Office funding by 15 percent	0.3
Cut number of political appointees	0.2
Reduce Peace Corps funding	0.2
Replace dollar bills with dollar coins	0.1
Eliminate Small Business Administration's tree planting program (in millions of dollars)	75
Terminate State justice Institute (in millions of dollars)	54
Other programs (in billions of dollars)	37.0
Total	100.4

Mr. BYRD. Mr. President, in other words, the House Budget Committee has proposed a list of suggested discretionary spending cuts, totaling $100 billion over the next 5 years, which would be used, not for deficit reduction, but to pay for more than half of the 5-year cost of the tax breaks proposed by the House Ways and Means Committee.

Mr. President, the use of cuts in discretionary spending to pay for tax cuts is not permitted under the provisions of the Budget Enforcement Act. Rather, that act sets annual discretionary spending limits which, if they are exceeded, will cause across-the-board sequesters sufficient to ensure that total discretionary spending stays within the caps. Similarly, pay-as-you-go procedures in section 252 of the Budget Enforcement Act control mandatory spending and taxes. This is good policy because domestic discretionary spending, in large measure, goes to benefit the Nation in general. It should not be allowed to be ravaged in order to pay for tax favors—tax favors—for the well-to-do.

What the House Republicans are actually proposing will require a change in the Budget Enforcement Act to follow reductions in discretionary spending limitations to be used to pay for tax cuts for the wealthy. That is bad policy. That is not just some obscure Budget Act process change. That is bad policy, and it ought not be sanctioned.

I note among the suggestions here, one, reduce violent crime trust fund, $5 billion. It was my proposal that we have a crime trust fund, and I think I found $21 billion or $22 billion or $23 billion to put in that trust fund when we passed the crime bill—$30 billion. So here they are going to whittle out $5 billion from the trust fund.

Reduce funding for ineffective training and employment programs. Well, it

says ''ineffective.'' Whether or not they are ineffective we will know.

Eliminate Low Income Home Energy Assistance Program; cut National Institutes of Health funding by 5 percent; reduce energy supply research and development; reduce mass transit operating subsidies; phase out Amtrak operating subsidies; phase out funding of Legal Services Corporation, and so on and so on and so on.

Reduce programs in vocational and adult education; cut contributions to international peacekeeping; reduce funds for Goals 2000 and school-in-work programs; reduce funding for construction of agriculture/interior facilities and trails.

Mr. President, we saw what happened in 1981 under President Reagan's policies. He blew into town preaching deficit reduction and promising to balance the Federal budget while, at the same time, proposing to increase defense spending and to cut taxes. Congress gave him what he asked for, and I gave him what he asked for.

The people of West Virginia said, ''He is a new boy on the block, help him, give him a chance.'' So I did. I voted to give him what he asked for. We passed his massive tax cuts in 1981, and I have been kicking myself ever since.

We passed his massive tax cuts in 1981, which cut revenues by $2.1 trillion over the following 10 years. We provided huge increases in defense spending as well, and I went along with that. I voted for everything he asked for. I wanted to give him a chance. That is what my constituents told me to do. Supply-side economics, we were told, would kick in as a result of the tax cuts, and we would actually see more revenues coming into the Treasury than would have come in without the tax cuts. We were going to ''grow our way'' out of our deficit problem. But, it did not happen. Instead, we saw a string of budget deficits which were by far the largest in the history or the Nation. Those deficits of President Reagan's 8 years were only exceeded by President Bush's deficits, which stand as the largest in history. It should be clear that supply-side economics is a failed theory, and David Stockman knew it and said it in writing. It was bogus baloney. It was a flop and it was highly detrimental to this Nation.

It is why we are in this debate right today. It is why we are in the pickle that we are in right today, because out of that colossal mistake that we made came the largest budget deficits, a quadrupling of the national debt and the pressure for a line-item veto and for constitutional amendments to balance the budget. That is why we are in this pickle. They brought us to this. We would not be debating a line-item veto here today if we had not gotten caught up in that trap, that quadrupling the debt.

We are now being asked by the Republican leadership in the House to go down that same road again.

It is really quite unbelievable, but that is what the proponents of the huge tax cut believe. Talk about disregarding history. Talk about a flat learning curve. We have not learned anything from recent history. Some have not picked up a thing from the nightmare of the 1980's. This so-called Contract With America calls for massive tax cuts, increases in defense spending, and a balanced Federal budget by the year 2002. Even if defense spending is not increased, the House Ways and Means Committee's tax cuts will cost $630 billion over the 10 years. That cost will have to be paid for, along with over $1 trillion in additional spending cuts, in order to balance the Federal Budget by the year 2002.

Well, I made that mistake in 1981. But this is one Senator who is not prepared to make the same mistake again. I do not intend to vote for any tax cuts this year—not President Clinton's and not the House Ways and Means Committee's proposal.

We say we are for deficit reduction, and I am for deficit reduction. I am for cutting spending where we can do so in a fair and equitable manner and at the same time deal with our investment deficit in this country. We have not only a trade deficit, not only a fiscal deficit, but we also have an investment deficit, an infrastructure deficit.

I am opposed to enacting spending cuts to pay for tax giveaways. Any savings we can make should go toward reducing our deficit not lining somebody's pockets.

My amendment provides that it shall not be in order in the Senate or House of Representatives to consider

Any concurrent resolution on the budget, bill, joint resolution, amendment, motion, or conference report that decreases the discretionary spending limits unless the concurrent resolution on the budget, bill, joint resolution, amendment, motion, or conference report provides that such decrease may only be used for deficit reduction and may not be used to offset all or part of an increase in direct spending or decrease in tax receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1974.

My amendment also creates a requirement that a waiver would require an affirmative vote of three-fifths of Senators duly chosen and sworn, as would an appeal of the ruling of the chair.

I urge Senators to support the amendment. If the rhetoric about balancing the budget which has been flowing fast and thick in this Congress since we convened is to be believed, we need to take this important step.

Any private citizen paying attention will know that these huge deficits will never be reduced if we are subsidizing wealthy tax payers with back-loaded tax cuts at the same time we are trying to reduce the deficit.

How ironic that we are voting before this day is over, voting to shift the control of the purse, vested in the hands of the people's representatives in Congress, voting to shift that power to an executive, in the name of reducing deficits, in the name of balancing the budget on the one hand and, on the other, let flow from our lips the utter folly of advocating a tax cut. For what reason? To get votes.

Let us not stretch our already fragile credibility to the breaking point by continuing to pretend that these obviously incompatible goals—massive tax breaks and reduced deficits—can ever by reconciled in the real world.

AMENDMENT NO. 350, AS MODIFIED TO AMENDMENT NO. 347

Mr. President, on page 2, line 10, I modify my amendment and I ask unanimous consent to modify it by striking ''1974'' and inserting ''1985.''

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 350), as modified, is as follows:

At the appropriate place insert the following:

SEC. . USE OF THE REDUCTIONS IN DISCRETIONARY SPENDING CAPS.

(a) CONGRESSIONAL BUDGET ACT.—

(1) BUDGET RESOLUTIONS AND LEGISLATION.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

''(j) USE OF REDUCTIONS IN DISCRETIONARY SPENDING CAPS.—It shall not be in order in the Senate or House of Representatives to consider any concurrent resolution on the budget, bill, joint resolution, amendment, motion, or conference report that decreases the discretionary spending limits unless the concurrent resolution on the budget, bill, joint resolution, amendment, motion, or conference report provides that such decrease may only be used for deficit reduction and may not be used to offset all or part of an increase in direct spending or decrease in receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.''.

(2) SIXTY VOTE POINT OF ORDER.—Subsections (c) and (d) of section 904 of the Congressional Budget Act of 1974 are amended by inserting ''301(j),'' after ''301(i)''.

(b) GRAMM-RUDMAN.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following:

''(f) USE OF REDUCTIONS IN DISCRETIONARY SPENDING CAPS.—A decrease in the discretionary spending limits may only be used for deficit reduction and may not be used to offset all or part of an increase in direct spending or decrease in receipts under this section.''.

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

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I have been listening with keen interest to the excellent remarks made by my great friend and colleague from West Virginia. I want to compliment him, once again, for being able to seize the key elements that tell the truth as it is. I am rising now principally to support the amendment that has been offered by the senior Senator from West Virginia and to address what he had to say about the history of the lack of fiscal management. I think it points out just how important the amendment he is offering tonight and why it belongs on

the important piece of legislation before us.

This amendment would strengthen and reinforce the pay-as-you-go requirements in the current budget law. And certainly, Mr. President, I think it deserves our support. If only we had something like this during those other times when we went down that rosy scenario road that the Senator from West Virginia outlined.

I would like to take a few moments to discuss the logic of supporting the current law, which fits right in with the amendment offered by the Senator from West Virginia.

Mr. President, the current law requires the Government to account for annual appropriations spending separately from permanent changes in taxes and entitlements. It is unwise for the Government to use savings promised by budget process changes to pay for tax cuts or entitlement expansions, which, by their very nature, are permanent and require no additional congressional action. They, theoretically, are there forever.

Under section 251 of the Balanced Budget and Emergency Deficit Control Act, annual caps on budget authority and outlays limit discretionary spending. Pay-as-you-go procedures in section 252 of the act control mandatory spending and taxes. The law setting forth these pay-as-you-go procedures does not, in any way, mention changes in the discretionary spending limits.

The appropriations caps constrain the total amount of money that the Congress may appropriate. They do not, by themselves, spend money, nor can anyone know that they will save money until Congress has enacted every appropriations bill for the year in question. The Congressional Budget Office scores only actual appropriations, because they provide the actual authority to spend. Changes in the caps, on the other hand, do not yield immediate budgetary savings. If Congress reduces the caps, subsequent appropriations bills, later appropriations, after-the-fact appropriations are the ones that determine whether or not we live up to the goals that we have outlined.

The amount saved would not be available. I emphasize that again, Mr. President. The amount saved would not be available to offset legislative changes in entitlements or taxes.

The Congressional Budget Office thus believes that it cannot include cap reductions on the pay-as-you-go scorecard without a change in the law. Sound reasons for support of the structure of the law—that is important. That is sound reasoning. Congress appropriates spending, year by year, one year at a time.

Entitlement spending and tax cuts, on the other hand, often go on and on and on forever unless Congress takes an affirmative action to trim them back. To rely on budget processes, changes that promise to constrain appropriations in future years to pay for tax cuts or entitlement expenses, is like buying an unaffordable new house based on the expectation that a person is going to get a substantial raise each and every year that follows. It might work. But then again, Mr. President, it might not. Most times, it has not worked. We should not base our Nation's fiscal policy on such promises and guesswork.

Under the current law, rewards follow responsibility. The law holds appropriated spending responsible for breaches of the appropriation caps, and holds legislation under the jurisdiction of authorizing committees responsible for entitlement and tax law changes that do not pay for themselves. Allowing committees of the Congress other than the Appropriations Committee to get credit for reducing appropriation caps will encourage those committees to look to the appropriated spending rather than to themselves for deficit reduction.

The law links deficit reduction burdens and benefits, and we should keep it that way.

A few days ago, the House Budget Committee reported out a piece of legislation that would have allowed future reductions in appropriation caps to be counted to offset the tax cuts, those tax cuts that Senator BYRD outlined just a few moments ago.

My concern is, what is to stop the House Budget Committee from including such a provision in the budget resolution that they may report next year? The amendment by the Senator from West Virginia would ensure—I repeat, Mr. President—the amendment offered by the Senator from West Virginia would ensure that they could not profit from such a provision that on its face is so phony.

The amendment of the Senator from West Virginia would help to ensure that any savings achieved from lowering the appropriation caps would go to deficit reductions. We all know now and we all understand that that was the reason for the caps in the first instance, to try to bring sanity to the fiscal irresponsibility we have experienced for far too long. The appropriation caps under this bill would go to deficit reduction. I suggest that that is the way it should be.

The amendment offered by the Senator from West Virginia simply would make it more difficult to alter the existing law. He would preserve the pay-as-you-go procedure that has served Congress so well over the past few years, and make sure they are effective in the future.

Mr. President, I urge Senators to support the amendment offered by the Senator from West Virginia.

I yield the floor.

Mr. DOMENICI addressed the Chair.

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

Mr. DOMENICI. Mr. President, I have just read the amendment from the distinguished Senator from West Virginia. I regret, Senator EXON, that I did not get to hear your entire argument.

Mr. President, I do not think the Senate should adopt the Byrd amendment because I think it is redundant, and I do not think we need it. I would like to explain why.

On the 28th day of February of this year, in response to an inquiry that I as chairman of the Budget Committee made to the Congressional Budget Office, in the last correspondence signed by Robert Reischauer as Director, in response to two questions, the second of which was: Can legislation that reduces the discretionary limits—that is, the caps—be counted on the pay-as-you-go scoreboard?

Now, essentially, this question is answered in a rather lengthy paragraph which I will read shortly. Essentially, it says ''No.''

Now, what has happened is in the 1990 summit, followed by a reconciliation bill later on, the U.S. Congress distinguished appropriated accounts from taxes and entitlements and mandatory spending in two very fundamental ways.

First, as to appropriated accounts, they were to be governed and controlled by a mechanism called caps. That means that literally, until 1998, there is an actual dollar number already existing for all of the appropriated accounts including defense. So we add them all up, Senator EXON, and there is a literal dollar number. Later on, from time to time, we might change those caps. But they are, nonetheless, caps.

What happens is that if we break those caps the budget is held harmless and returned to that level by a sequester, an automatic across-the-board cut of appropriated accounts.

If we come in under those caps then that money does not go on any scorekeeping card nor is it counted as a reduction in the caps unless you do that, and until the year's end nothing happens to that money because it is still subject to appropriation under the caps.

Now, that is one way of treating the combination of defense spending and appropriated domestic money. That is how it is treated.

Now, the rest of Government—that is, entitlement and taxes—are treated differently. They are treated under language called pay-as-you-go. Let me read what the Director of the OMB has to say about pay-go accounts.

Here is where I think our good friend, Senator BYRD, got the idea that we needed to put a new law in place. Unless it is to tweak the House, because they went through an exercise of saying they were going to pay for taxes with appropriated accounts. CBO says they cannot do that.

This is the CBO Director's response to that question. One, the Office of Management and Budget contends that current law allows a reduction in spending limits to offset increases in

spending or losses of receipts on the pay-as-you-go scoreboard.

The Congressional Budget Office disagrees. The current budget enforcement process reflects a clear decision by the lawmakers that discretionary spending—a subject matter of Senator BYRD's amendment—that discretionary spending would be subject to different budgetary control mechanisms than would be applied to mandatory spending and receipts or taxes.

Under current law [law that is in effect tonight] discretionary spending is limited by annual caps on budget authority and outlays. If enacted, discretionary appropriations for any year exceed either cap, an across-the-board sequestration of nonexempt appropriations would lower discretionary spending to the level of the caps.

I stated that a little while ago. Now it is being stated in the language of the CBO director, Dr. Robert Reischauer:

Mandatory spending and revenues are controlled by pay-as-you-go procedures. Under PAYGO, OMB and CBO track all mandatory spending and revenue legislation enacted since the BEA. If at the end of a session of Congress such legislation has, in total, increased the deficit for the current and budget years, spending for nonexempt mandatory programs is cut by the amount of the increase. Section 252 of the Balanced Budget Act, which governs enforcement of the PAYGO procedures, does not refer in any way to changes in the discretionary spending limits.

Which is what is worrying the distinguished Senator from West Virginia:

The limits on discretionary spending included in the BEA and OBRA–93 constrain the overall amount of money that the Congress may appropriate in a given year. They do not by themselves create new budget authority or outlays, and CBO and OMB have not reflected the limits in their scorekeeping systems. CBO scores only actual appropriations, because they provide the authority to spend. Changes to the discretionary spending limits thus do not yield immediate budgetary savings. If the discretionary spending limits were reduced, the savings would be achieved through subsequent appropriations bills, but the amounts saved would not automatically be available to offset legislative changes in mandatory spending or receipts.

That is the answer to the question and why we do not need the amendment. Let me repeat:

If the discretionary spending limits were reduced, the savings would be achieved through subsequent appropriations bills, but the amounts saved would not automatically be available to offset legislative changes in mandatory spending or receipts. Therefore, CBO believes that reductions in the discretionary spending limits cannot be included on the PAYGO scorecard without a change in law.

I hope this information has been satisfactory, he says to me, writing this letter.

Mr. President, I have the greatest respect for the Senator from West Virginia. And I have great, great empathy and concurrence with the notion he is trying to achieve. The budget resolution produced by the Senator from New Mexico, coming out of our Senate committee, will follow this law. If we reduce the discretionary caps the money allegedly saved will not be available for the pay-as-you-go scoreboard, which is the only place it could have gone to make room for tax cuts. And it does not go there. It does not go there by law.

So there is not any need to now say you cannot use savings by reducing the caps to offset taxes because that is the law. That is what the director of CBO says. That is what our Parliamentarian is going to say. I do not think there is any doubt about it. A point of order will lie, and we do not need to create it in a new piece of legislation because it already would lie if you attempted to offset in some way the savings that will come from reducing appropriations to pay for tax cuts.

Incidentally, if there really was reason to do this it would be because the President of the United States—and that is stated in this letter, implicitly, at least—made a mistake. He found room in his budget to pay for his so-called middle-class tax cuts by cutting appropriated accounts—lowering the caps. As a matter of fact he made two mistakes.

First is, he cannot do that. You need to get a waiver here. It should not be in a budget without a clear statement that I need a 60-vote waiver in the Senate because the law prohibits me from doing that. That is one mistake.

The second mistake, he used phony numbers. First he increased the caps impropitiously, in a manner not prescribed by law. And then he reduced the caps to count some savings. And then he counted the savings to pay for the tax cuts. Every single step of that is either illegal or phony or a combination thereof.

That is not going to happen in a budget resolution in the Senate because it will get caught right here on the floor. If I try to do it when I put that budget resolution up there for debate, Senator BYRD will get it. He will stand right up and say, ''You cannot do that.'' So let me suggest, he is not going to get a chance to do that because I am not going to do that. I will not bring a budget resolution to the floor of the U.S. Senate as chairman of a committee that flies smack in the face of this letter from the Congressional Budget Office that says that is not the law.

So, if anybody needed any assurance that is not the way we are going to do it here, you got it right now, because we are not going to do it that way.

Well, I should not say it. If 61 Senators want to vote that we do it that way, we will do it that way, the 61 votes are prescribed in this amendment also as a way to waive it. You do not need that either.

So I regret coming down here. I think I made a case, however, and I do not think I harmed Senator BYRD's position at all because I think he makes the right point. But I do not think we need the amendment. Frankly, if there is anything else we have to do by way of amending the Budget Act we are going to have some more hearings. I have committed it to the Budget Committee. We will get onto some other changes in the Budget Impoundment Act. There are a lot people want to do. Besides, I am not at all sure—I say to my friends on the other side—how soon this line-item veto will get out of conference. There are some very big differences between this bill as it leaves the U.S. Senate and the bill that the U.S. House of Representatives passed. There are very, very big differences.

As a matter of fact, I think we will have a budget resolution on the floor, I say to my friend, Senator BYRD, before that conference report will ever get back. So this amendment, if it is on there, is not going to help that situation. But I am here to say I am going to try to help because I do not have to give a speech as to why, why we should not use appropriated accounts, the Paygo accounts. We went through that. We spent weeks on end figuring this out. There is no intention whatsoever to use discretionary programs of this country to pay for tax cuts or entitlement increases, and I do not think that is the way it is going to be.

And I do not think that is the way it is going to be.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOMENICI. Yes.

Mr. BYRD. I have no doubt that the distinguished Senator from New Mexico means exactly what he says. He has no intention of doing that. That is not what the House is saying. The House wants to change the law. I do not want to see the law changed. I think we ought to have this amendment. This would also apply to any reductions in the discretionary spending limits which might occur pursuant to any budget resolution in the future.

The Senator from New Mexico agrees that the summit agreement—we were both there—and resulting Budget Enforcement Act do not allow domestic spending cuts to be used for pay-go. This amendment will make it perfectly clear that any reductions in discretionary spending limits will be used for one purpose only, deficit reduction.

Does the Senator from New Mexico agree that that should be the case?

Mr. DOMENICI. Did I yield for a question? I thought I still had the floor.

Mr. BYRD. The Senator does.

Mr. DOMENICI. The reason I say that is that I am supposed to be somewhere in a minute. I want to get the floor back, and then I will yield very quickly.

Let me just make this point. There have been some discussions on the floor of the Senate about the amendment that is going to pass, the line-item veto that is going to pass. There has been some discussion about how different it was in the original Domenici-Exon line-item veto. Let me just say there is one aspect to this line-item veto that the American people ought to understand, and that Senators ought to understand.

First, I will premise it on the following. None of us really knows whether this will be a significant shift of power, whether Presidents now or in the future will use line-item veto to gain some significant leverage that they should not have or a myriad of other concerns that are on the side of those who are reluctant to vote for this.

But I might suggest there has been one exchange made in the Budget Committee and carried over here, and even made a little better. That is a sunset provision. This bill, as it leaves here in a compromise between the distinguished Senator from Arizona and the Senator from New Mexico, carries a 5-year sunset. That means that if we look at this maybe in 3 years and it is not working too well, or in 4 years, clearly when that 5th year comes, it is gone. If Presidents in the meantime choose to make it this big power shift, you see that this sunset means that we do not have to send them anything.

But if we send them a new bill, there will not be any law on the books. So they will not have the veto pen out to make us do it their way. That is if we are going to pass another law to change it or modify it. I think everybody should know that. That is a bit of protection for the uncertainties that come with legislation of this type.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOMENICI. Yes.

Mr. BYRD. I thank you for that. That is the only good provision in this package that we are about to vote on tonight; the only good provision. I fully support that provision.

But I call attention to the distinguished Senator's statement in the "Report on the Legislative Line-Item Veto Act of 1995." Senator DOMENICI, according to this statement, "The Additional Views of Senator Pete V. Domenici"—I do not know what the "V." stands for; I want Pete to tell me what that is:

> I do not support S. 4 because I believe it will delegate too much authority to the President over the control of the budget . . .

I do not believe he supported S. 4. I think that S. 14, which represented his views, is the bill that we ought to be passing. And that is the bill with some important additions that the distinguished minority leader introduced as a substitute. He included the additions on taxes as well, which was an improvement. I am sorry that the Senator objected to that. But I supported that measure when the distinguished Senator's committee reported it out.

I thank the Senator. I am glad that there is that sunset provision:

> Boast not thyself of tomorrow, for thou knowest not what a day may bring forth.

I do not know whether I will be here 5 years from now. None of us know. Not any man or woman in this Chamber can foresee whether he in truth will be here when that 5 years rolls around. But that is within my present term, and although I intend to be running that period, planning that year for the next election, the next year, I cannot boast myself of tomorrow because I do not know what a day may bring forth.

But I hope I am here when that sunset provision runs out because I want to do everything I can to see that this monstrosity does not have a future life, as much as I do believe in a future life.

While I am on any feet, I want to compliment the distinguished Senator from Arizona. He has fought for this legislation over the years. I do not think this is the legislation he really wants. It is not the legislation that he agrees that he has expressed support for over the years, but he is about to achieve a victory of sorts.

I compliment him on a job well done.

I thank the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to the Senator, the "V." in my name is my mother's maiden name. Her father was named Pete—like me—Vichi, V-i-c-h-i. She wanted so much to have as much of her father as she could. She gave me his first name, and she gave me his initial, and then my father insisted that I, nonetheless, have his name. So that is where it came from.

Mr. President, I want to make one other comment. The legislation is different in another way. The sunset is brief. It is 1 year shorter than previously reported out of the committee. But there is another thing. I know this would never be enough to convince the distinguished Senator from West Virginia. But this does make it such that individual vetoes can be voted on separately in the U.S. Senate. They do not have to be packaged, as in the original McCain proposal or the original Domenici proposal.

And, in a sense, for those who do not like the line-item veto, or are worried about it or frightened of it, that is thought to be a little better protection than if you have to vote, like the military BRAC Commission, take it or leave it. At least you can take one at a time. That is one other aspect of this that I thought we ought to put on record as being different and changing things a bit.

I yield the floor.

Thank you, Mr. President.

Mr. EXON. Mr. President, before my good friend and colleague leaves the floor—I know he has another matter—I just wanted to make a few brief comments. First, that I have had a very close relationship with the chairman of the Budget Committee for a long, long time. Although we do not always agree, we have a good working relationship that is going to carry through in the future. I hope to try to solve the mammoth problems that are going to be pushed off on the Budget Committee, and to help where the decisions have to be made.

I have listened to the statements he made in opposition to the amendment offered by the Senator from West Virginia. I listened very carefully to the quotes he made by the former CBO Director, Dr. Reischauer, who is no longer there. We have a new CBO Director now. I agree, I think, almost word for word, paragraph by paragraph, point by point, with everything the chairman of the Budget Committee said. Then why are we arguing? We are arguing because the chairman seems to feel that just because we have a policy that has existed in the past, that that is going to continue to be the policy in the future.

Senator BYRD, I think, has no quarrel with what the Senator from New Mexico is saying. We have no quarrel with what Senator DOMENICI says he intends to do. Senator BYRD has a quarrel, and I have a quarrel, and I think you, Senator DOMENICI, have a quarrel with what is going on on the other side of the Hill.

What we are trying to do—since this measure that is going to pass is going to be the law of the land—is to put into place, in law, once again now, provisions to tell the House of Representatives that we are not going to allow them to continue what they are doing, which is in violation of what Dr. Reischauer previously said.

I think we all agree. I think what we are simply saying to my friend, the chairman of the Budget Committee, is if you agree with Dr. Reischauer, then you agree with Senator BYRD. The only disagreement you seem to have is that it is redundant and it is not necessary.

I would simply say that I really think this amendment is obviously necessary, given what is going on in the House of Representatives today in that Budget Committee. And we have a new director over there of the Congressional Budget Office. What is to stop the Budget Committee from telling the Congressional Budget Office to do differently in the budget resolution than what Dr. Reischauer had indicated earlier, as was extensively and accurately quoted by the chairman of the Budget Committee.

I would simply say that I believe we are talking by each other as we do often times here in this body. As near as I can tell, Senator DOMENICI, the chairman of the Budget Committee, Senator BYRD, myself, and many others all agree. And if the only reason not to adopt the Byrd amendment is because it is redundant, then this is the time when redundancy is vitally important because of what is going on in the House of Representatives. The House's recent actions are anything but redundant with regard to what we have done in the past.

All Senator BYRD is trying to do with this amendment—and I am surprised that there is opposition on the other side—is to say, let us keep doing business the same way we have done it in the past. Some people say you do not have to say that because it is redundant.

Well, just look at what is going on in the House of Representatives today. They are making cuts in vital programs for infants and children and mothers and senior citizens, and all the

underprivileged of the Nation, for the purpose of putting in a tax cut that benefits primarily the wealthiest citizens of this Nation. They are only going to be able to do that over there if they make some changes in the rules and regulations that we have followed in the past.

What Senator BYRD is simply saying, I say to my colleagues on both sides of this aisle, is let us not fool ourselves again. Let us not go down that path that we did in the 1980's by charting new courses and going through rosy scenarios and inventing systems such as what—I have always called the laughable curve. I think it was really the Laffer curve, but I called it the laughable curve. The laughable curve in the 1980's is back with us once again under a different name. It is rosy scenario. It is changing the rules.

All that Senator BYRD's amendment tries to do, and I think the chairman of the Budget Committee agrees with it, if I heard him correctly—and he is a very honest and honorable man—is let us leave things the way they are. In this very important new piece of legislation that in some form is going to become the law of the land let us say once again that we are not going to be carried off course, and that we are going to be using the cuts that we make to reduce the deficit and not to irresponsibly, irrationaly, and unreasonably make tax cuts that even the Senate committees run by Republicans on this side of the Capitol, indicate do not make sense.

The Byrd amendment makes sense. It is in keeping with what I think is the feeling of my chairman, Senator DOMENICI of the Budget Committee. I cannot see why we are arguing about something that we seem to all agree with. If the only argument not to accept the Byrd amendment is that it is redundant, then it is the type of redundancy, Mr. President, that we need.

I yield the floor.

Mr. President, I understand that the Democratic leader would like to speak on this amendment.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Thank you, Mr. President. Let me commend the distinguished Senator from Nebraska for his comments. I feel very strongly about this issue as well. And I commend the distinguished Senator from West Virginia for offering the amendment.

It is appropriate that this is the last amendment. It is appropriate in part because the distinguished Senator from West Virginia has made it clear all along that there are some very fundamental concerns here, and one of the biggest concerns we have is the vagary of the legislation to begin with. There is a vagary on what the scope of tax legislation is. There is a vagary on its constitutionality. There is a vagary, frankly, on the balance of power, as the Senator from New Mexico just indicated. We are not sure what this is going to do. We are not sure just how much of a shift down to the White House this may represent. There is certainly a vagary with regard to the degree of practicality or of the prudence in taking a simple bill and making it 1,500 or 2,000 pages. There is a lot of vagary here. But how ironic it would be if in the interest of deficit reduction, with all the other vagaries, we did not even know this was going to reduce the deficit, we had no idea whether or not ultimately we were going to accomplish what I thought brought us here in the first place, which is to reduce the deficit. That would be the ultimate irony.

All the distinguished Senator from West Virginia is saying is let us be true to our goal. If we are going to do this, let us be absolutely certain there is no mistake about why we are doing it. Before we vote on final passage, regardless of what assurances we may be given by CBO, regardless of what budgetary guidelines normally we must follow—as the Senator from Nebraska has so appropriately said, we do not know what is coming over from the other side. We do not know how many times things may come over from the other side that will dictate a situation that could otherwise undermine the intent of this legislation.

So let us be clear. This is our last opportunity to say with an exclamation point, ''Here is why we are doing it. This is why it is important.'' If we are going to line-item veto specific provisions in the bill, then it better be designated for one purpose and one purpose only. Regardless of the agenda in the Contract With America, regardless of what intentions the House may have, we now know that it is going to go to deficit reduction because of the Byrd amendment.

So I think it is very appropriate that this is the last amendment because it ought to clarify with no equivocation why we have spent the last week debating line-item veto.

We are not supporting a line-item veto because we want to offer an agenda for tax reform or tax cuts, for tax cuts that we may not want. That is not why we are doing this. We do not want to provide more opportunities to cut taxes and create even greater imbalance between the wealthy and the middle class in this country. That ought to be a fight for another day. What we are here for is to reduce the deficit. What we are here for is to be absolutely certain that if we have designated the President with new powers, we understand what those powers are for. It is to reduce the deficit and nothing else.

So I hope that colleagues on both side of the aisle, regardless of whether they think we have said it loudly enough or clearly enough, can appreciate the concern for vagary once more in this legislation.

The courts are going to determine whether or not this is constitutional. Ultimately, we will probably be able to determine what kind of a shift in the balance of power results. The courts will also determine, I suppose, what will happen with regard to the scope of tax legislation, but we ought to be the ones to determine for what the line-item veto is going to be used. And if we determine it, we have our opportunity with this amendment to say it is going to be used for deficit reduction and that is it.

So, Mr. President, there is nothing more to say than that. The purpose of this amendment is very clear. Again, as so many amendments that we have offered have attempted to do, we are trying to improve this legislation in a way that allows us the confidence that, indeed, we are doing what we say we want to do.

So I commend the distinguished Senator from West Virginia for the amendment. I am very hopeful that in an overwhelming bipartisan consensus we can adopt it before this bill is enacted into law. And with that I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I will be very brief in my remarks.

I first want to rise in support of the Byrd amendment. As everyone here knows, the House Budget Committee last week proposed a change in the Budget Act that would permit reductions in discretionary spending to be used to offset lost revenues resulting from tax cuts, rather than to reduce the deficit. This is one of the most irresponsible proposals I have seen since coming to the U.S. Senate. Everyone in Congress speaks loudly and clearly about the need for spending cuts in order to reduce the deficit. However, one of the first things the new Republican majority in Congress has proposed is to, rather than reducing the deficit, cut spending on programs that help some of the neediest people in the country so that we can pay for tax cuts for some of the wealthiest people in America.

I heard the distinguished Chairman of the Budget Committee, Senator DOMENICI, argue that the Byrd amendment would replicate current law. While that might be technically true, given the House Budget Committee's actions last week, the Senate needs to go on record in opposition to using spending cuts to pay for tax cuts. These cuts must, and should, be used to reduce the deficit. I urge my colleagues to support the Byrd amendment.

I also would like to spend a few minutes discussing the Dole line-item veto proposal that will be voted on tonight. I want to pay tribute to my esteemed colleague from West Virginia, Senator BYRD, who, in my opinion, is always on the side of the angels when it comes to assaults on the Constitution, always on the side of the angels in understanding what James Madison and John Jay and Alexander Hamilton meant when they talked about the separation of powers.

The first time I ever heard that expression I was in the ninth grade. The

concept of separation of powers was refined for me somewhat when I read the Federalist Papers for the first time when I was an undergraduate student at the University of Arkansas. Then I went off to law school and studied a full course in constitutional law and almost a full course on the Federalist Papers. It is a tragedy that every high school student in this country does not have at least one semester on that sacred document called the U.S. Constitution.

John Jay, Alexander Hamilton, and James Madison created the concept of the separation of powers as a method of protecting the public. They put it in the Constitution because it was an important idea that should not get swept away with a momentary trendy, popular idea. So here we are with a very momentary, popular, trendy idea that could very well be an unmitigated disaster for the country—the Dole line item veto proposal.

I remember when I was Governor of Arkansas 250 magnificent prints of a mockingbird showed up to be signed by the Governors of the five States that had the mockingbird as their State bird. When these prints arrived I spent all night long signing my name 250 times on those prints. And of the 250, I got 50, Preston Smith in Texas got 50, the other three Governors got 50. They all spent all night long signing their names, too.

We are going to see similar signing ceremonies if the Dole proposal ever becomes law. Poor President Clinton. He does not sleep very much as it is. I have known him for years. He gets by on less sleep than anybody I have ever known, but he cannot get by with the 2 hours a night that will be left if he is forced to sign all those billettes sent up by Congress.

Mr. President, I would not be surprised if within 2 years from this moment, the Dole proposal will have been found to be such a disaster, so unworkable, there would be a clamor to repeal it.

Mr. President, I went to Wake Forest 3 or 4 weeks ago to speak at a convocation of their law school. The subject of my speech was on the ''Trivialization of the United States Constitution.'' While we are not dealing with a constitutional amendment today, we are dealing with an assault on the Constitution.

I voted for Senator HATCH's amendment to try to retain some semblance of the constitutional balance or power. Can you imagine what FDR would have done when he called the Supreme Court those nine old men who kept striking down the laws that he was trying to get passed to get this country moving again—nine old men. He detested them. He wanted to pack the Court by putting six more members on the bench. At first, everybody thought that was pretty good idea. Just like at first everybody thinks the Dole proposal is a good idea. All of the sudden, the people of this country decided that was one thing they did not want FDR to have the authority to do.

But can you imagine the President of the United States having a line-item veto on the Supreme Court? The Constitution would prohibit him from cutting their salaries, but he could sure turn the lights out. He can cut the heat off. James Madison would just be whirling in his grave if he knew this debate was going on.

We, as Members of Congress are not perfect. There is plenty of pork to go around. Anybody who beats his chest on the floor of this body and says, ''I'm above that'' is not being entirely truthful. All you would have to do is ask that Senator how he or she voted on the space station. That is the biggest piece of pork in the history of the world. How did they vote on the super collider, the second biggest piece of pork in the history of world? How did they vote on that $400 million wind tunnel the other day, the third biggest piece of pork? No, it is that little $1 million lab down in some poor rural state that is pork.

So, Mr. President, as I say, we are not perfect.

But we have been doing some things right. Over the last several years we have taken a number of concrete steps in an effort to deal with the deficit. If we are serious about the deficit, we need to agree to work in a bipartisan manner and say to the American people, ''Yes, we are going to get the deficit under control and we are not going to squander the opportunity to get the deficit under control by putting out a politically inspired tax cut to people who do not want it.''

So we have a golden opportunity. And instead we are squandering it with another assault on the Constitution by shifting the power of the purse to the executive branch. We want the President to be king.

The one thing the Founding Fathers in 1787 said in Philadelphia, ''We have had enough kings. We don't want any more kings. We are going to have a President.''

And until this moment, they have succeeded magnificently. We have had 42 Presidents and no kings. I wonder how much longer that is going to last.

I yield the floor.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. MCCAIN. Mr. President, on behalf the chairman of the Budget Committee, I make a motion to table the Byrd amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona to table the amendment of the Senator from West Virginia. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] and the Senator from North Carolina [Mr. HELMS] are necessarily absent.

I also announce that the Senator from Alaska [Mr. STEVENS] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 48, as follows:

The result was announced—yeas 49, nays 48, as follows:

[Rollcall Vote No. 114 Leg.]

YEAS—49

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

NAYS—48

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

NOT VOTING—3

Gramm	Helms	Stevens

So the motion to lay on the table the amendment (No. 350), as modified, was agreed to.

Mr. COVERDELL. Mr. President, I move to reconsider the vote.

Mr. COATS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 347

Mr. DODD. Mr. President, I rise in opposition to the separate enrollment bill offered by Majority Leader DOLE because I do not believe that it represents a true compromise. I cannot support legislation that requires a two-thirds vote of both Houses of Congress to disapprove a presidential item veto because I see it as an unwarranted tilting of the balance of power away from Congress—the branch of government that is closest to the people.

I believe that separate enrollment legislation would be both unconstitutional and unduly burdensome. This

bill requires the enrolling clerk to enroll each individual item in appropriations bills or legislation that includes new entitlement spending or a new targeted tax benefit. The definition of a targeted tax benefit is ambiguous, and the application of new entitlement spending is unclear.

What is clear is that this slice and dice approach could break up one bill into more than 2,000 separate pieces of legislation. As Senator BYRD noted, if separate enrollment requirements had been in place last year, it would have required the President to review 9,625 separate appropriations measures, instead of just 13 appropriations bills. Separate enrollment would surely be a boon to the Presidential pen manufacturers industry, but a logistical nightmare for everyone else.

I have always been very concerned about line-item veto legislation. But, I could support a reasonable version this year because of the environment in which we now find ourselves.

We recently completed a lengthy debate on the balanced budget amendment. That proposal failed—fortunately, in my view. But at least five other Constitutional amendments—on tax limitation, term limits, unfunded mandates, school prayer and flag burning—are waiting in the wings.

The new Congressional leadership has expressed an unprecedented desire to enact the Republican agenda not only in statute, but into the permanent Constitution of the Nation.

This is the context in which I am willing to support statutory changes that I might not otherwise have endorsed. In contrast to Constitutional amendments, we can easily change statutory language if we find that it has not met our expectations or has had unintended consequences.

I support the substitute offered by Senator DASCHLE. I believe it is a reasonable line-item veto alternative. It requires both Houses of Congress to vote on a President's rescission list and sets up a fast-track procedure to ensure that a vote occurs in a prompt and timely manner.

My change of heart is not based on a belief that strengthened line-item authority will be effective in curbing spending. It is based on a willingness to give a reasonable measure a try.

Line-item veto legislation has always been trumpeted as a critical tool to reduce the deficit. Its supporters argue that any Constitutional concerns are eclipsed by the need to rein in a free-spending Congress. They argue by anecdote that strengthened rescission authority is essential to impose fiscal discipline and eliminate egregious pork-barrel spending. There is, however, little evidence that line-item authority reduces spending in any significant way.

Here is what the experts have to say. According to the Congressional Budget Office: ''* * * the potential for the item veto to decrease the deficit is uncertain.'' The General Accounting Office states: ''* * * rescissions cannot be expected to serve as a significant deficit reduction or spending limitation tool.''

If one doubts the effect of rescissions on the Federal budget, we can look to the example of the States. Forty-three States grant their governors line-item veto authority. Studies have shown that less than 1 percent of budgetary savings is typically achieved by these States through the item veto. The State of Wisconsin—which has one of the most generous item vetoes in the Nation—is a good case study. An analysis of 542 line-item vetoes in Wisconsin found that budget savings attributable to the Governor's use of item veto authority ranged from only .006 percent to 2.5 percent.

Former President Ronald Reagan was one of the most vocal champions of a line-item veto. In fact, in honor of his persistent support, the House passed its line-item bill on his birthday. The fact is, however, that when the former President was Governor of California, he used his line-item authority to rescind an average of less than 2 percent of the State's budget.

While its impact on spending levels is likely to be small, the DOLE legislation raises important Constitutional separation of powers questions. Granting new rescission authority would shift the delicate balance of powers our founders established, and would inordinately increase Presidential power over spending priorities.

The framers did not flip a coin to divvy up powers among our three branches of government. They were familiar with tyranny and were concerned about vesting too much power in the hands of any one person. They believed that the Nation's priorities should be determined by a large and highly accountable body of representatives. They wanted Congress to make public policy by deciding whether and how much money should be allocated. So they specifically granted the power of the purse to Congress—not to the President.

In Federalist 58, James Madison wrote:

> This power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people, for obtaining a redress of every grievance, and for carrying into effect every just and salutary measure.

Strengthening the President's power over the purse could yield dangerous and unintended consequences. Expanded line-item authority could be used to arm-twist individual legislators into adhering to the president's political priorities. Legislators could be coerced into supporting policy positions out of fear for vital projects in their State or district.

It is clear that granting greater line-item authority increases an executive's say over not just how much money will be spent but also over what will be spent. In the hands of a creative and aggressive chief executive, this power could be wielded to subvert the most basic decisions and policies of the legislature.

The line-item veto can be taken to ridiculous extremes by strong chief executives. In Wisconsin, Governor Tommy Thompson has exercised his generous line-item authority on some 1500 occasions. Governor Thompson has been unafraid to wield his veto pen, and he has been imaginative in doing so. He has gone so far as to delete individual letters, words and lines from the budget to stand the legislature's intent on its head.

The Governor's prolific and inventive use of the line-item veto attracted a great deal of attention in his State—so much so that Wisconsin citizens voted to amend the State constitution to bar the Governor's use of the so-called ''Vanna White Veto.'' It was so named because Governor Thompson used his veto to imitate the ''Wheel of Fortune'' star who came to fame by flipping letters.

Here are just a few examples. In one instance, Governor Thompson was sent a bill establishing a 48-hour maximum detention for certain juvenile offenders. He creatively used his line-item veto authority to increase that limit to 10 days.

In another instance, the Governor gutted a $650,000 clean energy rebate program by eliminating all the words except ''$50,000'' and ''program'', thereby providing $50,000 for an unspecified program—mystery pork, you might say. On two occasions, he used his line-item authority to raise taxes.

On yet another occasion, Governor Thompson redirected $83 million of a $183 million property tax relief measure to the State's general fund for other purposes. As one member of the State assembly pointed out, such actions have resulted in the Governor literally vetoing budget items into existence.

While Governor Thompson has been somewhat more inventive than his predecessors in exercising item veto authority, his intent has been the same as his fellow governors. A 12-year study of the State's item veto revealed that Wisconsin's Governors were likely to use the authority to pursue their own policies or political goals—but not to reduce spending.

Wisconsin is not alone. The Congressional Budget Office recently concluded that ''although the item veto may affect State budgets, it is more likely to substitute the Governor's priorities for those of the legislature than it is to reduce spending.''

While much has been made about the need to increase the President's rescission authority, all evidence suggests that current authority works quite well.

In the 20-year history of the Congressional Budget and Impoundment Control Act of 1974, Congress has enacted more than $92 billion in rescissions, compared to $72 billion requested by

six Presidents. This point bears repeating: Congress has rescinded $20 billion more in spending than requested by Presidents over the last two decades.

Earlier this month, one likely Presidential candidate announced that he would not seek his party's nomination. Explaining his decision, he declared that he wanted to focus on real economic issues, but that his party was more interested in gimmicks and procedural issues. That candidate was none other than Jack Kemp.

I believe that the line-item veto is just one more procedural duck designed to serve as a substitute for the difficult and painful budget choices needed to balance the budget.

In less than 2 weeks, the Senate Budget Committee is required by law to report a budget resolution. All evidence suggests that our colleagues on the other side of the aisle have no intention of meeting this statutory deadline. Apparently, when the Congressional Compliance Act was signed into law earlier this year requiring Congress to abide by all laws it imposes on everyone else, the new majority put in a hidden rider exempting Congress from obeying its own internal laws.

The 104th Congress has now been in session for 12 weeks. At least two-thirds of the Senate's time has been occupied considering process changes that would make none of the difficult and painful decisions needed to put our fiscal house in order.

Members of Congress have had ample opportunity to bemoan the economic illnesses our country faces and offer seemingly painless magic potions to cure them. Most of these proposed cures have been worse than the disease. And all have been lacking in the basic political leadership and courage that is necessary to solve our problems.

At the end of the day—balanced budget amendment, or no balanced budget amendment, line-item veto or no line-item veto—we have to roll up our sleeves and get to work.

I am willing to support a reasonable line-item veto proposal. I can support one that guarantees the President a majority vote. But I cannot support any line-item proposal that hands the President plus a small minority in either House of Congress the power to govern.

I am not willing to undermine the delicate balance of powers created by our Founding Fathers in our zeal to respond to a contemporary economic problem.

Mr. DASCHLE. Mr. President, there has been uncertainty expressed regarding some of the language contained in the Dole line-item veto substitute. It is important to clarify the language in order to give guidance to those who will be responsible for implementing it.

The major area of uncertainty has surrounded the definition of targeted tax benefit under the Dole substitute and, in particular, the meaning of "similarly situated taxpayers." I would like to enter into the RECORD a few comments to further clarify this issue.

It has been suggested that "similarly situated taxpayers" may refer to taxpayers who are engaged in a particular activity. Democrats would not disagree with this as one interpretation of the language.

As I did last night, I would like to take an example because I believe this helps focus the discussion. Speaking in generalities can only get us so far, and, as I said, it is important that we provide some specific guidance for those who will be implementing this language.

Suppose that a proposal is raised to provide a tax credit for research expenses incurred by companies promoting conservative causes. I don't believe anyone would argue that this proposal should not be a subject to scrutiny under the line-item veto legislation. Everyone would agree that a tax benefit solely for companies that do research in an effort to promote a specific cause is a special interest tax break. And, as a special interest tax break, it ought to be subject to possible line-item veto.

But, what if someone were to say, "Compared to those taxpayers who promote conservative causes, there is no special treatment here." In other words, what if we define "engaged in a particular activity" as the identical activity for which the special tax break is given. Clearly, this leads to a ludicrous result, and clearly that is not what is intended.

Again, common sense dictates that the particular activity to which the measure should be compared is business research or some broader activity. When this is the comparison group, then we obtain the right result—that is, that the provision is subject to potential line-item veto.

Let me turn another point of clarification, relating to the application of the Dole substitute to direct spending measures. Again, it is important that we make these clarifications for those who will be charged with implementing this legislation.

Nowhere in the language of the Dole substitute does it say that application of the line-item veto will be restricted to increases in direct spending. Both decreases in spending and increases in spending, therefore, potentially will be subject to the veto pen.

The result is that the Dole language would treat direct spending differently from targeted tax benefits. A reduction in entitlement spending would be subject to potential line-item veto, whereas a tax increase clearly would not be subject to line-item veto.

There are the points of clarification I wished to make at this time for the RECORD. It is my hope and intention that these will provide adequate guidance to those in both Chambers who will face the important task of interpreting and implementing the line-item veto legislation we enact.

Mr. KEMPTHORNE. Mr. President, I rise today to offer my strong support for line-item veto legislation, and specifically the Dole substitute amendment before us today. I would like to thank the Majority Leader and my colleagues Senator MCCAIN, and Senator COATS for their leadership and hard work in drafting a compromise bill that has gained wide support in the Senate. I believe the Dole amendment is good legislation. I hope that my colleagues on the other side of the aisle will join me in supporting this important piece of legislation granting line-item veto authority for the President.

In light of our Nation's $4.8 trillion public debt, which is $18,500 for every American, I believe enacting line-item veto legislation would be an important step to reduce Federal deficit spending. Obviously, line-item veto legislation by itself would not eliminate our yearly budget deficits, but it would create a critical link in our efforts to control and effectively reduce the enormous public debt. I am committed to getting our Nation's fiscal problems under control and I believe line-item veto legislation would help accomplish this difficult, yet attainable, goal.

Whether the Senate approves enhanced rescission, expedited rescission, or separate enrollment, any of these approaches would strengthen the ability the President has to rescind Federal spending or targeted tax benefits.

The central message I hear every day from Idahoans is to reduce Federal spending, balance the budget and lower the national debt. But above all they want Congress to eliminate pork-barrel spending. American taxpayers are tired of watching the Federal Government waste their hard earned tax dollars on unnecessary projects which are not of a national concern.

Mr. President, I would like to share with you a sample of some of the comments I received from Idahoans during the 104th Congress in support of enacting line-item veto legislation:

> Recently the house passed a measure to allow the line-item veto for the President. This is something I feel we desperately need in order to eliminate much of the "pork" that is added to large bills as they proceed through the process. I realize that I may not understand all the implications this power might lend to the executive branch but I feel at least it is better than the uncontrolled behavior that is now practiced by members of the Congressional branch. If individual States need such pork, let that State pay for it. I respectfully request that you pass this measure—Joy C. Roberts, Eagle, Idaho

> I believe this measure would discourage the funding of unnecessary programs and reduce government waste—Marc Banner, Boise, Idaho

> Line item veto is mandatory to bring back responsible government—Richard Lewis, Pocatello, Idaho

> This would help eliminate many partisan and/or irresponsible clauses passing through on the shirt tails of otherwise responsible legislat[ion]—Bill Trammel, Boise, Idaho

Under the Dole amendment, once an appropriation bill, authorizing bill, or

any resolution providing direct spending or targeted tax benefits passes the Senate then each item in the bill or resolution will be enrolled as a separate bill or joint resolution. The respective committees will report the bills with great detail so that each item may be separately enrolled. With the President's existing Constitution authority to veto bills, he will be able to review each item in detail and veto any provision separately enrolled.

Opponents of line-item veto legislation believe Congress would unnecessarily grant the President too much power, therefore upsetting the legislative and executive branches' balance of power. Moreover, opponents fear the President will use this line-item veto power to coerce Members of Congress. There is concern the President would be inclined to target funding of particular interest to Members' States as pork-barrel spending and threaten to line-item veto it to gain support for an administration objective. I believe line-item veto legislation will hold the President more accountable to Federal spending programs. The President and Congress will be forced to work together on spending programs.

Enacting line-item veto authority for the President is a top priority of the Republican leadership in the 104th Congress. Forty three States provide their Governors with some type of line-item veto legislation because it works. Idaho is one of these States.

Last January, during President Clinton's State of the Union Address he urged Congress to send him line-item veto legislation for his approval. Various line-item veto bills have been introduced and voted on in previous Congresses, at times when we had a President who wanted line-item veto authority, but a Congress not willing to give him the power. Today, however, we have a President who wants a line-item veto authority, constituents who demand it, and a Congress willing to give him the power. It is time for the Senate to do the responsible thing and pass the line-item veto.

Mr. ABRAHAM. Mr. President, I rise in support of the Dole substitute to the McCain-Coats Legislative Line-Item Veto Act of 1995.

I do not feel it necessary to revisit, here, the stores of dubious spending programs, whether on cranberries, bees, helium, or whatever, that unfortunately find their way into legislation and our bloated Federal budget.

I will, however, repeat what we all know, or at least should know: that we desperately need to regain control over our spending so that we can stop adding to our country's huge and exploding deficit. We must use every means at our disposal to eliminate unnecessary spending, including Presidential vetoes of particular spending programs that have been inserted into larger bills.

Those who argue that this bill improperly hands excessive power to the President ignore the history of Congress' budgeting process or fail to come to grips with its effects on our spending habits.

During the early years of our Republic Congress' appropriations comprised all of four or five pages. Back in the 1940's and 1950's, however, Congress developed the habit of putting riders, in reality spending programs irrelevant to the underlying legislation, on our bills. It was the funding for these riders that Presidents impounded, and it was in 1974, after Congress took away the President's impoundment power, that the legislature began earmarking all funding.

At that point Congress began to pass appropriations bills, laws, and enabling legislation of hundreds of pages in length.

The word ''omnibus'' no longer finds its way into legislation, but many of the so-called laws Congress passes actually are bundles of laws and appropriations put together for reasons of political convenience.

During most of the 19th and part of the 20th century, Congress passed shorter, more precise, and concise laws that only aimed to accomplish particular goals—setting or better yet eliminating a particular tariff, paying an individual for a particular service, and so on. We also put fewer burdens on our people in the form of taxes and regulations.

It is simply unrealistic to pretend that the legislation that generally comes out of Congress today represents unitary legislation.

In some ways, perhaps, our society requires more complex legislation—to, for example, set forth a complete program that has a number of distinct but mutually dependent elements. But too many of us have come to use complex legislation as a form of cover under which we can hide pork for our constituents. This is wrong, and it should be stopped.

The line-item veto essentially returns to the President a power he already has—that of reviewing legislation and vetoing it if he finds it improper. Discrete programs and appropriations still would be sent to the President as before, only now the President would be able to approve or disapprove of each of them, even when bundled together into a large, more disparate bill.

The line-item veto would provide us with an important tool in combating hidden pork and yet maintain an appropriate balance of power—with a legislative process under which the President may review and even veto any piece of discrete congressional action, and under which we in Congress may, if two-thirds of us agree that we should, override that veto.

Far from taking away our proper legislative function, this line-item veto ensures that we will scrutinize every piece of legislation, every program and spending proposal, to see to it that it is in the interest of the American people. We must restore discipline to our budgeting process and this regulation requires that we examine every proposal that affects the budget to make sure that it is both worth the cost and necessary.

With a line-item veto in effect Congress no longer will reach compromises by giving everyone the spending programs they want because a third party, the President, will hold an effective veto power over each element of that compromise. Instead of being forced to choose between accepting a good program that has been stuffed with pork or vetoing the entire bill, the President now will be able to slice away the pork, leaving the program itself intact.

In this way the President, once again, can serve as a check on overspending by Congress, without taking away our constitutional right and duty to consider and enact legislation in the interest of the American people.

I yield the floor.

Mr. CHAFEE. Mr. President, in September, the Congress will vote to increase the U.S. Government's borrowing authority to over $5 trillion—a regrettable but necessary step to keep our Government afloat. The tragic truth is, uncontrolled Federal spending has effectively saddled every man, woman and child in this country with $18,000 worth of debt. And, deficits continue to pile up at a rate of more than $200 billion per year with no end in sight.

In short, Congress' appetite for spending more than the Treasury takes in, has created a deficit situation that is snowballing out of control. Today, the interest charge alone on our national debt consumes 15 percent of our annual Federal budget. In my view, the deficit crisis is our most significant, and distressing national problem. Absent swift action, our children will inherit a legacy of debt that will reduce their standard of living, and eclipse the American dream.

While the line item veto on its own will not substantially reduce these deficits, it is an important check on special interest spending that today finds its way into dozens of bills signed into law each year. The substitute amendment we are debating today, which has been sponsored by the distinguished Majority Leader, Senator DOLE, would give the President badly needed authority to veto special interest spending provisions and tax expenditures buried in important legislation, without having to veto the overall measure.

In effect, rather than receiving a single bill, the President would receive a series of mini-bills contained within an overall bill. He could then surgically remove or veto narrow special interest provisions, and sign the remainder into law. The Dole substitute would require that all new direct spending provisions, appropriations measures and targeted tax expenditures contained within each bill be enrolled as separate items to give the President this surgical, or line-item veto authority. The Congress

could override vetoes with which it disagreed by a two-thirds vote of both houses.

The Dole amendment would give the President the authority to excise pork barrel projects and tax breaks intended to benefit narrow constituencies. Importantly, it would also enable the President to veto new direct spending programs which programs operate without the need for annual appropriations.

During my tenure as Governor of Rhode Island from 1962 to 1968, there were many occasions when I wished I'd had a line-item veto. The situation I faced then was identical to the problem the President confronts today at the national level. Narrow special interest provisions, which could not survive on their own merits, are inserted into critical legislation, leaving the President with a Hobson's choice: Veto urgently needed legislation, or swallow the offending provisions to advance the greater good. The line-item veto is the right prescription for this problem.

Many have expressed concern that giving the President this new authority would undermine the ''power of the purse'' delegated to the legislative branch under the Constitution. While this concern maybe overstated, there is no question——this is a bitter pill for the Congress to swallow. But it's a recognition that the legislative branch cannot put its fiscal house in order, and that additional checks are needed. Wisely, the Dole amendment includes a 4-year sunset provision, so that we are not committing ourselves to an irreversible course of action.

In closing, I want to commend the majority leader, Senator DOLE, as well as Senators MCCAIN and DOMENICI for working together to develop the Dole substitute to S. 4. I strongly support this amendment and hope that the Senate will adopt this measure with a substantial bipartisan vote.

Mr. DORGAN. Mr. President, I have long believed that giving the President the capability to exercise a line-item veto will be helpful in preventing some of the unsupportable spending projects that are put in appropriations bills without notice, public debate, or hearings.

I voted for the Daschle proposal for a line-item veto today, and I am also voting for the Dole proposal to give the President the line-item veto authority.

The Daschle proposal contains two provisions that were, in my opinion, preferable to the Dole proposal. The Daschle proposal had a broader provision on the line-item veto for tax items. Also, the Daschle proposal called for a majority override on the vetoed provision. The Dole proposal requires a two-thirds vote to override the line-item veto. Both of the provisions in the Daschle bill are preferable to me.

However, the Daschle bill did not receive sufficient votes for passage.

Therefore, I am voting for the Dole proposal. I want the Senate to pass a line-item veto bill this session of Congress, and this is a way to get that done.

The Dole proposal does contain a provision for the veto of certain tax provisions. I believe that is an improvement over previous versions.

Although the separate enrollment requirements of the Dole bill may be cumbersome, I have supported that approach in my cosponsorship of the Bradley bill in the last session of Congress. It is, if not the preferred approach, still a reasonable one.

I want to be clear that I don't think the line-item veto will have much affect on the size of the Federal deficit. But, in real ways, it will bring more discipline to congressional spending. And for that reason I believe it is good public policy.

The line-item veto is one part of a series of reforms that I believe are necessary to change the spending habits in Congress. That is the reason I voted yes on both the Daschle and the Dole proposals for a line-item veto.

AMENDMENT NO. 347, AS AMENDED

The PRESIDING OFFICER. Under previous order, amendment No. 347, as amended, is agreed to.

The amendment (No. 347), as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. MCCAIN. Mr. President, as I understand the parliamentary situation, under the previous unanimous-consent agreement, Mr. BYRD is going to speak for up to 2 hours.

The PRESIDING OFFICER. Under the previous order, there will now be up to 2 hours of debate under the control of the senior Senator from West Virginia.

Mr. MCCAIN. Mr. President, I have discussed the unanimous-consent agreement with Senator BYRD and he has agreed to allow a new unanimous-consent agreement that would allow for 5 minutes for the Senator from Arizona, myself; followed by 5 minutes by the Senator from Indiana, Senator COATS; and, of course, whatever leader time he wishes to consume.

So I ask unanimous consent that, in addition to the 2 hours controlled by Senator BYRD, following the 2 hours controlled by Senator BYRD, there be 5 minutes for the Senator from Nebraska, 5 minutes for the Senator from Arizona, and 5 minutes for the Senator from Indiana.

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

Mr. MCCAIN. Mr. President, I thank the Chair. Pending the presence of Senator BYRD, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EXON. 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. EXON. Mr. President, under the unanimous-consent agreement, I understand the Senator from Nebraska has been allotted 5 minutes. I would like to take that 5 minutes at this time.

The PRESIDING OFFICER. The Senator is recognized.

Mr. EXON. Mr. President, I will vote for final passage of the Dole line-item veto substitute. As my colleagues well know, I would have preferred another version of the legislation, namely S. 14, which I cosponsored with the distinguished Republican and Democratic leaders and the chairman of the Budget Committee.

However, S. 14 was not meant to be. We had a vote earlier today to substitute S. 14 for the so-called Dole compromise. Unfortunately, S. 14's supporters, of which I am one, did not carry the day.

All vote tallies aside, I still believe with all of my heart that S. 14 is a better bill. As one of its architects, I can say that it is a cleaner bill. It is constructed on sound footing. It is a simple bill without the unwieldy contraptions that complicate and weigh down the Dole substitute. It is a bill that can weather a constitutional challenge.

Yet, I tell my colleagues today that I will vote for the Dole substitute. I will vote for it as our only chance to win a line-item veto. I will vote for it as a last resort to cut pork-barrel spending.

Mr. President, I can support this bill because it is much improved over its original version. In spite of the haste and pressure to ram this legislation through this body, the Senate worked its will in a number of areas. Through the amendment process, we made this a better bill. We made it a bill that Senators from both sides of the aisle can support—albeit reluctantly.

I am pleased to see that many of the concepts that I proposed in S.14 have found their way into the Dole substitute. The bill now contains a sunset provision. It now addresses the critical areas of targeted tax benefits and entitlements.

However, we are not yet in the winner's circle. We will have enormous hurdles to clear in conference. I hope they are not insurmountable. I hope that reason and bipartisanship can conspire to produce a conference report that the Senate can support, and as a Senate conferee one that I can support when we take the final action on this proposition when the conference report is returned to the Senate.

In conclusion, this is not an enthusiastic vote I cast today. I have listened with great interest to my colleagues who oppose this bill. I share many of their concerns. I share many of their suspicions.

I am still leery of the cumbersome separate enrollment process that was

tossed into the pot at the last minute. I wish we could have had a thorough hearing on it. Separate enrollment could turn into the dreaded hydra of which Senator BYRD warns. There are also serious constitutional considerations which I believe could haunt us for years to come. Fortunately, we now have a sunset provision that will allow Congress to revisit this legislation in 5 years.

But, Mr. President, I will vote for this bill because it's our only hope for a line-item veto. There is a certain irony not lost on this Senator. Just as the President often has to accept the bad with the good in a critical spending bill, so must I accept the bad with the good in this bill.

Mr. President, I wish we did not need a line-item veto at all. I wish Congress had the raw courage to make the sound fiscal decisions that would make this bill unnecessary. But a rising deficit and a nearly $5 trillion debt underscores the necessity of this legislation.

No, this bill will not balance the budget. No, this bill will not eradicate the national debt. No, this bill will not solve all of our problems with a wave of the hand. No, this legislation is not perfect, but it is one important step to blot out the red ink. It is one important step to put an end to out-of-control spending that is bleeding future generations dry. It is one important step to change the Nation's wasteful spending habits. And that is how we will solve our Nation's fiscal ills—one step at a time. I ask my colleagues to join with me today and take this first crucial step.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia now controls 2 hours.

Mr. BYRD. Mr. President, I will be happy to yield some time, if Senators wish. I ask the distinguished Senator from Michigan [Mr. LEVIN] how much he needs?

I yield 5 minutes to the distinguished Senator.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. I thank the Chair. I thank the Senator from West Virginia.

Mr. President, I think it is appropriate for the President to be able to single out spending items that he believes to be wasteful, and to require a separate congressional vote on those items. For that reason, I was supportive of a bill similar to that originally introduced by Senators DOMENICI and EXON. That is why I also voted for the bill that was introduced by the Democratic leader. However, I cannot vote for the bill before us for three reasons.

First, I believe the bill is unconstitutional. The Constitution specifies the mechanism by which laws are made. This bill establishes a different mechanism. We cannot do that. We cannot amend the Constitution by legislation.

Second, the bill would cut up legislation into pieces which standing alone are bits and pieces.

In a statement earlier this week I went through a sample piece of legislation that the Senator from Indiana had put together as a test run of how the bill would work, and the results speak for themselves. The bits and pieces that result would be standing alone, as they are left to do, would be incomprehensible and would bear no relationship to the bill that was passed by the Congress.

Finally, Mr. President, the bill does not achieve its intended purpose of enabling the President to cut spending by vetoing earmarks. I do not think most of our colleagues even realize that. But under the Dole substitute, unlike the original S. 4 or S. 14, if the President vetoes an earmark, he will not save the taxpayers a dime. He still has the appropriations to spend. He will just spend it for something other than the purpose specified by Congress.

The Constitution establishes the method by which laws are enacted and repealed. It specifies how a bill becomes law. It says that when a bill is passed by both Houses of Congress, it must go to the President. It does not have an exception. The bill before us would attempt to carve out an exception. The House bill, which is passed by both Houses, would not under this substitute go to the President. Instead, it gets carved up into bits and pieces, and the bits and pieces go to the President. We cannot amend the bits and pieces. We cannot refer the bits and pieces back to committee. The bits and pieces go to the President as if they were bills passed by the Congress, although the Congress never legislated on those bits and pieces the way we legislate on any bill by having it introduced, having it go through a committee process, a hearing process, an amendment process, a motion process, a conference process. The bill which we passed does not go to the President. The bills which he is given to sign have never been passed by us. That violates the Constitution. We cannot do that.

What is ironic here also is if the President wants to sign a bill in its entirety, an appropriations bill, he cannot do so. He does not have a bill to sign. The bill disappeared. It was splintered into shards. Under this process, if the President wants to sign the bill, an appropriations bill which has been splintered into 500 parts, he cannot sign the bill. He has to sign 500 pieces of the bill even if he wants to sign the whole appropriations. If he wants to veto the entire appropriations bill, he cannot veto the entire appropriations bill. The President has vetoed appropriations bills in their entirety. Presidents under this approach cannot, but would have to veto each of the shards, each of the bits and pieces that were submitted to the President.

I wonder if my time is up? I wonder if the Senator from West Virginia would yield me 1 additional minute?

Mr. BYRD. I yield 2 additional minutes.

Mr. LEVIN. Mr. President, Laurence Tribe, who is a constitutional expert, has been quoted on this floor. I was somewhat surprised by his most recent statement about this.

The Assistant Attorney General for interpreting the Constitution under the Bush administration concluded—his name was Timothy Flannigan—concluded that you cannot have separate enrollment. This was the Bush Assistant Attorney General. In his view, the Constitution ''requires that the bill be presented to the President as passed by the Congress.''

Separate enrollment is unconstitutional.

I believe Mr. Dellinger, President Clinton's Assistant Attorney General, in his statement in his most recent letter says that the best reading of the Constitution is that separate enrollment does not work. But what is interesting was Laurence Tribe's earlier opinion which I want to just briefly read, because, while Laurence Tribe is, indeed, a constitutional expert, a few years before his current opinion, he wrote a book. In that book called ''American Constitutional Law,'' this is what Professor Tribe wrote.

> The core issue is whether Congress may statutorily expand the meaning of the term ''Bill''—which denotes a singular piece of legislation in the form in which it was approved by Congress—by defining as a separate ''Bill'' each and every item, paragraph, or section contained within a single bill that has passed both Houses as an entirety. The method would be to direct the enrolling clerk of the House where the bill originates to disassemble a bill and enrol each numbered section and unnumbered paragraph as a separate bill or joint resolution for presentation to the President in compliance with clauses 2 and 3 of section 7 of article I. But it is far from certain whether the myriad bills thus presented to the President could be said to have been considered, voted on, and passed by the two Houses in accord with the Constitution's ''single, finely wrought and exhaustively considered procedure.'' The choice of whether to adopt and submit one appropriations bill or a hundred, and the decision as to the form the bill or bills should take, might well be deemed the ''kind of decision[s] that can be implemented only in accordance with the procedures set out in article I.'' And delegation to an enrolling clerk in either house of the power to make decisions which would otherwise be part and parcel of the political, deliberative, and legislative process is constitutionally suspect.

Mr. President, I think it is appropriate for the President to be able to single out spending items that he believes to be wasteful, and to require a separate congressional vote on those items. For that reason, I was prepared to vote in favor of a bill similar to that originally introduced by Senators DOMENICI and EXON. That is also why I voted for the substitute proposed by the Democratic leader.

However, I cannot vote for the bill before us for three reasons.

First, the bill is unconstitutional. The Constitution specifies the mechanism by which laws are made; this bill

purports to establish a different mechanism. We can not do that. We can not amend the Constitution by legislation.

Second, the bill would cut up legislation and cut it in pieces which standing alone are gibberish. In a statement earlier this week, I went through a sample piece of legislation that the Senator from Indiana had put together as a test run of how this bill would work. I think the results speak for themselves. The hundreds of bits and pieces of a bill that result would be incomprehensible and would bear no relationship to the one bill Congress actually passed.

Finally, the bill does not achieve its intended purpose of enabling the President to cut spending by vetoing earmarks. I do not think most of my colleagues realize that. Under the Dole substitute—unlike the original S. 4 or S. 14—if the President vetoes an earmark, he will not save the taxpayers a dime. He will still spend the money; he will just spend it for something other than the purpose specified by Congress.

So while I support the version of a line item that comports with the requirements of the Constitution and the system of checks and balances established by our Founding Fathers, the bill before us fails that fundamental test.

The Constitution establishes the method by which laws are enacted and repealed. It specifies that a bill becomes law when it is passed by both Houses of Congress and signed by the President, or, if the bill is vetoed by the President, when that veto is overridden by a two-thirds vote in each House. This bill purports to create a third way by which laws can be made, by giving the Clerk of the House of Representatives and the Secretary of the Senate the power to take a bill passsed by both Houses of Congress and disaggregate it.

Despite the efforts of the sponsors, that is simply not consistent with what the Constitution requires. Article I, section 7 of the Constitution states that ''Every bill which shall have passed the House of Representatives and the Senate'' shall be presented to the President for signature. It does not say that some bills shall be presented to the President for signature.

So here we have an appropriations bill that has passed both Houses of Congress. Under the substitute before us, it does not go to the President. It goes to the Clerk of the House and the Secretary of the Senate instead, to tear it up into different bills. That is not the procedures established in the Constitution. The Constitution says that every bill passed by Congress shall be sent to the President for signature or veto. It does not give us leeway to pass a bill and then hide it and try to pass something else.

The President, if he wanted to sign that appropriations bill in its entirety, could not do so. To achieve the same result, he would have to sign hundreds of different bills. If we wanted to veto it in its entirety, he could not do so. To achieve the same result, he would have to veto hundreds of different bills.

But suppose the President went ahead and vetoed each of the hundreds of little bills. The Constitution says that he shall return each bill, with his objections, to the House in which it originated, which ''shall proceed to reconsideration.'' The Constitution then provides that we must have a recorded override vote on each such bill. The Constitution states:

> [I]n all such Cases, the Votes of both Houses shall be determined by Yeas and Nays, and the Names of the Persons voting for and against the Bill shall be entered on the Journal of each House respectively.

So we cannot have a voice vote on veto overrides, and we cannot do it en bloc. The Constitution says that we shall act on each bill vetoed by the President, and we shall do it by recorded vote. So if the President vetoes 500 little bills, we have to have 500 recorded votes.

Simply put, Mr. President, the procedure that this bill would put us through is a charade. It is a fiction, designed to pretend that we have passed bills that we did not write, did not introduce, did not report out of committee, did not debate on the floor, could not amend, and did not have any legitimate opportunity to vote on.

Here is how the procedure would work. We would go through the entire legislative process of introducing legislation, reporting it out of committee, amending it, voting it through both Houses, going through a conference, approving a final product—a single appropriation bill.

Further, this bill passed both Houses in identical form. Under the Constitution, it is supposed to be sent to the President. But that is not what we are going to do.

Instead, we will give the bill to the Clerk of the House or the Secretary of the Senate, and tell them to disaggregate it into hundreds of different bills. The Clerk and the Secretary, who are not elected at all, but are appointed officials of the majority party in each House, would be directed to take the careful work of the Congress—a bill which, under the Constitution is supposed to be sent to the President—and tear it up into shreds.

This process of splintering a bill would involve a substantial exercise of discretion. The enrolling clerks would have to determine which provisions are tax expenditures. They would have to decide if these provisions affect a limited group of taxpayers differently from other, similarly situated people? What, exactly is a ''limited group'' of taxpayers? Who is ''similarly situated''? How do we expect the enrolling clerks to know?

The enrolling clerks would have to determine which pieces of a paragraph, or a single sentence, contain allocations or suballocations of appropriations. They would have to decide where in a sentence to stop one bill, and start another. They would have to decide whether a provision is an allocation of funds creating a positive obligation to expend funds, or simply a limitation on funds.

These are all legislative tasks, but they would be performed by an enrolling clerk, not by the Congress as the Constitution provides. We are supposed to make these legislative decisions, not the enrolling clerks.

When the clerks have done their work, these shreds of the bill we passed would then be brought back to the House or Senate for what is called a vote en bloc. This vote is a charade. A Member who objected to one or more of the new bills would not have an opportunity to vote against them. No Member would have any opportunity to offer a motion to recommit. No Member would have any opportunity to offer an amendment. No Member would have any opportunity to offer an objection. No Member would even have the opportunity to correct an error in the shredding process.

The only recourse that we would have, if we had a problem with any of the bills, for any reason, would be to vote against the entire package of disaggregated bills. And what would happen if we were to reject this product of the enrolling clerks? We would not have any opportunity to vote on a corrected product. We would have to start the entire legislative process over.

The absence of any opportunity at all for Members to correct errors made in the process of disaggregation gives the Secretary and the Clerk extraordinary powers and raises the potential for real mischief by appointed officials.

This is not the legislative process established in the Constitution. It is a charade, designed to create the appearance that we have complied with the constitutional requirements. That is not good enough. The Constitution says that a bill passed by both Houses of Congress shall be sent to the President for signature. There are no exceptions for momentarily convenient ends. This bill does not comply with that requirement.

The Supreme Court said in the Chadha that we cannot amend the Constitution by legislation. The Court explained:

> The explicit prescription for legislation action contained in Article I cannot be amended by legislation. . . . The legislative steps outlined in Article I are not empty formalities; they were designed to assure that both Houses of Congress and the President participate in the exercise of lawmaking authority.

The Court explained its decision as follows:

> The bicameral requirement, the Presentment Clauses, the President's veto, and Congress' power to override a veto were intended to erect enduring checks on each Branch and to protect the people from the improvident exercise of power by mandating certain prescribed steps. To preserve those checks, and maintain the separation of powers, the carefully defined limits on the power of each Branch must not be eroded. . . . With all the

obvious flaws of delay, untidiness, and potential for abuse, we have not yet found a better way to preserve freedom than by making the exercise of power subject to the carefully crafted restraints spelled out in the Constitution.

Mr. President, I intend to vote against the measure before us because it is unconstitutional.

Second, I oppose the bill, because it would turn carefully considered pieces of legislation into gibberish. Earlier this week, I showed my colleague a document prepared for the Senate enrolling clerk, at the request of the Senator from Indiana, as a test run of how this bill would work in practice.

What the enrolling clerk put together was one appropriations bill, cut up into separate pieces as required by the measure before us. He produced a stack of paper 3 inches thick, containing 582 separate bills, each of which would be separately enrolled, signed by the Speaker of the House and the President of the Senate, and sent to the President for signature.

As I pointed out at that time, many of these so-called bills are, standing by themselves, simply gibberish. For example, I read one, which states, in its entirety:

of which $200,000 shall be available pursuant to subtitle B of title I of said Act, and

That is it. That's the entire text of the bill, which we are going to send to the President for signature. Who is authorized to spend this money? What are they authorized to spend it for? What account does it come from? $200,000 out of what appropriation? ''Subititle B of title I'' of what act? It makes no sense. And there are hundreds more bills that are equally incomprehensible. This is not the enrolling clerk's fault—he just did what the bill directed him to do.

This is not supposed to be a jigsaw puzzle, Mr. President. It is legislation. Each of these sentences I read the other day is an independent, free-standing bill, to be sent to the President for signature. After they are pulled out of a bill and separately enrolled, not one of them means a thing. The measure before us would result in a product that simply makes no sense.

Finally, Mr. President, I oppose this bill, because it would give the President extraordinary powers, without achieving its stated purpose of allowing the President to cut spending by vetoing earmarks.

I do note that the proposal before us has been improved by the amendment that I offered with the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Nebraska [Mr. EXON]. Under the substitute originally introduced by the majority leader, the President could have used his line item veto power to increase spending or to veto restrictions on spending.

Under the substitute, as originally proposed, the President could have used his line-item veto power to reject rescissions and cancellations of spending. He could have used this power to veto limitations and conditions placed on an appropriation, without vetoing the appropriations itself. In other words, he could veto the limitations, and spend all of the money anyway. The President could have rejected provisions in appropriations bills that attempt to reduce Government waste. He could have vetoed limitations on spending for consultants, for entertainment of Government officials, for Government travel. That means he could have spent more money for these purposes.

Fortunately, we have corrected part of the problem. Under the Levin-Murkowski-Exon amendment, items of the type I have just described would not be separately enrolled. The President would no longer be able to veto rescissions or cancellations of funds. He would no longer be able to veto restrictions on appropriations and still spend the money. He could no longer spend money for purposes inconsistent with the specific intent of the Congress.

That was an important amendment, but my colleagues should be under no illusion that we have eliminated the problems with this bill. We have done the best that we could with a flawed approach, but the approach remains seriously flawed.

Despite the adoption of the Levin-Murkowski-Exon amendment, the substitute before us gives the President broad powers to substitute his personal priorities for the budgetary priorities voted by the Congress. If, for example, we were to require the President to spend a specified amount appropriated funds for the Strategic Defense Initiative, or a particular approach to SDI, the President could veto that requirement and spend the money based on his own personal priorities.

Moreover, the substitute before us would cede this power to the President without giving him the authority to save the taxpayers money by eliminating an earmark. Despite the extraordinary powers given to the President by this bill, when it comes to cutting spending, it is weaker than either of the two bills reported out of the Budget and Governmental Affairs Committees.

How can that be? How can a bill that gives so much power to the President give him so little power to reduce spending?

First, this substitute gives the President the power only to veto, not to reduce, an appropriation. So while the President is given great power to veto an earmark within an appropriation, he would not thereby reduce the appropriation itself, unless he were prepared to veto the entire appropriation.

Here is where we need to understand what an earmark is. An earmark is not an appropriation. It does not give the President any additional power to spend money; it simply says that of the money already appropriated, a certain amount must be spent for a specified purpose. This is what we call an allocation or suballocation of an appropriation. Here's how it works.

We start with an appropriation. For example, the following: ''The following funds are appropriated: For the purpose of program X, $600 million.''

We then want to specify more precisely how that money will be spent, so we have an allocation. For example: ''of which $20 million shall be available for purpose A; $12 million shall be available for purpose B; $15 million shall be available for purpose C; etc.''

That is an allocation of an appropriation. If one of these allocations is further divided into pieces, that would be a suballocation.

Now, let us look at the difference between the two bills reported out of Committee and the Dole substitute. The two reported bills both took the rescission approach. They authorized the President, subject to certain limitations, to rescind any amount of budget authority provided in an appropriation. That means that the President could veto all or part of an appropriation.

In the case of the example I just gave, if the President decides that the $20 million for project A was a wasteful earmark, he could rescind the budget authority for that project. Under either of the two rescission bills, the President would, in effect, put a blue pencil through that $20 million. At the same time, and this is the important part, the President would also reduce the overall $600 million appropriated for purpose X by the same $20 million.

The appropriation would be reduced to $580 million, and we would have a real cut in spending. In fact, both bills contain a so-called lock-box amendment, under which the money rescinded by the President could not be spent for any other purpose. That means we would really reduce Government spending.

But now let us look at what the Dole substitute does. Under this substitute, the $600 million appropriation and each of the allocations of that appropriation are enrolled as separate bills. If the President decides that the $20 million for project A is wasteful, he can veto the bill containing that allocation.

But what happens to the $600 million appropriation if he vetoes the allocation? That appropriation is in a separate bill. He can not reduce it by $20 million as he could under the bills reported from Committee; he must either sign it or veto the whole thing. If he vetoes it, he is rejecting not only the wasteful earmark, but the entire program to which it is attached. If he signs it, however, he will not have saved a dime by vetoing the earmark.

So under substitute amendment before us, the President can veto an earmark, but it will not do the taxpayers any good, because that will not reduce the appropriation. We will still have the same amount of spending that we would have had without the veto. There is no money to put into a lockbox, because spending has not been reduced by a dime. The only difference is that the President will spend the

money on his own pet project, instead of the project specified by Congress.

Let us look at a classic earmark. We could have an appropriation for post office construction, with allocations for specific post offices to be built in specific locations. That is what we are after in this bill, and I do not have a great problem with giving the President the power to veto those earmarks. But I will say, Mr. President, that I would prefer a rescission bill, which gives the money back to the taxpayers, over this bill, which leaves the appropriation intact for the President to spend on post offices of his own choosing.

Mr. President, some Senators appear to be under the misapprehension that the substitute before us would enable to President to cut spending by vetoing an earmark. In fact, it does not. The original version of S. 4 would have enabled the President to do that. The Domenici bill would enable the President to do that. The Daschle substitute would enable the President to do that. But the Dole substitute does not. Under the Dole substitute, if the President vetos an earmark—or an allocation, as it is called in the bill—he can still spend the money, unless he vetoes the entire appropriation, which may cover many worthwhile projects in addition to the earmark.

Some will say that, even so, we would be better off without the earmark.

But not all allocations and suballocations are ''earmarks''. Many are basic statements of congressional priorities, and many place important conditions, limitations, and restrictions on presidential spending.

Let us look at some real world appropriations, with their allocations and suballocations. I gave a few examples yesterday, all from last year's appropriations bill for Commerce, Justice and State. Let me go through them again, to explain what the President can do, and what happens to the money.

One example I gave was the so-called bill which would state: ''of which $200,000 shall be available pursuant to subtitle B Title I of such Act''. Let us set aside the fact that, standing by itself, this is gibberish, and assume that the appropriating committees will figure out a way to write this so that it makes sense. What does it do?

Here is the answer. Last year's bill appropriated $62 million for State and Local Narcotics Control and Justice Assistance under the Omnibus Crime Control and Safe Streets Act of 1968. The largest allocation out of that appropriation was $50 million for state and local law enforcement programs. The $200,000 was an allocation for enforcement of anti-car theft provisions for preventing motor vehicle theft.

The $50 million allocated for State and local law enforcement programs and the $200,000 for enforcement of anti-car theft provisions was a statement of congressional priorities. We determined that the anti-car theft program was a relatively minor priority, compared to the assistance provided to state and local law enforcement programs. That is what we do in appropriations bills. We establish priorities.

Under the bills reported out of committee, the President could rescind the $200,000 allocation and save that money for the taxpayers. But he can't do that under the Dole substitute.

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Under the substitute, the President could veto the $50 million allocation, the $200,000 allocation, or both, but that would have no effect on the overall appropriation of $62 million. The President would still be required to spend that money; he could simply substitute his own priorities for those established by Congress. Perhaps he thinks the car theft program is more important than local law enforcement; he could reverse the allocations. But he would not save any money without vetoing the full appropriation.

These priorities are no small matter. In the last Congress for example, we spent weeks fighting over the relative priority to be given in the crime bill to hiring additional cops, building additional prisons, and establishing crime prevention programs. We will undoubtedly refight some of those battles in this Congress. But unless we are very, very careful about the way we write our appropriations bills, the President could use the veto power provided in this legislation to reverse our priorities. Moreover, he could do it without saving the taxpayers a dime.

In short, Mr. President, the substitute before us is likely to do little good, and a lot of harm. In particular, the power given to the President to veto allocations and suballocations will enable him to substitute his own personal priorities for those established in bills passed by Congress, but will not save the taxpayers a dime, because unless the underlying appropriation is vetoed, the money will still be spent.

This provision is well-intended. The sponsors of the substitute undoubtedly think that they are striking out at earmarks. But they have missed the mark.

Mr. President, I will vote against this bill, because it is unconstitutional. I will vote against it, because it would turn bills carefully considered and passed by the Congress into gibberish. And I will vote it because for all this trouble, we would not even succeed in giving the President the power intended, to cut spending by eliminating earmarked funds. I urge my colleagues to join me in opposing this bill.

I thank the Senator from West Virginia, not just for yielding time but for his stalwart defense of the Constitution. The spirit of Henry Clay is on this floor. I thank the Senator from West Virginia for the kind of defense of the Constitution which Henry Clay put up when he was here.

Mr. BYRD. I thank the distinguished Senator from Michigan for his most generous and charitable words. I deeply appreciate them. I am flattered by them.

The Senator from Rhode Island [Mr. PELL], did he wish time?

Mr. PELL. Three minutes.

Mr. BYRD. I yield 3 minutes to Mr. PELL.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I find myself in opposition to the line item-veto legislation before us, both on philosophical as well as practical grounds.

Philosophically, I simply believe that Congress should be extremely chary in yielding its power of the purse to the executive branch. I hold this view on the basis of my Senate service under eight Presidents of both parties during my 34 years in the Senate, and notwithstanding the cordial relationships I have had with all of them.

The fact is that the executive branch, under our Constitution, quite properly is a separate power center with its own agenda and its own priorities. Inevitably, it will seek and use any additional power to achieve its objectives. And the pending grant of veto power over specific items, I fear, will surely give even the most benign and well motivated Chief Executive a new means for exercising undue influence and coercion over individual members of the legislative branch.

So my preference would be to simply retain the present system of Presidential recommendation of rescissions. I fully recognize that under that system our appropriations bills do sometimes cater to narrow special interests. It was for that reason that I favored the substitute offered by the minority leader to require congressional action, by majority vote, on proposed rescissions. It is unfortunate that the majority saw fit to withdraw its support for the earlier version of this approach, as originally proposed by Senator DOMENICI.

It is even more regrettable that the only viable compromise that could be devised involves the dismemberment of all appropriations bills into hundreds of separate bills. Quite apart from the constitutional questions which have been raised with respect to the form of presentation of bills, the compromise is mind boggling in its complexity.

Separate enrollment, it seems to me, is so cumbersome and unwieldy as to invite ridicule on this body for even considering it. More to the point, it invites bureaucratic confusion or at worst tampering with the legislative process. It is the kind of jerry-built solution which seems almost certain to spawn more problems than it was designed to fix. We should reject it, or failing that, hope that the conferees in their wisdom will set it aside.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from Maryland [Mr. SARBANES], 5 minutes.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I thank the very distinguished and able Senator from West Virginia for yielding me time.

I wish to join my colleague from Michigan in the comments he made a few moments ago in expressing my deepest appreciation to the Senator from West Virginia for the very strong fight he has been making in the Chamber on this issue and on other issues which touch the Constitution of the United States. He has been a true champion of our Constitution and the Nation is in his debt.

I am deeply troubled that this body appears to be into the symbolism but not the reality of addressing important national problems. There is a dedicated craftsmanship in dealing with problems of public policy which members of a legislative body are supposed to bring to the task. Anyone can stand up and thump their chest and holler there is a problem and we need to have a response.

The real question is will the response be a sensible one? Will it in fact, in real practical terms, improve the situation? Too few want to face those questions and deal with them in a tough-minded way. Witness the proposal before us. The Congress is going to send thousands of little ''billettes'' down to the President to sign or veto. As the able Senator from Michigan pointed out, there are manifestly serious constitutional questions about this approach.

There was a path the Senate could have followed, pursuant to the concept of expedited rescission, which I think would have commanded very broad support in this body. An approach which would have gotten at some of the spending problems people have criticized without bringing about a radical and fundamental shift in the allocation of powers between the executive and the legislative branches.

I said earlier on in the debate that it is no great trick to have a strong executive. If you go through history, many countries have had strong executives. In fact, when it is carried to extreme, we call them dictatorships. The hallmark of a free society is to be able to have a legislative branch and a judicial branch in addition to an executive branch and for those two branches to have independence of judgment and real decisionmaking power, with the ability to check and balance executive authority.

I can understand executives wanting to maximize their authority, but I have difficulty understanding legislators who in a blind way, are giving up a significant part of their role in the operation of the political system.

I do not say that from the point of view that they should guard their own personal power and authority but from the point of view of guarding their role under the Constitution as representatives of the people. The Founding Fathers devised a constitutional system which has been the marvel of the world. They established a National Government with independent branches that check and balance one another; to have not only the executive with power and authority but also to have a legislative branch with power and authority.

The thing we must be careful about as we consider these various line-item veto proposals is not to erode the balance, the basic balance and constitutional arrangement that has served the Republic well for over two centuries.

The Congress passed the Budget Impoundment and Control Act in the mid 1970's, to address this balance between the executive and the legislative branches which provided a rescission process. It is possible to do further refinements with respect to the rescission arrangements that currently exist in the law and it is down that path I believe we should be proceeding.

The current approach has been criticized. It is said the President makes rescissions, sends them to the Congress, the Congress simply ignores them.

A proposal was offered by the minority leader which would have addressed this problem by requiring the Congress to act upon rescissions sent to it by the President. The Congress would not simply be able to ignore it. The President would be able to focus the spotlight on the issue and require the Congress to act on it. The expedited rescission proposal provided that if a majority in both Houses did not agree that the item should be rescinded then it would not be rescinded. That seemed to me to be a sensible way of trying to address some of the problems that have been raised without fundamentally altering our constitutional arrangements.

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

Mr. SARBANES. Could the Senator yield me just 2 more minutes?

Mr. BYRD. Yes. I yield the Senator 2 additional minutes.

Mr. SARBANES. I thank the Senator.

I just want to touch finally on a point made immediately preceding me by the distinguished Senator from Rhode Island. Namely, that the proposal before us places enormous power in the hands of the Executive to bring pressure on the legislative branch. What the executive branch can do under this proposal is link items in an appropriations bill with totally unrelated issues on which a Member of the legislative branch may be challenging the Executive.

For example, the Executive may have a nomination it is trying to move through the Senate. A Senator opposes that nomination. The Executive can pick out of an appropriations bill an item of critical importance to the Senator's home State, an item which everyone would concede is meritorious, but yet the Executive would be able to use his veto to negate that item, not on the merits of the item itself, but because the executive branch would relate it to a totally separate item in which they are being opposed by the Member in the legislature.

Think very carefully about that. I believe it will happen. In the hands of a vindictive President, it could be absolutely brutal.

But I think the temptation for its use in this manner will be tempting to any Chief Executive who is concerned about moving some other matter through the legislative body and finds himself being thwarted or frustrated.

Finally, let me go back to the point with which I opened. My deepest concern is the manner in which we are trivializing very important issues. The Senator from West Virginia has rendered an extraordinary service to the people of the country by highlighting that. He has stood here on the floor and underscored that we are dealing with serious matters. This is serious business. Decisions are being made in the rush of the moment that may well alter in a fundamental way our basic constitutional arrangements. We ought to be very careful about doing that, Mr. President. I regard the measure before us as a giant step down that path and, therefore, I very strongly oppose it.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I thank the very able and distinguished senior Senator from Maryland for his vision, his dedication to this Constitution of ours, his love for the Senate, and his patriotism which has stood the test many times on this floor in recent days and in months and years past. It has always been with great pride that I have listened to him and been thankful for someone of Paul SARBANES' stature and courage.

I know of others in this institution who treasure their membership in this body and who cherish the Constitution. I perhaps should not mention names because, inevitably, I would not think of all the names that should be mentioned at a time like this.

But I shall mention the name of the Senator from Michigan, Mr. LEVIN. He is a master craftsman when it comes to legislation. He is meticulous and careful and exact.

I have often thought that in that Convention which met from May 25 to September 17, 1787, he would have been an appropriate man to appoint to the Committee of Detail. He is so methodical, so very, very thoughtful in probing the depths of every word. He would have been well placed in that great gathering, because there are very few words in that Constitution that are without great purpose. Not many words were wasted.

I suppose that if I could flatter myself by thinking that I might find a few words in that Constitution that perhaps ought not to have been there—and I cannot say this with certitude, of

course—it would be those words in that veto clause, in the second part thereof, which refers to ''every order, resolution, or vote,'' in saying that they should be presented to the President for his consideration.

Of course, we do not send votes to the President. We do not enact orders of a nature to be approved or disapproved by a President. We do enact simple resolutions, concurrent resolutions, and joint resolutions, neither of the first two of which goes to the President.

But as to the words ''order'' and ''vote,'' I have never been able to understand why the Framers put those words in the Constitution. But they, too, were afraid that something would be sent to the President and called a bill which was, in reality, not a bill. Bills have to be presented to the President for his approval or rejection. And so the Framers took every precaution to make sure that anything that went to the President for his signature or for his veto would, indeed, be a bill or a joint resolution.

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

Mr. BYRD. Yes.

Mr. LEVIN. First of all, for a thank you and to say how grateful I am for your comments, but also for a question.

First, on that clause that the Senator just made reference to, ''Order, Resolution, or Vote,'' I have not wondered as long or as hard as the Senator from West Virginia has about that, but I wondered a bit about it.

I am wondering whether or not that might have been intended precisely to avoid the Congress from failing to send to the President something to which the concurrence of both Houses was required but which they would put a different label on in order to avoid it going to the President; that they might call it an order or a vote instead of a resolution to avoid the clear intent of the Constitution that something to which the concurrence of both Houses may be necessary go to the President.

I wondered whether that might be the reason for those words so that the Congress could not put the label, some label other than resolution on something, and avoid a document which required concurrence of both Houses from going to the President.

But my question of the Senator from West Virginia is this: The Senator has focused a great deal of attention—needed attention—on section 7 of article I, which requires that ''Every Bill which shall have passed the House of Representatives and the Senate, shall, before it become a Law, be presented to the President . . .'' It does not say ''some bills,'' it says ''Every Bill.''

The Senator has pointed out eloquently and persuasively that what is attempted here legislatively is that a bill which passes both Houses not go to the President and we cannot amend the Constitution by legislation.

There is another part of that section 7 which has had less attention, and I would like to ask the Senator from West Virginia a question about it.

That is, currently if the President decides to veto an appropriations bill, he can just simply veto the bill. But under this proposal, after the bill is divided into these bits and pieces, or ''billettes,'' as the Senator from West Virginia calls them, in order to veto an appropriations bill, the entire bill, the President would have to veto each of the bits and pieces of that bill.

Let us say that the appropriations bill is divided by an enrollment clerk, assuming this politically appointed enrollment clerk can figure out what represents a tax and a general tax and a tax which is limited to a group, and he can properly put the limitations to the right appropriation and do all these other things which are really legislative—these are not ministerial functions, these are critical policy decisions—but assuming you have an enrollment clerk who does all that and sends these 500 bits and pieces to the President and the President says, ''I want to veto this entire appropriations bill,'' it is my understanding that under the pending substitute, he would have to veto each of the 500 bits and pieces in order to get to the entire bill.

If that happened, if he wants to veto the entire bill, he would then return all the bits and pieces—all of them would come back to the Congress—and then, as I read article I, section 7, it says that in all cases of a veto, each bill vetoed—now we have 500 of them—''. . . the Votes of both Houses'' on the override ''shall be determined by yeas and Nays, and the Names of the Persons voting for and against the Bill shall be entered on the Journal of each House, respectively.''

So that as I read the Constitution, if the President decides to veto the entire bill, therefore he has to do all the bits and pieces. Each of the vetoed bills would have to come separately before the Congress for an override vote, and they could not be voice voted and they could not be voted en bloc.

Is that the Senator's reading of that language of the Constitution? It seems clear to me, but the Senator is the constitutional expert, I believe, around here, in my judgment, at least, and I am wondering whether he might indicate whether that is the way he also reads that provision.

Mr. BYRD. Mr. President, the Senator flatters me, but aside from that, he has posed a very significant question.

I think what it amounts to is, we are doing indirectly what we cannot do directly. And that is, that we are conveying a share of power over the purse to the Executive. We are purporting to send him a line-item veto, when, under the Constitution, the Senate and the House, in my judgment, cannot give away that power, cannot give to the President of the United States a line-item veto. Only the people can do that through an amendment to the Constitution.

The Framers gave to the President a qualified veto. They did not give to the President an absolute negative. He has to take it all or leave it all. But there are so many questions that are raised by this substitute. I wish we could have gone on with this debate for a few more days. Several flaws have already been brought to light during the limited debate that we have had on this measure, and only God knows what additional ones might have come to light upon further examination. The Senator raises a very important question.

Each of the little ''billettes'' would have to be signed or vetoed by the President or, if he did not sign them, and if Congress were in session, they would become law without his signature. But if the President vetoes one or several or all, there is no provision in this measure whereby a House, in which the bill first originated, has any authority to collect those vetoed bills and vote to override them en bloc. I raised that question in this Chamber yesterday.

In most cases, the House, being by custom the originator of appropriations bills, would be the first to decide and, in many cases, the only House to decide, because if the House chose not to attempt to override, the Senate would never have a voice and, to that extent, the Senate is being subordinated to the other body by this legislation.

Many of the ''billettes'' would, by virtue of their having been offered to the bill as amendments in the Senate, thereby have originated in the Senate and, under the Constitution, the measure which is vetoed is to be returned to the House in which it originated. Even though an amendment in the form of an enrolled bill may have been offered in the Senate by the Senator from Michigan, the Senator from Michigan may never see that measure again. The House will determine, because the overall bill originated in the House, whether or not there will be an attempt to override a veto.

In short, there is no provision for escaping the strictures of that constitutional provision that the Senator has mentioned. The bill goes back to the originating body and that House then votes to pass it over the President's veto, or it fails to do so. It cannot put two of those ''billettes'' together and vote en bloc to override the presidential vetoes. It cannot put a dozen or 50 or 100 of them in a package, and if the President chose to veto all of them, there is no provision to override en bloc.

Oh, I know, we have decided by way of the Abraham amendment that, after the House and Senate have voted on the conference report and the enrolling clerk of the originating body has enrolled all of these little billettes, packaged them into one big bill again and it is put on the calendar, all of the little billettes are to be voted on en bloc.

Mr. LEVIN. Without amendment.

Mr. BYRD. Without amendment, with very limited debate, no motion to recommit, no motion to reconsider. It mystifies me.

I have to say that I have heard Jefferson's name invoked so many times during the debate on the ''unbalanced'' budget amendment euphemistically called the balanced budget amendment. Jefferson's name was invoked so many times, so often in that debate, to the total disregard, almost, of what Madison thought about the Constitution, or what Hamilton had to say. Jefferson's name was invoked. He was not even at the Convention. He was in Paris at the time.

We will see what Jefferson says in his manual, The Parliamentary Practice for the use of the Senate of the United States, printed 1801. On page 73, thereof, one sentence: ''After the bill is passed there can be no further alteration of it in any point.'' Why it would have been anathema to Jefferson to have even mentioned letting the enrolling clerk break that bill up into several parts, and thus, through a fiction, created a multiplicity of bills.

Reading further what Jefferson says about that: ''When the bill is enrolled, it is not to be written in paragraphs, but solidly''—solidly, solidly—''and all of a piece, that the blanks between the paragraphs may not give room for forgery.'' That is Thomas Jefferson, in his parliamentary manual.

So, the Senator asked a question which, if this measure ever becomes law, which God avert, somebody will have to answer. And at some point, even though the courts may try to avoid a political thicket, they may, indeed, have to make a decision there. That is a problem with this measure. It is not just a thicket, it is a political thicket.

That is what is behind this whole exercise here, this whole effort—politics. We have to act on the line-item veto and, under the so-called Contract With America, send the President a line-item veto.

Mr. President, I thank the distinguished Senator for his question. It is a penetrating one, one which we will have time to ponder. I see great difficulty, great difficulty. Never again will a bill, which originally passed the House and the Senate, through a process of debate, amendment, recommittal, and reconsideration of votes, resume its original form. Instead it will be sent to the President in the form of 100, 500, 1,000, 2,000 little billettes. Never again will that bill be the same original bill that passed both Houses. Never.

Never again will there be a public law that refers to that bill in the manner in which appropriations bills are now cited as public laws. When it comes to overriding a veto, just think of the time that will be consumed in any effort to override the vetoes of 15 or 20 of those little billettes that have been enrolled by a clerk in the other body.

When we annually consider 13 bills, plus supplemental bills, plus possibly continuing resolutions, plus certain authorization bills, it boggles the mind to think of the waste of time in trying to override such vetoes. Even the thought itself is intimidating.

Mr. President, I want to thank all Senators. I think this has been a fairly good debate. It is highly regrettable, Mr. President —and I do not say this with any rancor—highly regrettable that this bill on which the Senate is about to vote was brought to the Senate on Monday of this week and offered as a complete substitute to S. 4. The minority had no opportunity, as far as I know, to participate in the writing of it. There has been no committee hearing on it. There has been no committee markup of the DOLE substitute. There was no committee report, no minority views, no supplemental views, no additional views by committee members. Yet, the Senate was immediately faced with the prospect of a cloture motion offered on that substitute.

Now, what was done was within the rules of the Senate. I do not question that at all. Some may say, well, the former majority leader often offered a cloture motion the very moment that a motion to proceed was made. That is true. I never thought of those instances as filibusters and have said so. I never considered it to be a filibuster simply because the former majority leader could not get unanimous consent to take up a measure. He made the motion to proceed and offered a cloture motion immediately. I have never thought of that as a filibuster.

But he was offering a motion to invoke cloture on a motion to proceed. I do not recall any instances—there may have been instances—I do not recall any instances, however, in which the previous majority leader—while he often offered a motion to invoke cloture on a motion to proceed—I do not remember any instances in which he immediately upon the Senate's proceeding to take up a measure or matter, I do not remember any instances in which he immediately thereupon offered a cloture motion on the matter itself. There may have been some such instances. I do not recall such.

But even if he did so, it was certainly not a matter of this gravity, a matter of this nature. We are talking now about a matter here which goes to the heart of the Constitution. It is not a constitutional amendment, but it seeks to amend the Constitution without appearing to amend the Constitution.

It seeks to do indirectly that which it cannot do directly. Congress cannot give to the President of the United States line-item veto authority. That would require a constitutional amendment. I know there are some who maintain that the line-item veto authority is in the Constitution already. I do not believe that for a moment.

If it were in there, surely some President, along the line somewhere, would have been advised by his chief counsel that there, in that Constitution, is something that you can use, and it is the line-item veto.

It has never been discovered up until this time. It has never been used up until this time. And the reason it has not been used is because it is not there.

Mr. SARBANES. Will the Senator yield on that point?

Mr. BYRD. Yes, I will yield.

Mr. SARBANES. It is my understanding there have been Presidents, Chief Executives, who have urged their lawyers within the executive branch to do exactly that: Look in the Constitution to find an existing line-item veto authority. And as much as the Presidents have wanted that authority, it is my understanding his lawyers have always come back to him and said, ''We cannot find that authority in the Constitution that enables us, in good conscience, exercising our professional judgment, to say that authority is there to be found.''

Mr. BYRD. I think that is true. In the instance of Mr. Bush, for example, I think he was so advised. I know George Washington maintained that he had to sign or veto the whole bill. The first President of the United States maintained that he had to sign the bill or veto it in its entirety. He could not take part and reject part.

So, Mr. President, here a cloture motion was offered immediately on a measure which the minority only saw for the first time, a far-reaching measure, a measure which we, even after these 4 days of debate, cannot really comprehend. We really do not know what this bill does. And I regret that the Senate was faced with that fait accompli: Here it is. Here is a new bill. We do not have a committee report on it. We have never had any committee hearings on it. But here it is, and here is a cloture motion along with it—which means that come the following day but one, the Senate will vote on cloture.

It would seem to me that a minority should find that pretty hard to swallow, the application of a gag rule immediately upon a bill which had not seen the light of day until the moment that it was introduced.

As I say, I do not speak with rancor. I speak only with sadness that we have come to this in the U.S. Senate. When I came to the Senate, the minority would not have stood for that, that approach. The minority at that time was on the Republican side of the aisle. Nor would the majority have sought to take advantage of the minority in that way. Senators in that day would have rebelled at the thought.

But that day is gone now. And I will say this. If a minority does not seek to protect its rights, then it cannot blame the majority for riding and running over it, trampling it under foot.

This substitute is an absurdity, an absolute absurdity. Here we are, grown men and women. We have taken the oath to support and defend the Constitution of the United States. We have

been favored and blessed with the high title of ''Senator.'' And we are judged to be craftsmen of the art in legislating. We are thought to be men and women who should take great pride in our work here, but alas, we fall far short.

The very idea that for the first time in all history, as far as I am concerned—I know of no precedent for this approach. I know of no precedent for the handling of a bill such as is outlined in this substitute. There is no precedent in British history, the history of Parliament; in the history of the Colonial legislatures; in the history of the State legislatures; in the history of our republic under this Constitution—absolutely no precedent for handling a bill in this manner. And not only does tradition and custom refute this approach, but the great parliamentarians of the past refute it.

I have just read from Jefferson's manual, and he, in turn, refers to the great authority on the British Parliament and its parliamentary procedures, William Hakewill, in whose treatise on parliamentary procedures, dated 1671, are noted the various authorities referred to in so many instances by Jefferson in his book on parliamentary procedure. There is nothing like it. I have never seen anything like it. I could never have thought that here in the Senate we would be voting on such a deformity as is this piece of legislation.

If we can do what we are doing with this bill, we can do almost anything. Do not be surprised at anything when a legislative body allows itself to be hoodwinked, blinded, cajoled, or whatever, into stamping its imprimatur on such a piece of legislation, if it can be called that. It will go to conference. I hope it never sees the light of day after it gets to conference. But for us to put our imprimatur on it?

I have to stand before God when I leave this life and give an accounting of my stewardship here. There is no way out of it. It is unavoidable. And I have to give an accounting to my children and my grandchildren. There is no way out of that. I have to give an accounting to myself when I look in the mirror. I have to say, ''Old boy, you did not do very well today. You have seared your conscience. You voted to do indirectly what you could not do directly.'' I would have to look at it in that way. How others may wish to look at it, is up to them. But I cannot in good conscience ever look back upon this hour and think that the Senate did the right thing.

This thing is going to pass. I wish that this bill had been before the Senate for at least another week. Several flaws have been detected and made visible by the distinguished Senior Senator from Georgia [Mr. NUNN] and others. There have been attempts to correct the flaws that came to light.

So for the time that this measure has been on the Senate floor, the time has been well spent. But we were deprived of further examination and study by the very fact that a cloture motion was entered on the very day that this substitute was introduced. We were deprived of the opportunity to thoroughly probe it, uncover it, and look at it minutely. I do not think that is the proper way to legislate.

I am sorry that the minority took it lying down. I will bet that when the Republican side was in the minority, it would not have taken that lying down. I praise our minority leader, Mr. DASCHLE. He has done everything that he could do. But the minority leader with 39 others cannot block cloture. It takes the minority leader plus 40 others to block cloture.

I chose to agree with the minority leader. There was no point in making the effort when we knew the votes were not there. It would only be an embarrassment. So let us do the best we can, fight the good fight, and be on to the next battle.

Mr. President, this is indeed a sad moment for the Senate. I remember what Brutus said in a letter to Cicero. Cicero, in order to gain favor with Anthony and Octavian, came to agree with them on certain things, and Brutus criticized Cicero for doing so, according to Plutarch, in a letter: ''Our forefathers would have scorned to bear even a gentle master.''

Mr. President, our forefathers, too, would have scorned to bear even a gentle master.

As I look around this Chamber tonight, I think of Everett Dirksen. I think of Norris Cotton, George Aiken, Bob Kerr, Richard Russell, Lister Hill, Allen Ellender, Spessard Holland, and others whose voices have long been stilled, how they would have been ashamed, ashamed, to see the Senate accept without a fight, and a long fight, a piece of junk like this. This is a piece of junk out of keeping with any precedent in any legislative body that I know of. In the words of Brutus, ''Our forefathers would have scorned to bear even a gentle master.''

Yet, there are some in the minority who cannot stand and vote against cloture once. Do not mention twice, or three times.

When the Republicans were in the minority, and I was the majority leader, I offered cloture eight times on the campaign financing bill, and eight times that cloture motion was rejected. No majority leader has ever offered cloture on the same measure eight times. I offered a cloture motion eight times. Never were we able to get more than three votes for cloture from the Republicans. They stood like a stone wall. You have to respect that kind of unity.

I am sad. I am sad that we have a more powerful minority than the Republicans had, as far as numbers go.

We have a good leader. He has demonstrated leadership, statesmanship, heroism, and patriotism and great courage on the balanced budget amendment, and on this measure. But a leader cannot lead, if there are those who will not follow. You have to let the followers lead.

Can you depict a leader who has to follow? That is what a leader is reduced to, if his troops will not stand behind him.

I have been a leader. I was elected by my party to be leader six times, three terms in the majority and three terms in the minority. I know. If you look behind you and your troops are not there, you may carry the title of leader but in name only. Of all times when Senators should have stood, immovable, it is in an instance when the very structure of our constitutional system is being endangered.

Mr. President, I want to read from a book that has just been published. This book is titled ''Constitutional Equilibrium: Mainstay of the Republic.'' And I begin by reading from page 183, under the subtitle ''Decline and Fall of the Roman Republic.''

The theory of a mixed constitution—

That is what ours is, a mixed constitution, with checks and balances, and separation of powers—

The theory of a mixed constitution had its great measure of success in the Roman republic. It is not surprising, therefore, that the Founding Fathers of the United States should have been familiar with the works of Polybius, or that Montesquieu should have been influenced by the checks and balances and separation of powers in the Roman constitutional system, a clear and central element of which was the control over the purse, vested solely in the Senate in the heyday of the republic.

And what happened to Rome? Rome had its legendary founding in 753 B.C. Under the old republic and the middle republic, the Senate was supreme. The Senate had control, complete control over the finances.

In short, Rome's fate was sealed by the one-by-one donations of power and prerogative that the Roman Senate plucked from its own quiver and voluntarily delivered into the hands, first, of Julius Caesar and then Octavian, and subsequently into the trust of the succession of Caligulas, Neros, Commoduses, and Elagabaluses who followed, until at last, the ancient and noble ideal of the Roman republic had been dissolved into the stinking brew of imperial debauchery, tyranny, megalomania, and rubble into which the Roman empire eventually sank.

At the height of the republic, the Roman Senate had been the one agency—

And the same can be true of this Republic. This Senate was the most brilliant spark of ingenuity that came out of that Constitutional Convention in 1787. The Senate was part of the Great Compromise. And every Member who has ever stood at that desk up there and taken the oath ought to take great pride in being a Member of this body, a continuing body. There has never been a new Senate since the original Senate sat, began its sittings on April 6, 1789.

The same as can be said about the Roman Senate could be said about this Senate.

At the height of the republic, the Roman Senate had been the one agency with the authority, the perspective, and the popular aura to debate, investigate, commission, and correct the problems that confronted the Roman state and its citizens. But the Senate's loss of will, and its eagerness to hand its responsibilities over to a one-man Government . . . a dictator, and later an emperor, doomed Rome and predestined Rome's decline and ultimate fall.

Mr. President, let us learn from the pages of Rome's history. The basic lesson that we should remember for our purposes here is, that when the Roman Senate gave away its control of the purse strings, it gave away its power to check the executive. From that point on, the Senate declined and, as we have seen, it was only a matter of time. Once the mainstay was weakened, the structure crumbled and the Roman republic fell.

This lesson is as true today as it was two thousand years ago.

And it pains me to see Members come into this body who seem to have absolutely no conception of what this body is all about, no conception of the constitutional system, no conception of the system of separation of powers and checks and balances, no conception of the wisdom of the Founders in placing into the legislative branch the power over the purse, little conception, apparently little respect for or regard for the lessons of history.

Does anyone really imagine that the splendors of our capital city stand or fall with mansions, monuments, buildings, and piles of masonry? These are but bricks and mortar, lifeless things, and their collapse or restoration means little or nothing when measured on the great clock-tower of time.

But the survival of the American constitutional system, the foundation upon which the superstructure of the Republic rests, finds its firmest support in the continued preservation of the delicate mechanism of checks and balances, separation of powers, and control of the purse, solemnly instituted by the Founding Fathers. For over two hundred years, from the beginning of the Republic to this very hour, it has survived in unbroken continuity. We received it from our fathers. Let us as surely hand it on to our sons and daughters.

Now, Mr. President, I have said about all that I wish to say. It would not matter if I spoke for days. The die is cast. This bill will go to conference. What comes therefrom nobody knows. It may be this bill; it may be H.R. 2; it may be a blend of the two; it may be nothing. Nobody knows. But the record will have been written here, and it is a record of which I cannot be proud. And the roll of Senators will soon be called.

Let me read the roll of the great men who wrote this Constitution. Here it is:

New Hampshire: John Langdon, Nicholas Gilman; Massachusetts: Nathaniel Gorham, Rufus King; Connecticut: William Samuel Johnson, Roger Sherman; New York: Alexander Hamilton; New Jersey: William Livingston, David Brearley, William Patterson, Jonathan Dayton; Pennsylvania: Benjamin Franklin, Robert Morris, Thomas Fitzsimons, James Wilson, Thomas Mifflin, George Clymer, Jared Ingersoll, Gouverneur Morris; Delaware: George Read, John Dickinson, Jacob Broom, Gunning Bedford, Jr., Richard Bassett; Maryland: James McHenry, Daniel Carrol, Daniel of St. Thomas Jenifer; Virginia: John Blair, James Madison, Jr; North Carolina: William Blount, Hugh Williamson, Richard Dobbs Spaight; South Carolina: J. Rutledge, Charles Pinckney, Charles Cotesworth Pinckney, Pierce Butler; Georgia: William Few, Abraham Baldwin; and President and deputy from Virginia, George Washington.

Mr. President, what would they think of us?

Nathan Hale was a young schoolteacher who answered the call of his commanding chief, General George Washington to go behind the British lines and bring back drawings and notes concerning the fortifications of the British. Hale was 21 years old. He was a schoolteacher.

He went behind the British lines, disguised as a Dutch schoolmaster. He completed his work. He made drawings of the batteries and the British fortifications.

On the night before he was to return to the American side, he was apprehended and arrested as a spy. The next morning, he was brought before the gallows with his hands tied behind him. His last request was for a Bible, and the request was denied.

The British commander, whose name was Cunningham, asked Nathan Hale if he had anything he wished to say. Nathan Hale, looking at the stark wooden coffin in which his lifeless body would soon be placed, said, ''I only regret that I have but one life to lose for my country.''

Nathan Hale was willing to give his one life. It is sad to say that there are Members of this body who are not willing to give one vote for the Constitution which was written by this illustrious list of Framers whose names I have just read. Not one vote to save their country, to save the constitutional system.

On a monument in Atlanta Georgia, these words are inscribed to the memory of the great Senator and orator Benjamin Hill:

Who saves his country, saves all things, saves himself, and all things saved do bless him. Who lets his country die, lets all things die, dies himself ignobly and all things die curse him.

Mr. President, I wish that it could be said that we Republicans and Democrats alike tonight had conspired to save our country and to preserve the liberties of the American people. Because in saving the Constitution, we preserve the liberties of our people.

Claudius Marcellus was a Roman consul. His colleague was Paulus. They both were enemies of Caesar. Curio was a tribune, also an enemy of Caesar. But Caesar with 1,500 talents had bought off Paulus and with an even greater sum had secured the services of Curio. The vote was put. Claudius Marcellus could not be bought. Marcellus was of the opinion that Caesar should lay down his arms. Curio, in the pay of Caesar, opposed the motion by Claudius Marcellus, and moved instead that both Pompey and Caesar lay down their arms. Most of the Senators who had theretofore been of the same opinion as Marcellus went over to the other side and voted with Curio. Whereupon, Claudius Marcellus closed the doors of the Senate and exclaimed to his fellow Senators, ''Enjoy your victory. Have Caesar for your master.''

The PRESIDING OFFICER (Mr. FRIST). The Senator from West Virginia has 28 minutes remaining. Does he wish to yield that time?

Mr. BYRD. Mr. President, I yield 5 minutes to the distinguished Senator from Arizona.

Mr. MCCAIN. I thank the Senator from West Virginia. As always, I am extremely impressed by the power of his thoughts and his speech.

Mr. President, I will be brief. The Senate has debated this legislation for a full week. The concept of a line-item veto has been debated on this floor for many years. For eight years, I have sought the Senate's consideration of a legislative line-item veto. I believe that in a few minutes the issue will be decided. And I am hopeful that the issue will be decided in favor of the proponents of this measure.

As I am not known for my great patience, it would be hard to overstate how gratified I am to have finally arrived at this moment. It has been a long, difficult but worthwhile contest. And one in which I feel honored to have participated—honored to have participated irrespective of the outcome.

Much of that honor derives from the quality of the opposition to this legislation. I know that some of the best minds and ablest legislators in the Senate have argued in opposition to the line-item veto. Their eloquence and their skill at debate surely exceed my own powers of persuasion. I had to rely heavily on the skills of the majority leader, the persuasiveness of my fellow proponents, and the merits of the cause to advance this legislation.

The senior Senator from West Virginia, the estimable Senator BYRD, distinguished this debate—as he has distinguished so many of our previous debates—with his passion, his eloquence, his wisdom, and his deep and abiding patriotism. Although my colleagues might believe that I have eagerly sought opportunities to contend with Senator BYRD, that was—to use a sports colloquialism—only my game face. I assure you, I have approached each encounter with trepidation. Senator BYRD is a very formidable man.

Senator BYRD has solemnly adjured the Senate to refrain from unwittingly violating the Constitution. His respect, his love for our Constitution is profound, and worthy of a devoted public servant. But my love for our Constitution is no less than his, even if I cannot equal the Senator's ability to express that love.

Like Senator BYRD, my regard for the Constitution encompasses more than my appreciation for the genius of that document, for the wisdom and skill of its authors. It is for the ideas it protects, for the nation born of those ideas that I would ransom my life to

the defense of the Constitution of the United States.

No ethnicity, no tribal identity, no accidents of geography or birth define this Nation. We are defined by ideas; ideas whose antecedents are found in antiquity, as Senator BYRD has so often and so eloquently recalled for us, but whose application has been so well refined in our Nation's history that we are now without peers in this world.

It is to help preserve the notion that government derived from the consent of the governed is as sound as it is moral that I have advocated this small shift in authority from one branch of our Government to another. I do not think the change to be as precipitous as its opponents fear. Even with line-item veto authority, the President can ill afford to disregard the will of Congress. Should he abuse his authority, Congress could and would compel a redress of that abuse.

I contend that granting the President this authority is necessary given the gravity of our fiscal problems and the inadequacy of Congress' past efforts to remedy those problems. I do not believe that the line item veto will empower the President to cure government's insolvency on his own. Indeed, it is and will always remain mostly Congress' burden to restore our government's fidelity to the principle of spending no more than it receives. The amounts of money that may be spared through the application of the line-item veto are significant, but—as the opponents contend—certainly not sufficient to remedy our deficit.

But granting the President this authority is, I believe, a necessary first step toward improving certain of our own practices—improvements that must be part of any serious redress of our fiscal problems. The Senator from West Virginia reveres—as do I—the customs of this honorable institution. But I am sure he would agree that all human institutions, just as all human beings, must fall short of perfection.

For some years now, Congress has failed to exercise its power of the purse with as much care as we should have. Blame should not be unfairly apportioned to one side of the aisle or the other. All have shared in our failures. Nor have Congress' imperfections proved us to be inferior to the other branches of Government. That is not what the proponents contend.

What we contend is that the President is less encumbered by the political pressures affecting the spending decisions of Members of Congress whose constituencies are more narrowly defined than his. Thus, the President will take a sterner view of public expenditures—be they in the form of appropriations or tax concessions—which serve the interests of only a few or which cannot be reasonably argued as worth the expense given our current financial difficulties.

In anticipation of a veto and the attendant public attention to the vetoed line-item appropriation, narrowly targeted tax break, or a new entitlement, Members should prove more able to resist the attractions of unnecessary spending—and, thus, begin the overdue reform of our spending practices. It is not an indictment of Congress nor of any of its Members to note that this very human institution can stand a little reform now and then.

Mr. President, I urge my colleagues to support the legislative line-item veto, and show the people of this country that for their sake we are prepared to relinquish a little of our own power. I thank the chair, and thank all my colleagues for their patience during this very long debate.

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana has 5 minutes.

Mr. MCCAIN. Mr. President, I believe the Senator from West Virginia had not expended all of his time. If he seeks to be recognized, I think it is in order.

Mr. BYRD. Mr. President, I yield such time as he may desire to the Senator from Indiana [Mr. COATS]. Will he tell me how much time he would like?

Mr. COATS. Mr. President, I believe under the previous order, the Senator from Indiana was reserved 5 minutes of his own time. I inquire of the Senator from West Virginia, if he wishes to use or delegate any of the remainder of his time?

Mr. BYRD. I think the Senator from Vermont wants time. If the Senator wishes to use his own time, if he needs a few more minutes, I will be happy to yield.

The PRESIDING OFFICER. The Senator from West Virginia has 23 minutes.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I will take but a minute.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from Vermont such time as he may require.

Mr. LEAHY. Mr. President, earlier today I made a statement, I put an additional statement in the RECORD, of my opposition to the amendment, so I will not expand on that, other than to say I wish all Senators, no matter how they vote, will either listen to or read what was said by the distinguished senior Senator from West Virginia.

I have served with him here for 20 years. Throughout that time, we have had times of agreeing and times of disagreeing. One thing I always agreed on is his sense of history, his allegiance to the Constitution. I know of no Member of this body now serving or previous serving who stood stronger for the Constitution or stood stronger for history as Senator BYRD.

Mr. President, we should ask ourselves, in a Nation as powerful as ours, in a Nation, really the most powerful democracy known to mankind, the most powerful economy, the most powerful military worldwide reach, but a democracy and the most powerful democracy, one based on three separate branches of Government, the ability for them to be separate, the ability for them to have the respect of the people, we should ask ourselves as we continue to try to destroy any one of those branches of Government, what do we do to our democracy?

If we give up the power of the purse to the executive, that is chipping away. We find Members who want to denigrate the very bodies in which they serve—both this and the other body—and that chips away at our democracy. We find those who want to destroy the Presidency no matter who holds it. That chips away at our democracy.

Mr. President, each one of us should take a little bit of time out, read some history, consider what maintains this great and powerful democracy and ask ourselves: Are we supporting it or are we whittling away at it?

I yield the floor and thank the distinguished Senator from West Virginia.

Mr. FEINGOLD. Mr. President, though the legislation is seriously flawed, I am willing to support an experimental line-item veto authority and to see it tested over the next several years. The so-called sunset clause of the legislation, which terminates the expanded veto authority unless Congress takes action, was the key to my support for the bill.

If the Congress decides that we have gone too far in delegating authority to the President, the sunset clause will make it much easier to act. The burden will be on those who want to retain the authority.

Without a sunset clause, Congress would have to pass a bill to overturn the line-item veto authority, and it is likely that any President would veto such a bill, thus retaining this extraordinary new power.

The continuing Federal budget deficits justify granting this temporary authorty to the President, but I have a number of grave concerns with the proposal as it passed the Senate.

First, and foremost among those concerns is the threshold of a two-thirds vote in each House to overcome this new expended veto authority.

That kind of threshold is provided in the Constitution for entire bills, but extending that authority for individual sections of a bill may be going to far.

There are many uncertainties in this new authority that we are providing the President, and no one can anticipate all the potential abuses that might flow from this new authority.

In Wisconsin, we have seen the abuse of a line-item veto authority by a number of Governors, and it is safe to say that no one anticipated the extent of those abuses when the line-item veto authority was first contemplated. Governor Thompson has used the veto authority not only to rewrite entire laws, but to increase spending and increase taxes.

The two-thirds threshold will compound the uncertainty about possible abuses by making it that much

more difficult for Congress to respond to that possible abuse.

I am also concerned about the potential unconstitutionality of the measure. A number of serious questions on this very issue were raised during the debate, and I am glad that the proposal also includes expedited judicial review to help resolve this matter.

The provisions relating to tax expenditures may not be adequate. I am troubled that the language in this proposal may be too protective of tax loopholes for the wealthy. Tax expenditures contribute greatly to pressure on the deficit, and if any area should be subjected to the scrutiny of line-item veto authority, it is this one.

The basic structure of this particular line-item veto authority also raise problems. If it becomes law, the measure could mean sending the President hundreds, even thousands, of tiny bills. That could be a procedural nightmare, and I would much prefer to have seen a different approach.

On the positive side, unlike the recently debated balanced budget amendment, this line-item veto authority is established by statute, not as part of the Constitution. By providing this new authority by law instead of through the Constitution, the measure does not raise the serious concerns that making a permanent change to our basic law would raise.

Also unlike the balanced budget amendment, this proposal is no gimmick. Though it is not a substitute for making real spending cuts, it can help the cause of deficit reduction because it does convey real authority to the President.

Indeed, the danger is that it conveys authority that is too broad, and because of that, I will watch how the President uses this new authority, and will lead the charge to oppose any extension of this particular line-item veto authority if problems arise.

The proposal now goes to a conference committee to settle the differences between the two Houses, and I will revisit my support for this bill when it comes back to the Senate. I would certainly oppose the measure if the sunset clause it removed, and may well oppose the measure if other changes are made, but for now, I support this temporary new authority.

Mr. MACK. Mr. President, a few weeks ago, the Senate failed to take what would have been a courageous and historic step toward fiscal responsibility when it defeated the balanced budget amendment. It was one of the most disappointing and discouraging votes I have been a part of.

That's because we failed the American people, who sent us a very clear message last November. They said they wanted an end to business as usual. Their message was emphatic: they want less spending, less Government and more freedom. But we turned a deaf ear.

I hope the Senate has another chance to pass the balanced budget in the future and I will continue to fight for its passage. But in the meantime, there are other steps we can take to significantly reform the way the Federal Government spends the American people's money. today, we can take a giant step in the direction of fiscal sanity by passing the line-item veto.

The biggest threat to America's long-term prosperity is out-or-control deficit spending. The result of 26 straight years of deficit spending is a mountain of debt. In fact, our national debt now totals nearly $5 trillion. Every day that we fail to impose fiscal discipline on ourselves we are mortgaging our children's future.

Giving the president the line-item veto will not solve the larger problem—massive deficits as far as the eye can see. But it will begin to restore fiscal sanity to a broken budget process. It will allow presidents to strike out specific wasteful and unnecessary programs that get stuck into huge and complex appropriations bills. Now, if a President wants to cut out a specific item, no matter how big or small, he must veto the entire funding bill. The line-item veto, a power some 43 governors already have, would allow the President to eliminate those programs without having to send the entire bill back to Congress. It's a common-sense reform that is long overdue.

The line-item veto is only one of what I hope will be a number of reforms in the budget process. There are other reforms that would force Congress to finally get its spending under control. For example, I am proposing a Spending Reduction Commission which would serve as a fail-safe mechanism to help ensure we achieve the spending cuts necessary to get to a balanced budget. There are other proposals to change the current process that I believe we should seriously consider as well.

But the issue before us today is the line-item veto. The American people are demanding that we act, and act now, to control Government spending. Passing the line-item veto is an important step in that direction. I urge all my colleagues on both sides of the aisle to support this bill.

Mr. THOMPSON. Mr. President, I sat in your chair on Tuesday, when the distinguished senior Senator from West Virginia made an eloquent argument against this bill. I agree with him that Senators should take great care to consider the Constitution. And his arguments were very helpful to me, as I am sure they were to all our colleagues. I believe that the Abraham amendment addresses the constitutional arguments that Senator BYRD raised concerning orphan bills. The original Dole substitute prompted questions concerning the constitutional requirement of article I, section 7, that a bill that has passed the House and Senate must be presented to the President for his approval or disapproval. Under the original Dole substitute, neither House would have passed the orphan bills in that form. However, both Houses would have passed the same legislative language.

Even without the Abraham amendment, S. 4 is constitutional. Congress has the power under article I, section 5 to establish its rules. We can enact a rule that deems an item of a bill to be a bill. More importantly, the Supreme Court has held that it is a political question whether both Houses have actually passed the same language if the bill that is presented to the President is authenticated by both the Speaker of the House and the President of the Senate. In other words, courts afford conclusive effect to a congressional determination that both Houses have passed identical bills. But there can be no doubt that the Abraham amendment removes any question under the presentment clause. And I commend my fellow freshman for his significant contribution.

There is little doubt that when this bill becomes law, a constitutional challenge will be raised. And that challenge will go all the way to the Supreme Court. And the result will be an important Supreme Court decision on separation of powers. When courts consider a constitutional challenge to a statute, a level of deference is paid to congressional resolution of the constitutional issue. This Senator's remarks are not legislative history in the sense that they illuminate statutory language. But they do demonstrate that Congress had expressly considered and resolved constitutional issues raised by the bill. Courts will therefore provide the level of respect due to a coordinate branch's considered constitutional conclusion. So I will take this opportunity to address some of the constitutional arguments that have been raised apart from the presentation clause.

The charge is made that this bill would transfer power, in particular the power of the purse, unconstitutionally from the legislative branch to the President. But this is not the case. It cannot truly be said that Congress alone has the power of the purse. Like so many powers in the Federal Government, the power of the purse is not vested solely in one branch of government. Powers are shared as well as separated in our constitutional system. The branches do not operate as hermits in splendid isolation. They need each other. They were designed to function with each other, and occasionally even against each other. The authority that each branch legitimately exercises sometimes overlaps with the legitimate authority of another branch. It is this mutual dependence that makes checks and balances possible. And it is this system of checks and balances that reduces the likelihood that the Government will trample over the liberties of the people.

The power of the purse is a classic example of a shared power. It is true that if Congress will not appropriate money for an expenditure, money from the Federal Treasury cannot be spent for

that purpose. But it is also the case that an appropriation is not made merely because Congress votes to create it. The President shares the power of the purse. If he signs the appropriations bill, the money is appropriated—not because the Congress voted for it, but because the President also approved of the expenditure. One person's opinion in the executive branch counts as much as the vote of the Congress. And if the President vetoes the expenditures, then the President's power of the purse counts more than up to two-thirds of both Houses. If the appropriation fails, that does not mean that Congress has transferred any power to the President.

S. 4 is fully consistent with the constitutional arrangement that the Founders created. Indeed, the better argument is not that the bill would transfer power to the President that the President never had, but that it restores to the President the power that Congress wrested away from him. In the early years of the Republic, appropriations bills were essentially line items. Congress simply did not pass appropriations bills that contained hundreds or thousands of items and that directed the spending of billions of dollars. Rather, Congress acted on each item on its merits. And the President signed or vetoed the item on its merits.

Over the years, the level playing field the Framers anticipated has been tilted sharply in favor of the Congress. Late in the session, Congress passes enormous bills with a large number of provisions of varying merit. Not only is the bill presented to the President, but so is a Hobson's choice: Sign the bill and let it become law regardless of the merits of some of its line items, or veto the bill and shut down a department of Government upon which every American depends. Unlike Congress, Presidents have historically been responsible, and have prevented the Government from shutting down by accepting Congress' terms. By passing individual items, Congress will give the President only the power that the Framers always intended for him to exercise.

Even apart from the supposed loss of power that Congress will suffer, it is also contended that under this measure the Senate will lose power at the expense of the other body. Because the other body is normally the one where appropriation bills originate, the decision whether to override the veto of an item that originated in the Senate is solely up to the other body. If they do not override vetoes of such items, the Senate cannot work its will.

Of course, that can happen now as well. If an appropriations bill is vetoed, and the President successfully persuades the American people that the bill should have been vetoed because of items that the Senate insisted upon, the other body may choose not to override the bill. The Senate cannot then succeed in overriding the veto. Under the new system, that may occur as well, but the Senate will not be defenseless. The other body may choose to override vetoes of items of its choice. But if the Senate does not concur, the House's override vote will be meaningless. In practice, both bodies will cooperate to override vetoes of each other's truly important items because each House has the power of mutually assured destruction of the other's vetoed items.

The language of the Constitution rarely answers the difficult questions. It is necessary to examine the court decisions. And no Supreme Court decision has ever struck down a statute based upon a generalized contention that it violates the separation of powers. Many specific constitutional provisions together create the doctrine of the separation of powers. Only if the statute violates one or more of those specific provisions is the Constitution violated. No one has made an effective argument that S. 4 violates any specific constitutional provision.

Therefore, S. 4 complies in every respect with the Constitution. In fact, it restores the constitutional balance between the President and Congress that was originally contemplated. And it does not change the balance of power between the two Houses. Its enactment today will be a historic step in making Congress more accountable for its spending decisions, one which will preserve, not harm, the liberties of the American people.

EXPEDITED JUDICIAL REVIEW OF THE LINE-ITEM VETO

Mr. SIMON. Mr. President, at this time I ask the distinguished Senator from Arizona to enter into a colloquy with me.

Two days ago, the distinguished Senator joined me in passing an amendment to ensure expedited review of any remaining constitutional questions raised by the line-item veto proposal. The intent of that amendment was to provide a speedy way of removing any cloud regarding the separate enrollment provision I would like to thank the distinguished Senator for his support in this matter.

Upon review of the amendment, I believe the amendment warrants additional clarification. As written, the amendment permits ''any Member of Congress'' to bring an action under the expedited review procedures. However, it has come to my attention that the Federal courts have raised some question about whether a Member of Congress has standing to pursue such a suit under article III of the Constitution. If the Federal courts ruled that a Member of Congress lacked standing in such a case, the expedited review procedures would become null and void.

To take account of this contingency, I believe that it is important also to allow any person adversely affected by the act to bring an appropriate test challenge under the act's expedited review procedure. Does the distinguished Senator from Arizona agree?

Mr. McCAIN. Yes, I do.

Mr. SIMON. Does the Senator from Arizona further agree that, when the bill proceeds to conference, it will be the intent of the manager of the bill to specify that both Members of Congress and persons adversely affected by the act may utilize the review procedures.

Mr. McCAIN. Yes, I do.

Mr. SIMON. To eliminate any misapprehension, let me specify that subsection (a)(1) of the expedited review procedure should read as follows:

(a) EXPEDITED REVIEW.—

(1) Any Member of Congress or any person adversely affected by the Act may bring an action, in the United States District Court for the District of Columbia, for declaratory judgment and injunctive relief on the ground that a provision of this Act violates the Constitution.

Does the Senator from Arizona concur with my modification?

Mr. McCAIN. Yes, I do, and I very much appreciate the Senator's efforts to clarify this issue.

Mr. HEFLIN. Mr. President, I rise to express my support for the separate enrollment version of a line-item veto. In the 103d Congress, I cosponsored S. 92, the Legislative Line-Item Veto Separate Enrollment Authority Act, which was sponsored by my good friend and colleague Senator HOLLINGS. I am pleased that the separate enrollment approach is now emerging as the compromise version of the line-item veto that will hopefully pass Congress and be signed into law by the President.

In my judgment, the line-item veto, if enacted into law, would provide the President with an effective weapon with which to fight wasteful Government spending. Over the past few years, a consensus has developed, even among most Members of Congress, that, as the 1989 report of the National Economic Commission stated: ''The balance of power on budget issues has swung too far from the Executive toward the Legislative Branch.'' This imbalance has most likely contributed to the deficit spending of recent years.

It is believed by many that the President, exclusively representing the general, national interest of the country as a whole, is more inclined to oppose Government spending which only serves parochial interests, yet increases the national debt. Increasing the budgetary power of the President relative to the Congress would therefore lessen the current bias toward more pork barrel spending and strengthen the bias which favors national priorities.

The largest obstacle that we face as a nation to sustainable, long-term economic growth is our huge national debt. Although we have made substantial progress in reducing our annual budget deficits over the past 2 years, cutting them in half in real terms, the national debt is still standing at an unacceptably high level.

The national debt as a percentage of the economy, as measured by gross domestic product, or GDP, now stands at 52 percent. In other words, the size of

our national debt is just over half the size of the output of our economy for 1 year.

To put today's figure in historical perspective, the national debt as a percentage of the economy reached a peak of 114 percent in 1946 because of the debt incurred to finance our efforts in World War II. After 1946, the size of the national debt relative to the economy declined steadily over the years even during the Vietnam war and Great Society years, to a low of 26 percent by fiscal year 1981. This is because our economy grew much faster than the national debt during this period.

This downward trend in the size of the national debt, which is common in times of peace, reversed itself in 1981 and rose over the next 12 years. The national debt doubled in real terms, from a low of 26 percent in fiscal year 1981 to a high of 52 percent in 1993 due to the huge deficits we ran in the 1980's. In other words, our national debt grew twice as fast as the economy, the first time in American history this has happened in peacetime.

The debt runup of the 1980's is unique in American history, and it is worth repeating that it is the only time in our history that the national debt has grown substantially in peacetime. We have had only three similar runups in the national debt during the 219 years of the existence of the United States: during the Civil War, during World War I, and during World War II.

During the peacetime periods after each of the three major wars just mentioned, during which it was necessary to increase the national debt, we returned to prewar levels of national debt. Now it is time to return to pre-1980's levels of debt. We have made a good start by cutting the deficit in half, and thereby halting the growth of the national debt. It ha been stabilized at 52 percent of GDP for the last 2 years, as the economy and the debt have grown at about the same pace.

Our next task is to start reducing our level of debt by balancing the budget, thereby allowing the economy to grow much faster than the debt, because the debt will not be growing at all. In my judgment, it will be necessary to reform the current budget process in order to achieve the desired end of budget balance. That is why I have fought so hard for a balanced budget amendment to the Constitution and for a Presidential line-item veto.

Constitutions in 43 States provide for a line-item veto whereby the Governors have the ability to eliminate individual provisions or reduce amounts of spending in legislation presented for their signature. The line-item veto has a proven track record on the State level at discouraging and preventing unnecessary and wasteful spending. Because it has been a proven, effective tool against excessive spending on the State level, it would make an effective tool on the national level as well.

In 1992, 188 Governors and former Governors, including Presidents Carter, Reagan, and Clinton, were surveyed with regard to the line-item veto. Nearly 70 percent of those who responded said that, as Governors, they had found the line-item veto useful. Ninety-two percent of the past and present Governors surveyed support a line-item veto on the Federal level in order to restrain Federal spending.

Also in 1992, the General Accounting Office evaluated the potential effectiveness of the line-item veto on the Federal level. The GAO report stated, and I quote at length:

> If the President had line-item veto authority from fiscal years 1984 through 1989 and used that authority to reduce or eliminate each item to which an objection was raised in the Statements of Administration Policy, we estimate that the savings would have ranged from $7 billion to $17 billion per year, for a cumulative 6-year total of about $70 billion. . . . This would have reduced Federal deficits and borrowing by 6.7 percent, from the $1,059 billion that actually occurred during that period to $989 billion. . . . In addition, the reduced federal borrowing associated with the program savings explicitly shown would have resulted in interest cost savings.

The line-item veto has bipartisan support in both Houses of Congress. In addition, Presidents Reagan, Bush, and Clinton are advocates of the line-item veto at the Federal level. In addition, according to Gallup surveys, large majorities of Americans spanning more than four decades have consistently favored the line-item veto.

There has been some talk of the separate enrollment line-item veto creating a bureaucratic ''cut and paste'' nightmare in the enrolling clerk's office. But these nightmare scenarios are unfounded. Due to the modern computer technology we enjoy in Congress, separate enrollment would not pose a prohibitive burden on the clerk's staff. In fact, such technology makes the process quite simple.

I urge my colleagues to support the line-item veto. This is a clear opportunity to seriously address our biggest national problem—excessive deficit spending—with a realistic, proven solution. The voters have spoken; it is time to end wasteful Government spending. Let us give the President the line-item veto through the separate enrollment mechanism.

Mr. LIEBERMAN. Mr. President, I rise in support of a broad-based line-item veto which would allow the President to strike spending as well as tax provisions.

I am a relative newcomer to this institution. But in my time here I have observed that the system of rules we live under makes it far easier to spend money than to save money. Maybe that is just a fact of life. Most Americans would probably agree that spending is easier than saving. We have the same problem here in Congress.

The line-item veto may not fix all of our budgetary problems; in fact, I am reasonably sure it will not do so. But I do believe it is worth a try to make a dent in those problems, and for that reason, I support giving the President greater authority to strike spending as well as tax expenditures, subject to a congressional override. And if the line-item veto does not work, I support getting rid of it—for that reason I am pleased that there is general agreement among both sides that any line-item veto provision ought to have a sunset provision.

Certainly the current system has its flaws. Let me give you just one example, a $16 million urban tree-planting program at the Small Business Administration. I do not believe in governing by anecdote, but the repeated and unsuccessful attempts to kill this program are illustrative. The administration has tried to get rid of this program at least twice. The SBA does not want the money—tree planting is not their specialty. The House has tried on numerous occasions to get rid of this program because it simply makes no sense for the SBA to be in the business of planting trees. The Kerrey-Brown group, of which I was a participant, tried to get rid of this program. But it has proved to be the Freddy Krueger of Federal programs—no matter what you do to kill it, this program survives.

I am hoping the line-item veto proposals before us will make it possible to finally get at programs like this tree-planting program. I happen to be a big fan of trees and I spend a lot of my time working to keep our air and water clean enough to keep those trees alive. I just do not think we can afford to have the SBA running a program like this, and I suspect most of my colleagues agree with me. I am also convinced that the reason we have had a tough time getting at this program is because it has been wrapped into larger bills. When I was in the State Senate in Connecticut, it was common wisdom that the way to pass the tough items was to bury them in the big bills and keep your fingers crossed that they would slip through unnoticed. Given our deficit, I just do not think we can afford this approach anymore.

In addition, I am firmly convinced that tax expenditures should also be subject to any line-item veto passed by this Chamber. Put simply, new taxes should be put to the test in the same way as new spending. As a proponent of a capital gains cut as a way to increase needed investment and saving in this country, I am well aware that adding new tax expenditures to the line-item veto bill could put some tax investment incentives at risk. However, that is a risk I am willing to take if the end result will be more discipline, and fewer loopholes, in our Tax Code.

We have heard a lot about possible abuses of the line-item veto by the executive branch. I come from one of the 43 States with a line-item veto in our State Constitution. It is a pretty tough provision—allowing the Governor to ''disapprove any item or items of any bill making appropriations of money.'' And the provision has worked just fine—the legislative branch has not

been overthrown, and no revolutions have occurred. By most accounts, the provision has been a success.

Despite all of this, I do harbor some concerns that an Executive might use this provision for political ends. Surely we are not above politics. I have watched with some dismay as the other body has targeted, or appeared to target, programs which are priorities of this administration—programs like national service and the various technology programs like TRP and ATP. For this reason, I am pleased that there is general agreement that passage of a line-item veto should be something of an experiment—that it should sunset after a few years so that we can debate its effectiveness and, if it has been successful, pass it again. A sunset provision should help keep the executive branch away from abuses.

Mr. President, I support a line-item veto which covers a broad range of spending and tax cuts, and I hope my colleagues will do so as well.

Mr. BIDEN. Mr. President, I have long held that separate enrollment is the solution to the tough question of how to provide the President with line-item veto power.

Since 1984, when I joined Senator Mattingly and others in introducing a separate enrollment line-item veto bill, until this year, as cosponsor of Senator BRADLEY's bill, I have supported both the principle of a line-item veto and the specific approach of separate enrollment.

Today, I want to explain my position on this important issue, a position that has, until just last week, had little support on either side of the aisle. I am gratified by the recent embrace of this approach as the compromise position that could finally permit a controlled experiment with a line-item veto to go forward.

Mr. President, a controlled experiment is just what this proposal calls for.

Mr. President, I share the concerns of many of my colleagues that a line-item veto could threaten the balance of power established in the Constitution between the Congress and the President.

That is why I argued unequivocally against any constitutional version of line-item veto just 2 months ago in the Judiciary Subcommittee on the Constitution.

Because this is a statutory line-item veto, Mr. President, and one, I must emphasize, with a built-in sunset it remains the prerogative of Congress to decide if this is, in the end, what we want to do and how we want to do it.

And that is, indeed, the intended effect of the legislation before us today. It grants new power to the President—to veto separate items in appropriations bills, not the whole bill as would be required today. This change permits the President to target specific spending programs, not whole categories of Government activity.

But this change would not only provide the executive with additional responsibility for controlling Federal spending at the margins. It would put additional responsibility on Congress to remove those items that would be easy targets for a presidential veto.

No one can look upon the deplorable state of our Federal finances and tell me that a little more fiscal responsibility, at both ends of Pennsylvania Avenue, is not in order.

Of course, if the question were that simple, we would not be at the impasse we have reached today.

There is honest, deeply held disagreement on whether we should go forward with any experiment in a line-item veto.

Everyone of us in the Senate, and every citizen of this country, should be grateful for Senator BYRD'S tireless efforts to remind us of the historical significance and constitutional implications of the step we are contemplating here.

But I would like to make two points in defense of separate enrollment line-item veto legislation.

First, our Constitution was intended to be flexible enough to adjust to a variety of new circumstances. Within the limits I believe are rightly imposed in this case—a statutory change, with a built-in sunset provision, in the year 2000—we should be willing to make incremental adjustments in our procedures that have some prospect of promoting our shared goal of deficit reduction and more responsible budgeting.

Second, Mr. President, it could be argued that by enrolling each element in our spending bills separately, we are restoring a historical relation between the President and Congress, a relationship that took a new course when we began to write appropriations bills that lumped hundreds, even thousands, of items of spending together.

I am pleased that some of my colleagues have cited arguments I made several years ago in the Judiciary Committee in defense of the constitutionality of the separate enrollment approach.

It is my considered opinion that this approach can survive any court challenge on constitutional grounds. I am persuaded that the Congress may choose—as it will, if we accept this legislation—its own procedure for enrolling and presenting legislation to the President. There is nothing inappropriate about choosing to present our bills to the President in a way that will expose them to the same veto power that he has always possessed.

I must stress, Mr. President, that I do have some concern about the difference between S. 4, the proposal before us today, and S. 137, the version I cosponsored this year and—with one exception—identical to the bill I introduced a decade ago with Senator Mattingly.

That difference is in the level of detail that is required of the bills that we will send separately to the President. The version that I have consistently supported required the separate enrollment of numbered items or unnumbered paragraphs.

To use one example, one of those items or paragraphs might include the budget for veterans' construction projects. Under the versions I have consistently supported, the President could veto that element of the Veterans' Affairs, Housing and Urban Development, independent agencies appropriations bill, rather than the whole bill.

Now, some of my colleagues have expressed concern that the new requirement, added in S. 4, that Congress has to include additional detail, detail that could, to continue my example, include specific construction projects at specific veterans' hospitals in specific States.

The temptation for a President to use the line-item veto to extort concessions, or to punish transgressions, may be greater under this new formulation than under the legislation I have supported in the past.

Mr. President, we still retain the authority to determine the level of detail that we include in our committee reports, and thus the level of detail that will be required under S. 4.

And again, Mr. President, the new process we will adopt here today is not a constitutional change, but a statutory one, and a statutory change with a date certain—5 years from now—when its authority automatically ends.

Now, I supported a quicker sunset of line-item veto power in the versions that I cosponsored, this year and in the past. But I am satisfied that we have built in sufficient safeguard to give this experiment a chance to succeed—or to fail.

Because of the sunset provision, we have reserved the right to reverse this decision if the anticipated benefits of this bill do not outweigh its potential costs.

Its benefits, I believe, will come not only in the form of reduced spending; in these times, any money saved is important, but we should not expect this to affect deficits in any fundamental way.

Its benefits are likely to be more subtle, in the reduction of spending programs that can't pass the ''laugh test''—that would be laughed at if they were exposed to public ridicule.

That is the real promise of this line-item veto bill, that it will improve, at the margin, the quality, as well as the quantity, of our spending decisions.

Mr. President, a major improvement of this proposal over earlier line-item veto proposals is that it includes those programs that spend money through the Tax Code—what we call tax expenditures, and what everyone else knows as loopholes.

This is an approach I supported when I cosponsored Senator BRADLEY's separate enrollment bill this year.

This is a substantial and far-reaching line-item veto proposal that we will vote on this afternoon. And we must recognize that it will grant power to the President that he does not have today.

Again, I prefer the language of S. 137, Senator BRADLEY's separate enrollment bill, defining just what a tax expenditure is. And I supported Senator BRADLEY's attempt to clarify the tax expenditure definition in S. 4, that could be open to ''back-loaded'' tax cuts that lose revenue more than 5 years in the future.

But the debate here on the Senate floor has convinced me that the language of S. 4 covers real tax loopholes, both the narrowest gimmicks and the broadest, that are such a drain on the Federal Treasury.

Mr. President, at the heart of S. 4 is the traditional veto power that the President has always possessed. The change that this bill will bring about is a change in the way we choose to send our bills to the President.

I have no doubt that this will shift some influence over spending priorities to the Executive; this is, of course, one purpose of the line-item veto—to exchance executive budget authority, and to put the Congress on notice that our spending proposals will be exposed to an additional level of scrutiny.

This may well add to the President's influence on the legislative agenda, and, at the extreme, could provide a President with the temptation to use the line-item veto to threaten or to retaliate against Members of Congress.

If some future President chooses to make such use of this new budget tool we offer him, then we will take it away.

In the end, should we not examine each of our spending decisions individually? Should we not subject our spending plans to the closest possible scrutiny, down to presenting them separately to the President?

In the face of the deficit problem we now confront, and in the face of corrosive public cynicism about our ability to get our houses in order, Mr. President, do we want to send the message that business as usual is good enough for us?

In passing S. 4, we will take more care with our spending decisions, and in a small but important way, end business as usual.

Mr. CRAIG. Mr. President, I rise in support of S. 4, the Legislative Line Item Veto Act, as modified by the Dole compromise amendment.

This landmark legislation promises to bring some long overdue progress in fiscal responsibility and in our war on government waste.

When it finally becomes law in the coming weeks:

It will help reduce the deficit;

It will subject a lot of questionable pork provisions to the withering bright sunlight of Presidential and public scrutiny; and

It will also subject the President to increased scrutiny—we'll see if his veto pen matches his promises.

I recognize that the Daschle amendment—which we tabled earlier today—is essentially the same as S. 14, which was cosponsored by several Senators on this side, including myself.

I was an original cosponsor of both S. 4 and S. 14 as introduced, because I wanted to increase the chances of the Senate passing a legislative line item veto, passing the strongest one we can, passing one that was carefully crafted, and passing one that is bipartisan.

I voted to table the Daschle amendment—as did some of the other cosponsors of S. 14;

This is because we now have a chance to pass a bill that is stronger than S. 14, and like S. 14, is carefully crafted to do the variety of things that the large majority Senators want to do.

That is what we now have in the Dole amendment. As in the original McCain-Coats S. 4, we have a ⅔ vote required to override an item veto.

As in both S. 4 and the original S. 14, we now have a process that prevents circumventing the veto by passing a one-line appropriation bill and putting hundreds of detailed directions in a committee report; and we will avoid extending the item veto to policy items that are non-dollar items.

As in S. 14, and somewhat similarly to the Bradley proposal, we apply the line item veto to targeted tax breaks.

As in S. 14, we apply the item veto to new direct spending, and will include a deficit-reduction lockbox.

As in bills introduced by Senators HOLLINGS and BRADLEY, in a bipartisan spirit, we use the process of separate enrollment.

I said before that I preferred a strengthened rescission process to separate enrollment; I still do; but taking each proposal as a whole, taking all the provisions in each, the Dole amendment is the best package to come before this body.

Of all the versions discussed, the Dole amendment is the least likely to be subject to constitutional problems and court review.

It is clear that, under Article I of the Constitution, the Congress determines the form of bills it sends to the President.

This approach does not involve any of the issues raised in the past that might question the constitutionality of legislative vetoes or impoundment powers that might cross the barriers separating the legislative and executive powers.

Some Senators supported the Daschle substitute as being the ''middle ground'' version. But now, by extending the veto to targeted tax breaks and new direct spending, the Dole amendment also is in the middle ground and covers a range of Senators' concerns.

The only material difference remaining between the Dole and Daschle versions is whether you want a line item veto to be overridden by a majority vote or a ⅔ vote.

I agree with President Clinton on this one: I want the stronger line item veto.

In this case, it is possible to pass the better of 2 proposals, and a ⅔ override is better than a majority override. It is that simple.

In all other important respects, the Dole amendment and other amendments that we are accepting incorporate the other positive aspects of S. 14 and the Daschle substitute into the bill we are going to pass.

The bottom line is this: The principal difference between separate enrollment and enhanced rescission in how the papers are bundled. That is all.

As improved here on the floor, that difference in bundling will not be a problem.

Separate enrollment under the Dole amendment would wind up accomplishing essentially the same ends a the McCain-Coats type of enhanced rescission process in S. 4, with improvements from S. 14 added.

I also wanted to address some of the concerns about separate enrollment raised by Senator NUNN and others.

Some Senators are concerned that moving the details of committee reports into separately enrolled bills would present the President with 10,000 appropriations bills to sign or veto instead 13 or so.

If writer's cramp truly becomes a concern, the Constitution allow the President simply to let the least controversial or least notable of the these bills become law without signature or veto.

Article I, section 7 says, in part:

> If any Bill shall not be returned by the President within ten Days (Sundays excepted) after it shall have been presented to him, the Same shall be a Law, in like Manner as if he had signed it, . . .

This simple answer is more than this concern deserves.

Some Senators are concerned that, conversely, to thwart the President and the line item veto, bills may be reduced to one-line appropriations, with the details, earmarks, requirements, directions, and requests that now appear in committee reports being moved instead into floor colloquies and letters.

Senators who raise this kind of concern are assuming that business as usual will not change, but will just get more difficult under the new rules.

They are missing the point: This bill will change how we conduct business around here.

The new rules mean it is a whole new ball game.

Senator NUNN correctly points out that, as a matter of accommodation, currently, report language is treated as ''sort of binding'' on agencies as they spend appropriations.

The point is, this part of the process should change.

Now, so-called ''earmarks'' will have to appear right out there in the open—

not hidden from view by an obscure comment in a conference report that the lack of mention of contradiction in the Senate committee report means that the Congress expects an agency to honor a direction given in the House report as implicitly modified by a floor colloquy.

How many of my colleagues even understand that this is the way we do business now?

I can guarantee that most Americans do not know that—and would be incredulous if they did.

The current process leads to ambiguity at best, evasion of responsibility at worst.

Here is an actual example of how the current system breaks down—it happened to this Senator:

In 1994, the House report on one appropriation bill took position on a matter of agency discretion; several Senators entered into a Senate floor colloquy directly contradicting the House position; the conference committee should have resolved that disagreement but did not. As a result, the agency had no idea what, if any, guidance it had from Congress or how binding it was.

Well, under this bill, if we put it in law, we know it is binding. If it is in a floor colloquy, we know it is advisory, interpretative, clarifying.

That is well-known and well settled.

There is no doubt—no doubt—that no court ever would find a floor colloquy to have the binding effect of law.

So, what this line item veto means is that a lot of unimportant earmarks and so-called ''directions'' simply will disappear from the formal parts of the process. The important ones will become law or be vetoed.

That is the way it should be.

What a novel idea—that we should put into law the instructions that we expect agencies to carry out.

Some Senators are concerned that reprogrammings would have to be accomplished through an act of Congress instead of over the telephone among committee chairman and ranking members.

The possible problems pointed out with reprogramming, once again, are only problems if you keep trying to do business as usual under the new procedure.

Now, under this bill, we will have to decide when micromanagement of an item is so important that it should be in law, and when we are just going to let the agency have some discretion in how it does its job.

We will need fewer reprogrammings, because this new process creates a disincentive for Congress to micromanage agencies through the appropriations process.

When we do handle that reduced number of reprogrammings, they ought to become routine legislation, basically technical corrections.

And, after all, if an item of reprogramming is so controversial that it would be subject to contention on the floor of the Senate, then it is too important to go through the status quo's ''informal'' process.

LINE-ITEM VETO

Mr. KERRY. Mr. President, several weeks ago I voted ''no'' when this body voted on the proposal to send to the States for ratification an amendment to the Constitution to require a balanced budget. I enumerated the reasons for my opposition. Principal among them was that the constitutional amendment proposal was a fraud; its proponents claimed that it was essential to achieving a balanced Federal budget—a goal to which I fervently subscribe—when, in reality, the amendment would not cut so much as a thin dime from the deficit. In addition, the amendment, had it been approved by Congress and ratified by the requisite number of States, would have created a dangerous situation and a disturbing precedent of sinking not only into standard procedure but into the U.S. Constitution requirements that several key types of Congressional fiscal policy decisions would have to be made by supermajorities. I was persuaded than and remain persuaded now that the Founding Fathers—rightly—would be spinning in their graves in anxiety for our Union if they knew what was then being proposed and debated.

But I promised at that time, Mr. President, that I would vote for proposals that would make—or make likely—real savings in the Federal budget, and that did not sink fraudulent or untested methods into the Constitution or trample on the basic tenets of that Constitution.

And tonight, Mr. President, the Senate is considering the kind of proposal I promised to support, a proposal that is very different than the Balanced Budget Amendment. The proposal on which we are about to vote—to which some refer loosely as a ''line-item veto'' although it has features quite different than proposals that carried that moniker for many years—is not a fraud. It is real. It provides the ability to the President of the United States to achieve real economies in the federal budget much more easily than such economies can be achieved today.

Is this a cure-all? No, of course not, Mr. President. The passage of the line-item veto will not instantaneously and surely erase our nearing-$200-billion deficits. But it is one tool—a new tool with teeth—that any President can use to remove less essential spending from the budget. And it gives strength to such a Presidential decision by requiring a two-thirds vote of both houses to overturn the President's decision and reinstate the spending he vetoed.

I believe this tool can and will make a beneficial difference. It applies to tax expenditures as well as to direct spending.

But if it proves not to work as advertised—as those of us who vote for it believe it work—we can return to this floor and, by engaging in the Constitutional process of enacting a law, we can repeal it or modify it. And, in any event, the provision on which we vote tonight will disappear automatically—it will sunset—in the year 2000 unless we act to extend it.

Mr. President, this is worth a try. It could have—and I hope and trust it will have—a sobering effect on those who seek to lard appropriations bills with special-purpose pork. It can provide—and I hope and trust it will provide—a tool to the President to achieve significant economies in the federal budget by eliminating programs that are not in the national interest, or have outlined their usefulness but not their political patronage.

We must take real steps to achieve a balanced budget. This will not be sufficient by itself to achieve that balance—we have much and very difficult work ahead of us to cut the deficit the old fashioned way by cutting programs and expenditures and bringing revenues in line with spending. But this truly is a real step, and I support it.

Mr. LAUTENBERG. Mr. President, the Senate is debating a truly fundamental change to our system of government. We have before us legislation which proposes to reconsider some of the most basic principles of our democracy. For over 200 years, the Federal government has maintained a careful balance between the powers of the legislative, executive, and judicial branches. That balance has stood the test of time, and has helped sustain our nation's cherished liberties for generations.

Mr. President, given that remarkable record, we need to be very cautious before altering this historic balance of powers. It's not something we should do lightly. It's not something we should rush through.

We do, however, have to be prepared to respond to changing conditions, and to make needed changes in the way we do business. Despite all that's good about our democratic system, we also face some real problems. And one of the most important is government waste, and the deep public anger that it provokes.

Mr. President, as much as any time in our history, it is critical to reduce waste in government. We are continuing to load debt on our children and grandchildren. The tax burden is heavy. Americans are losing faith in government as they are repeatedly bombarded with examples of unnecessary spending—from fraud in government programs to the Lawrence Welk Center—and taxpayers are infuriated. They have a right to be.

They also have a right to demand that we do something about it. And there is broad public support for trying some form of line item veto.

Yet, Mr. President, we should not exaggerate what a line item veto can accomplish. It won't eliminate all government waste. Nor will it balance the budget. It may result in eliminating unnecessary pork barrel projects and special-interest tax loopholes.

This is not to say, Mr. President, that all narrowly—targeted spending or tax provisions are wasteful. But many are. And the most egregious examples get the most publicity, and erode public confidence in the Congress and our government. Surely that's one reason why the public is so angry with Washington.

We need to look for ways to address this problem. And the line item veto might help, by giving the President additional power to eliminate items that are truly indefensible.

Under current law, when the Congress sends the President a broad spending or tax bill, the President's options are pretty limited. He can sign the whole bill into law. Or he can veto the entire package.

Once an appropriations bill is enacted, the President can proposed to rescind specific items of spending, and send Congress a rescission. But this rescission power is extremely limited. First, it does not apply to tax breaks. And, in the case of proposed rescissions to appropriations, Congress can simply ignore them.

It seems to me, Mr. President, that it's worth trying to give the President additional powers to eliminate waste. But, as we move into these uncharted waters—fundamentally changing our form of government—we should build in certain protections against abuse of executive power. Restraint of executive power has been a hallmark of our Constitution and guided our Founding Fathers in its creation.

We can strengthen the President's rescission power by making sure the Congress considers all Presidential rescission proposals, and does so on an expedited basis. That would be a significant step forward in the fight against waste. Currently, if the President sends rescissions to us to eliminate wasteful spending, we can just ignore them. And we usually do. Forcing review of wasteful expenditures, in the glare of public debate, would be a healthy antidote to our current way of doing business.

We can also build in protections against abuse of this expanded executive power by retaining the democratic practice of majority rule. The pending legislation would permit the President to kill any increases in spending or changes to entitlement programs if he can convince just one-third of one house of Congress to support him. That's an enormous expansion of executive power. It would permit the President to nullify what a majority of the people's representatives have already approved.

Finally, we can guard against abuse of power by the Executive by requiring the Congress to review the line item veto after a prescribed trial period. Initially, I think the shorter this trial the better. If the line item veto works as its authors intend, it will have a salutary effect on our government and there will be no problem extending it.

Unfortunately, Mr. President, the proposal before us fails to protect against executive branch abuses. It also puts power in the hands of a small minority, undermining majority rule. It lets one-third of Congress rule with the President, controlling Federal policy on virtually all new spending and entitlement programs.

The legislation also could unintentionally hurt smaller States, with smaller congressional delegations, like my State of New Jersey. The proposal would load the deck in favor of bigger States which have a leg up on building the necessary two-thirds vote to override a Presidential line-item veto. In my view, that's unwise.

Mr. President, the case for a line item veto rests largely on the need to eliminate narrowly targeted pork-barrel spending. But the majority leader's amendment goes much further than that. It would allow a President to unilaterally eliminate funding for entire programs. This would give a single individual the power to kill major initiatives in education, law enforcement, health care, veterans, mass transit, immigration enforcement, housing, you name it. All would be at risk.

It would also put Medicare, veterans benefits, and other entitlement programs under the control of a small minority of Congress aligned with a President.

Mr. President, I'm not suggesting that President Clinton or any future President would abuse this new power. But we really don't know.

That's not a Democratic concern or a Republican concern. It's a nonpartisan concern.

That's not a liberal concern or a conservative concern. It's a democratic—with a small 'd'—concern.

It has nothing to do with party or ideology. It has everything to do with the potential for abuse of power and rule by a congressional minority.

Let's take one example, Mr. President, of a President of my own party, Lyndon Baines Johnson. President Johnson was a strong leader who excelled at cajoling and pressing Members of Congress into voting with him. I never experienced it myself, but the ''Johnson treatment'' was something that is legendary.

Lyndon Johnson used every tool in his arsenal to win.

Looking to the future, a President with strong leadership skills and strong convictions would gain enormously in power. With just one-third of one House of Congress, he could wipe out essential benefits for ordinary Americans and a majority in Congress could do nothing to stop him.

Mr. President, I'd urge against giving the President that virtually unbridled power.

I'm not willing to risk that a future President would be able to overrule a majority in Congress and eliminate all school lunches.

Or deny middle-class students the opportunity to go to college.

Or deny working families assistance with child care.

Or take police officers off the streets.

Or force young children to go hungry.

Or increase the number of the homeless on our streets.

Or deny veterans the benefits they've earned by serving our country.

Or deny senior citizens needed benefits under Medicare.

Mr. President, these expenditures and these benefits are not pork. But they all would be vulnerable to the line-item veto under this amendment. And a President bent on eliminating them could wield this new tool as a meat ax against ordinary Americans. There need to be some real protections against that if we are to have a line-item veto.

Mr. President, I also am concerned that a line-item veto could open the door to what some have called ''political extortion''. I use that term to convey how a President would be able, in effect, to hold a gun to the head of Members of Congress.

This is what could happen. A President could go to a Member of Congress and say this:

''I need your support for my favorite new initiative. If you don't agree to support it, I'm going to rescind that bridge, or highway, that's so important to your district.''

Mr. President, that kind of political pressure occurs in some States that have a line-item veto. And it can lead to more wasteful spending, not less.

Mr. President, to limit the possibility that a line-item veto will be abused, it's important to keep the Executive on a short leash. One way is to require Congress to reauthorize the line-item veto on a routine basis. Another is to allow a majority in Congress to overrule the President. These protections would preserve the constitutional principle of balance of power and avoid shifting power extraordinary power to the executive branch, or to larger States at the expense of medium sized or smaller States.

They would make it less likely that a future occupant of the White House would ride roughshod over the people and Congress.

Unfortunately, Mr. President, the pending proposal doesn't include adequate protections. It's a serious flaw in the legislation.

I'm also concerned about the provisions in the pending amendment related to tax expenditures. Those provisions, though drafted ambiguously, apparently are intended to provide a ''loophole for loopholes'' that will protect many special interest tax breaks from rescission.

Mr. President, we all know the many special tax breaks that have been included in tax bills over the years. There are special rules for the timber industry. For the oil and gas industry. For cruise liners. In fact, a few years ago we even tried to enact a special loophole for the tuxedo industry.

Once enacted, Mr. President, most tax breaks enjoy a special status that

even the most popular spending programs would envy. They never have to be appropriated. They never have to be reauthorized. They never have to compete for scarce budgetary resources. Instead, they simply nestle quietly and unobtrusively into the nooks and crannies of the Tax Code, never to be seen or heard from again. But, they lose substantial revenue, and their costs are made up by ordinary taxpayers.

Mr. President, unwarranted tax loopholes go to the heart of what bothers so many Americans today. Loopholes generally are provided only to special interests and wealthy individuals who either have special connections, or enough money to hire a lobbyist with access to Members of Congress.

Meanwhile, ordinary Americans don't have these connections. They don't have personal relationships with powerful Senators. And they don't have lobbyists working for them.

So when ordinary Americans see the clients of lobbyists getting special treatment in the Tax Code, they resent it. And they resent it very, very deeply.

Mr. President, the pending amendment includes some ambiguous language on targeted tax benefits. But, according to statements made on this floor, that language is intended to be very narrow. Apparently, if a tax break benefits a particular company, it may be subject to a rescission. But if the loophole benefits two companies, or an entire industry, it will get special protection.

Mr. President, that's a loophole for loopholes, and I cannot support it.

In conclusion, Mr. President, let me again emphasize that we're talking about the basic structure of Government that was established over 200 years ago, and we should proceed with caution. To help eliminate waste in Government, it's worth trying a line-item veto. But, we should not support proposals that are vulnerable to abuse, that fail to adequately protect the public interest and our constituents, or that provide a loophole for special interest tax loopholes.

I yield the floor.

Mr. FORD. Mr. President, would the distinguished Senator from West Virginia give me about 3 minutes?

Mr. BYRD. Mr. President, I yield as much time as is under my control, as the Senator from Kentucky requires.

Mr. FORD. I thank the Senator, and I thank the Chair.

Not many people in this Chamber—several, probably—have operated under the line-item veto. As Governor of Kentucky, I was given the opportunity for use of the line-item veto. I had three things I could do. I checked with the legislative research commission to be sure that there have been no changes, or whether they have broadened some.

I had three things I could do when an appropriations bill comes to you. You can veto the whole bill. But you can run a line through the item, initial it, then you have to give your reason for that veto, and send it back to the legislature within 10 days. They either sustained or overrode your veto.

Second, I had the opportunity to reduce a number from $1 million to $500,000 and give the reason for the reduction. I had 10 days to send it to the legislature. I also had the authority to veto a phrase in the language of the appropriations bill.

That is all it was. Simple is better, in my opinion here. Either give the President the authority to line item, initial it, send it back up here, and say ''These are the reasons I had to line-item veto this particular position in an appropriation bill.''

I am beginning to worry that we have gotten to a point where our distinguished friend from West Virginia is calling them billettes. I have heard of ''sermonettes.'' They are probably better than billettes. But we hear all Governors have had this authority. Governors use it. So do many States.

Well, we are not modeling after what the Governors have at all. Maybe this is a little bit different, but still we deal with the legislative body, we deal with appropriations bills, and third, we have a responsibility to give the reason, and the legislative body then has the opportunity.

I am hoping that when this bill goes to conference and comes back—and it is going to conference—that it will be a somewhat better bill. There has been a lot of Members that have had enthusiasm for the Domenici-Exon bill legislation and it was voted out. Some could not get together on it, and as we have heard about Henry Clay, Henry Clay was the great compromiser. Come to Lexington, KY, sometime, and see his library. You would be quite impressed with that. Henry Clay said, ''Compromise was negotiated here.''

Well, we have seen no negotiation here except on one side, 49–48 a while ago. When we said all this money that is going to be saved ought to reduce the deficit, there was a lot of blustering going on around here, and they said, ''No, we don't want it to go to the deficit, we want to use it for something else.'' We will see how that comes out.

Mr. President, I hope when this bill leaves the Chamber tonight and it goes to conference that the conference will have the wisdom to send back something we can all join in, and have an opportunity to give the President line-item veto. And if this line-item veto we are passing tonight is the one that comes back from conference, and it is finally passed and the President does sign it, I am not sure how long it will last because I was amazed at the statement by my friend from Arkansas, Senator BUMPERS. He thought he would have a sense of the Senate that they would save so many acres of timber in order to be sure we had enough paper to be used to all of these 2,000, 3,000, 4,000, billettes that are going to come back.

I remember when I was Governor, we had to go get bond issues. We may have to do this for the President. You would have 49 pens you were looking at, and one in your hand, and you would sign on the bottom. So you would write Wendell H. FORD and all those pens go up and down with you, and you would sign 50 sheets, as they would slide across. Then you got 50 more you have to sign, they slide across. That is what you are doing.

Maybe we could have a patent on the pens that are going to be used by the President, so when he signs hundreds and hundreds of billettes that he will just be able to use one pen, and one pen will work on all those billettes.

It will be an interesting day and an interesting night. The future is not yet here. We will have to wait and see how it comes. I hope this bill leaves here and comes back with something we can all join together on.

I yield the floor, and I thank the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia has 14 minutes.

Mr. BYRD. I thank the Chair.

Mr. President, how much time does the distinguished Senator from California need?

Mrs. BOXER. Two minutes.

Mr. BYRD. I yield 4 minutes.

Mrs. BOXER. I thank my friend from West Virginia.

Mr. President, I will be brief. The hour is late and there has been an excellent debate on this. I really had not planned to speak. I have written something that is going to go in the RECORD to explain why I am voting ''no'' on this bill.

But I was really moved to come over to the floor and to shake the hand of my friend from West Virginia. I am so proud to serve in this body with so many extraordinary people, but I have to say that I really do not think there is anyone in this Chamber—this is my opinion—who understands the Constitution so well—but more than that, feels it inside.

It is a combination that is just extraordinary. His ability to put it into the history of the world, it is such a gift. I wanted to thank the Senator for sharing his wisdom, his thoughts, here.

I have to say when I was over in the other body for 10 years and someone said, ''Well, what do you think of Senator BYRD,'' I would not have said all these glowing things because I did not understand what I understand now.

Having been exposed to him in this debate and other debates, we are so privileged here. I hope that everyone understands when we cast our vote on this, how it will be viewed in the long term.

Things may lack real power on the surface, but I guess I have to ask this question on this bill: Why do we want to be here if we are going to give away our ability to fight for the people we represent? Why do we want to be here? We do not have to be here.

Why not just give up the power to the executive branch—and I do not care

who is there. I happen to like this President. I think this President is compassionate and smart. He is a good deficit cutter. I trust him. But that is not what we are legislating about.

I see my colleagues on the other side are smiling and are happy tonight because they are going to win something in the contract. Well, I will put that contract up against the Constitution any day of the week, and I am picking the Constitution. I am proud that I am here and I thank the people of California, 31 million people, the people who sent me here to stand up for the Constitution tonight.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia has 11 minutes.

Mr. BYRD. Mr. President, I will be glad to yield time to any Senator on either side if any Senator wishes it. If not, I am ready to yield back my time if the other side is ready to do the same.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, earlier the Senator from West Virginia read the names of the distinguished Americans who signed the Constitution, which is a document that we all revere. He asked the question: What would they think if they observed what we were doing this evening?

And I ask the question: What would they think if they were able to observe the spending habits of this Congress, the abuse of the power of the purse that has resulted in a $4.8 trillion debt, the practice of taking every penny of appropriations and putting it into one continuing resolution, placing it on the desk of the President at 11:59 of the last day of the fiscal year and saying, ''Mr. President, take it all or close down the entire Government of the United States.''

What would the Founding Fathers think of that practice? What would the Founding Fathers think of the practice of taking appropriations bills and titling them ''Emergency Supplemental Appropriations'' or ''Dire Emergency Supplemental Appropriations,'' to provide relief for hurricane victims in South Carolina or Florida, or earthquake victims in California, or flood victims in the Midwest—and attaching to that spending that is totally irrelevant to the question, totally unnecessary, at a time when we are running deficits of several hundred billion dollars and increasing a debt which our children and grandchildren and our posterity will find extraordinarily difficult to pay? Mr. President, $20,000 now for every new child born in America, of debt that child assumes. What would they think of that?

We are not new to this issue. Line-item veto was first introduced nearly 120 years ago by a gentleman from West Virginia, Congressman Charles Faulkner. He was the first to introduce line-item veto in 1876. It was referred to committee, the Committee of Judiciary, where it died. Since then, nearly 200 attempts at line-item veto have been introduced, each time buried in committee, filibustered to death, or procedurally blocked from direct consideration.

Last November the long-building anger against this Congress for such abuses of the power of the purse erupted, and with their votes the American people decisively demonstrated their deep frustration with business as usual, with the status quo, with the practice of the Congress in exercising the power of the purse.

Recently the U.S. Senate fueled that anger by failing to pass a balanced budget amendment and in doing so clearly demonstrated that we as an institution are more concerned with preserving our power than protecting our Nation's posterity. Let us, by our vote tonight, show the American people that we heard their message in November; show them that we are serious about fundamental changes in the way the Congress works and does its business. Let us show them that we intend to present tax and appropriations bills without subsequent embarrassment. Let us send the message to taxpayers that under our guidance, their dollars will no longer be wasted on pork-barrel spending or tax benefits that favor the few at the expense of the many. Let us act boldly to eliminate the dual deficits of public funds and the public trust. Let us tonight show the American people that business, as the Senate has practiced, it is over.

Mr. President, it has been 120 years since that Congressman from West Virginia offered line-item veto. The time has come for this Congress to finally pass that measure.

The PRESIDING OFFICER. The Senator from West Virginia still has 10 minutes.

Mr. BYRD. Mr. President, I do not choose to use the 10 minutes. I will be glad to yield it to others.

Mr. DOLE. I will only take 1 minute of my leader's time.

Mr. BYRD. I yield back my time.

Mr. DOLE. Mr. President, the long awaited moment has finally arrived. It has been a long time in coming, but it is welcome nonetheless.

As with the balanced budget amendment, the line-item veto has the overwhelming support of the American people, and I hope it will receive the overwhelming support of the Senate.

Those of us on the Republican side have supported giving the President the line-item veto for years. During the 1980's, opponents of the line-item veto used to say that Republicans supported it only because the President happened to be a Republican at that time. With passage of the measure we hope to dispel that myth once and for all. We believe that any President of the United States, as Chief Executive, should be given more power to reduce Federal spending.

If we cannot control ourselves—maybe the Chief Executive can help.

As Governor and as a candidate for President, President Clinton joined with 10 former Presidents and a great many Governors in calling for a line-item veto. We intend to give him that authority.

Many in this body deserve our thanks for bringing us this far along. Former Senator Mack Mattingly of Georgia first suggested the idea of separate enrollment in 1985. The distinguished Senator from new Jersey, Mr. BRADLEY, had a similar interest.

The distinguished Senator from Indiana, Senator COATS, The distinguished Senator from Arizona, Senator MCCAIN, and my distinguished friend from New Mexico, Senator DOMENICI, have worked tirelessly in support of legislation to give the President this additional authority. Each time the Senate has voted on the line-item veto, we have been able to garner a few more votes. Tonight we will hopefully have more than we need to ensure final passage.

We are familiar with the issue. We have debated it and discussed it before and again at length this week.

Our substitute was not perfect. The amendments offered by Senators SIMON, LEVIN, MURKOWSKI, and ABRAHAM, have all served to improve the bill. I am sure there will be other issues to address in the conference but we are almost there.

The status quo just wasn't working. We have all at some point in time had some special project or concern that we felt had to be included in a bill. All these small things added up and here we are today—out of control.

Can we still add our special projects—yes, but it will truly be government in the sunshine. Those items will be front and center. We have the opportunity to propose—and the President has the opportunity to oppose.

It may not be perfect—but it is the best chance we have got. Let us give it a try. If it does not work, we can change it.

But first—let us try.

I would just say, as the Senator from Indiana just indicated, it has been a long time coming. We are now going to have the vote. This measure may not be perfect, but I think it is an indication that we are serious about it and, again, I thank many of my colleagues, especially my colleague from Arizona, Senator MCCAIN, and my colleague from Indiana, Senator COATS, for their untiring, ceaseless efforts over the past several years.

I agree with the distinguished Senator from Indiana we have stubbed our toe on the balanced budget amendment. We sent the wrong message to the American people. They do not want business as usual. We had business as usual on the balanced budget amendment but that took 67 votes. I hope we will have many more than a majority on this important measure.

So I suggest, as I have said—I know my colleagues would like to leave. This will be the last vote tonight.

I remember back when Senator Mattingly from Georgia was here and we debated this and offered the amendment and we talked about separate enrollments at that time. The distinguished Senator from New Jersey, Mr. BRADLEY, had a similar interest.

In any event, I think we have had some amendments adopted that have improved the bill. We will go to conference with the House. They have a somewhat different version in some respects, as far as separate enrollment is concerned. I think perhaps we can work this out. We are prepared, as we said, to give a Democratic President—I remember the days when we had Republican Presidents, we were always accused, on the other side: Oh, well, the Republicans want this for a Republican President.

Now we are in the majority and we are prepared, nearly all of us on this side, to give this authority to a Democratic President, President Clinton, who sent me a letter today saying he supported this measure and asked that we move it as quickly as we can.

I would also like to thank my colleagues on the other side of the aisle—I think we have handled this matter expeditiously. It has not dragged on. We have not had a lot of extraneous amendments. I thank also the Democratic leader.

Finally, I also thank my friend from New Mexico, Senator DOMENICI, who worked with Senator STEVENS and Senator COATS and Senator MCCAIN in sort of molding this compromise package, and also members of my staff and the various Senators' staffs who have worked so hard over the past 3 or 4 weeks.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the question now occurs on S. 4, as amended.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM] is necessarily absent.

I also announce that the Senator from Alaska [Mr. STEVENS], is absent on official business.

The PRESIDING OFFICER (Mr. FRIST) Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 69, nays 29, as follows:

[Rollcall Vote No. 115 Leg.]

YEAS—69

Abraham	Brown	Coverdell
Ashcroft	Burns	Craig
Bennett	Campbell	D'Amato
Biden	Chafee	Daschle
Bond	Coats	DeWine
Bradley	Cochran	Dole
Breaux	Cohen	Domenici
Dorgan	Hollings	Nickles
Exon	Hutchison	Packwood
Faircloth	Inhofe	Pressler
Feingold	Kassebaum	Robb
Feinstein	Kempthorne	Roth
Ford	Kennedy	Santorum
Frist	Kerry	Shelby
Gorton	Kohl	Simpson
Graham	Kyl	Smith
Grams	Lieberman	Snowe
Grassley	Lott	Specter
Gregg	Lugar	Thomas
Harkin	Mack	Thompson
Hatch	McCain	Thurmond
Heflin	McConnell	Warner
Helms	Murkowski	Wellstone

NAYS—29

Akaka	Hatfield	Moynihan
Baucus	Inouye	Murray
Bingaman	Jeffords	Nunn
Boxer	Johnston	Pell
Bryan	Kerrey	Pryor
Bumpers	Lautenberg	Reid
Byrd	Leahy	Rockefeller
Conrad	Levin	Sarbanes
Dodd	Mikulski	Simon
Glenn	Moseley-Braun	

NOT VOTING—2

Gramm	Stevens

So, the bill (S. 4), as amended, was passed.

S. 4

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 ''The Separate Enrollment and Line Item Veto Act of 1995''.

SEC. 2. STRUCTURE OF LEGISLATION.

(a) APPROPRIATIONS LEGISLATION.—

(1) The Committee on Appropriations of either the House or the Senate shall not report an appropriation measure that fails to contain such level of detail on the allocation of an item of appropriation proposed by that House as is set forth in the committee report accompanying such bill.

(2) If an appropriation measure is reported to the House or Senate that fails to contain the level of detail on the allocation of an item of appropriation as required in paragraph (1), it shall not be in order in that House to consider such measure. If a point of order under this paragraph is sustained, the measure shall be recommitted to the Committee on Appropriations of that House.

(b) AUTHORIZATION LEGISLATION.—

(1) A committee of either the House or the Senate shall not report an authorization measure that contains new direct spending or new targeted tax benefits unless such measure presents each new direct spending or new targeted tax benefit as a separate item and the accompanying committee report for that measure shall contain such level of detail as is necessary to clearly identify the allocation of new direct spending or new targeted tax benefits.

(2) If an authorization measure is reported to the House or Senate that fails to comply with paragraph (1), it shall not be in order in that House to consider such measure. If a point of order under this paragraph is sustained, the measure shall be recommitted to the committee of jurisdiction of that House.

(c) CONFERENCE REPORTS.—

(1) A committee of conference to which is committed an appropriations measure shall not file a conference report in either House that fails to contain the level of detail on the allocation of an item of appropriation as is set forth in the statement of managers accompanying that report.

(2) A committee of conference to which is committed an authorization measure shall not file a conference report in either House unless such measure presents each direct spending or targeted tax benefit as a separate item and the statement of managers accompanying that report clearly identifies each such item.

(3) If a conference report is presented to the House or Senate that fails to comply with either paragraph (1) or (2), it shall not be in order in that House to consider such conference report. If a point of order under this paragraph is sustained in the House to first consider the conference report, the measure shall be deemed recommitted to the committee of conference.

SEC. 3. WAIVERS AND APPEALS.

Any provision of section 2 may be waived or suspended in the House or Senate only by an affirmative vote of three-fifths of the Members of that House duly chosen and sworn. An affirmative vote of three-fifths of the Members duly chosen and sworn shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under that section.

SEC. 4. SEPARATE ENROLLMENT.

(a)(1) Notwithstanding any other provision of law, when any appropriation or authorization measure first passes both Houses of Congress in the same form, the Secretary of the Senate (in the case of a measure originating in the Senate) or the Clerk of the House of Representatives (in the case of a measure originating in the House of Representatives) shall disaggregate the items as referenced in section 5(4) and assign each item a new bill number. Henceforth each item shall be treated as a separate bill to be considered under the following subsections. The remainder of the bill not so disaggregated shall constitute a separate bill and shall be considered with the other disaggregated bills pursuant to subsection (b).

(2) A bill that is required to be disaggregated into separate bills pursuant to subsection (a)—

(A) shall be disaggregated without substantive revision, and

(B) shall bear the designation of the measure of which it was an item prior to such disaggregation, together with such other designation as may be necessary to distinguish such measure from other measures disaggregated pursuant to paragraph (1) with respect to the same measure.

(b) The new bills resulting from the disaggregation described in paragraph (1) of subsection (a) shall be immediately placed on the appropriate calendar in the House of origination, and upon passage, placed on the appropriate calendar in the other House. They shall be the next order of business in each House and they shall be considered and voted on en bloc and shall not be subject to amendment. A motion to proceed to the bills shall be nondebatable. Debate in the House of Representatives or the Senate on the bills shall be limited to not more than 1 hour, which shall be divided equally between the majority leader and the minority leader. A motion further to limit debate is not debatable. A motion to recommit the bills is not in order, and it is not in order to move to reconsider the vote by which the bills are agreed to or disagreed to.

SEC. 5. DEFINITIONS.

For purposes of this Act:

(1) The term ''appropriation measure'' means any general or special appropriation bill or any bill or joint resolution making supplemental, deficiency, or continuing appropriations.

(2) The term ''authorization measure'' means any measure other than an appropriations measure that contains a provision providing direct spending or targeted tax benefits.

(3) The term ''direct spending'' shall have the same meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) The term ''item'' means—

(A) with respect to an appropriations measure—

(i) any numbered section,

(ii) any unnumbered paragraph, or

(iii) any allocation or suballocation of an appropriation, made in compliance with section 2(a), contained in a numbered section or an unnumbered paragraph but shall not include a provision which does not appropriate funds, direct the President to expend funds for any specific project, or create an express or implied obligation to expend funds and—

(i) rescinds or cancels existing budget authority;

(ii) only limits, conditions, or otherwise restricts the President's authority to spend otherwise appropriated funds; or

(iii) conditions on an item of appropriation not involving a positive allocation of funds by explicitly prohibiting the use of any funds; and

(B) with respect to an authorization measure—

(i) any numbered section, or

(ii) any unnumbered paragraph,

that contains new direct spending or a new targeted tax benefit presented and identified in conformance with section 2(b).

(5) The term ''targeted tax benefit'' means any provision:

(A) estimated by the Joint Committee on Taxation as losing revenue for any one of the three following periods—

(1) the first fiscal year covered by the most recently adopted concurrent resolution on the budget;

(2) the period of the 5 fiscal years covered by the most recently adopted concurrent resolution on the budget; or

(3) the period of the 5 fiscal years following the first 5 years covered by the most recently adopted concurrent resolution on the budget; and

(B) having the practical effect of providing more favorable tax treatment to a particular taxpayer or limited group of taxpayers when compared with other similarly situated taxpayers.

SEC. 6. JUDICIAL REVIEW.

(a) EXPEDITED REVIEW.—

(1) Any Member of Congress may bring an action, in the United States District Court for the District of Columbia, for declaratory judgment and injunctive relief on the ground that a provision of this Act violates the Constitution.

(2) A copy of any complaint in an action brought under paragraph (1) shall be promptly delivered to the Secretary of the Senate and the Clerk of the House of Representatives, and each House of Congress shall have the right to intervene in such action.

(3) Any action brought under paragraph (1) shall be heard and determined by a three-judge court in accordance with section 2284 of title 28, United States Code.

Nothing in this section or in any other law shall infringe upon the right of the House of Representatives or the Senate to intervene in an action brought under paragraph (1) without the necessity of adopting a resolution to authorize such intervention.

(b) APPEAL TO SUPREME COURT.—Notwithstanding any other provisions of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under paragraph (1) of subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Any such appeal shall be taken by a notice of appeal filed within 10 days after such order is entered; and the jurisdictional statement shall be filed within 30 days after such order is entered. No stay of an order issued pursuant to an action brought under paragraph (1) of subsection (a) shall be issued by a single Justice of the Supreme Court.

(c) EXPEDITED CONSIDERATION.—It shall be the duty of the District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a).

(d) SEVERABILITY.—If any provision of this Act, or the application of such provision to any person or circumstance is held unconstitutional, the remainder of this Act and the application of the provisions of such Act to any person or circumstance shall not be affected thereby.

SEC. 7. TREATMENT OF EMERGENCY SPENDING.

(a) EMERGENCY APPROPRIATIONS.—Section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new sentence: ''However, OMB shall not adjust any discretionary spending limit under this clause for any statute that designates appropriations as emergency requirements if that statute contains an appropriation for any other matter, event, or occurrence, but that statute may contain rescissions of budget authority.''.

(b) EMERGENCY LEGISLATION.—Section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new sentence: ''However, OMB shall not designate any such amounts of new budget authority, outlays, or receipts as emergency requirements in the report required under subsection (d) if that statute contains any other provisions that are not so designated, but that statute may contain provisions that reduce direct spending.''.

(c) NEW POINT OF ORDER.—Title IV of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

''POINT OF ORDER REGARDING EMERGENCIES

''SEC. 408. It shall not be in order in the House of Representatives or the Senate to consider any bill or joint resolution, or amendment thereto or conference report thereon, containing an emergency designation for purposes of section 251(b)(2)(D) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 if it also provides an appropriation or direct spending for any other item or contains any other matter, but that bill or joint resolution, amendment, or conference report may contain rescissions of budget authority or reductions of direct spending, or that amendment may reduce amounts for that emergency.''.

(d) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 407 the following new item:

''Sec. 408. Point of order regarding emergencies.''.

SEC. 8. SAVINGS FROM RESCISSION BILLS USED FOR DEFICIT REDUCTION.

(a) Not later than 45 days of continuous session after the President vetoes an appropriations measure or an authorization measure, the President shall—

(1) with respect to appropriations measures, reduce the discretionary spending limits under section 601 of the Congressional Budget Act of 1974 for the budget year and each outyear by the amount by which the measure would have increased the deficit in each respective year;

(2) with respect to a repeal of direct spending, or a targeted tax benefit, reduce the balances for the budget year and each outyear under section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 by the amount by which the measure would have increased the deficit in each respective year.

(b) EXCEPTIONS.—

(1) This section shall not apply if the vetoed appropriations measure or authorization measure becomes law, over the objections of the President, before the President orders the reduction required by subsections (a)(1) or (a)(2).

(2) If the vetoed appropriations measure or authorization measure becomes law, over the objections of the President, after the President has ordered the reductions required by subsections (a)(1) or (a)(2), then the President shall restore the discretionary spending limits under section 601 of the Congressional Budget Act of 1974 or the balances under section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 to reflect the positions existing before the reduction ordered by the President in compliance with subsection (a).

SEC. 9. EVALUATION AND SUNSET OF TAX EXPENDITURES

(a) LEGISLATION FOR SUNSETTING TAX EXPENDITURES.—The President shall submit legislation for the periodic review, reauthorization, and sunset of tax expenditures with his fiscal year 1997 budget.

(b) BUDGET CONTENTS AND SUBMISSION TO CONGRESS.—Section 1105(a) of title 31, United States Code, is amended by adding at the end the following paragraph:

''(30) beginning with fiscal year 1999, a Federal Government performance plan for measuring the overall effectiveness of tax expenditures, including a schedule for periodically assessing the effects of specific tax expenditures in achieving performance goals.''.

(c) PILOT PROJECTS.—Section 1118(c) of title 31, United States Code, is amended by—

(1) striking ''and'' after the semicolon in paragraph (2);

(2) redesignating paragraph (3) as paragraph (4); and

(3) adding after paragraph (2) the following:

''(3) describe the framework to be utilized by the Director of the Office of Management and Budget, after consultation with the Secretary of the Treasury, the Comptroller General of the United States, and the Joint Committee on Taxation, for undertaking periodic analyses of the effects of tax expenditures in achieving performance goals and the relationship between tax expenditures and spending programs; and''.

(d) CONGRESSIONAL BUDGET ACT.—Title IV of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following:

''TAX EXPENDITURES

''SEC. 409. It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report that contains a tax expenditure unless the bill, joint resolution, amendment, motion, or conference report provides that the tax expenditure will terminate not later than 10 years after the date of enactment of the tax expenditure.''.

SEC. 10. EFFECTIVE DATE.

The provisions of this Act shall apply to measures passed by the Congress beginning with the date of the enactment of this Act and ending on September 30, 2000.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. COATS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. BOXER. Mr. President, I voted against this bill because I believe the Dole proposal creates a dangerous shift of power from the Legislative to the Executive branch.

The power of the purse, Madison said in Federalist No. 58, represents the ''most complete and effectual weapon with which any constitution can arm the immediate representatives of the people for obtaining a redress of every grievance and for carrying into effect every just and salutary measure.'' Through this power, Congress—as the directly elected representatives of the people—can serve as a check on the Executive branch.

An alternative proposal by Minority Leader TOM DASCHLE was far more balanced and far less cumbersome and I was pleased to vote for it. I did not come to the Senate to fight for a shift of power to the President—any President. I came here to fight for the people of California in an equal partnership with the Executive.

This measure tips the scale unfairly away from the carefully crafted balance of powers so wisely designed by the founders of our Nation.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I ask unanimous consent to speak for 10 minutes as if in morning business.

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

DISCONNECT BETWEEN THE FUTURE YEARS DEFENSE PROGRAM AND THE PRESIDENT'S BUDGET

Mr. GRASSLEY. Mr. President, I would like to continue my discussion on the integrity of the Department of Defense budget.

Yesterday, I examined accounting disconnects in four key areas of the defense budget.

Now, I would like to turn to the budget/future years defense program disconnect or the plans reality mismatch, as it is sometimes called.

This is about the disconnect between the Future Years Defense Program or FYDP and the President's budget.

I first became aware of this problem in the early 1980's, after hearing about the work of Mr. Chuck Spinney—an analyst in the Pentagon's Office of Program Analysis and Evaluation.

Mr. Spinney treated the Senate Armed Services and Budget Committees to a stack of his famous spaghetti diagrams at a special hearing held in the Caucus Room in late February 1983.

This was an unprecedented event.

It was the only joint Armed Services/Budget Committee hearing ever held.

Moreover, it took place despite a concerted effort by certain DOD officials to suppress Mr. Spinney's work and block the hearing.

In a room filled with TV cameras and bright lights, Chuck Spinney engaged the Reagan defense heavyweights in battle.

Cap Weinberger was the Secretary of Defense at the time.

When the day was over, Mr. Chuck Spinney had skewered them with their own spear.

Mr. Spinney had used Secretary Weinberger's own FYDP data to expose the flaws in his massive plan to ramp up the defense budget.

This was the crux of Mr. Spinney's Plans/Reality Mismatch briefing:

The final bill for Weinberger's fiscal year 1983–87 FYDP would be $500 billion more than promised.

Mr. Spinney's outstanding performance won him a place on the cover of Time magazine on March 7, 1983.

That was 12 years ago.

Again, all of this stuff happened before 54 of my colleagues ever set foot in this chamber.

Well, the brawl over the build-up led to a slew of reform initiatives: The Carlucci Initiatives; the Grace Commission; Nunn-McCurdy legislation; two Packard Commissions; Goldwater-Nichols legislation; and the Defense Management Review.

We were told that these initiatives would cure the disease, but they didn't.

The same old problem persists. Nothing has changed. Nothing has been fixed.

And things may be getting worse—as the budget vise is tightened down.

The money gap between the Pentagon programs and the budget persists.

Today, the GAO figures that the FYDP is overprogrammed by at least $150 billion.

That's a conservative estimate, too.

The CBO has come up with a somewhat lower estimate but a gap nonetheless.

There is a consensus on the problem but not on the solution.

Should we pump up the defense budget to close the gap—as some of my Republican colleagues suggest?

My Republican friends seem bound and determined to start up that slippery slope toward higher defense budgets.

They want to repeat the mistakes of the 1980's.

They want to rip open the national money sack at both ends and get out the big scoop shovel.

But why and for what?

The Soviet military threat is gone.

The cold war is over.

We need to begin balancing the budget.

And DOD's finance and accounting operation is flat busted.

And if it is really busted like I think it is, then DOD does not know how much money it needs right now.

Nor does anybody else.

Leadership and better management are the only solution—not more money.

Well, in the 1980's—at the height of the cold war, Congress did approve major increases in the defense budget.

That is true.

But Congress refused to close the massive gap between the Pentagon FYDP's and the Reagan budgets.

The gap was just too big.

Yet that is exactly what some of my Republican colleagues want to do today.

Cap Weinberger was Secretary of Defense when we argued this out 10 years ago.

He kept asking for more and more money.

But Mr. Spinney's analysis of DOD's own data showed that the military was getting less and less capability.

The topline kept rising.

But so did the gap.

The money sacks were piled high on the Pentagon steps, but there was never enough.

By the mid-1980's, Secretary Weinberger's 5-year funding roadmap topped out at $2 trillion. That was the fiscal year 1986 FYDP.

Congress just did not buy it.

Congress put the brakes on and slapped a lid on defense spending.

With the help of my Democratic and Republican allies, I was able to put a freeze on defense spending in 1985.

We were convinced that all the extra money was just making matters worse.

It was generating waste and abuse rather than more military strength.

The spare parts horror stories kept pouring out and finally and completely discredited the defense budget buildup.

Congress literally carved up Secretary Weinberger's ambitious 5-year plans.

Take, for example, the fiscal year 1983–87 FYDP.

It's price tag was a staggering $1.6 trillion plus.

Congress balked and cut the plan back to $1.1 trillion.

The final amounts appropriated were $600 billion below Weinberger's request.

We never got close to the $400 to $500 billion a year defense budgets that Secretary Weinberger wanted.

Mr. Weinberer's plans were unrealistic. They were not affordable, and they were totally out of line with what was really needed.

That is exactly where we are today.

Mr. President, that concludes my statement for today.

Tomorrow, I hope to complete my discussion of the Program/Budget mismatch.

I yield the floor.

APPOINTMENT BY THE MINORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the minority leader, pursuant to Senate Resolution 105, adopted April 13, 1989, as amended by Senate Resolution 280, adopted October 8, 1994, announces the appointment of the Senator from Nebraska [Mr.

KERREY] as a member of the Senate Arms Control Observer Group.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, on behalf of the majority leader, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for not to exceed 5 minutes each.

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

DR. SAMUEL BRODER, DIRECTOR OF THE NATIONAL CANCER INSTITUTE

Mr. PELL. Mr. President, at the end of this month, Dr. Samuel Broder, Director of the National Cancer Institute, will formally leave his post to return to private life. This is an enormous loss to the National Cancer Institute, the American people, and the fight against cancer.

Dr. Broder has served with distinction at the National Cancer Institute since 1972, first with the Metabolism Branch in the Division of Cancer Biology and Diagnosis, and since 1981 with the Division of Cancer Treatment. In 1989, he was appointed by the President to serve as Director of the institute, capping his career there as laboratory researcher, attending clinical oncologist, and administrator.

As a strong supporter of the National Cancer Institute, and in particular, of its information dissemination programs, including the International Cancer Research Data Bank, I am personally grieved to see Dr. Broder move on to the well-deserved quiet and independence of private life. He has been a strong leader and administrator, fighting hard for the NCI's autonomy and priorities. And he has worked hard to create a balance between the critically important research that NCI conducts and supports, and the information dissemination and cancer prevention and control activities that make the NCI a national treasure for all citizens.

Dr. Broder's own scientific accomplishments in the areas of cancer and AIDs are well-known to all in the scientific community. He came to the job of Director with the respect of his colleagues, a solid understanding of the science he was to direct and the Institute he was to lead, and a deep dedication to the fight against cancer.

It is my hope that Dr. Broder will find professional and personal satisfaction in his new position and in his new life in Florida. I have no doubt that this is not the last that we will hear of him, because I believe that a person of his talent and dedication will continue to make enormous contributions to the cause of eradicating cancer wherever his path may take him. My family and I wish him and his family the very best and hope that his legacy at NCI will result in the choice of a successor who is as knowledgeable, responsive, and dedicated to the mission of the NCI as he has been.

Thank you, Mr. President.

RUSSIA CREDITWORTHINESS

Mr. LEAHY. Mr. President, today, I am releasing a GAO report that I requested when I was chairman of the Agriculture Committee.

The report concludes that the Bush administration inappropriately used USDA's export credit guarantee programs to expedite billions of dollars in loans to the Former Soviet Union [FSU] and its successor states.

This misuse of taxpayers funds leaves me deeply concerned.

I have said time after time that the GSM–102 export credit guarantee program is not a foreign aid program. It is a U.S. commercial program that allows creditworthy countries to use short-term debt to finance the purchase of quality U.S. agricultural products.

But, eligible countries must be determined capable of repayment.

This was not the first time that the Bush administration chose foreign policy objectives over creditworthiness considerations in the use of this program. Throughout the late 1980's, foreign policy considerations were the prevailing criteria.

I am all too familiar with the Government of Iraq's receipt of billions of dollars through the GSM–102 Program.

When we responded to Iraq's invasion of Kuwait, Iraq defaulted on these loans forcing the USDA to pay claims of over $2 billion with taxpayer money.

That is why, in the 1990 farm bill, I inserted a provision that requires the Secretary of Agriculture to determine that a prospective borrowing country is capable of adequately servicing the debt it incurs under these export credit guarantee programs.

It is also why in 1992, at my request, the Senate struck a Bush administration proposal that would have allowed USDA to balance creditworthiness against market development objectives in using the GSN programs.

I made it very clear on the floor, in committee, and in statements that the law did not permit loans to countries that were not creditworthy. Other foreign aid programs serve that purpose.

This GAO report confirms my suspicions about the Bush administration's use of the GSM–102 Program. When these loans were financed, the FSU was not creditworthy and should not have qualified for GSM–102 Program.

Instead, funds from one Government agency were allocated to support other administrative objectives. In a similar way, the Bush administration loaned money to help Saddam Hussein just before Iraq's invasion of Kuwait.

The Clinton administration understands the distinction between foreign aid and commercial trade.

Under this administration, no additional credit guarantees have been allocated for the Russian public sector.

In the spring of 1993, when Russian President Boris Yeltsin requested additional foreign aid, President Clinton simply supplied the import needs of Russia by using the Food for Progress Program—a foreign assistance program that I have long supported.

The Bush administration should have told taxpayers what was going on. If the executive branch wishes to provide foreign aid to another country they should at least say that to taxpayers. The aid could have been provided through established aid programs.

The Bush administration did a disservice to the taxpayers by hiding foreign aid under the guise of a commercial export program.

The GAO report comes too late to stop the Bush administration's inappropriate use of a commercial export program to help the states of the Former Soviet Union. But, it serves as a reminder that our agriculture programs are most effective when used for the purpose for which they are designed.

As we proceed through the 1995 farm bill debate, it will be important to create and enhance agricultural policies that best enable U.S. farmers, ranchers, and agribusiness to compete in the new world trade regime.

As part of that debate, we will examine the trade title closely to determine what programs are most effective in developing U.S. agricultural export markets.

And, we will ensure that sufficient safeguards are in place so that the experiences with Iraq and the FSU are not repeated.

I am confident that the Clinton administration will continue to do its utmost to ensure that all moneys borrowed under this and other USDA loan programs are repaid in full.

KENNETH HALL: A GREAT ILLINOISAN AND A GOOD FRIEND

Ms. MOSELEY-BRAUN. Mr. President, the Illinois General Assembly and the people of Illinois suffered a great loss this week. The death of State Senator Kenneth Hall on Tuesday has left his family, friends and colleagues mourning this loss of an extraordinary person and a great public servant. I have known Kenny for a long time. I had the privilege of serving in the Illinois legislature with Senator Hall for 10 years. I am proud to have been able to call him a friend.

Kenneth Hall was born in 1915 in East St. Louis, Illinois and attended high school and college in the area. After military service during World War II, Senator Hall began his public service career as a St. Clair County Sheriff's Investigator. He later served as Commissioner of the St. Clair County Housing Authority. He also served on the St. Clair County Welfare Service Committee and as a commissioner on the East St. Louis Park District. In 1949, he was appointed by former Governor

Adlai Stevenson III to serve on the State Rent Control Board.

Senator Hall's primary concern was always to his community, and he served for 28 years as a Democratic Precinct Committeeman. He was elected to the Illinois House of Representatives where he served two terms, and in 1970 was elected to the Illinois State Senate. Five years after election to the State Senate, he became the first black Assistant Majority Leader. During his 25 years in the Illinois Senate, he served on several committees including the Education, Veteran's Affairs, Executive committees, and served as Chairman of the Appropriation II Committee until 1992. His legislative agenda reflected his primary interests in helping the poor and disenfranchised. He firmly believed that government should play a role in helping those who cannot help themselves. He strongly supported education as a way out of poverty.

Those who knew Senator Hall remember him for his unfailing graciousness, and the way he cared about the people in his district. He was in many legislative battles during his career, but he was never disagreeable. He will be remembered most for his integrity and his honesty, and for the way he always had time for people.

He was an inspiration to many in his community, pushing them to find the best in themselves. East St. Louis Mayor Gordon Bush called Senator Hall a ''pioneer for racial harmony, and people living together as God's children''.

State Senator Kenneth Hall's career epitomizes what is best about public service. President Kennedy once said about politics as a profession, ''* * * if you are interested, if you want to participate, if you feel strongly about any public question, * * * governmental service is the way to translate this interest into action, the natural place for the concerned citizen is to contribute part of his life to the national interest''. Kenneth Hall was such a concerned citizen and he contributed a very large part of his life to the interest of his community, his state, and his country. In his own way he worked hard to make this world a better place. We could all learn something from his life.

I had the pleasure of working with Kenny in Springfield, when I was in the legislature. He was always helpful, and I always benefited from his counsel and advice.

Mr. President, Kenny was one of my mentors, and a shining light. His smile brightened every room and discussion he was in. He was tireless fighter and advocate who was never too busy to be kind. I will greatly miss him.

NOMINATION OF DR. HENRY FOSTER

Mr. PELL. Mr. President, I recently had the opportunity to meet with Dr. Henry Foster, President Clinton's nominee for the position of Surgeon General. I did so because, as a member of the Senate Labor and Human Resources Committee, I will be called upon to cast one of the first votes on this nomination before it is brought to the floor of the Senate. And I wanted to know what kind of man this is, who has been demonized by some and canonized by others.

Mr. President, what I found before me was a man of substance, who has worked very hard all his life to achieve the kind of success that is neither materialistic nor public. Dr. Henry Foster was raised in the rural South at a time of segregation so intense that he was forced, even while in medical school, to drink from a separate water fountain. He suffered the indignities of segregation with the kind of dignity, intelligence, and vision that enabled him both to see that he could achieve something very important in his life—and to do it. He spoke of his father's teachings of the value of education and hard work, and he incorporated those values into everything he has done in his life.

Dr. Foster's credentials alone certainly render him a qualified candidate for Surgeon General. A practicing obstetrician-gynecologist for 38 years, Dr. Foster is also a medical educator who has devoted much of his professional life to reducing infant mortality and preventing teen pregnancy. He has served as both Dean of the School of Medicine and acting President of Meharry Medical College in Nashville—one of the Nation's most prominent historically black colleges. Dr. Foster is currently on sabbatical from Meharry and is scholar-in-residence at the Association of Academic Health Centers in Washington, DC. He has been the recipient of many awards and honors—too numerous to mention here—but ranging from induction into the Institute of Medicine to receiving a ''Thousand Points of Light'' award from President George Bush for his ''I Have A Future'' program that promotes self-esteem and positive life choices among at-risk teens.

But as has been pointed out by his detractors, qualifications alone may not be sufficient for a person to hold a position of leadership and trust in our government. Especially with a position attracting as much attention as Surgeon General, it is important that the person appointed be an example of the best that our country has to offer.

Mr. President, from what I know of Dr. Foster, and from what I expect the Labor Committee hearings to bring out, Dr. Foster is such a person. In addition to excellent academic and leadership qualifications, Dr. Foster has traveled an admirable path, in the early years forfeiting a life of great wealth in a more comfortable, ivory tower setting and returning to his roots—this time to poor, rural Alabama—to help an under-served population that needed his care. Since then, Dr. Foster has helped train the minds and influence the careers of hundreds of Meharry Medical College students, many of whom have followed in Dr. Foster's footsteps.

While Dr. Foster's life and career have not been without their controversial moments, there are few, if any, individuals of prominence and principle in this country who have not experienced such moments in life. I have reviewed carefully the information available to me about those times in Dr. Foster's life and the actions that he took, and I have asked him about others. I am satisfied that Dr. Foster is telling the truth about discrepancies that arose shortly after his nomination was announced, and I am comfortable that Dr. Foster's actions can be explained in the context of both the times and the nature of his work.

While I realize that it is still possible to learn information that might raise questions or cause concern about Dr. Foster's suitability for this position, I must say that I doubt that this will occur. I have been most impressed by the strong support he has received from the medical community, from public health and social service advocates, and from many individuals—including several Rhode Islanders who have contacted me to say that they personally know and admire Dr. Foster.

Mr. President, it is my hope that prompt hearings can be held on Dr. Foster's nomination. I believe that the Senate Labor and Human Resources Committee, and its able Chairwoman, Senator NANCY KASSEBAUM, will hold fair, even-handed and comprehensive hearings on Dr. Foster's nomination. In my view, it is very much our duty to hold such hearings on any nominee forwarded to us by the President of the United States. As my colleagues know, I have voted to confirm many nominees of Presidents not of my own party, and I have voted to confirm numerous nominees who did not share my view of the world and who would not have been my choice. But I believe that every President deserves great deference in the choice of nominees and—at the least—deserves to have the Senate consider every nominee in a prompt fashion.

I urge my colleagues to meet and talk with Dr. Foster, and to discover a person of compassion, and humor, and dedication, whom I believe deserves the chance to serve his Nation.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES!

Mr. HELMS. Mr. President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by both the House of Representatives and the U.S. Senate.

So when you hear politicians or editors or commentators declare that ''Reagan ran up the Federal debt'' or that ''Bush ran it up,'' bear in mind that the Founding Fathers made it very clear that it is the constitutional

duty of Congress to control Federal spending.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,844,512,611,537.49 as of the close of business Wednesday, March 22. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $18,389.85.

DR. CLAIRE LOUISE CAUDILL NAMED ''COUNTRY DOCTOR OF THE YEAR''

Mr. McCONNELL. Mr. President, I rise today to pay tribute to a remarkable Kentuckian who has been named 1994/95 ''Country Doctor of the Year.'' Dr. Claire Louise Caudill of Rowan County, KY, has unselfishly dedicated herself to the medical profession and the citizens of Rowan County for 46 years.

Dr. Caudill was one of two women to graduate from the University of Louisville Medical School in 1946. Since that time, she has devoted herself to ensuring that proper medical attention was given in her county. She and her faithful nurse assistant, Susie Halbieb, often went above and beyond the call of duty. The two trudged through streams and down impassible country roads to provide care to people. In 1957, Dr. Caudill and nurse Susie opened a maternity clinic in Morehead and delivered about 600 babies a year.

Dr. Caudill's clinic was essential to Rowan County, as the next closest facility was over 70 miles away. Her practice was largely comprised of Medicare/Medicaid patients in one of the nation's poorest areas. She only required payment if the patient could afford it.

She made the dream of a proper medical facility a reality when she initiated fundraising to build a hospital. She spearheaded the effort to raise over $250,000 and then sought the assistance of the Sisters of Notre Dame to assist with funding, management, and staffing. The hospital was built in the 1960's and was duly named the St. Claire Medical Center. The hospital has since emerged as a noted regional facility. It is equipped with a cancer treatment center, a maternity center, a hospice, and a home health care department.

Dr. Caudill has been responsible for delivering over 8,000 babies in her lifetime. Although she no longer delivers babies, she still sees around 20 patients a day. Dr. Caudill is a credit to her community and the medical profession. Mr. President, I ask the Chamber to join me in paying tribute to Claire Louise Caudill, MD, Country Doctor of the Year. Her commitment to the welfare of her community continues to be an example for us all.

TRIBUTE TO HENRY WARD JANDL

Mr. JOHNSTON. Mr. President, I rise today to report to the Senate the sad news of the loss of one of our Nation's preeminent historic preservation professionals, Henry Ward Jandl, who died unexpectedly on Saturday, March 18, at George Washington University Hospital.

I came to know and respect Ward Jandl's fine work through many years of involvement in historic preservation legislation through the Senate Committee on Energy and Natural Resources as well as through my own personal interest, and that of my wife Mary, in historic preservation in Louisiana.

Ward Jandl graduated from the Hotchkill School in 1964 and Yale University in 1968. He spent 2 years in the Peace Corps teaching English in Ankara, Turkey. In 1971, he received a Graduate Certificate in Historic Preservation from Columbia University while working at the New York Public Library.

A resident of the District of Columbia since 1974, Ward's entire professional career was spent in the U.S. Department of the Interior, National Park Service. He began as an architectural historian at the National Register of Historic Places. At the time of his death, he was Chief Appeals Officer, Cultural Resources, and Deputy Chief, Preservation Division.

For his dedicated service to historic preservation, Ward received several honors from the Department of the Interior. In addition to being a valued policymaker, Ward coauthored two books: Houses by Mail: A Guide to Houses from Sears, Roebuck and Co., in 1986, and Yesterday's Houses of Tomorrow: Innovative Homes: 1850–1950, in 1991.

Mr. President, Ward Henry Jandl accomplished many things in his relatively brief, but filled career and has left a legacy for our Nation to follow as we attempt to preserve our past in preparation for brighter days ahead. I hope this legacy will help ease the loss of his passing for his father, Henry Anthony Jandl of Richmond, VA, and his sister, Margaret Marie Jandl of Cambridge, MA, to whom I extend my most sincere condolences.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, 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 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 2:08 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that pursuant to the provisions of Public Law 96–388, as amended by Public Law 97–84 (36 United States Code 1402(a)), the Speaker appoints the following Members on the part of the House to serve as members of the United States Holocaust Memorial Council: Mr. GILMAN, Mr. REGULA, Mr. LATOURETTE, Mr. LANTOS, and Mr. YATES.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

H.R. 1158. An act making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–35. A concurrent resolution adopted by the Legislature of the State of West Virginia; ordered to lie on the table.

''SENATE CONCURRENT RESOLUTION NO. 16

''Whereas, the constitution of the United States of America is the most perfect example of a contract between a people and their government; and

''Whereas, the congress of the United States is currently considering an amendment to the constitution, known as the ''Balanced Budget Amendment''; and

''Whereas, the House of Representatives has already approved its version of such a balanced budget amendment; and

''Whereas, the House of Representatives approved its version without obtaining a projection of how it would be implemented; and

''Whereas, the House of Representatives rejected a version of the balanced budget amendment, offered by Representative Bob Wise of West Virginia, that would have protected against cuts in social security and would have allowed for both a capital and operating budget; and

''Whereas, the proposal for a balanced budget amendment is now under active consideration in the United States Senate; and

''Whereas, United States Senators Robert C. Byrd and John D. Rockefeller IV of West Virginia have called for a 'right to know' provision so that the senators would know before they vote how a balanced budget would be achieved; and

''Whereas, the treasury department of the United States has projected that a balanced budget amendment implemented by across-the-board cuts would reduce federal grants to West Virginia state government by $765 million, requiring the Legislature to increase state taxes to compensate for such losses or eliminate the programs and services currently provided to our citizens by federal funds; and

''Whereas, many citizens of West Virginia would likely suffer from cuts imposed to meet the requirements of the proposed balanced budget amendment, including thousands of our citizens who receive social security, veterans benefits, medicare, medicaid and other essential benefits; and

''Whereas, through the efforts of Senator Robert C. Byrd and other members of our congressional delegation appropriations have been made for numerous projects in West Virginia, including completion of the Appalachian corridor highway system, relocation of the federal bureau of investigation center to West Virginia and a myriad of other projects; and

''Whereas, these benefits and projects are vital to the economic development and well being of the people of our state and deserve to be protected if the constitution is amended to require a balanced budget; and

''Whereas, West Virginia receives $1.45 in federal benefits for each dollar in federal taxes; and

''Whereas, on a per capita basis, each man, woman and child receives approximately $2,000 more in benefits from the federal government that he or she pays in federal taxes; and

''Whereas, a proposal to balance the federal budget by returning the programs to the states would mean that West Virginia would be required to either raise its taxes by $2,000 dollars for each man, woman and child or eliminate the programs and services currently provided to our citizens by federal funds; and

''Whereas, the balanced budget amendment would be submitted to the Legislature for ratification if approved by the congress; and

''Whereas, this Legislature will be unable to establish its own budget without knowing what reductions will be made by the congress to effect the balanced budget amendment; and

''Whereas, this Legislature therefore has a right to know what effect the proposed balanced budget amendment would have on state government, but more importantly, on the people of our state; Now, therefore, be it

''*Resolved by the Legislature of West Virginia,* That the Legislature recognize that a balanced federal budget is a desirable objective; and, be it

''*Further resolved,* That the Legislature commends the president and the congress for their efforts toward this objective by supporting and enacting legislation that will result in the reduction of the federal deficit for three years in a row; and, be it

''*Further resolved,* That the Legislature will be asked to vote for ratification of a balanced budget amendment to the constitution if such a measure is submitted to the states by the congress; and, be it

''*Further resolved,* That the Legislature, acting on behalf of the citizens of West Virginia in deciding whether to ratify such an amendment, is entitled to be fully informed of its consequences on our people; and, be it

''*Further resolved,* That the congress is hereby urged to submit such an amendment to the states for ratification only if congress provides a detailed projection of what reductions will be made in the federal budget and how these will affect the government and people of West Virginia, including but not limited to, the effect on social security benefits, veterans benefits, medicare, medicaid, education, highway moneys, including completion of the Appalachian corridor system, and other programs necessary for the health and well-being of the people of our state; and, be it

''*Further resolved,* That the Clerk of the Senate is hereby requested to forward a copy of this resolution to the president of the United States Senate, the Speaker of the House of Representatives and each member of the West Virginia congressional delegation.''

POM—36. A resolution adopted by the Cooperative Agricultural Bargaining and Marketing Associations relative to the USDA; to the Committee on Agriculture, Nutrition, and Forestry.

POM—37. A resolution adopted by the Agricultural Bargaining Council relative to the USDA; to the Committee on Agriculture, Nutrition, and Forestry.

POM—38. a resolution adopted by the Senate of the Legislature of the State of California; to the Committee on Agriculture, Nutrition, and Forestry.

SENATE RESOLUTION NO. 9

''Whereas, the United States Department of Agriculture (USDA) announced in the Federal Register on November 15, 1994, that the government of Mexico has requested that the Animal and Plant Health Inspection Service (APHIS) allows the importation into certain areas of the United States of fresh Hass avocado fruit grown in approved orchards in approved municipalities in Michoacan, Mexico; and

''Whereas, in response, APHIS has held two public meetings, one in Florida and one in California, for the purpose of receiving public comment prior to deciding whether to publish a proposed rule in the Federal Register that would allow the importation of avocados as requested by the Mexican government; and

''Whereas, the request of the Mexican government would require that the USDA substantially modify its current policy relating to pest quarantine, which has served to protect United States agriculture from the threat of pest infestation by the full array of injurious pest species known to exist in Mexico; and

''Whereas, the negative economic impact resulting from the presence of these exotic pests in California would be devastating to a wide spectrum of California agriculture, including apples, apricots, avocados, citrus, and pears; and

''Whereas, a programmatic environmental impact report prepared by the California Department of Food and Agriculture in June 1993, states that a Mexican fruitfly infestation in California would cause increased cost to the private sector totaling $124.4 million and lead to the use of as much as 5,560,000 pounds of pesticide; and

''Whereas, an eradication of a fruitfly infestation often requires intensive ground and aerial spraying of urban areas; and

''Whereas, in 1989, Mediterranean fruitfly, melon fruitfly, and oriental fruitfly cost the agricultural industry $300 million in lost markets and $5.4 million in damaged produce and postharvest treatments; and

''Whereas, California and the federal government have spent more than $500 million since 1975 in their continuing effort to eradicate exotic pests in California; and

''Whereas, California has recently announced that pest discoveries increased 195 percent over 1993, and there is a significant increase in prohibited fruit discoveries in violation of domestic quarantines; and

''Whereas, the USDA announced in July 1994, that it had imposed a hiring freeze; and

''Whereas, the scientific data submitted by Mexico—a research study and pest survey data—to support its request—lacks scientific integrity and ignores the fact that virtually every quarantine pest known to infest Hass avocados has been detected during border interceptions at El Paso, Texas; and

''Whereas, these quarantine pests are the same species that Mexico claims to have eradicated in Michoacan and are the very ones upon which the current USDA pest quarantine is based; and

''Whereas, the proposed modification of the USDA pest quarantine makes no provision for costs incurred by federal and state governments and by the California agricultural industry if a pest infestation occurs as a result of a modified quarantine; now, therefore, be it

''*Resolved by the Senate of the State of California,* That the request by the Mexican government that the United States permit the importation of fresh Hass avocado fruit grown in Michoacan, Mexico into this country be denied due to a lack of valid scientific data; and be it further

''*Resolved,* That the USDA consider no further proposals of this nature unless the request contains all of the following: (1) baseline information on the seasonal abundance, geographical distribution, and biology of all of the quarantine pests known to infest Mexican avocados, and a declaration that that information has been collected and analyzed by scientists representing the USDA and Mexican and Californian agricultural interests; (2) laboratory and field studies that conclusively establish the host susceptibility of Hass avocados to fruitfly infestation through scientifically credible and reproducible data; (3) an identification of definite areas and districts free from injurious, quarantined pests known to attack Hass avocados; (4) a showing that scientifically valid pest surveys have been conducted in these definite areas over a minimum period of 12 months with oversight by the USDA, the Mexican government, and private sector entomologists and that those survey results are negative; and (5) proof that the Mexican government has adopted and enforced regulations that will prevent the introduction of quarantined pests into any of the designated areas that form the pest-free zones; and be it further

''*Resolved,* That the burden of alleviating risks associated with the shipment of pest infested Mexican avocados into the United States should remain with Mexico and the United States should not assume this burden; and be it further

''*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California, Arizona, Florida, and Texas in the Congress of the United States, and to the Secretary of the United States Department of Agriculture.''

EXECUTIVE REPORTS OF COMMITTEES

The following executive report of a committee was reported on March 22, 1995:

By Mr. HELMS, from the Committee on Foreign Relations:

Treaty Doc. 103–25 Treaty Convention on Conventional Weapons (Exec. Rept. 104–1).

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That (a) the Senate advise and consent to the ratification of the following Convention and two accompanying Protocols, concluded at Geneva on October 10, 1980 (contained in Treaty Document 103–25), subject to the conditions of subsections (b) and (c):

(1) The Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed To Be Excessively Injurious or To Have Indiscriminate Effects (in this resolution referred to as the ''Convention'').

(2) The Protocol on Non-Detectable Fragments (in this resolution referred to as ''Protocol I'').

(3) The Protocol on Prohibitions or Restrictions on the Use of Mines, Booby-Traps

and Other Devices, together with its technical annex (in this resolution referred to as ''Protocol II'').

(b) The advice and consent of the Senate under subsection (a) is given subject to the following conditions, which shall be included in the instrument of ratification of the Convention:

(1) RESERVATION.—Article 7(4)(b) of the Convention shall not apply with respect to the United States.

(2) DECLARATION.—The United States declares, with reference to the scope of application defined in Article 1 of the Convention, that the United States will apply the provisions of the Convention, Protocol I, and Protocol II to all armed conflicts referred to in Articles 2 and 3 common to the Geneva Conventions for the Protection of War Victims of August 12, 1949.

(3) UNDERSTANDING.—The United States understands that Article 6(1) of Protocol II does not prohibit the adaptation for use as booby-traps of portable objects created for a purpose other than as a booby-trap if the adaptation does not violate paragraph (1)(b) of the Article.

(4) UNDERSTANDING.—The United States considers that the fourth paragraph of the preamble to the Convention, which refers to the substance of provisions of Article 35(3) and Article 55(1) of Additional Protocol I to the Geneva Conventions for the Protection of War Victims of August 12, 1949, applies only to States which have accepted those provisions.

(c) The advice and consent of the Senate under subsection (a) is given subject to the following conditions, which are not required to be included in the instrument of ratification of the Convention:

(1) DECLARATION.—Any amendment to the Convention, Protocol I, or Protocol II (including any amendment establishing a commission to implement or verify compliance with the Convention, Protocol I, or Protocol II), any adherence by the United States to Protocol III to the Convention, or the adoption of any additional protocol to the Convention, will enter into force with respect to the United States only pursuant to the treaty-making power of the President, by and with the advice and consent of the Senate, as set forth in Article II, Section 2, Clause 2 of the Constitution of the United States.

(2) DECLARATION.—The Senate notes the statements by the President and the Secretary of State in the letters accompanying transmittal of the Convention to the Senate that there are concerns about the acceptability of Protocol III to the Convention from a military point of view that require further examination and that Protocol III should be given further study by the United States Government on an interagency basis. Accordingly, the Senate urges the President to complete the process of review with respect to Protocol III and to report the results to the Senate on the date of submission to the Senate of any amendments which may be concluded at the 1995 international conference for review of the Convention.

(3) STATEMENT.—The Senate recognizes the expressed intention of the President to negotiate amendments or protocols to the Convention to carry out the following objectives:

(A) An expansion of the scope of Protocol II to include internal armed conflicts.

(B) A requirement that all remotely delivered mines shall be equipped with self-destruct devices.

(C) A requirement that manually emplaced antipersonnel mines without self-destruct devices or backup self-deactivation features shall be used only within controlled, marked, and monitored minefields.

(D) A requirement that all mines shall be detectable using commonly available technology.

(E) A requirement that the party laying mines assumes responsibility for them.

(F) The establishment of an effective mechanism to verify compliance with Protocol II.

The following executive reports of committees were submitted on March 23, 1995:

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation:

Robert Pitofsky, of Maryland, to be a Federal Trade Commissioner for the term of seven years from September 26, 1994.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PRESSLER. Mr. President, for the Committee on Commerce, Science, and Transportation, I also report favorably five nomination lists in the Coast Guard, which were printed in full in the CONGRESSIONAL RECORDS of January 6, February 3 and 16, 1995, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of January 6, February 3 and 16, 1995, at the end of the Senate proceedings.)

By Mr. LUGAR, from the Committee on Agriculture, Nutrition, and Forestry:

Daniel Robert Glickman, of Kansas, to be Secretary of Agriculture.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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 Mrs. BOXER:

S. 600. A bill to require the Secretary of Agriculture to issue regulations concerning use of the term ''fresh'' in the labeling of poultry, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CHAFEE (for himself, Mr. KENNEDY, Mr. PELL, and Mr. KERRY):

S. 601. A bill to revise the boundaries of the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BROWN (for himself, Mr. SIMON, Mr. DOLE, Ms. MIKULSKI, Mr. ROTH, Mr. MCCONNELL, and Mr. MCCAIN):

S. 602. A bill to amend the NATO Participation Act of 1994 to expedite the transition to full membership in the North Atlantic Treaty Organization of European countries emerging from communist domination; to the Committee on Foreign Relations.

By Mr. FAIRCLOTH:

S. 603. A bill to nullify an executive order that prohibits Federal contracts with companies that hire permanent replacements for striking employees, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. PRESSLER:

S. 604. A bill to amend title 49, United States Code, to relieve farmers and retail farm suppliers from limitations on maximum driving and on-duty time in the transportation of agricultural commodities or farm supplies if such transportation occurs within 100-air mile radius of the source of the commodities or the distribution point for the farm supplies; to the Committee on Commerce, Science, and Transportation.

By Mr. DOLE (for himself, Mr. HATCH, Mr. HEFLIN, Mr. LOTT, Mr. GRAMM, Mr. BROWN, Mr. CRAIG, Mr. SHELBY, Mr. NICKLES, Mr. KYL, Mr. ABRAHAM, Mr. THURMOND, Mr. INHOFE, Mr. PACKWOOD, Mr. WARNER, Mr. COATS, Mr. BURNS, Mr. THOMAS, Mr. PRESSLER, Mrs. HUTCHISON, Mr. HATFIELD, Mr. GRAMS, Mr. FRIST, Mr. MCCONNELL, Mr. ASHCROFT, Mr. MACK, Mr. MURKOWSKI, Mr. BENNETT, Mr. KEMPTHORNE, Mr. GRASSLEY, Mr. BOND, and Mr. STEVENS):

S. 605. A bill to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment; to the Committee on the Judiciary.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 606. A bill to make improvements in pipeline safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. WARNER (for himself and Mr. REID):

S. 607. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 608. A bill to establish the New Bedford Whaling National Historical Park in New Bedford, Massachusetts, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WELLSTONE:

S. 609. A bill to assure fairness and choice to patients and health care providers, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LOTT:

S. 610. A bill to provide for an interpretive center at the Civil War Battlefield of Corinth, Mississippi, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PELL (for himself, Mr. KERRY, Mr. FEINGOLD, and Ms. SNOWE):

S. Res. 91. A resolution to condemn Turkey's illegal invasion of Northern Iraq; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER:

S. 600. A bill to require the Secretary of Agriculture to issue regulations concerning use of the term ''fresh'' in the labeling of poultry, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE TRUTH IN POULTRY LABELING ACT

• Mrs. BOXER. Mr. President, today I am introducing the Truth in Poultry Labeling Act of 1995. This legislation directs the Secretary of Agriculture to restrict the use of the term ''fresh'' to poultry that has never been kept frozen.

The bill closes a loophole in Federal law that allows frozen chickens and turkeys to be labeled and sold as fresh.

I am frankly disappointed that I have to introduce this legislation. I have been repeatedly assured that the Agriculture Department was prepared to act to end the fraud allowed by current law. In January, a draft rule to restrict the use of the term ''fresh'' to poultry that has never been kept frozen was actually issued, but there are no assurances that the rule will be finalized any time soon.

In fact, evidence suggests that we are likely to see more delay than action on this issue. Two weeks ago, the Food Safety and Inspection Service decided that it will grant an extension of the comment period on its proposed rule. The extension had been sought by the very industry groups which have dedicated themselves to protecting the status quo. The new rule was proposed in January, and the original 60-day comment period was set to expire last week.

I strongly object to the decision to delay—once again—the rule protecting consumers against mislabeled poultry.

The Agriculture Department did the right thing in January when it proposed the new rule.

Unfortunately, the announced delay is just another in a series of delays stretching back to 1988, when this same rule was first proposed: 7 years is far too long for consumers to wait for basic truth in labeling.

USDA has had a chance to act responsibly on behalf of consumers and has failed. I am therefore introducing this bill to require USDA to issue the new rule within 30 days of enactment, and will seek early consideration of the bill.

This legislation is supported by Consumers Union, the National Consumers League, Public Voice, the California Poultry Industry Federation, the Consumer Federation of America, and the United Food and Commercial Workers International Union.

Current law promotes consumer fraud, allowing chickens and turkeys that have been frozen hard as bowling balls to be thawed out and labeled fresh. Consumers are paying a substantial premium for fresh poultry that has no right to the label. It is time to end the delays and end the fraud, and I ask my colleagues to support this important piece of legislation.

Mr. President, I ask unanimous consent that the full text of the bill appear in the RECORD.

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

S. 600

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 ''Truth in Poultry Labeling Act of 1995.''

SEC. 2. REGULATIONS ON LABELING OF POULTRY.

Not later than 30 days after the date of enactment of this Act, the Secretary of Agriculture shall issue final regulations under the Poultry Product Inspection Act (21 U.S.C. 451 et seq.) that prohibit the use of the term ''fresh'' on labeling of any poultry or poultry part, or of any edible portion of the poultry or part, that has been frozen or previously frozen to below 26 degrees Fahrenheit.•

By Mr. BROWN (for himself, Mr. SIMON, Mr. DOLE, Ms. MIKULSKI, Mr. ROTH, Mr. MCCONNELL, and Mr. MCCAIN):

S. 602. A bill to amend the NATO Participation Act of 1994 to expedite the transition to full membership in the North Atlantic Treaty Organization of European countries emerging from Communist domination; to the Committee on Foreign Relations.

THE NATO PARTICIPATION ACT AMENDMENT OF 1995

Mr. BROWN. Mr. President, I sent to the desk just a few minutes ago the NATO Participation Act Amendments of 1995. Included as sponsors, along with myself, are Senator SIMON, Senator DOLE, Senator MIKULSKI, Senator ROTH, and Senator MCCONNELL. And I ask unanimous consent that Senator MCCAIN be added as a cosponsor of this measure.

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

Mr. BROWN. Mr. President, this NATO Participation Act deals with the hopes and fears and the concerns, I believe, of every American, because it deals with our very freedom.

Every American has a special place in their heart for the people of Central Europe and perhaps even a special place in their conscience. It was in Central Europe where we saw the treachery of Hitler plunge the world into the Second World War. No one can forget that his treachery saw the demise of what was then Czechoslovakia. Few Americans will ever forget the treachery of both Nazi Germany and the Soviet Union in carving up Poland. And I cannot think of a more apt description than the quote of Edmund Burke, when he said:

> The only thing necessary for the triumph of evil in this world is for good men to do nothing.

Mr. President, that is what happened in Central Europe. Good men and women concerned about democracy and freedom stood by and did nothing while Fascist and Communist forces carved up Central Europe. We paid for it in a cold war that lasted more than half a century.

Mr. President, we must never allow that tragedy to happen again. We must be very clear that the men and women of Central Europe are entitled to freedom. That is what the NATO Participation Act Amendments are all about—clarity, making it clear that we believe the Czech Republic, Poland, Hungary, and the Republic of Slovakia should be free and should be masters of their own destiny.

The NATO Participation Act of 1994 was a step forward because it authorized the establishment of a program within this Government to transition those eligible countries to NATO membership, and this follow-on act does four basic things to improve on that situation.

First of all, it helps to set aside the uncertainty of powers in this world about the countries' future by making it clear our policy is to move them into NATO. It develops a program and a focus for this Nation's foreign policy to proceed on a regularized path to include them in NATO, to move them toward full membership. But let me emphasize their membership is not free. It will involve major new responsibilities as well as cost for them.

Second, Mr. President, this act moves to reallocate funds for military training that will include those four countries. By training together and by working together, we will lay the groundwork for a partnership in NATO in the years ahead.

And third, it sets forth a clear policy of encouraging United States support for observer status in NATO for these four countries, a prerequisite and an important part of their training for full participation.

Last, in the event these four countries are not fully members of NATO by the end of this decade, it calls on the President in January 1999 to report fully to Congress on the progress of these countries in entering NATO. It will give us the tools and the ability to evaluate the progress, evaluate the program, and take the additional steps that may be necessary to accomplish our goal.

Mr. President, the bottom line is this: Those countries in Central Europe lost their freedom and lost their right to independence when the dark cloud of Nazism spread across Europe. It could have been prevented if good men and women had not stood aside.

They, again, saw their hoped-for independence snuffed out when the Iron Curtain fell across Europe and Soviet domination extinguished their freedom.

More than anything, this act says to the world that Americans will not stand idly by, unconcerned about Central Europe's security. The loss of the freedom of Poland, Hungary, the

Czech Republic, the Slovak Republic, and other eligible countries may ultimately mean the loss of our freedom.

Mr. SIMON. Mr. President, I am pleased to be a cosponsor. Let me address one concern that people have, that this will be viewed as somehow anti-Russian. There is no question the Russians do not like this move toward expanding NATO, and there is no question that there are genuine fears, whether justified or not, on the part of some of the countries of Central Europe with Russia. There is no reason, at some point in the future when democracy is insolubly established in Russia—and it is moving in the right direction—that Russia cannot become a part of NATO. As a matter of fact, if I were a Russian leader looking at a potential foe, I would not be looking to the West, I would be looking to the East—China, with all the population and potential there. I think this is not only in the best interest of the countries of Central Europe. I think this is in the best interest of Russia, and I am pleased to be a cosponsor.

• Ms. MIKULSKI. Mr. President, I am proud to rise as a cosponsor of the NATO Participation Act Amendments of 1995. This bipartisan legislation will increase security and stability in eastern Europe, and will contribute to the security of the United States.

This year we are marking the 50th anniversary of our victory in World War II. But the end of the World War was also the start of the cold war. Soviet expansionism forced us to prepare to defend western Europe. And the captive nations of eastern Europe were forced behind the Iron Curtain.

After more than 40 years of living under Soviet tyranny, Poland, Hungary, the Czech Republic, and Slovakia are free and independent. They are not asking for protection. They are merely asking to be full partners in the new Europe. By transforming their countries into free-market democracies, they have earned this right.

If our international organizations are to survive—as I believe they must—they must adapt to the post-cold-war world. This sounds so obvious. Yet NATO is still mired in its cold war structure. We still have not established the criteria for NATO membership—let alone a timetable for admitting new states.

In recent months the United States has more explicitly stated that NATO will be expanded. I applaud this. But our NATO partners have been dragging their feet. This legislation will help to clarify the United States position on NATO expansion—and will enable us to lead the alliance to meet the challenges of the post-Soviet world.

We have all heard the arguments against expanding NATO. Some believe that we will offend Russia by expanding NATO membership. I disagree. NATO is a defensive organization. A country that doesn't have expansionist aims has nothing to fear from an expanded NATO.

Mr. President, for many years I have worked with Senator BROWN and Senator SIMON to make the United States a more effective advocate for democracy and economic development in eastern Europe. I commend them for their leadership and look forward to working with them to enact the NATO Participation Act Amendments into law.•

By Mr. CHAFEE (for himself, Mr. KENNEDY, Mr. PELL, and Mr. KERRY):

S. 601. A bill to revise the boundaries of the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, and for other purposes; to the Committee on Energy and Natural Resources.

THE BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR REAUTHORIZATION ACT OF 1995

• Mr. CHAFEE. Mr. President, it gives me great pleasure today to introduce legislation to reauthorize and expand the boundaries of the Blackstone River Valley National Heritage corridor. I am delighted to be joined in this effort by my colleagues from Rhode Island and Massachusetts, Senators PELL, KENNEDY, and KERRY, all of whom have worked hard on this issue through the years.

Before I describe our legislation in detail, allow me to provide a little historical background for the benefit of my colleagues.

Known as the cradle of the Industrial Revolution, the Blackstone Valley is the place where modern America begins—200 years ago on the banks of the Blackstone River, in Pawtucket, RI, Samuel Slater built our Nation's first water-powered textile mill, an event which changed this country forever. Backed by capital from Providence, other entrepreneurs followed Slater's lead. Factories and villages sprang up along the river's banks. Families migrated from farms into the towns. Canals—and later railroads—were built to improve the transportation of goods. Immigrants from all over Europe came to the region in search of work and opportunity.

In the 1920's, the region's prosperity began to fade. Mills closed and moved south. The Great Depression made matters worse. In subsequent years, the Blackstone, which had been renowned as ''the hardest working river in America'' became just another neglected, polluted body of water.

But people in the valley recognized that the river still had a story to tell. Evidence of the region's glorious past remained in abundance. Beautiful dams, bridges, mills, villages, farms, and pastures—all these things contribute to a special sense of place, identity, and history. Many began to realize that preserving and celebrating the area's past was the key to a brighter future.

In the early 1980's, we prevailed upon the National Park Service to conduct a study of the Blackstone Valley. They too concluded that its resources were of national significance and were well worth preserving. The question was: How? With half a million people living there, the valley does not lend itself to the traditional national park strategy where the Federal Government owns and manages the land.

What was needed was an approach that would encourage cooperation among communities, across State lines, and between the private and public sectors. And so, in 1986, through legislation which Senators PELL, KENNEDY, KERRY, and I advanced together, the Blackstone River Valley National Heritage corridor was born.

Stretching 46 miles along the Blackstone River, from Worcester, MA to Providence, RI, the corridor encompasses 20 cities and towns over a 250,000-acre area. Efforts to interpret and preserve the valley's historical and scenic resources are coordinated by the Blackstone Corridor Commission, which receives modest Federal funding to support its operations. The National Park Service works closely with the Commission, providing invaluable technical assistance and guidance.

Not surprisingly, there were some who doubted that the corridor concept could work. It was, of course, unlike anything that had been tried before. But I can say with great confidence that the Blackstone corridor is working. And it is working precisely because it is not managed like the traditional national park. Under the umbrella of the Corridor Commission, individuals from different communities, businesses, levels of government, and walks of life are working together toward a common vision, and with impressive results.

Historic treasures are being uncovered, interpreted, and restored. Old mills are being converted for modern use. Visitors now can enjoy the Blackstone by riverboat or canoe. Parks are being established along its banks. A greenway, for bicyclists and hikers is well underway. A Friends of the Blackstone group is cleaning up the river. National Park Service rangers and volunteers are educating visitors about the valley's rich history. A strategy for reintroducing salmon to the Blackstone river is being developed. Imagine that, salmon coming back to a river that was once an environmental disgrace.

And all this is being done with relatively little money from the Federal Government, because every Federal dollar that goes into the corridor is leveraged many times over by the Commission, sometimes by as much as twenty to one. In fact, often the Commission provides no money at all, just the expertise and cando attitude needed to shepherd a project from concept to reality.

This bill, which is identical to legislation introduced in the last Congress by Senator KENNEDY and approved by the Senate Energy and Natural Resources Committee last year, builds

upon that success. It extends the life of the Blackstone Corridor Commission—which, under current law, will expire in November 1996—for another 10 years, and gives the Secretary of Interior the authority to extend the Commission for an additional 10 years thereafter, providing the Commission meets certain criteria.

In addition, the bill will add to the corridor five new communities—three in Rhode Island and two in Massachusetts—which are culturally and historically tied to the existing corridor and contain the headwaters of the Blackstone River. This logical expansion will allow the Commission to interpret and protect the region's resources in a comprehensive and unified fashion. Finally, our legislation increases the Commission's annual authorization from $350,000 to $650,000, in recognition of its tremendous success and new responsibilities, and authorizes up to $5 million over 3 years in matching funds for development projects within the corridor.

Mr. President, it seems to me that protecting and preserving our Nation's special places, like the Blackstone Valley, is one of the Federal Government's most important functions. But as we all know, preservation does take money, and money is tight. I would submit that in these tough budgetary times, the Blackstone Corridor, which has accomplished so much with so little, offers us a model that should be encouraged and expanded upon. I thank my colleagues from Rhode Island and Massachusetts for their hard work and support, and urge the Senate to give this measure its swift approval.

Mr. President, I ask unanimous consent that a copy 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. 601

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 ''Blackstone River Valley National Heritage Corridor Amendments Act of 1995''.

SEC. 2. BOUNDARY CHANGES.

Section 2 of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by striking the first sentence and inserting the following new sentence: ''The boundaries shall include the lands and water generally depicted on the map entitled Blackstone River Valley National Heritage Corridor Boundary Map, numbered BRV–80–80,011, and dated May 2, 1993.''.

SEC. 3. TERMS.

Section 3(c) of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by inserting immediately before the period at the end the following: '', but may continue to serve after the expiration of this term until a successor has been appointed.''.

SEC. 4. REVISION OF PLAN.

Section 6 of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by adding at the end the following new subsection:

''(d) REVISION OF PLAN.—(1) Not later than 1 year after the date of enactment of this subsection, the Commission, with the approval of the Secretary, shall revise the Cultural Heritage and Land Management Plan. The revision shall address the boundary change and shall include a natural resource inventory of areas or features that should be protected, restored, managed, or acquired because of their contribution to the understanding of national cultural landscape values.

''(2) No changes other than minor revisions may be made in the approved plan as amended without the approval of the Secretary. The Secretary shall approve or disapprove any proposed change in the plan, except minor revisions, in accordance with subsection (b).''.

SEC. 5. EXTENSION OF COMMISSION.

Section 7 of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended to read as follows:

''TERMINATION OF COMMISSION

''SEC. 7. (a) TERMINATION.—Except as provided in subsection (b), the Commission shall terminate on the date that is 10 years after the date of enactment of the Blackstone River Valley National Heritage Corridor Amendments Act of 1995.

''(b) EXTENSION.—The Commission may be extended for an additional term of 10 years if—

''(1) not later than 180 days before the termination of the Commission, the Commission determines that an extension is necessary to carry out this Act;

''(2) the Commission submits a proposed extension to the appropriate committees of the Senate and the House of Representatives; and

''(3) the Secretary, the Governor of Massachusetts, and the Governor of Rhode Island each approve the extension.

''(c) DETERMINATION OF APPROVAL.—The Secretary shall approve the extension if the Secretary finds that—

''(1) the Governor of Massachusetts and the Governor of Rhode Island provide adequate assurances of continued tangible contribution and effective policy support toward achieving the purposes of this Act; and

''(2) the Commission is effectively assisting Federal, State, and local authorities to retain, enhance, and interpret the distinctive character and nationally significant resources of the Corridor.''.

SEC. 6. IMPLEMENTATION OF THE PLAN.

Subsection (c) of section 8 of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended to read as follows: U.S.C. 461 note), as amended, is amended by inserting the following:

''(c) IMPLEMENTATION.—(1) To assist in the implementation of the Cultural Heritage and Land Management Plan in a manner consistent with purposes of this Act, the Secretary is authorized to undertake a limited program of financial assistance for the purpose of providing funds for the preservation and restoration of structures on or eligible for inclusion on the National Register of Historic Places within the Corridor which exhibit national significance or provide a wide spectrum of historic, recreational, or environmental education opportunities to the general public.

''(2) To be eligible for funds under this section, the Commission shall submit an application to the Secretary that includes—

''(A) a 10-year development plan including those resource protection needs and projects critical to maintaining or interpreting the distinctive character of the Corridor; and

''(B) specific descriptions of annual work programs that have been assembled, the participating parties, roles, cost estimates, cost-sharing, or cooperative agreements necessary to carry out the development plan.

''(3) Funds made available pursuant to this subsection shall not exceed 50 percent of the total cost of the work programs.

''(4) In making the funds available, the Secretary shall give priority to projects that attract greater non-Federal funding sources.

''(5) Any payment made for the purposes of conservation or restoration of real property or structures shall be subject to an agreement either—

''(A) to convey a conservation or preservation easement to the Department of Environmental Management or to the Historic Preservation Commission, as appropriate, of the State in which the real property or structure is located; or

''(B) that conversion, use, or disposal of the resources so assisted for purposes contrary to the purposes of this Act, as determined by the Secretary, shall result in a right of the United States for reimbursement of all funds expended upon such resources or the proportion of the increased value of the resources attributable to such funds as determined at the time of such conversion, use, or disposal, whichever is greater.

''(6) The authority to determine that a conversion, use, or disposal of resources has been carried out contrary to the purposes of this Act in violation of an agreement entered into under paragraph (5)(A) shall be solely at the discretion of the Secretary.''.

SEC. 7. LOCAL AUTHORITY.

Section 5 of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), is amended by adding at the end the following new subsection:

''(j) LOCAL AUTHORITY AND PRIVATE PROPERTY NOT AFFECTED.—Nothing in this Act shall be construed to affect or to authorize the Commission to interfere with—

''(1) the rights of any person with respect to private property; or

''(2) any local zoning ordinance or land use plan of the Commonwealth of Massachusetts or a political subdivision of such Commonwealth.''.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the Act entitled ''An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island'', approved November 10, 1986 (Public Law 99–647; 16 U.S.C. 461 note), as amended, is further amended—

(1) in subsection (a), by striking ''$350,000'' and inserting ''$650,000''; and

(2) by amending subsection (b) to read as follows:

''(b) DEVELOPMENT FUNDS.—For fiscal years 1996, 1997, and 1998, there is authorized to be appropriated to carry out section 8(c), $5,000,000 in the aggregate.''.●

Mr. PELL. Mr. President, it is with great pride in the Blackstone River Valley National Heritage Corridor and great hope for its continued success

that I join Senator CHAFEE of Rhode Island, Senator KENNEDY of Massachusetts, and Senator KERRY of Massachusetts in introducing legislation to reauthorize the corridor.

As I have said before about this exceptional partnership project, nothing succeeds like success. The Blackstone NHC is a wonderful example of success. Our bill both reauthorizes and expands the Blackstone NHC—the largest national park or affiliated area in New York or New England: 250,000 acres, including 20 towns or cities in 2 states.

The expansion is a logical one. We should increase the boundaries to include the communities of Burrillville, Glocester, and Smithfield in Rhode Island, and Worcester and Leceister in Massachusetts. All are within the watershed of the 46-mile long Blackstone River.

More than a decade ago, I convened the first planning meeting for the corridor involving Federal, State and local officials. Ever since then, the corridor has been a bipartisan project enthusiastically supported by both the Rhode Isand and Massachusetts congressional delegations.

Senator CHAFEE introduced the initial authorization. I introduced the existing authorization, and I am delighted that Senator CHAFEE is working hard to continue our bipartisan, bistate effort. All of us want the corridor to showcase the cradle of the American Industrial Revolution.

I would like to underscore what I consider a very important point. The Heritage Corridor Commission has used its relatively meager Federal resources to leverage dramatic expenditures and results.

The Blackstone NHC is an extraordinary bargain for the taxpayers. With only a modest Federal contribution, the corridor has leveraged funds by sometimes as much as a 20 to 1 match.

My own State of Rhode Island has invested more than $7.7 million and has acquired more than 250 acres of land in the Blackstone River Valley. A linear park and bikeway are in the planning stage, as is completion of an Anadramous fisheries restoration program that has met with initial success.

We continue to look for examples of imaginative, efficient, and cost-effective concepts. We need to look no further than the Blackstone Valley—not only for where those concepts were born but where they continue to be practiced and developed to this day.

The legislation that we are submitting today is intended to safeguard the integrity and coherence of the Corridor Commission by including areas that are functionally, ecologically, and historically integral components of the Blackstone Region.

In Rhode Island, the three communities that would be added are highly motivated to join in the success of corridor and worked hard to develop comprehensive town plans. Glocester also developed strategies, including local historic district zoning, to turn the village of Chepachet into a visitor destination.

Calling the area a corridor is somewhat of a misnomer, since it must be understood that we are not talking about some narrow strip of land and water. Its boundaries comprise an area more than 25 miles wide and 46 miles long; a management unit that now would include an entire watershed.

When future generations of Americans want to understand how communities and industries are made and grow, if we do our job right, they will understand the entire system by a visit to the Blackstone Valley.

We already have noticed a real transformation in confidence that is occurring in the Blackstone Valley. It is a transformation that is coming about because our citizens are realizing the value of our heritage. The lessons of history are increasingly part of the fabric of the valley.

I want to add the National Park Service has played a strong role and completely positive role in the corridor. These are people we trust, who understand the meaning of the words ''public service.'' There have been no complaints about Federal intrusion, only praise for Federal creativity and skill.

I am pleased to note that this new authorization by Senator CHAFEE builds on the foundation that we established—with Senators KENNEDY and KERRY—and improves the final product. It is worth noting that our own bipartisan commitment and collaboration mirrors the spirit of the corridor.

Mr. KENNEDY. Mr. President, it is a privilege to be a sponsor of this legislation introduced by Senator CHAFEE to improve the Blackstone River Valley National Heritage Corridor, and I commend Senator CHAFEE for his leadership on this important matter. This legislation is designed to build upon the successful historic preservation effort already underway in the Blackstone Valley in Massachusetts and Rhode Island. It was approved by the Senate Energy and Natural Resources Committee last year, and I hope it will receive the committee's support again, so that it can be enacted by the 104th Congress.

This legislation is the result of bipartisan and bistate cooperation among several Senators and Representatives. Senator CHAFEE and I and Senators JOHN KERRY and CLAIBORNE PELL, and Congressmen PETER BLUTE, RICHARD NEAL, JACK REED, and PATRICK KENNEDY all have a strong commitment to this historic preservation effort.

This bill will extend the current boundaries of the Blackstone Corridor to include neighboring communities that are essential parts of the region's history, as recommended by a comprehensive National Park Service study. It will also continue the Corridor Commission, which has been very effective in leveraging private support and bringing local groups together to preserve these important historical, cultural, and natural resources. The bill will modestly increase the Commission's funding, in order to strengthen current preservation efforts and address the broader responsibilities that will result from the larger boundaries of the corridor.

The Blackstone Corridor is unique in many respects, and it meets stringent criteria of national significance. Historically, it is distinctive as the site of the birth of the Industrial Revolution in America. It was here that the widespread use of water power for industry was first developed in the United States.

Much of this early development is still intact, with approximately 10,000 historic structures, including a canal system and dams that harness the force of the river, which drops dramatically at many points along its 46-mile course. Dozens of 19th century mill villages and communities spring up along the river to take advantage of its power. Many other aspects of the area—the farms and pastures that provide food for the mill workers, and the beautiful woods and scenic areas along the river—remain intact for the enjoyment of visitors.

The Blackstone Corridor is also distinctive because it represents an innovative and highly cost-effective way for the Federal Government to assist in preserving historic and natural resources. Rather than acquiring and managing vast acres of land and historic structures, the National Park Service and the Blackstone Commission serve as guiding hands to foster restoration projects that are predominantly funded with local resources. The Federal role is to provide technical expertise, set high standards, and provide national recognition. These efforts encourage local citizens, businesses, nonprofit historic and environmental organizations, schools and universities, 20 local Governments and two State Governments to work together to protect the valley's heritage, and to do so in a way that is consistent with National Park Service standards.

When the corridor was first established by Congress in 1986, this type of public-private partnership was an experimental concept. Neither Congress nor the Park Service was certain that the concept—very different from traditional Federal ownership and control—would work. Now it is clear that the corridor is a success, and it serves as a model for similar efforts across the country. A 1992 report by the Advisory Board of the Secretary of the Interior on National Parks gave Blackstone a glowing endorsement, calling it an outstanding initiative and partnership model. At a conference on heritage areas hosted by the National Trust for Historic Preservation, the Blackstone project was featured as the prime example of the effective use of Federal seed money to encourage local preservation.

Because the corridor has been such an unqualified success, other communities in the valley want to participate, and they have petitioned for official inclusion in the corridor boundaries. The Blackstone Commission has conducted a comprehensive evaluation of these communities—Worcester and Leicester in Massachusetts and Burrillville, Glocester, and Smithfield in Rhode Island. The Commission found that each of these communities has significant historic and natural resources that merit inclusion in the project.

One of the most valuable features of the corridor, as described in its cultural heritage and land management plan approved by the Secretary of the Interior in 1990, is its wholeness—the survival of representative elements of entire 18th and 19th century production systems, power and transportation methods, communities, workplaces, and machinery. The expansion will help ensure the protection of the entire corridor, including the headwaters of the Blackstone River, to tell a fuller story of America's industrial revolution.

Continuation of the Blackstone Corridor Commission is also essential. Existing law terminates the Commission's authority in 1996, undermining opportunities for the new areas to participate in the corridor and undercutting the Commission's effective ongoing efforts within the existing boundaries. The Commission has provided a vital framework for encouraging the local involvement and private sector financial participation that are the hallmark of the Blackstone project.

This legislation will extend the Commission for 10 years, and permit an additional 10-year extension if the Commission can satisfy criteria showing it continues to be effective in protecting and interpreting the corridor through the partnership approach. The Secretary's Advisory Board recommended reconsideration of the 1996 sunset clause in its report on Blackstone, stating that after the planning stage, there should be ''a program into which the corridor can feed, one with parameters as carefully drawn as those governing traditional park units.''

Our legislation also makes clear that the Commission will not interfere with private property rights. In fact, one of the priorities of the Commission is to work cooperatively with all interested parties and, in many cases, to enhance the value of private property in the region, by providing technical assistance to local communities. The Commission has no authority to issue regulations or impose its own restrictions on land or property.

The legislation proposes a modest increase in the Commission's operating budget to $650,000 a year. It authorizes up to $5 million over the next 3 years in matching funds for development projects that will be largely financed through local contributions. These funds will enable the Commission to continue its excellent work in the 20 towns now comprising the corridor and to expand its outreach efforts to the additional communities.

These investments are highly cost-effective. The corridor is the largest National Park Service-affiliated area in New England. The Commission deserves this vote of confidence by Congress for the impressive groundwork it has laid and for the important tasks it has set for itself in the years ahead.

Again, I commend Senator CHAFEE for leading the way on this legislation. I believe it offers an excellent opportunity to build on the success of the Blackstone River Valley National Heritage Corridor, and to keep an important part of our American heritage alive and accessible for future generations. I urge the Senate to move expeditiously to approve this bill.

• Mr. KERRY. Mr. President, I am pleased once again to join my colleagues, the distinguished Senators from Rhode Island, Senator CHAFEE and Senator PELL, and the senior Senator from Massachusetts, Senator KENNEDY, in sponsoring legislation to revise the boundaries of the Blackstone River Valley National Heritage Corridor. The bill we are introducing today is identical to legislation that was passed overwhelmingly out of the Senate Energy Committee during the last Congress. I am hopeful that the committee will expeditiously act to support this important component of the National Park System.

When the Blackstone River Valley National Heritage Corridor was established in 1986, it represented a unique experiment which sought to reconcile resource preservation with economic growth through the cooperation of the community, its businesses, the State government, and the National Park Service. Now, 8 years later, the success of this partnership can be seen in all of the 20 townships and 5 cities that comprise the corridor. From the historic preservation of buildings to the construction of parks, bikeways, and river access, the corridor has effectively blended the beauty of a New England landscape with the preservation of the region's history shaped so indelibly by the Industrial Revolution. This project has been so successful for all involved that five additional cities and towns—two in Massachusetts and three in Rhode Island—have petitioned to be included in the Commission.

For those of us who represent States east of the Mississippi and who are concerned with the aesthetic value of the landscapes of our States, this project is particularly exciting. Unlike Western States where large tracts of land are protected by the National Park Service, most Eastern States simply do not have open expanses of land available to develop as national parks in the traditional sense. The Blackstone River Valley National Heritage Corridor is a model for other regions interested in preserving their unique characteristics and their historic resources without disturbing their economic base. Just as the great national parks of the West symbolize the expansiveness and independence that are part of our history, the Blackstone Corridor captures another aspect of our collective heritage—a heritage that is rooted in the communities and industries of the east coast and which helped define the 19th century American experience. This architectural and industrial landscape stands today as a reminder of our past and its contributions to both our spiritual identity and our industrial development.

The Blackstone Valley Corridor should serve as a model for the preservation of our unique heritage and for the process by which it has been developed and promoted. This project exemplifies a solid partnership of Federal, State, and local resources working in unison leveraged to produce the highest level of results. it also exemplifies an extraordinary effort in pulling together committed private local volunteers and financial support to enhance the public investment. This is a prototype which could be duplicated in other National Park Service projects throughout the country.

While the success of this project is attested to by all involved, we must ensure that the hard work and resources that have contributed to that success are not compromised. By extending the Corridor Commission another 10 years and increasing the operating budget, this bill would allow the Commission the leeway it needs to continue in its unique mission. In addition, the boundaries would be expanded so that the five communities of Massachusetts and Rhode Island which have requested inclusion would be able to participate in the Commission-sponsored activities.

I sincerely hope that the corridor's success as both a national park and as an example of a positive public-private partnership in pursuit of conservation objectives will be replicated in other areas of the country. If we are to hold Blackstone Valley up as such a model, however, we first must ensure that it is provided with the resources it needs. Mr. President, for these reasons I look forward to continued positive action on this legislation.•

By Mr. PRESSLER:

S. 604. A bill to amend title 49, United States Code, to relieve farmers and retail farm suppliers from limitations on maximum driving and on-duty time in the transportation of agricultural commodities or farm supplies if such transportation occurs within 100-air mile radius of the source of the commodities or the distribution point for the farm supplies; to the Committee on Commerce, Science, and Transportation.

THE REGULATORY RELIEF FOR FARMERS ACT OF 1995

Mr. PRESSLER. Mr. President, now is the time of the year American's are preparing their fields for planting of this year's crops. Planting season can be unpredictable for farmers. Once the

season begins there is the inevitable uncooperative weather conditions of rain, snow, hail or early spring frosts. Farmers must move quickly and put in long hours.

The demand for farm supplies escalates during planting season. The last thing farmers need are burdensome and unnecessary regulations that interfere with planting operations.

The Department of Transportation has issued hours-of-service regulations that could interrupt or stop planting. These regulations are highly impractical, burdensome and costly for farmers and farm suppliers. Simply put, the regulations would require farmers to take three days off—at the peak work time of the year—after working up to 15 hours a day for 4 days straight. I might add these regulations would cause severe problems for farmers at harvest time, as well.

The solution to this dilemma is simple. The Department of Transportation should waive the hours of service requirements for agricultural purposes during harvest and planting seasons.

This issue is not new. Last year, 34 Senators, including myself, wrote to Transportation Secretary Peña urging a waiver from hours-of-service requirements for agricultural purposes during planting and harvest seasons.

Mr. President, I ask unanimous consent that a copy of that letter appear in the RECORD.

Mr. President, I want to extend my deepest appreciation to the efforts of our colleague, Senator EXON, on this effort. He has been a leader in the effort to waive agriculture from the hours-of-service regulations. Senator EXON led Senate efforts last year to pass legislation to provide this agricultural exemption. However, an agricultural exemption has never cleared the Congress.

I have worked with Senator EXON closely on this matter. I have let him know that I would introduce this bill today.

I have worked with my House and Senate farm State colleagues for regulatory relief for farmers and farm suppliers. Department of Transportation regulations are unfair to farmers and farm suppliers. An agricultural exemption did not clear Congress last year. What did clear the House last year was watered down and reduced to yet another mandated regulatory hurdle for farmers. That is the situation facing farmers today.

Farmers and farm suppliers want to obey the law and rules on hours-of-service. However, the rules do not make sense. Because of what I view as a bureaucratic entanglement brought about the Department of Transportation, I am introducing this bill today. Legislative action is needed so that American agriculture can have a sensible rule in place for the 1995 planting and harvest seasons.

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

U.S. SENATE,
Washington, DC, September 26, 1994.

Hon. FEDERICO PEÑA,
Secretary of Transportation, Department of Transportation, Washington, DC.

DEAR SECRETARY PEÑA: We support the provision in the Hazardous Materials Transportation Act (Public Law 103–311) which requires you to initiate a rulemaking proceeding relating to hours of service rules as they apply to retail farm suppliers.

As you know, current section 395.3 hours of service regulations require an on-duty worker to take three days off and wait in order to accumulate enough off-duty time to resume driving. Application of hours of service requirements upon farmers and their farm suppliers is burdensome, imposes costs and encourages violating the hours of service rules. Therefore, we strongly support a waiver from the hours of service requirements for agricultural purposes during the harvest and planting season.

DOT has recognized that the on-duty time of certain occupations are subject to special demands and has granted seasonal exemptions from section 395.3 hours of service requirements. We request your support for agriculture regulatory relief at least as accommodating as that granted under section 395.3(c) for small package delivery drivers meeting holiday seasonal demands. Farmers and farm suppliers engaged in the transport of fertilizer and fertilizer materials, agricultural chemicals, pesticides, seed, animal feeds, crops, and other essential farm supplies want to obey the law and should be subject to an hours of service rule which makes sense.

During certain weeks of each year in our agricultural states, there is a small window of opportunity in the crop-planting season when the demand for farm supplies escalates. The same is true for amount of rainfall or freezing temperatures. Because of farmer procedures and driver safety, it is impractical and costly for these workers to take three days off at the peak of agricultural production. Driving is incidental to their principal work function of servicing farmers' fields.

Increasingly, farmers utilize farm suppliers who are agronomic experts to help them cope with environmental regulations, develop, implement, and manage precision agriculture, and harvest profitable crops that produce safe, abundant and affordable food for Americans and the world. Over 80 percent of our nation's farmers utilize farm suppliers who are trained agronomic experts who service farmers' fields, which is their principal job function and driving is incidental to this principal job function.

As you draft this important regulatory relief proposed rule, we respectfully request that you take our comments and concerns into consideration. We look forward to working closely with you on this important rulemaking for American agriculture and having it finalized before the 1995 spring planting season.

Sincerely,

Jim Exon, Wendell H. Ford, Paul Simon, Arlen Specter, Carol Moseley-Braun, Richard C. Shelby, Byron L. Dorgan, Thomas A. Daschle, David H. Pryor, Tom Harkin, Chuck Grassley, Robert Kerrey, Kent Conrad, Trent Lott, Chuck Robb, John Breaux, Bob Graham, John Warner.

Larry Pressler, Howell Heflin, Max Baucus, Conrad Burns, Larry E. Craig, Kay Bailey Hutchison, Thad Cochran, Dan Coats, Don Nickles, Connie Mack, Malcolm Wallop, Hank Brown, Robert Dole, Mitch McConnell, Richard G. Lugar, Herb Kohl.

By Mr. DOLE (for himself, Mr. HATCH, Mr. HEFLIN, Mr. LOTT, Mr. GRAMM, Mr. BROWN, Mr. CRAIG, Mr. SHELBY, Mr. NICKLES, Mr. KYL, Mr. ABRAHAM, Mr. THURMOND, Mr. INHOFE, Mr. PACKWOOD, Mr. WARNER, Mr. COATS, Mr. BURNS, Mr. THOMAS, Mr. PRESSLER, Mrs. HUTCHISON, Mr. HATFIELD, Mr. GRAMS, Mr. FRIST, Mr. MCCONNELL, Mr. ASHCROFT, Mr. MACK, Mr. MURKOWSKI, Mr. BENNETT, Mr. KEMPTHORNE, Mr. GRASSLEY, Mr. BOND, and Mr. STEVENS):

S. 605. A bill to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment; to the Committee on the Judiciary.

THE OMNIBUS PROPERTY RIGHTS ACT OF 1995

Mr. DOLE. Mr. President, since last November's elections we have pursued an ambitious program of reform to fundamentally change and improve the relationship between the Government and its citizens. No doubt about it, to the defenders of business as usual these are wrenching changes we propose: A balanced budget amendment; the line item veto; regulatory reform; and even the elimination of cabinet level departments. Each of these reforms has been opposed by those who do not understand that the American people have instructed us to rein in the Federal Government. But we will continue to fight for these reforms, and for the American people.

Today, we add to these reforms, by confronting one of the most basic clashes between Government and individual liberty: The taking of private property for public uses. There is perhaps no greater foundation for a successful free society than private property. The American Revolution was fought in part because of the threat that tyranny posed to private property, whether it was taxation without representation, restraints on trade, or violation of home and hearth by British soldiers. Private property rights are the rights to enjoy the fruits of our labor and our ideas and thus enjoy a special place in the U.S. Constitution.

Mr. President, one of the most basic of these protections is found in the fifth amendment to the Constitution; ''nor shall private property be taken for public use, with just compensation.'' As the Supreme Court has stated, this protection is about basic fairness: Preventing the Government ''from forcing some people alone to bear public burdens, which in all fairness and justice, should be borne by the public as a whole.'' The fifth amendment thus provides a balance between public need and individual liberty.

Today, however, this balance is missing. A regulatory state that seems only to grow and grow—that is increasingly intrusive—has provided the means for a sustained assault on private property rights in America. It is our duty to ensure that we limit the arbitrary exercise of Government power and pursue

worthwhile goals in ways that protect the rights of our citizens.

Mr. President, I and my colleagues today are proud to introduce the Omnibus Property Rights Act of 1995. I want to especially commend my colleagues who worked hard to bring a lot of good ideas together in one comprehensive package. Senator HATCH should be particularly commended for his leadership of the working group that consisted of Senators SHELBY, NICKLES, HEFLIN, CRAIG, GRAMM, LOTT, THOMAS, BROWN, KYL, and ABRAHAM.

Mr. President, the Omnibus Property Rights Act of 1995 would accomplish four major objectives:

First, it would require the Federal Government to compensate property owners if Government action reduces the value of property by one-third;

Second, it would provide for alternative dispute resolution procedures and clarify court jurisdiction for takings claims;

Third, it would require Federal agencies responsible for Endangered Species Act and section 404 of the Clean Water Act to provide for administrative procedures to address takings claims; and

Fourth, it would require agencies to perform a takings impact analysis of regulations, and ensure that agencies select the regulatory alternative that minimizes the taking of private property.

Mr. President, these are sweeping reforms. But it is important to point out that our reforms do more than provide that just compensation is paid in proper circumstances. The real test is to minimize the number of takings that occur in the first instance. We need to ensure that when we pursue otherwise laudable goals, that we do so in ways that allow the Government to take private property only as a last resort, and when it is necessary to do so, to insist that just compensation is paid to the property owner. The Omnibus Property Rights Act of 1995 accomplishes these goals, and I intend to bring this bill to the floor as soon as possible. I urge my colleagues to support this much-needed legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 605

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 ''Omnibus Property Rights Act of 1995''.

TITLE I—FINDINGS AND PURPOSES

SEC. 101. FINDINGS.

The Congress finds that—

(1) the private ownership of property is essential to a free society and is an integral part of the American tradition of liberty and limited government;

(2) the framers of the United States Constitution, in order to protect private property and liberty, devised a framework of Government designed to diffuse power and limit Government;

(3) to further ensure the protection of private property, the fifth amendment to the United States Constitution was ratified to prevent the taking of private property by the Federal Government, except for public use and with just compensation;

(4) the purpose of the takings clause of the fifth amendment of the United States Constitution, as the Supreme Court stated in Armstrong v. United States, 364 U.S. 40, 49 (1960), is ''to bar Government from forcing some people alone to bear public burdens, which in all fairness and justice, should be borne by the public as a whole'';

(5) the Federal Government has singled out property holders to shoulder the cost that should be borne by the public, in violation of the just compensation requirement of the takings clause of the fifth amendment of the United States Constitution;

(6) there is a need both to restrain the Federal Government in its overzealous regulation of the private sector and to protect private property, which is a fundamental right of the American people; and

(7) the incremental, fact-specific approach that courts now are required to employ in the absence of adequate statutory language to vindicate property rights under the fifth amendment of the United States Constitution has been ineffective and costly and there is a need for Congress to clarify the law and provide an effective remedy.

SEC. 102. PURPOSE.

The purpose of this Act is to encourage, support, and promote the private ownership of property by ensuring the constitutional and legal protection of private property by the United States Government by—

(1) the establishment of a new Federal judicial claim in which to vindicate and protect property rights;

(2) the simplification and clarification of court jurisdiction over property right claims;

(3) the establishment of an administrative procedure that requires the Federal Government to assess the impact of government action on holders of private property;

(4) the minimization, to the greatest extent possible, of the taking of private property by the Federal Government and to ensure that just compensation is paid by the Government for any taking; and

(5) the establishment of administrative compensation procedures involving the enforcement of the Endangered Species Act of 1973 and section 404 of the Federal Water Pollution Control Act.

TITLE II—PROPERTY RIGHTS LITIGATION RELIEF

SEC. 201. FINDINGS.

The Congress finds that—

(1) property rights have been abrogated by the application of laws, regulations, and other actions by the Federal Government that adversely affect the value of private property;

(2) certain provisions of sections 1346 and 1402 and chapter 91 of title 28, United States Code (commonly known as the Tucker Act), that delineate the jurisdiction of courts hearing property rights claims, complicates the ability of a property owner to vindicate a property owner's right to just compensation for a governmental action that has caused a physical or regulatory taking;

(3) current law—

(A) forces a property owner to elect between equitable relief in the district court and monetary relief (the value of the property taken) in the United States Court of Federal Claims;

(B) is used to urge dismissal in the district court on the ground that the plaintiff should seek just compensation in the Court of Federal Claims; and

(C) is used to urge dismissal in the Court of Federal Claims on the ground that plaintiff should seek equitable relief in district court;

(4) property owners cannot fully vindicate property rights in one court;

(5) property owners should be able to fully recover for a taking of their private property in one court;

(6) certain provisions of section 1346 and 1402 and chapter 91 of title 28, United States Code (commonly known as the Tucker Act) should be amended, giving both the district courts of the United States and the Court of Federal Claims jurisdiction to hear all claims relating to property rights; and

(7) section 1500 of title 28, United States Code, which denies the Court of Federal Claims jurisdiction to entertain a suit which is pending in another court and made by the same plaintiff, should be repealed.

SEC. 202. PURPOSES.

The purposes of this title are to—

(1) establish a clear, uniform, and efficient judicial process whereby aggrieved property owners can obtain vindication of property rights guaranteed by the fifth amendment to the United States Constitution and this Act;

(2) amend the Tucker Act, including the repeal of section 1500 of title 28, United States Code;

(3) rectify the constitutional imbalance between the Federal Government and the States; and

(4) require the Federal Government to compensate property owners for the deprivation of property rights that result from State agencies' enforcement of federally mandated programs.

SEC. 203. DEFINITIONS.

For purposes of this title the term—

(1) ''agency'' means a department, agency, independent agency, or instrumentality of the United States, including any military department, Government corporation, Government-controlled corporation, or other establishment in the executive branch of the United States Government;

(2) ''agency action'' means any action or decision taken by an agency that—

(A) takes a property right; or

(B) unreasonably impedes the use of property or the exercise of property interests;

(3) ''just compensation''—

(A) means compensation equal to the full extent of a property owner's loss, including the fair market value of the private property taken and business losses arising from a taking, whether the taking is by physical occupation or through regulation, exaction, or other means; and

(B) shall include compounded interest calculated from the date of the taking until the date the United States tenders payment;

(4) ''owner'' means the owner or possessor of property or rights in property at the time the taking occurs, including when—

(A) the statute, regulation, rule, order, guideline, policy, or action is passed or promulgated; or

(B) the permit, license, authorization, or governmental permission is denied or suspended;

(5) ''private property'' or ''property'' means all property protected under the fifth amendment to the Constitution of the United States, any applicable Federal or State law, or this Act, and includes—

(A) real property, whether vested or unvested, including—

(i) estates in fee, life estates, estates for years, or otherwise;

(ii) inchoate interests in real property such as remainders and future interests;

(iii) personalty that is affixed to or appurtenant to real property;

(iv) easements;

(v) leaseholds;

(vi) recorded liens; and

(vii) contracts or other security interests in, or related to, real property;

(B) the right to use water or the right to receive water, including any recorded lines on such water right;

(C) rents, issues, and profits of land, including minerals, timber, fodder, crops, oil and gas, coal, or geothermal energy;

(D) property rights provided by, or memorialized in, a contract, except that such rights shall not be construed under this title to prevent the United States from prohibiting the formation of contracts deemed to harm the public welfare or to prevent the execution of contracts for—

(i) national security reasons; or

(ii) exigencies that present immediate or reasonably foreseeable threats or injuries to life or property;

(E) any interest defined as property under State law; or

(F) any interest understood to be property based on custom, usage, common law, or mutually reinforcing understandings sufficiently well-grounded in law to back a claim of interest;

(6) ''State agency'' means any State department, agency, political subdivision, or instrumentality that—

(A) carries out or enforces a regulatory program required under Federal law;

(B) is delegated administrative or substantive responsibility under a Federal regulatory program; or

(C) receives Federal funds in connection with a regulatory program established by a State,

if the State enforcement of the regulatory program, or the receipt of Federal funds in connection with a regulatory program established by a State, is directly related to the taking of private property seeking to be vindicated under this Act; and

(7) ''taking of private property'', ''taking'', or ''take''—

(A) means any action whereby private property is directly taken as to require compensation under the fifth amendment to the United States Constitution or under this Act, including by physical invasion, regulation, exaction, condition, or other means; and

(B) shall not include—

(i) a condemnation action filed by the United States in an applicable court; or

(ii) an action filed by the United States relating to criminal forfeiture.

SEC. 204. COMPENSATION FOR TAKEN PROPERTY.

(a) IN GENERAL.—No agency or State agency, shall take private property except for public use and with just compensation to the property owner. A property owner shall receive just compensation if—

(1) as a consequence of an action of any agency, or State agency, private property (whether all or in part) has been physically invaded or taken for public use without the consent of the owner; and

(2)(A) such action does not substantially advance the stated governmental interest to be achieved by the legislation or regulation on which the action is based;

(B) such action exacts the owner's constitutional or otherwise lawful right to use the property or a portion of such property as a condition for the granting of a permit, license, variance, or any other agency action without a rough proportionality between the stated need for the required dedication and the impact of the proposed use of the property;

(C) such action results in the property owner being deprived, either temporarily or permanently, of all or substantially all economically beneficial or productive use of the property or that part of the property affected by the action without a showing that such deprivation inheres in the title itself;

(D) such action diminishes the fair market value of the affected portion of the property which is the subject of the action by 33 percent or more with respect to the value immediately prior to the governmental action; or

(E) under any other circumstance where a taking has occurred within the meaning of the fifth amendment of the United States Constitution.

(b) NO CLAIM AGAINST STATE OR STATE INSTRUMENTALITY.—No action may be filed under this section against a State agency for carrying out the functions described under section 203(6).

(c) BURDEN OF PROOF.—(1) The Government shall bear the burden of proof in any action described under—

(A) subsection (a)(2)(A), with regard to showing the nexus between the stated governmental purpose of the governmental interest and the impact on the proposed use of private property;

(B) subsection (a)(2)(B), with regard to showing the proportionality between the exaction and the impact of the proposed use of the property; and

(C) subsection (a)(2)(C), with regard to showing that such deprivation of value inheres in the title to the property.

(2) The property owner shall have the burden of proof in any action described under subsection (a)(2)(D), with regard to establishing the diminution of value of property.

(d) COMPENSATION AND NUISANCE EXCEPTION TO PAYMENT OF JUST COMPENSATION.—(1) No compensation shall be required by this Act if the owner's use or proposed use of the property is a nuisance as commonly understood and defined by background principles of nuisance and property law, as understood within the State in which the property is situated, and to bar an award of damages under this Act, the United States shall have the burden of proof to establish that the use or proposed use of the property is a nuisance.

(2) Subject to paragraph (1), if an agency action directly takes property or a portion of property under subsection (a), compensation to the owner of the property that is affected by the action shall be either the greater of an amount equal to—

(A) the difference between—

(i) the fair market value of the property or portion of the property affected by agency action before such property became the subject of the specific government regulation; and

(ii) the fair market value of the property or portion of the property when such property becomes subject to the agency action; or

(B) business losses.

(e) TRANSFER OF PROPERTY INTEREST.—The United States shall take title to the property interest for which the United States pays a claim under this Act.

(f) SOURCE OF COMPENSATION.—Awards of compensation referred to in this section, whether by judgment, settlement, or administrative action, shall be promptly paid by the agency out of currently available appropriations supporting the activities giving rise to the claims for compensation. If insufficient funds are available to the agency in the fiscal year in which the award becomes final, the agency shall either pay the award from appropriations available in the next fiscal year or promptly seek additional appropriations for such purpose.

SEC. 205. JURISDICTION AND JUDICIAL REVIEW.

(a) IN GENERAL.—A property owner may file a civil action under this Act to challenge the validity of any agency action that adversely affects the owner's interest in private property in either the United States District Court or the United States Court of Federal Claims. This section constitutes express waiver of the sovereign immunity of the United States. Notwithstanding any other provision of law and notwithstanding the issues involved, the relief sought, or the amount in controversy, each court shall have concurrent jurisdiction over both claims for monetary relief and claims seeking invalidation of any Act of Congress or any regulation of an agency as defined under this Act affecting private property rights. The plaintiff shall have the election of the court in which to file a claim for relief.

(b) STANDING.—Persons adversely affected by an agency action taken under this Act shall have standing to challenge and seek judicial review of that action.

(c) AMENDMENTS TO TITLE 28, UNITED STATES CODE.—(1) Section 1491(a) of title 28, United States Code, is amended—

(A) in paragraph (1) by amending the first sentence to read as follows: ''The United States Court of Federal Claims shall have jurisdiction to render judgment upon any claim against the United States for monetary relief founded either upon the Constitution or any Act of Congress or any regulation of an executive department, or upon any express or implied contract with the United States, in cases not sounding in tort, or for invalidation of any Act of Congress or any regulation of an executive department that adversely affects private property rights in violation of the fifth amendment of the United States Constitution'';

(B) in paragraph (2) by inserting before the first sentence the following: ''In any case within its jurisdiction, the Court of Federal Claims shall have the power to grant injunctive and declaratory relief when appropriate.''; and

(C) by adding at the end thereof the following new paragraphs:

''(4) In cases otherwise within its jurisdiction, the Court of Federal Claims shall also have ancillary jurisdiction, concurrent with the courts designated in section 1346(b) of this title, to render judgment upon any related tort claim authorized under section 2674 of this title.

''(5) In proceedings within the jurisdiction of the Court of Federal Claims which constitute judicial review of agency action (rather than de novo proceedings), the provisions of section 706 of title 5 shall apply.''.

(2)(A) Section 1500 of title 28, United States Code, is repealed.

(B) The table of sections for chapter 91 of title 28, United States Code, is amended by striking out the item relating to section 1500.

SEC. 206. STATUTE OF LIMITATIONS.

The statute of limitations for actions brought under this title shall be 6 years from the date of the taking of private property.

SEC. 207. ATTORNEYS' FEES AND COSTS.

The court, in issuing any final order in any action brought under this title, shall award costs of litigation (including reasonable attorney and expert witness fees) to any prevailing plaintiff.

SEC. 208. RULES OF CONSTRUCTION.

Nothing in this title shall be construed to interfere with the authority of any State to create additional property rights.

SEC. 209. EFFECTIVE DATE.

The provisions of this title and amendments made by this title shall take effect on the date of the enactment of this Act and shall apply to any agency action that occurs after such date.

TITLE III—ALTERNATIVE DISPUTE RESOLUTION

SEC. 301. ALTERNATIVE DISPUTE RESOLUTION.

(a) IN GENERAL.—Either party to a dispute over a taking of private property as defined under this Act or litigation commenced under title II of this Act may elect to resolve the dispute through settlement or arbitration. In the administration of this section—

(1) such alternative dispute resolution may only be effectuated by the consent of all parties;

(2) arbitration procedures shall be in accordance with the alternative dispute resolution procedures established by the American Arbitration Association; and

(3) in no event shall arbitration be a condition precedent or an administrative procedure to be exhausted before the filing of a civil action under this Act.

(b) COMPENSATION AS A RESULT OF ARBITRATION.—The amount of arbitration awards shall be paid from the responsible agency's currently available appropriations supporting the agency's activities giving rise to the claim for compensation. If insufficient funds are available to the agency in the fiscal year in which the award becomes final, the agency shall either pay the award from appropriations available in the next fiscal year or promptly seek additional appropriations for such purpose.

(c) REVIEW OF ARBITRATION.—Appeal from arbitration decisions shall be to the United States District Court or the United States Court of Federal Claims in the manner prescribed by law for the claim under this Act.

(d) PAYMENT OF CERTAIN COMPENSATION.—In any appeal under subsection (c), the amount of the award of compensation shall be promptly paid by the agency from appropriations supporting the activities giving rise to the claim for compensation currently available at the time of final action on the appeal. If insufficient funds are available to the agency in the fiscal year in which the award becomes final, the agency shall either pay the award from appropriations available in the next fiscal year or promptly seek additional appropriations for such purpose.

TITLE IV—PRIVATE PROPERTY TAKING IMPACT ANALYSIS

SEC. 401. FINDINGS AND PURPOSE.

The Congress finds that—

(1) the Federal Government should protect the health, safety, welfare, and rights of the public; and

(2) to the extent practicable, avoid takings of private property by assessing the effect of government action on private property rights.

SEC. 402. DEFINITIONS.

For purposes of this title the term—

(1) ''agency'' means an agency as defined under section 203 of this Act, but shall not include the General Accounting Office;

(2) ''rule'' has the same meaning as such term is defined under section 551(4) of title 5, United States Code; and

(3) ''taking of private property'' has the same meaning as such term is defined under section 203 of this Act.

SEC. 403. PRIVATE PROPERTY TAKING IMPACT ANALYSIS.

(a) IN GENERAL.—(1) The Congress authorizes and directs that, to the fullest extent possible—

(A) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies under this title; and

(B) subject to paragraph (2), all agencies of the Federal Government shall complete a private property taking impact analysis before issuing or promulgating any policy, regulation, proposed legislation, or related agency action which is likely to result in a taking of private property.

(2) The provisions of paragraph (1)(B) shall not apply to—

(A) an action in which the power of eminent domain is formally exercised;

(B) an action taken—

(i) with respect to property held in trust by the United States; or

(ii) in preparation for, or in connection with, treaty negotiations with foreign nations;

(C) a law enforcement action, including seizure, for a violation of law, of property for forfeiture or as evidence in a criminal proceeding;

(D) a study or similar effort or planning activity;

(E) a communication between an agency and a State or local land-use planning agency concerning a planned or proposed State or local activity that regulates private property, regardless of whether the communication is initiated by an agency or is undertaken in response to an invitation by the State or local authority;

(F) the placement of a military facility or a military activity involving the use of solely Federal property;

(G) any military or foreign affairs function (including a procurement function under a military or foreign affairs function), but not including the civil works program of the Army Corps of Engineers; and

(H) any case in which there is an immediate threat to health or safety that constitutes an emergency requiring immediate response or the issuance of a regulation under section 553(b)(B) of title 5, United States Code, if the taking impact analysis is completed after the emergency action is carried out or the regulation is published.

(3) A private property taking impact analysis shall be a written statement that includes—

(A) the specific purpose of the policy, regulation, proposal, recommendation, or related agency action;

(B) an assessment of the likelihood that a taking of private property will occur under such policy, regulation, proposal, recommendation, or related agency action;

(C) an evaluation of whether such policy, regulation, proposal, recommendation, or related agency action is likely to require compensation to private property owners;

(D) alternatives to the policy, regulation, proposal, recommendation, or related agency action that would achieve the intended purposes of the agency action and lessen the likelihood that a taking of private property will occur; and

(E) an estimate of the potential liability of the Federal Government if the Government is required to compensate a private property owner.

(4) Each agency shall provide an analysis required under this section as part of any submission otherwise required to be made to the Office of Management and Budget in conjunction with a proposed regulation.

(b) GUIDANCE AND REPORTING REQUIREMENTS.—

(1) The Attorney General of the United States shall provide legal guidance in a timely manner, in response to a request by an agency, to assist the agency in complying with this section.

(2) No later than 1 year after the date of enactment of this Act and at the end of each 1-year period thereafter, each agency shall submit a report to the Director of the Office of Management and Budget and the Attorney General of the United States identifying each agency action that has resulted in the preparation of a taking impact analysis, the filing of a taking claim, or an award of compensation under the just compensation clause of the fifth amendment of the United States Constitution. The Director of the Office of Management and Budget and the Attorney General of the United States shall publish in the Federal Register, on an annual basis, a compilation of the reports of all agencies submitted under this paragraph.

(c) PUBLIC AVAILABILITY OF ANALYSIS.—An agency shall—

(1) make each private property taking impact analysis available to the public; and

(2) to the greatest extent practicable, transmit a copy of such analysis to the owner or any other person with a property right or interest in the affected property.

(d) PRESUMPTIONS IN PROCEEDINGS.—For the purpose of any agency action or administrative or judicial proceeding, there shall be a rebuttable presumption that the costs, values, and estimates in any private property takings impact analysis shall be outdated and inaccurate, if—

(1) such analysis was completed 5 years or more before the date of such action or proceeding; and

(2) such costs, values, or estimates have not been modified within the 5-year period preceding the date of such action or proceeding.

SEC. 404. DECISIONAL CRITERIA AND AGENCY COMPLIANCE.

(a) IN GENERAL.—No final rule shall be promulgated if enforcement of the rule could reasonably be construed to require an uncompensated taking of private property as defined by this Act.

(b) COMPLIANCE.—In order to meet the purposes of this Act as expressed in section 401 of this title, all agencies shall—

(1) review, and where appropriate, re-promulgate all regulations that result in takings of private property under this Act, and reduce such takings of private property to the maximum extent possible within existing statutory requirements;

(2) prepare and submit their budget requests consistent with the purposes of this Act as expressed in section 401 of this title for fiscal year 1997 and all fiscal years thereafter; and

(3) within 120 days of the effective date of this section, submit to the appropriate authorizing and appropriating committees of the Congress a detailed list of statutory changes that are necessary to meet fully the purposes of section 401 of this title, along with a statement prioritizing such amendments and an explanation of the agency's reasons for such prioritization.

SEC. 405. RULES OF CONSTRUCTION.

Nothing in this title shall be construed to—

(1) limit any right or remedy, constitute a condition precedent or a requirement to exhaust administrative remedies, or bar any claim of any person relating to such person's property under any other law, including claims made under this Act, section 1346 or 1402 of title 28, United States Code, or chapter 91 of title 28, United States Code; or

(2) constitute a conclusive determination of—

(A) the value of any property for purposes of an appraisal for the acquisition of property, or for the determination of damages; or

(B) any other material issue.

SEC. 406. STATUTE OF LIMITATIONS.

No action may be filed in a court of the United States to enforce the provisions of this title on or after the date occurring 6 years after the date of the submission of the applicable private property taking impact analysis to the Office of Management and Budget.

TITLE V—PRIVATE PROPERTY OWNERS ADMINISTRATIVE BILL OF RIGHTS

SEC. 501. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) a number of Federal environmental programs, specifically programs administered under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) and section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344), have been implemented by employees, agents, and representatives of the Federal Government in a manner that deprives private property owners of the use and control of property;

(2) as Federal programs are proposed that would limit and restrict the use of private property to provide habitat for plant and animal species, the rights of private property owners must be recognized and respected;

(3) private property owners are being forced by Federal policy to resort to extensive, lengthy, and expensive litigation to protect certain basic civil rights guaranteed by the United States Constitution;

(4) many private property owners do not have the financial resources or the extensive commitment of time to proceed in litigation against the Federal Government;

(5) a clear Federal policy is needed to guide and direct Federal agencies with respect to the implementation of environmental laws that directly impact private property;

(6) all private property owners should and are required to comply with current nuisance laws and should not use property in a manner that harms their neighbors;

(7) nuisance laws have traditionally been enacted, implemented, and enforced at the State and local level where such laws are best able to protect the rights of all private property owners and local citizens; and

(8) traditional pollution control laws are intended to protect the general public's health and physical welfare, and current habitat protection programs are intended to protect the welfare of plant and animal species.

(b) PURPOSES.—The purposes of this title are to—

(1) provide a consistent Federal policy to encourage, support, and promote the private ownership of property; and

(2) to establish an administrative process and remedy to ensure that the constitutional and legal rights of private property owners are protected by the Federal Government and Federal employees, agents, and representatives.

SEC. 502. DEFINITIONS.

For purposes of this title the term—

(1) ''the Acts'' means the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) and section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344);

(2) ''agency head'' means the Secretary or Administrator with jurisdiction or authority to take a final agency action under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344);

(3) ''non-Federal person'' means a person other than an officer, employee, agent, department, or instrumentality of—

(A) the Federal Government; or

(B) a foreign government;

(4) ''private property owner'' means a non-Federal person (other than an officer, employee, agent, department, or instrumentality of a State, municipality, or political subdivision of a State, acting in an official capacity or a State, municipality, or subdivision of a State) that—

(A) owns property referred to under paragraph (5) (A) or (B); or

(B) holds property referred to under paragraph (5)(C);

(5) ''property'' means—

(A) land;

(B) any interest in land; and

(C) the right to use or the right to receive water; and

(6) ''qualified agency action'' means an agency action (as that term is defined in section 551(13) of title 5, United States Code) that is taken—

(A) under section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); or

(B) under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

SEC. 503. PROTECTION OF PRIVATE PROPERTY RIGHTS.

(a) IN GENERAL.—In implementing and enforcing the Acts, each agency head shall—

(1) comply with applicable State and tribal government laws, including laws relating to private property rights and privacy; and

(2) administer and implement the Acts in a manner that has the least impact on private property owners' constitutional and other legal rights.

(b) FINAL DECISIONS.—Each agency head shall develop and implement rules and regulations for ensuring that the constitutional and other legal rights of private property owners are protected when the agency head makes, or participates with other agencies in the making of, any final decision that restricts the use of private property in administering and implementing this Act.

SEC. 504. PROPERTY OWNER CONSENT FOR ENTRY.

(a) IN GENERAL.—An agency head may not enter privately owned property to collect information regarding the property, unless the private property owner has—

(1) consented in writing to that entry;

(2) after providing that consent, been provided notice of that entry; and

(3) been notified that any raw data collected from the property shall be made available at no cost, if requested by the private property owner.

(b) NONAPPLICATION.—Subsection (a) does not prohibit entry onto property for the purpose of obtaining consent or providing notice required under subsection (a).

SEC. 505. RIGHT TO REVIEW AND DISPUTE DATA COLLECTED FROM PRIVATE PROPERTY.

An agency head may not use data that is collected on privately owned property to implement or enforce the Acts, unless—

(1) the agency head has provided to the private property owner—

(A) access to the information;

(B) a detailed description of the manner in which the information was collected; and

(C) an opportunity to dispute the accuracy of the information; and

(2) the agency head has determined that the information is accurate, if the private property owner disputes the accuracy of the information under paragraph (1)(C).

SEC. 506. RIGHT TO AN ADMINISTRATIVE APPEAL OF WETLANDS DECISIONS.

Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended by adding at the end the following new subsection:

''(u) ADMINISTRATIVE APPEALS.—

''(1) The Secretary or Administrator shall, after notice and opportunity for public comment, issue rules to establish procedures to allow private property owners or their authorized representatives an opportunity for an administrative appeal of the following actions under this section:

''(A) A determination of regulatory jurisdiction over a particular parcel of property.

''(B) The denial of a permit.

''(C) The terms and conditions of a permit.

''(D) The imposition of an administrative penalty.

''(E) The imposition of an order requiring the private property owner to restore or otherwise alter the property.

''(2) Rules issued under paragraph (1) shall provide that any administrative appeal of an action described in paragraph (1) shall be heard and decided by an official other than the official who took the action, and shall be conducted at a location which is in the vicinity of the property involved in the action.

''(3) An owner of private property may receive compensation, if appropriate, subject to the provisions of section 508 of the Emergency Property Owners Relief Act of 1995.''.

SEC. 507. RIGHT TO ADMINISTRATIVE APPEAL UNDER THE ENDANGERED SPECIES ACT OF 1973.

Section 11 of the Endangered Species Act of 1973(16 U.S.C. 1540) is amended by adding at the end the following new subsection:

''(i) ADMINISTRATIVE APPEALS.—

''(1) The Secretary shall, after notice and opportunity for public comment, issue rules to establish procedures to allow private property owners or their authorized representatives an opportunity for an administrative appeal of the following actions:

''(A) A determination that a particular parcel of property is critical habitat of a listed species.

''(B) The denial of a permit for an incidental take.

''(C) The terms and conditions of an incidental take permit.

''(D) The finding of jeopardy in any consultation on an agency action affecting a particular parcel of property under section 7(a)(2) or any reasonable and prudent alternative resulting from such finding.

''(E) Any incidental 'take' statement, and any reasonable and prudent measures included therein, issued in any consultation affecting a particular parcel of property under section 7(a)(2).

''(F) The imposition of an administrative penalty.

''(G) The imposition of an order prohibiting or substantially limiting the use of the property.

''(2) Rules issued under paragraph (1) shall provide that any administrative appeal of an action described in paragraph (1) shall be heard and decided by an official other than the official who took the action, and shall be conducted at a location which is in the vicinity of the parcel of property involved in the action.

''(3) An owner of private property may receive compensation, if appropriate, subject to the provisions of section 508 of the Emergency Property Owners Relief Act of 1995.''.

SEC. 508. COMPENSATION FOR TAKING OF PRIVATE PROPERTY.

(a) ELIGIBILITY.—A private property owner that, as a consequence of a final qualified agency action of an agency head, is deprived of 33 percent or more of the fair market value, or the economically viable use, of the affected portion of the property as determined by a qualified appraisal expert, is entitled to receive compensation in accordance with the standards set forth in section 204 of this Act.

(b) TIME LIMITATION FOR COMPENSATION REQUEST.—No later than 90 days after receipt of a final decision of an agency head that deprives a private property owner of fair market value or viable use of property for which compensation is required under subsection (a), the private property owner may submit in writing a request to the agency head for compensation in accordance with subsection (c).

(c) OFFER OF AGENCY HEAD.—No later than 180 days after the receipt of a request for compensation, the agency head shall stay the decision and shall provide to the private property owner—

(1) an offer to purchase the affected property of the private property owner at a fair market value assuming no use restrictions under the Acts; and

(2) an offer to compensate the private property owner for the difference between the fair market value of the property without those restrictions and the fair market value of the property with those restrictions.

(d) PRIVATE PROPERTY OWNER'S RESPONSE.—(1) No later than 60 days after the date of receipt of the agency head's offers under subsection (c) (1) and (2) the private property owner shall accept one of the offers or reject both offers.

(2) If the private property owner rejects both offers, the private property owner may submit the matter for arbitration to an arbitrator appointed by the agency head from a list of arbitrators submitted to the agency head by the American Arbitration Association. The arbitration shall be conducted in accordance with the real estate valuation arbitration rules of that association. For purposes of this section, an arbitration is binding on—

(A) the agency head and a private property owner as to the amount, if any, of compensation owed to the private property owner; and

(B) whether the private property owner has been deprived of fair market value or viable use of property for which compensation is required under subsection (a).

(e) JUDGMENT.—A qualified agency action of an agency head that deprives a private property owner of property as described under subsection (a), is deemed, at the option of the private property owner, to be a taking under the United States Constitution and a judgment against the United States if the private property owner—

(1) accepts the agency head's offer under subsection (c); or

(2) submits to arbitration under subsection (d).

(f) PAYMENT.—An agency head shall pay a private property owner any compensation required under the terms of an offer of the agency head that is accepted by the private property owner in accordance with subsection (d), or under a decision of an arbitrator under that subsection, out of currently available appropriations supporting the activities giving rise to the claim for compensation. The agency head shall pay to the extent of available funds any compensation under this section not later than 60 days after the date of the acceptance or the date of the issuance of the decision, respectively. If insufficient funds are available to the agency in the fiscal year in which the award becomes final, the agency shall either pay the award from appropriations available in the next fiscal year or promptly seek additional appropriations for such purpose.

(g) FORM OF PAYMENT.—Payment under this section, as that form is agreed to by the agency head and the private property owner, may be in the form of—

(1) payment of an amount equal to the fair market value of the property on the day before the date of the final qualified agency action with respect to which the property or interest is acquired; or

(2) a payment of an amount equal to the reduction in value.

SEC. 509. PRIVATE PROPERTY OWNER PARTICIPATION IN COOPERATIVE AGREEMENTS.

Section 6 of the Endangered Species Act of 1973 (16 U.S.C. 1535) is amended by adding at the end the following new subsection:

''(j) Notwithstanding any other provision of this section, when the Secretary enters into a management agreement under subsection (b) with any non-Federal person that establishes restrictions on the use of property, the Secretary shall notify all private property owners or lessees of the property that is subject to the management agreement and shall provide an opportunity for each private property owner or lessee to participate in the management agreement.''.

SEC. 510. ELECTION OF REMEDIES.

Nothing in this title shall be construed to—

(1) deny any person the right, as a condition precedent or as a requirement to exhaust administrative remedies, to proceed under title II or III of this Act;

(2) bar any claim of any person relating to such person's property under any other law, including claims made under section 1346 or 1402 of title 28, United States Code, or chapter 91 of title 28, United States Code; or

(3) constitute a conclusive determination of—

(A) the value of property for purposes of an appraisal for the acquisition of property, or for the determination of damages; or

(B) any other material issue.

TITLE VI—MISCELLANEOUS

SEC. 601. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 602. EFFECTIVE DATE.

Except as otherwise provided in this Act, the provisions of this Act shall take effect on the date of enactment and shall apply to any agency action of the United States Government after such date.

Mr. HATCH. Mr. President, I am pleased today to support the introduction of the Omnibus Property Rights Act of 1995. This bill is an omnibus property rights measure that combines four different approaches, contained in separate titles in the act, designed to protect private property from Federal Government intrusion. The citizens of Utah understand that the right to own property is a precious fundamental right, one which is vulnerable to an overbearing Federal Government.

At my urging, four different approaches contained in various bills, bills designed to protect private property from Federal Government intrusion and introduced by several Senators, were merged in a single bill. I believed that the combination of these approaches would be far more efficacious in protecting private property than in just relying on a single strategy. This omnibus bill is the product of almost a year of work and countless drafts and represents the most sophisticated legislative mechanism to foster and protect the private ownership of property. I want to commend Senators DOLE, GRAMM of Texas, SHELBY, NICKLES, BROWN, CRAIG, LOTT, HEFLIN, KYL, ABRAHAM, and THOMAS, and their staffs, for participating in this project. I intend to hold formal hearings on this bill in the very near future.

The first approach under the bill encompasses property rights litigation reform. This approach, advocated by myself and in part by Senator GRAMM of Texas, establishes a distinct Federal fifth amendment takings claim against Federal agencies by aggrieved property owners, thus clarifying the sometimes incoherent and contradictory constitutional property rights case law. It also resolves the jurisdictional dispute between the Federal district courts and the Court of Federal Claims over fifth amendment takings cases. It is a refinement of a proposal I placed in the CONGRESSIONAL RECORD on October 7, 1994.

The second approach, promoted by Senator DOLE, in essence codifies President Reagan's Executive Order 12630. Under this approach, a Federal agency must conduct a private property taking impact analysis before issuing or promulgating any policy, regulation, or related agency action which is likely to result in a taking of private property. Significantly, we have added to this section a reg. reform provision that prohibits any rule from becoming final if the rule could reasonably be construed when enforced to result in an uncompensated taking of private property.

The third approach, initiated by Senators SHELBY and NICKLES, establishes an agency administrative appellate and compensation procedure for takings of real property during enforcement and administration of both the Endangered Species Act and the Wetlands Preservation Program under section 404 of the Clean Water Act.

These acts present special enforcement problems and an agency appellate and compensation procedure allows the agency and the aggrieved party the option to avoid litigation. The fourth approach provides for alternative dispute resolution in arbitration proceedings. I must add that the bill provides for a complete election of remedies. If a decision of an agency appeal is unreasonably delayed, an aggrieved party may drop the appeal and litigate according to the terms of the act. These four approaches, established by the Omnibus Property Rights Act, together function to empower the property owner with mechanisms to vindicate the fundamental constitutional right of private ownership of property, while instituting powerful incentives for Federal agencies both to protect private property and include such protection in agency planning and regulating.

IMPORTANCE OF PRIVATE PROPERTY

The private ownership of property is essential to a free society and is an integral part of our Judeo-Christian culture and the Western tradition of liberty and limited government. Private ownership of property and the sanctity of property rights reflects the distinction in our culture between a preexisting civil society and the state that is consequently established to promote order. Private property creates the social and economic organizations that counterbalance the power of the state by providing an alternative source of power and prestige to the state itself. It is therefore a necessary condition of liberty and prosperity.

While government is properly understood to be instituted to protect liberty within an orderly society and such liberty is commonly understood to include the right of free speech, assembly, religious exercise, and other rights such as those enumerated in the Bill of Rights, it is all too often forgotten that the right of private ownership of property is also a critical component of liberty. To the 17th-century English political philosopher, John Locke, who greatly influenced the Founders of our Republic, the very role of government is to protect property: ''The great and chief end therefore, on Men uniting into Commonwealths, and putting themselves under Government, is the preservation of their property.'' [J. Locke, Second Treatise ch. 9, §124, in J. Locke, ''Two Treatises of Government'' (1698)]. The Framers of our Constitution likewise viewed the function of government as one of fostering individual liberties through the protection of property interests. James Madison, termed the ''Father of the Constitution,'' unhesitantly endorsed this Lockean viewpoint when he wrote in the Federalist No. 54 that ''[government] is instituted no less for the protection of property, than of the persons of individuals.'' Indeed, to Madison, the private possession of property was viewed as a natural and individual right both to be protected against government encroachment and to be protected by government against others.

To be sure, the private ownership of property was not considered absolute. Property owners could not exercise their rights as a nuisance that harmed their neighbors, and Government could use, what was termed in the 18th century, its despotic power of eminent domain to seize property for public use. Justice, it became to be believed, required compensation for the property taken by Government. The earliest example of a compensation requirement is found in chapter 28 of the Magna Carta of 1215, which reads:

> No constable or other bailiff of ours shall take corn or other provisions from anyone without immediately tendering money therefor, unless he can have postponement thereof by permission of the seller.

But the record of English and colonial compensation for taken property was spotty at best, although it has been argued by some historians and legal scholars that compensation for takings of property became recognized as customary practice during the American colonial period. [See W. Stoebuck, ''A General Theory of Eminent Domain,'' 47 Wash. L. Rev. 53 (1972)].

Nevertheless, by American independence the compensation requirement was considered a necessary restraint on arbitrary governmental seizures of property. The Vermont Constitution of 1777, the Massachusetts Constitution of 1780, and the Northwest Ordinance of 1787, recognized that compensation must be paid whenever property was taken for general public use or for public exigencies. And although accounts of the 1791 congressional debate over the Bill of Rights provide no evidence of why a public use and just compensation requirement for takings of private property was eventually included in the fifth amendment, James Madison, the author of the fifth amendment, reflected the views of other supporters of the new Constitution who feared the example to the new Congress of uncompensated seizures of property for building of roads and forgiveness of debts by radical State legislatures. Consequently, the phrase ''[n]or shall private property be taken for public use, without just compensation'' was included within the fifth amendment to the Constitution.

THE MODERN THREAT TO PROPERTY RIGHTS

Despite this historical pedigree and the constitutional requirement for the protection of property rights, the America of the mid- and late-20th century has witnessed an explosion of Federal regulation of society that has jeopardized the private ownership of property with the consequent loss of individual liberty. Indeed, the most recent estimate of the direct—that is, not counting indirect costs such as higher consumer prices—cost of Federal regulation was $857 billion for 1992. Today, the cost to the society probably is approaching $1 trillion. According to economist Paul Craig Roberts, the number of laws Americans are forced to endure has risen a staggering 3,000 percent since the turn of the century. Every day the Federal Register grows by an incredible 200 pages, containing new rules and obligations imposed on the American people by supposedly their Government.

Furthermore, even the very concept of private property is under attack. Indeed, certain environmental activists have termed private property an ''outmoded concept'' which presents an impediment to the Federal Government's resolution of society's problems. It is this type of thinking that has led regulators, in the rush of governmental social engineering, to ignore individual rights. Here are just a few of the hundreds—if not thousands—of examples that occur nationwide:

Mrs. Nellie Edwards was the owner of 36 acres of prime land that was seized by the city of Provo, UT, last year for an airport expansion project. Mrs. Edwards received only $21,500 for her land, which was well below the expected market value of the land because, unbeknownst to her, the Army Corps of Engineers had arbitrarily classified part of her land as a wetland. Mrs. Edwards, in essence, was victimized by the low-land value attached to wetlands. But the infuriating part of this sad story is that an investigator examined her land and saw absolutely no water or wildlife present on the land.

Ocie Mills, a Florida builder, and his son were sent to prison for 2 years for violating the Clean Water Act for placing sand on a quarter-acre lot he owned;

Under this same act, a small Oregon school district faced a Federal lawsuit for dumping clean fill to build a baseball-soccer field for its students and had to spend thousands of dollars to remove the fill;

Ronald Angelocci was jailed for violating the Clean Water Act for dumping several truckloads of dirt in the backyard of his Michigan home to help a family member who had acute asthma and allergies aggravated by plants in the backyard; and

A retired couple in the Poconos, after obtaining the necessary permits to build their home, was informed by the Army Corps of Engineers—4 years later—that they built their home on wetlands and faced penalties of $50,000 a day if they did not restore most of the land to its natural state.

See B. Bovard, ''Lost Rights,'' 35 (1944); N. Marzulla, ''The Government's War on Property Rights,'' Defenders of Property Rights (1994).

CURRENT PROTECTION OF PROPERTY RIGHTS FALL SHORT

Judicial protection of property rights against the regulatory state has been both inconsistent and ineffective. Physical invasions and Government seizures of property have been fairly easy for courts to analyze as a species of eminent domain, not so the effect of regulations which either diminish the value of the property or appropriate a property interest. This key problem to the regulatory takings dilemma was recognized by Justice Oliver Wendell Holmes in *Pennsylvania Coal Co.* v. *Mahon,* 260 U.S. 393 (1922). Just how do courts determine when regulation amounts to a taking? Holmes' answer, ''if regulation goes too far it will be recognized as a taking,'' 260 U.S. at 415, is nothing more than an ipse dixit. In the 73 years since Mahon, the Court has eschewed any set formula for determining how far is too far, preferring to engage in ad hoc factual inquiries, such as the three-part test made famous by *Penn Central Transportation Co.* v. *City of New York,* 438 U.S. 104 (1978), which balances the economic impact of the regulation on property and the character of the regulation against specific restrictions on investment-backed expectations of the property owner.

Despite the valiant attempt by the Rehnquist Court to clarify regulatory takings analysis in *Nollan* v. *California Coastal Comm'n,* 483 U.S. 825 (1987), *Lucas* v. *South Carolina Coastal Council,* 112 S.Ct. 2886 (1992), and in its recent decision of *Dolan* v. *City of Tigard,* No. 93–518 (June 24, 1994), takings analysis is basically incoherent and confusing and applied by lower courts haphazardly. The incremental, fact-specific approach that courts now must employ in the absence of adequate statutory language to vindicate property rights under the fifth amendment thus has been ineffective and costly. There is, accordingly, a need for Congress to clarify the law by providing bright line standards and an effective remedy. As Chief Judge Loren A. Smith of the

Court of Federal Claims, the court responsible for administering takings claims against the United States, opined in *Bowles* v. *United States*, 31 Fed. Cl. 37 (1994):

[j]udicial decisions are far less sensitive to societal problems than the law and policy made by the political branches of our great constitutional system. At best courts sketch the outlines of individual rights, they cannot hope to fill in the portrait of wise and just social and economic policy.

This incoherence and confusion over the substance of takings claims is matched by the muddle over jurisdiction of property rights claims. The Tucker Act, which waives the sovereign immunity of the United States by granting the Court of Federal Claims jurisdiction to entertain monetary claims against the United States, actually complicates the ability of a property owner to vindicate the right to just compensation for a Government action that has caused a taking. The law currently forces a property owner to elect between equitable relief in the Federal district court and monetary relief in the Court of Federal Claims. Further difficulty arises when the law is used by the Government to urge dismissal in the district court on the ground that the plaintiff should seek just compensation in the Court of Federal Claims, and is used to urge dismissal in the Court of Federal Claims on the ground that plaintiff should first seek equitable relief in the district court. This Tucker Act shuffle is aggravated by section 1500 of the Tucker Act, which denies the Court of Federal Claims jurisdiction to entertain a suit which is pending in another court and brought by the same plaintiff. Section 1500 is so poorly drafted and has brought so many hardships, that Justice Stevens, in *Keene Corporation* v. *United States*, 113 S.Ct. 2035, 2048 (1933), has called for its repeal or amendment.

Title II of the Omnibus Property Rights Act, which I introduced as S. 135 in January, addresses these problems. In terms of clarifying the substance of takings claims, it first clearly defines property interests that are subject to the act's takings analysis. In this way a floor definition of property is established by which the Federal Government may not eviscerate. This title also establishes the elements of a takings claim by codifying and clarifying the holdings of the Nollan, Lucas, and Dolan cases. For instance, Dolan's rough proportionality test is interpreted to apply to all exaction situations whereby an owner's otherwise lawful right to use property is exacted as a condition for granting a Federal permit. And a distinction is drawn between a noncompensable mere diminution of value of property as a result of Federal regulation and a compensable partial taking, which is defined as any agency action that diminishes the fair market value of the affected property by 33 percent or more. The result of drawing these bright lines will not end fact-specific litigation, which is endemic to all law suits, but it will ameliorate the ever-increasing ad hoc and arbitrary nature of takings claims.

This title also resolves the jurisdictional confusion over takings claims. Because property owners should be able fully to recover for a taking in one court, the Tucker Act is amended giving both the district courts and the Court of Federal Claims concurrent jurisdiction to hear all claims relating to property rights. Furthermore, to resolve any further jurisdictional ambiguity, section 1500 of the Tucker Act is repealed.

Finally, I want to respond to any suggestion that may arise that this act will impede Government's ability to protect the environment or promote health and safety through regulation. This legislation does not emasculate the Government's ability to prevent individuals or businesses from polluting. It is well established that the Constitution only protects a right to reasonable use of property. All property owners are subject to prior restraints on the use of their property, such as nuisance laws which prevents owners from using their property in a manner that interferes with others. The Government has always been able to prevent harmful or noxious uses of property without being obligated to compensate the property owner, as long as the limitations on the use of property ''inhere in the title itself.'' In other words, the restrictions must be based on ''background principles of State property and nuisance law'' already extant. The Omnibus Property Rights Act codifies this principle in a nuisance exception to the requirement of the Government to pay compensation.

Nor does the Omnibus Property Rights Act hinder the Government's ability to protect public health and safety. The act simply does not obstruct the Government from acting to prevent imminent harm to the public safety or health or diminish what would be considered a public nuisance. Again, this is made clear in the provision of the act that exempts nuisance from compensation. What the act does is force the Federal Government to pay compensation to those who are singled out to pay for regulation that benefits the entire public. In other words, it does not prevent regulation, but fulfills the promise of the fifth amendment, which the Supreme Court in *Armstrong* v. *United States*, 364 U.S. 40, 49 (1960), opined is:

to bar Government from forcing some people alone to bear public burdens, which in all fairness and justice, should be borne by the public as a whole.

Mr. BURNS. Mr. President, I rise today as an original cosponsor to the Omnibus Private Property Act. Since the beginning of this Congress, many bills to protect private property rights have been introduced. This bill encompasses those bills in a comprehensive proposal.

For too long, Washington has disregarded the fifth amendment to our Constitution. Laws, regulations, and other actions have allowed the rights of private property owners to be abused. Now we have the opportunity to provide a consistent Federal policy to encourage, support, and promote the private ownership of property and to ensure the constitutional and legal rights of private property owners.

The legislation we are introducing reaffirms our private property rights. It requires compensation for a loss of property value when the Federal Government takes certain actions. The bill also allows for taking disputes to be resolved through settlement or arbitration as an alternative to litigation. In addition, the Omnibus Private Property Rights Act requires that the Federal agencies responsible for enforcing the Endangered Species Act and the Clean Water Act establish procedures so private property owners may appeal actions and seek compensation.

Another important aspect of the bill deals with regulations. This bill requires that taking impact analysis be conducted prior to promulgating regulations. If these actions result in a loss of 33 percent of value of the property, compensation is required.

Montanans believe that protecting private property is of utmost importance. And Congress should pass the Omnibus Property Rights Act which reinforces the Government's responsibility to protect property rights and will help get the Federal Government off the backs of Montana's working men and women.

Mr. MACK. Mr. President, I am proud to be an original cosponsor of the Omnibus Property Rights Act of 1995. I thank Senator HATCH and my other colleagues who drafted this bill which seeks to stop Government from infringing upon its citizens' private property rights.

Private property rights are fundamental to a free and fair society. Last June, Chief Justice Rehnquist wrote on behalf of the majority, ''We see no reason why the takings clause of the fifth amendment, as much a part of the Bill of Rights as the first amendment or fourth amendment, should be relegated to the status of a poor relation.''

Over the past several years, we have seen Federal bureaucrats trample our fifth amendment right that private property shall not, ''* * * be taken for public use without just compensation.'' There are countless examples of people forced to spend their time and money fighting their own Government for the simple right to use their land. Unfortunately, there are even more citizens who never make it to court because they cannot afford lawyers to help them fight for their rights. In these cases, Government has robbed its citizens of the use of their property, without even compensating them. It makes you wonder if the American people still

control their Government or if our U.S. Government now controls us.

The Omnibus Property Rights Act will restore the basic rights accorded to private property owners by our Founding Fathers in the Bill of Rights. It will slash through the bureaucracy that has rendered those rights meaningless, and it will preserve for future generations the essential freedoms and rights upon which America was founded.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 606. A bill to make improvements in pipeline safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE PIPELINE SAFETY ENHANCEMENT ACT OF 1995

• Mr. BRADLEY. Mr. President, I introduce legislation that will save lives and property: the Pipeline Safety Enhancement Act. I am very pleased to announce that my colleague, Senator LAUTENBERG, is joining we as a cosponsor of this bill.

Exactly 1 year ago today, at 11:55 p.m., a fireball lit up the sky in Edison, NJ. This eery light was visible for miles around. At ground zero, a plume of fire and smoke rose hundreds of feet in the air. Within minutes, nearby apartment buildings caught fire. Within hours, these buildings were utterly gone. Hundreds of people were rendered homeless, their possessions completely destroyed.

The physical casualties were miraculously low. Yet, damage was done. The nightmares persist. The memory and the fear remain.

The community is rebuilding. The victims are healing and moving on. But, issues raised by the blast remain unresolved.

Edison spurred a national debate on how we manage pipeline safety. My comprehensive one-call legislation—introduced in the House by Congressman PALLONE—came within a hairsbreadth of becoming law last Congress. The signals are positive for this year: it's a truly bipartisan issue—Senators SPECTER and LOTT have joined Senators LAUTENBERG and EXON and myself as cosponsors—pushed by a powerful private sector coalition.

Since the Edison accident and the introduction of legislation, the value of these one-call notification programs have been recognized by the State of New Jersey, which now has a first-class program, the National Transportation Safety Board and the U.S. Department of Transportation. In fact, the need for a better program is a central feature of the pipeline safety reauthorization bill being proposed by the Secretary of Transportation and the Administration.

There's more to the story, however. On February 7, 1995, the NTSB issued safety recommendations stemming from the Edison disaster. These recommendations should be taken very seriously. Edison was a wake-up call, where only by a miracle literally hundreds of people escaped serious injury. They certainly weren't saved by our public policies.

My legislation will codify the NTSB recommendations into law. My bill will call for stronger materials in our pipelines, better pipeline identification procedures, improved leak detection, more effective safety inspection requirements and new analysis of siting risks. Every one of these is included specifically in the NTSB report.

Mr. President, this is needed. This is also the least we can do. I urge my colleagues to consider this legislation carefully and pass it without delay.

Mr. President, I ask unanimous consent to have a brief description of the bill and the bill text be printed in the RECORD.

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

S. 606

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 ''Pipeline Safety Enhancement Act of 1995''.

SEC. 2. IMPROVEMENTS IN PIPELINE SAFETY.

(a) TOUGHNESS STANDARDS.—Section 60102 of title 49, United States Code, is amended by adding at the end the following new subsections:

''(l) TOUGHNESS STANDARDS.—

''(1) IN GENERAL.—Not later than 180 days after the date of enactment of the Pipeline Safety Enhancement Act of 1995, The Secretary of Transportation, in consultation with appropriate officials of the Research and Special Programs Administration of the Department of Transportation (referred to in this section as the 'Research and Special Programs Administration'), shall prescribe minimum standards for toughness (as defined and determined by the Secretary of Transportation, in consultation with the appropriate officials of the Research and Special Programs Administration) for new pipes installed in gas pipeline facilities and hazardous liquid pipeline facilities.

''(2) HIGH-DENSITY POPULATION AREAS.—In establishing the minimum standards for toughness under paragraph (1), the Secretary of Transportation shall give particular attention to the installation of new pipes in high-density population areas (as such term is used in section 60109).

''(3) PIPE DEFINED.—For purposes of this subsection, the term 'pipe' means any pipe or tubing used in the transportation of gas, including pipe-type holders.

''(m) MARKINGS.—

''(1) IN GENERAL.—Not later 180 days after the date of enactment of the Pipeline Safety Enhancement Act of 1995, the Secretary of Transportation, in consultation with appropriate officials of the Research and Special Programs Administration, shall prescribe minimum standards that require for the marking of pipelines in class 3 and class 4 locations (as such terms are used in subpart L of part 192 of title 49, Code of Federal Regulations, as in effect on the day before the date of enactment of the Pipeline Safety Enhancement Act of 1995) to identify hazardous liquid pipeline facilities and high-pressure pipelines.

''(2) HIGH-PRESSURE PIPELINE DEFINED.—For purposes of this subsection, the term 'high-pressure pipeline' means any gas pipeline in which the gas pressure is higher than that provided to the customer.

''(n) TESTING.—

''(1) IN GENERAL.—Not later than one year after the date of enactment of the Pipeline Safety Enhancement Act of 1995, the Secretary of Transportation, in consultation with appropriate officials of the Research and Special Programs Administration, shall include in the minimum safety standards prescribed under subsection (a) a requirement that each operator of a gas pipeline facility or hazardous liquid pipeline facilities conduct, on a periodic basis, inspections or tests capable of identifying damage caused by corrosion and other time-dependent damage that may be detrimental to the continued safe operation of the pipeline and that may necessitate remedial action, in order to determine the adequacy of the pipeline facility to operate at established maximum allowable operating pressure.

''(2) MAXIMUM ALLOWABLE OPERATING PRESSURE DEFINED.—For purposes of this subsection, the term 'maximum allowable operating pressure' means the maximum pressure at which a pipeline or a segment of a pipeline may be operated under regulations issued under this chapter.''.

(b) ASSESSMENT OF PUBLIC EDUCATION PROGRAM CONCERNING LEAK DETECTION.—Section 60116 of title 49, United States Code, is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''Under regulations''; and

(2) by adding at the end the following new subsection:

''(b) ASSESSMENT.—

''(1) IN GENERAL.—Not later than 180 days after the date of enactment the Pipeline Safety Enhancement Act of 1995, and every two years thereafter, the Secretary of Transportation, in consultation with appropriate officials of the Research and Special Programs Administration of the Department of Transportation, shall conduct an assessment of the programs conducted under this section to determine—

''(A) with respect to the programs conducted under this section—

''(i) the appropriateness of the information provided; and

''(ii) the effectiveness of the educational techniques used; and

''(B) in comparison to other similar educational programs, the relative effectiveness of educational techniques used in the programs conducted under this section.

''(2) REGULATIONS.—Upon completion of an assessment conducted under paragraph (1), the Secretary, in consultation with the appropriate officials of the Research and Special Programs Administration, shall promulgate such regulations as the Secretary determines to be appropriate to improve the programs conducted under this section.''.

(c) STUDY.—The Secretary of Transportation shall take such action as may be necessary to expedite the completion of the study conducted by the Research and Special Programs Administration of the Department of Transportation relating to methods to reduce public safety risks in the siting pipeline facilities. In addition, the scope of the study referred to in the previous sentence shall be modified to include the consideration of building standards. The Secretary of Transportation shall ensure that the results of the study are widely available to the governments of States and political subdivisions thereof.

PIPELINE SAFETY ENHANCEMENT ACT

This legislation would codify recommendations made by the National Transportation Safety Board. This independent safety board made specific safety recommendations to the

federal government on February 7, 1995. At that time, the NTSB released a report on the natural gas pipeline disaster that occurred at Edison, NJ, on March 23, 1994.

The Pipeline Safety Enhancement Act will include the following five requirements which are identified specifically in the Edison safety report:

(1) that the Secretary of Transportation develop minimum standards for the strength of new pipe installed for natural gas and hazardous liquid pipelines; the Secretary is to give special consideration to the use of pipe in high-density population areas (such as Edison, NJ);

(2) that there be established minimum standards for the permanent marking of pipelines in high-density areas;

(3) that minimum safety standards for pipeline operators include a protocol for periodic inspection and appropriate tests for pipeline damage;

(4) that there be an assessment and improvement of public education programs concerning pipeline leak detection;

(5) that ongoing studies on the safety risks associated with pipeline siting be expedited and that the analysis also include the effect of building standards on risk.

This legislation would be complementary to legislation already introduced by Senator Bradley on comprehensive ''one-call'' notification and other pipeline safety issues.●

● Mr. LAUTENBERG. Mr. President, I express my strong support for the Pipeline Safety Enhancement Act of 1995. This legislation, which Senator BRADLEY and I are introducing today, is based upon recommendations made by the National Transportation Safety Board as a result of its investigation into the Edison pipeline exposition.

It was 1 year ago today that residents of the Durham Woods Apartments in Edison, NJ, ran for their lives to escape a ball of fire that lit up the night sky. The heat of the fire was so intense that it burned the clothes off people's backs and singed their bare feet as they escaped over the hot pavement.

On this painful anniversary, people in New Jersey are reflecting on the horror of a year ago. All too often, disasters get just 15 minutes in the news and are forgotten. But for New Jersey, the Edison explosion lives on. We are not prepared to rest until we can guarantee that this tragedy will not be repeated.

Mr. President, today Senator BRADLEY and I are introducing legislation to significantly increase pipeline safety. This is the third bill that we have introduced in the last year to protect the thousands of Americans who live, work, or go to school in the vicinity of a pipeline.

The Pipeline Safety Enhancement Act would:

Direct the Department of Transportation to develop toughness standards for new pipes installed in gas and hazardous liquid pipelines, particularly in urban areas;

Establish standards for permanent markings that identify the location of high-pressure natural gas and hazardous liquid pipelines in urban, industrial and commercial areas;

Establish minimum safety standards for pipeline operators, including a protocol for periodic inspection and appropriate tests for pipeline damage;

Assess and improve public education programs concerning pipeline leak detection; and

Require that ongoing studies on the safety risks associated with pipeline siting be expedited and that the analysis also include the effect of building standards on risk.

Over the last year, we have taken positive steps to increase pipeline safety. However, I will not rest in my efforts to improve pipeline safety until I can personally vouch for the safety of every American who lives or works near a pipeline, and until we can promise the children of Edison that there will never again be an explosion like the one they endured at Durham Woods.

Since last March, I have seen and heard the devastation that followed this explosion. I have met with families who lost everything but the clothes on their back. I have heard from children who continue to wake up sweating in the middle of the night—still on the run a year later from that fiery ball of smoke.

I have learned about residents who lost their lives' work, like the scientist who was struggling to support his wife, his mother and two small children—and then saw his dissertation, his dream of a better life for his family, disappear in the tangled plastic of a melted computer.

For New Jersey, the Edison pipeline explosion was an unparalleled tragedy. But the truth is that this was no isolated event. There were pipeline problems in other places before March 23. And there have been pipeline problems since. I want to put these events deep into the recesses of history.

Senator BRADLEY and I believe that the Pipeline Safety Enhancement Act would do just that. If this bill and other bills Senator BRADLEY and I have introduced on this subject had been the law before March 23, 1994, life at Durham Woods would not have taken such a tragic turn.

Mr. President, today, we all should reflect on the 1-year anniversary of the Edison explosion. I pray for the victims who still suffer from the fallout of this disaster. I hope that Congress has learned an important lesson. And I pledge to continue to fight for improvements in pipeline safety so no other community will ever be doomed to undergo the trauma of a pipeline explosion.●

By Mr. WARNER (for himself and Mr. REID):

S. 607. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes; to the Committee on Environment and Public Works.

THE SUPERFUND RECYCLING EQUITY ACT OF 1995

Mr. WARNER. Mr. President, I am introducing today, along with my distinguished colleague from Nevada, Senator REID, the Superfund Recycling Equity Act of 1995.

This bill will allow the private sector to respond more freely to increased demands for recycling by removing many of the unintended impediments that Superfund has placed on recycling activities.

As a member of the Committee on Environment and Public Works, I have come to learn from the many expert witnesses who have testified before the committee that Superfund has the unintentional consequence of penalizing those who prepare materials for recycling. Federal courts have ruled that Superfund imposes ''generator'' liability on persons who sell secondary materials that are diverted from the waste stream for recycling. These rulings come from an overly broad interpretation of the law's provision which imposes liability on those who arrange for disposal of waste. Unfortunately, these courts have presumed that any transaction of material which is no longer useful in its current form is a waste treatment or disposal transaction. This legislation clarifies that legitimate recycling transactions are not, and were not intended to be, subject to Superfund's liability scheme.

The legislation I am introducing today will place traditional recyclable, or secondary, materials which are used as feedstocks in the manufacturing process on closer to equal footing with virgin, or primary materials counterparts. Traditional recyclables are paper, glass, plastic, metals, textiles, and rubber.

The sale of virgin material feedstocks—sold for the same or similar purpose as the recyclable feedstocks—is not considered to be an arrangement for treatment or disposal of hazardous substance. The sale of recyclables should be treated the same. If recyclables are not similarly treated, and those who prepare recyclables for the market face greater liability exposure than their competitors who sell virgin materials, a market disadvantage is created to recycling.

The inequity in current law is impeding recyclers' ability to provide the kind of environmentally beneficial recycling activities our society demands. The existing liability scheme exposes recyclers to financial risks that their competitors, virgin material suppliers, do not face. This restricts financing for expansion and makes it more difficult to respond to changing market conditions. In addition, many materials which can be properly recycled are now not being captured for reuse because of Superfund liability exposure.

Mr. President, I have been supportive of stimulating the private sector marketplace for recycled materials—and certainly believe that Federal legislation should not stall recycling efforts. Americans recognize that increased recycling means more efficient use of natural resources, which extends the

life of those resources. Because recycling utilizes significantly less energy than the use of virgin materials, recycling is a key step toward energy efficiency. The use of recyclables is also important to achieving the goals of pollution prevention and waste minimization.

Let me now address what this bill provides. The Superfund Recycling Equity Act recognizes that the Congress did not intend to apply Superfund liability to those who collect and process recyclables for sale as raw material feedstocks. The bill removes from liability those who collect, process and sell secondary paper, glass, plastic, metal, textiles, and rubber recyclables.

It should also be pointed out that this bill clarifies the application of liability regarding the sale of the recycler's products. The bill does not alter liability for contamination that is created by a recycler or owner, or operator liability for a facility. CERCLA's existing liability scheme remains in effect where a recycler is an owner/operator who contaminates a facility, or sends process waste for treatment or disposal which contributes to contamination. Furthermore, for the purposes of this bill, a series of tests or criteria are established to help determine if a bonafide recycling transaction has occurred.

During the Superfund legislation process in the previous Congress, I worked with a number of my colleagues to develop a recycling provision that addressed the problems discussed, while providing strong environmental protection.

As a number of the Committee on Environment and Public Works, I will continue to work with my colleagues as we work on reforming the Superfund program. I am introducing this legislation today to make clear my intention of clarifying the existing statute by placing supplies of recyclables on more equal footing with suppliers of virgin material.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

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

S. 607

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 ''Superfund Recycling Equity Act of 1995''.

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to promote the reuse and recycling of scrap material, in furtherance of the goals of waste minimization and natural resource conservation, while protecting human health and the environment;

(2) to level the playing field between the use of virgin materials and recycled materials; and

(3) to remove the disincentives and impediments to recycling created by potential liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 3. CLARIFICATION OF LIABILITY UNDER CERCLA FOR RECYCLING TRANSACTIONS.

Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by adding at the end the following:

''SEC. 127. RECYCLING TRANSACTIONS.

''(a) DEFINITIONS.—In this section:

''(1) CONSUMING FACILITY.—The term 'consuming facility' means a facility where recyclable material is handled, processed, reclaimed, or otherwise managed by a person other than a person who arranges for the recycling of the recyclable material.

''(2) RECYCLABLE MATERIAL.—

''(A) IN GENERAL.—Subject to subparagraph (B), the term 'recyclable material' means scrap paper, scrap plastic, scrap glass, scrap textiles, scrap rubber (other than whole tires), scrap metal, or spent lead-acid, spent nickel-cadmium, or other spent batteries, as well as minor quantities of material incident to or adhering to the scrap or spent material as a result of the normal and customary use of the material prior to the material becoming scrap or spent material.

''(B) PCBs.—The term 'recyclable material' does not include a material that contains polychlorinated biphenyls in excess of—

''(i) 50 parts per million; or

''(ii) any standard promulgated under Federal law after the date of enactment of this section.

''(3) SCRAP METAL.—The term 'scrap metal' means 1 or more bits or pieces of metal parts (such as a bar, turning, rod, sheet, or wire), or 1 or more metal pieces that may be combined together with bolts or soldering (such as a radiator, scrap automobile, or railroad box car), that, when worn or superfluous, can be recycled, except for—

''(A) a material that the Administrator excludes from the definition of scrap metal by regulation; and

''(B) a steel shipping container with a capacity of not less than 30 and not more than 3,000 liters, whether intact or not, that has any hazardous substance (but not metal bits or pieces) contained in or adhering to the container.

''(b) LIMITATION ON LIABILITY.—

''(1) IN GENERAL.—Subject to subsection (c), a person who arranges for the recycling of recyclable material shall not be liable under paragraph (3) or (4) of section 107(a).

''(2) TRANSACTIONS DEEMED TO BE RECYCLING OF A RECYCLABLE MATERIAL.—For purposes of this section, a transaction involving a recyclable material is considered to be arranging for recycling of recyclable material if the person arranging for the transaction can demonstrate, by a preponderance of the evidence, that, at the time of the transaction—

''(A) the recyclable material met a commercial specification grade;

''(B) a market existed for the recyclable material;

''(C) a substantial portion of the recyclable material was made available for use as a feedstock for the manufacture of a new saleable product;

''(D) the recyclable material could have been a replacement or substitute for a virgin raw material, or the product to be made from the recyclable material could have been a replacement or substitute for a product made, in whole or in part, from a virgin raw material;

''(E) in the case of a transaction occurring not later than 90 days after the date of enactment of this section, the person exercises reasonable care to determine that the consuming facility was in compliance with any substantive (and not procedural or administrative) provision of Federal, State, or local environmental law or regulation, and any compliance order or decree issued pursuant to the law or regulation, applicable to the handling, processing, reclamation, storage, or other management activity associated with the recyclable material;

''(F) in the case of a transaction involving scrap metal—

''(i) in the case of a transaction occurring after the effective date of the issuance of a regulation or standard regarding the storage, transport, management, or other activity associated with the recycling of scrap metal that the Administrator promulgates under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) subsequent to the date of enactment of this section, the person acted in compliance with the regulation or standard; and

''(ii) the person did not melt the scrap metal prior to the transaction; and

''(G) in the case of a transaction involving a battery—

''(i) the person did not recover the valuable components of the battery;

''(ii) in the case of a transaction involving a lead-acid battery, the person acted in compliance with any applicable Federal environmental regulation or standard regarding the storage, transport, management, or other activity associated with the recycling of a spent lead-acid battery;

''(iii) in the case of a transaction involving a nickel-cadmium battery—

''(I) a Federal environmental regulation or standard is in effect regarding the storage, transport, management, or other activity associated with the recycling of a spent nickel-cadmium battery; and

''(II) the person acted in compliance with the regulation or standard; and

''(iv) with respect to a transaction involving a spent battery other than a lead-acid or nickel-cadmium battery—

''(I) a Federal environmental regulation or standard is in effect regarding the storage, transport, management, or other activity associated with the recycling of the spent battery; and

''(II) the person acted in compliance with the regulation or standard.

''(3) SWEATING.—For purposes of paragraph (2)(F)(ii), melting of scrap metal does not include the thermal separation of 2 or more materials due to differences in the melting points of the materials.

''(4) PROCESSING OF BATTERY BY THIRD PERSON.—For purposes of paragraph (2)(G)(i), a person who, by contract, arranges or pays for processing of a battery by an unrelated third person, and receives from the third person materials reclaimed from the battery, shall be considered not to have recovered the valuable components of the battery.

''(5) REASONABLE CARE.—For purposes of paragraph (2)(E), reasonable care shall be determined using criteria that include—

''(A) the price paid to or received by the person in the recycling transaction;

''(B) the ability of the person to detect the nature of the operations of the consuming facility concerning the handling, processing, reclamation, or other management activities associated with the recyclable material; and

''(C) the result of any inquiry made to an appropriate Federal, State, or local environmental agency regarding the past and current compliance of the consuming facility with substantive (and not procedural or administrative) provisions of Federal, State, and local environmental laws and regulations, and any compliance order or decree issued pursuant to the laws and regulations, applicable to the handling, processing, reclamation, storage, or other management activity associated with the recyclable material.

''(c) EXCLUSION FROM LIMITATION ON LIABILITY.—

''(1) IN GENERAL.—Subsection (b) shall not apply if the person arranging for recycling of a recyclable material—

''(A) had an objectively reasonable basis to believe at the time of the recycling transaction that—

''(i) the recyclable material would not be recycled;

''(ii) the recyclable material would be burned as fuel, or for energy recovery or incineration; or

''(iii) in the case of a transaction occurring not later than 90 days after the date of the enactment of this section, the consuming facility acting not in compliance with a substantive (and not a procedural or administrative) provision of any Federal, State, or local environmental law or regulation, or a compliance order or decree issued pursuant to the law or regulation, applicable to the handling, processing, reclamation, or other management activity associated with the recyclable material;

''(B) added a hazardous substance to the recyclable material for purposes other than processing for recycling; or

''(C) failed to exercise reasonable care with respect to the management or handling of the recyclable material.

''(2) REASONABLE BASIS FOR BELIEF.—For purposes of paragraph (1)(A), an objectively reasonable basis for belief shall be determined using criteria that include—

''(A) the size of any business owned by the person;

''(B) the customary industry practices for any business owned by the person;

''(C) the price paid to or received by the person in the recycling transaction;

''(D) the ability of the person to detect the nature of the operations of the consuming facility concerning the handling, processing, reclamation, or other management activities associated with the recyclable material.

''(c) PERMIT REQUIREMENT.—For the purposes of this section, a requirement to obtain a permit applicable to the handling, processing, reclamation, or other management activity associated with a recyclable material shall be considered to be a substantive provision.

''(d) REGULATIONS.—The Administrator may issue regulations to carry out this section.

''(e) LIABILITY FOR ATTORNEY FEES FOR CERTAIN ACTIONS.—Any person who commences an action for contribution against a person who is alleged to be liable under this Act but is found not to be liable as a result of this section shall be liable to the person defending the action for all reasonable costs of defending the action, including all reasonable attorney and expert witness fees.

''(f) EFFECT ON PENDING OR CONCLUDED ACTIONS.—This section shall not affect a judicial or administrative action concluded prior to the date of enactment of this section, or a pending judicial action initiated by the United States prior to the date of enactment of this section.

''(g) EFFECT ON OTHER LIABILITY.—Nothing in this section affects the liability of a person under paragraph (1) or (2) of section 107(a).

''(h) RELATIONSHIP TO LIABILITY UNDER OTHER LAWS.—Nothing in this section affects—

''(1) liability under any other Federal, State, or local law, or regulation promulgated pursuant to the law, including any requirement promulgated by the Administrator under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.); or

''(2) the ability of the Administrator to promulgate a regulation under any other law, including the Solid Waste Disposal Act.''.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 608. A bill to establish the New Bedford Whaling National Historical Park in New Bedford, MA, and for other purposes; to the Committee on Energy and Natural Resources.

THE NEW BEDFORD WHALING NATIONAL PARK ACT OF 1995

Mr. KENNEDY. Mr. President, today Senator KERRY and I are introducing a bill to establish a Whaling National Historical Park in New Bedford, MA. This legislation is part of a bipartisan effort with Congressmen BARNEY FRANK and PETER BLUTE, who are introducing an identical bill today in the House of Representatives.

Our bill is similar to legislation introduced in 1994. However, we have made several changes to minimize the cost of this new park and enhance its public/private partnership components, in recognition of the current budget pressures on the National Park System. The original bill's funding level of $10.4 million for development and an estimated $6 million for operations in the first 5 years was based on the recommendations of a comprehensive study conducted by the Park Service. Our new legislation aims to achieve many of the same goals set forth in that study, but to do so at the lower cost of $2 million for development and an estimated $2 million for operations in the first 5 years.

The Park Service began its special resource study of New Bedford in 1990. The study, completed in November 1993, strongly endorsed the establishment of a national park unit in New Bedford. The Park Service noted the important role of the whaling industry in 19th-century American history. The study concluded that this theme is not currently represented in the National Park System, and New Bedford would be the ideal site for a park commemorating that history. As the former whaling capital of the world, New Bedford provided the oil that fueled the Nation's lamps and kept the wheels of the Industrial Revolution turning. So prosperous was the whaling industry there that, by the mid-19th century, New Bedford had become the wealthiest city, per capita, in the world.

New Bedford's whaling history raises many significant social and economic themes that are essential to a true understanding of our American heritage. Among these are the spirit of technological progress, the courage that motivated daring men and women to risk their lives on the seas, and the many cultures that took root here, brought by immigrants drawn from every corner of the globe. It was this diversity which contributed to New Bedford's position as a center of the abolitionist movement in the 19th century and made it a key stop for fugitive slaves on the underground railroad. Frederick Douglas spent his first 3 years of freedom in New Bedford, working as a caulker on the hulls of whaleboats.

New Bedford is also the port from which Herman Melville set sail aboard the whaler *Acushnet* in 1841. The voyage inspired ''Moby Dick,'' one of the greatest of all American novels. The streets that Melville and Ishmael wandered can still be seen in New Bedford today, as can the famous Seamen's Bethel, where the whalers attended religious services before setting off on their voyages.

Much of New Bedford's old whaling waterfront still exists in the city's National Historic Landmark District, and that 20-acre site has become a model for historic preservation. Businesses, residents, and tourists coexist in an environment of restored buildings, cobblestone streets, and brick sidewalks from the whaling era.

New Bedford also is the site of the Rotch-Jones-Duff House and Garden Museum, one of the finest examples of Greek Revival residential architecture in the country and the only surviving whaling era mansion open to the public complete with its original gardens and grounds.

New Bedford's historical and cultural assets are not limited to its streets and buildings. They also include outstanding collections of artworks and archives associated with the whaling era and located at the city's public library and the renowned whaling museum. The Museum houses a half-size model of the whaling bark *Lagoda* that can be boarded by visitors.

The city is also home port to the restored, 100-year-old National Historic Landmark vessel *Ernestina*, the oldest Grand Banks schooner in existence. The *Ernestina* has had a distinguished maritime career as a fishing vessel, as an Arctic exploration vessel under Capt. Bob Bartlett, and as a packet plying the route between the Cape Verde Islands and the United States. In her packet role, she was the last great sailing ship to bring immigrants to our shores.

National park designation will be a valuable economic stimulus for tourism and associated development for the city. While the proposed Federal funding level is modest, establishment of this national park will spur extensive private sector preservation efforts.

The whaling park in New Bedford will help protect a nationally significant historic treasure and stimulate the economy of a city in need. It is an investment in America's past and in a city's future. I urge my colleagues to support this important legislation.

Mr. KERRY. Mr. President, I am pleased once again to join my good friend and colleague senator KENNEDY in introducing legislation to establish a whaling national historical park in New Bedford, MA. Our initiative is based upon a special resource study completed by the National Park Service in 1993 which found that the New Bedford area meets the criteria for inclusion in the National Park System. However, this legislation, while similar to a bill we introduced last Congress, is

a much scaled-back version. Trying to balance the need for fiscal restraint with the importance of protecting our National heritage, our new bill calls for less than one-fifth of the Federal funding of our original initiative and would require significant matching contributions from other interested parties.

The city of New Bedford, tucked by the sea in the southeast corner of Massachusetts, has a rich and diverse history. For decades it was the center of our Nation's whaling industry. And although the whaling industry collapsed by the turn of the last century, New Bedford is to this day remembered for its seafaring heritage.

As a national park, the New Bedford National Historic Landmark District and surrounding area would enhance the National Park System by expanding its maritime history theme to include a focus on our Nation's whaling past. Particularly noteworthy are the historic town center, the waterfront with the National Historic Landmark Schooner *Ernestina*, and an array of over three dozen historically rehabilitated buildings which combine to provide a cultural resource that reflects the era of whaling.

Since 1962, a public/private partnership—initiated by the waterfront historic area league of New Bedford in cooperation with the Bedford Landing Taxpayers Association, the Old Dartmouth Historical Society, private property owners and the city of New Bedford, has already raised $6.4 million, rehabilitated 37 buildings and created over 40 new businesses and 200 new jobs. That is just the kind of local entrepreneurship that we should be supporting. Creating a New Bedford Whaling Park will preserve an important piece of seafarer heritage while simultaneously permitting the public/private partnership to expand and grow.

I am hopeful that the Senate will look favorably upon this new, streamlined initiative and I would encourage my colleagues to support this important, historically significant addition to our National Park System.

By Mr. WELLSTONE:

S. 609. A bill to assure fairness and choice to patients and health care providers, and for other purposes; to the Committee on Labor and Human Resources.

THE HEALTH CARE QUALITY AND FAIRNESS ACT OF 1995

• Mr. WELLSTONE. Mr. President, despite the flurry of efforts in the 103d Congress, many of us were deeply disappointed that healthcare reform legislation failed to be enacted. The American people, however, still are concerned about this issue, and feel that reform of our healthcare system should be a high priority for this Congress, although most feel that small steps, rather than giant leaps are now best. While we debate these issues in Congress, however, the number of uninsured continues to grow, particularly children, and health care costs, although moderating, may only be doing so transiently.

The private sector has not waited for Congress to act, and has been rapidly transforming the healthcare delivery system for those Americans who are fortunate enough to have access to, and the ability to pay for coverage. The proliferation of managed care systems has been extraordinary, although their ability to control healthcare costs in the long run, particularly as older, sicker patients join, remains to be proven. Health plan standards were included in many of the compromise bills that emerged during the 103d Congress. There was wide, bipartisan agreement that there should be Federal standards to level the playing field in the rapidly changing healthcare delivery environment. Such standards would assure fairness for consumers and providers, while still encouraging health plans to pursue innovative approaches to providing high-quality, cost effective care.

The Senate Committee on Labor and Human Resources recently conducted a 2-day hearing on healthcare reform. We heard witnesses who eloquently described the successes of our Nation's largest employers in negotiating with providers and health plans, and holding down the growth of health costs. These large businesses have developed demanding purchasing and performance standards that they use to select plans and develop provider networks. Unfortunately, however, small employers and individual purchasers often lack the expertise and resources necessary to navigate through the health plan maze. In order to ensure that health care of the highest quality is available to all consumers, it is essential that all health plans be required to meet minimum standards.

Discussions of these safeguards got lost in the tussle over larger and more contentious issues during the healthcare reform debate last year. I believe now more than ever, especially with talk of restructuring Medicare and Medicaid being framed along the lines of restraining the growth of costs while maintaining choice and quality, that provisions to ensure that consumers are adequately protected and informed are absolutely imperative.

With these thoughts in mind, today I am introducing the Health Care Quality and Fairness Act of 1995, which is designed to assure fairness and choice to patients and health care providers. Its scope would include all health plans including those that are self-funded, not just HMO's or managed care plans. Its major provisions include:

Protection of consumer choice by requiring an employer to offer a choice of at least three types of health plan—managed care, point-of-service, and traditional insurance. Currently, only about half of all Americans who get their health insurance through employers are offered more than one plan. Evidence suggests that employers are increasingly limiting their employees' choice of health plans, while this bill would assure adequate choice is provided;

Establishment of an Office of Consumer Information Counseling and Assistance to perform public outreach and provide education and assistance regarding consumer rights with regard to health insurance. This effort would build on an existing Medigap model that has been highly successful in a number of States;

Development of health plan standards, including utilization review activities, credentialing of health professionals, and handling of grievances by providers or consumers. These standards would ensure fairness in the interactions between health plans, consumers, and providers;

Requirements for health plan solvency standards to be developed to protect employees and individual purchasers from being left high and dry;

Provision of information on plan coverage, benefits, loss ratio, satisfaction statistics, and quality indicators to assist consumers in making wise purchasing decisions; and

Insurance market reforms including guaranteed issue and renewability, prohibitions on preexisting condition exclusions, and risk adjustment. Insurance reform, if carefully crafted, would stabilize premiums for small employers and individual purchasers and prevent plans from excluding those who most need coverage.

This legislation has broad support among provider groups, including the American Medical Association and the Advocates for Practitioner Equity Coalition which includes nonphysician provider groups like the American Optometric Association, the American Podiatric Medical Association, the American Occupational Therapy Association, and consumer groups, including Consumers Union and Citizen Action. Together these groups hope to form a partnership to work with health plans to assure that fair, high-quality care is delivered, utilizing the standards enacted in the Health Care Quality and Fairness Act.

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. 609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as ''The Health Care Quality and Fairness Act of 1995''.

(b) TABLE OF CONTENTS.—The table of contents for this Act are as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—PROTECTION OF CONSUMER CHOICE

Sec. 101. Protection of consumer choice.
Sec. 102. Enrollment.

TITLE II—OFFICE FOR CONSUMER INFORMATION, COUNSELING AND ASSISTANCE
Sec. 201. Establishment.
TITLE III—UTILIZATION MANAGEMENT
Sec. 301. Definitions.
Sec. 302. Requirement for utilization review program.
Sec. 303. Standards for utilization review.
TITLE IV—HEALTH PLAN STANDARDS
Sec. 401. Health plan standards.
Sec. 402. Minimum solvency requirements.
Sec. 403. Information on terms of plan.
Sec. 404. Access.
Sec. 405. Credentialing for health professionals.
Sec. 406. Grievance procedures.
Sec. 407. Confidentiality standards.
Sec. 408. Discrimination.
Sec. 409. Prohibition on selective marketing.
TITLE V—HEALTH INSURANCE MARKET REFORM
Sec. 501. Guaranteed issue and renewability.
Sec. 502. Nondiscrimination based on health status.
Sec. 503. Adjustments based on age, geography and family size.
Sec. 504. Risk adjustment.
Sec. 505. Lifetime limits.
Sec. 506. Patient's right to self-determination.
Sec. 507. Affect on State law.
Sec. 508. Association plans.
TITLE VI—MISCELLANEOUS PROVISIONS
Sec. 601. Enforcement.
Sec. 602. Effective date.

SEC. 2. DEFINITIONS.

Unless specifically provided otherwise, as used in this Act:

(1) CARRIER.—The term ''carrier'' means a licensed insurance company, a hospital or medical service corporation (including an existing Blue Cross or Blue Shield organization, within the meaning of section 833(c)(2) of Internal Revenue Code of 1986 as in effect before the date of the enactment of this Act), a health maintenance organization, or other entity licensed or certified by the State to provide health insurance or health benefits.

(2) COVERED INDIVIDUAL.—The term ''covered individual'' means a member, enrollee, subscriber, covered life, patient or other individual eligible to receive benefits under a health plan.

(3) DEPENDENT.—The term ''dependent'' means a spouse or child (including an adopted child) of an enrollee in a health plan who is financially dependent upon the enrollee.

(4) EMERGENCY SERVICES.—The term ''emergency services'' means those health care services that are provided to a patient after the sudden onset of a medical condition that manifests itself by symptoms of sufficient severity, including severe pain, and the absence of such immediate medical attention could reasonably be expected, to result in—

(A) placing the patient's health in serious jeopardy;

(B) serious impairment to bodily function; or

(C) serious dysfunction of any bodily organ or part.

(5) HEALTH PLAN.—The term ''health plan'' includes any organization that seeks to arrange for, or provide for the financing and coordinated delivery of, health care services directly or through a contracted health professional panel, and shall include health maintenance organizations, preferred provider organizations, single service health maintenance organizations, single service preferred provider organizations, other entities such as physician-hospital or hospital-physician organizations, employee welfare benefit plans (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)), and multiple employer welfare plans or other association plans, as well as carriers.

(6) HEALTH PROFESSIONAL.—The term ''health professional'' means individuals who are licensed, certified, accredited, or otherwise credentialed to provide health care items and services as authorized under State law.

(7) MANAGED CARE PLAN.—

(A) IN GENERAL.—The term ''managed care plan'' means a plan operated by a managed care entity (as defined in subparagraph (B)), that provides for the financing and delivery of health care services to persons enrolled in such plan through—

(i) arrangements with selected providers to furnish health care services;

(ii) explicit standards for the selection of participating providers;

(iii) organizational arrangements for ongoing quality assurance, utilization review programs, and dispute resolution; and

(iv) financial incentives for persons enrolled in the plan to use the participating providers and procedures provided for by the plan.

(B) MANAGED CARE ENTITY.—The term ''managed care entity'' includes a licensed insurance company, hospital or medical service plan (including physician and physician-hospital networks), health maintenance organization, an employer or employee organization, or a managed care contractor (as defined in subparagraph (C)), that operates a managed care plan.

(C) MANAGED CARE CONTRACTOR.—The term ''managed care contractor'' means a person that—

(i) establishes, operates, or maintains a network of participating providers;

(ii) conducts or arranges for utilization review activities; and

(iii) contracts with an insurance company, a hospital or medical service plan, an employer, an employee organization, or any other entity providing coverage for health care services to operate a managed care plan.

(8) PHYSICIAN.—The term ''physician'' means a doctor of medicine, a doctor of osteopathy, or a doctor of allopathy.

(9) PROVIDER.—The term ''provider'' means a physician, an organized group of physicians, a facility or any other health care professional licensed or certified by the State, where licensure or certification is required.

(10) PROVIDER NETWORK.—The term ''provider network'' means, with respect to a health plan that restricts access, those providers who have entered into a contract or agreement with the plan under which such providers are obligated to provide items and services under the plan to eligible individuals enrolled in the plan, or have an agreement to provide services on a fee-for-service basis.

(11) POINT-OF-SERVICE PLAN.—The term ''point-of-service plan'' means a plan that offers services to enrollees through a provider network and also offers additional services or access to care by network or non-network providers.

(12) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(13) SMALL GROUP MARKET.—

(A) IN GENERAL.—The term ''small group market'' means, with respect to a calendar year, employers (including sole proprietorships, firms, corporations, partnerships, or associations actively engaged in business) that, on at least 50 percent of its business days, employ at least one but not more than 50 employees. In determining the number of employees for purposes of this paragraph, entities that are affiliated, or that are eligible to file a combined tax return, shall be considered as a single employer.

(B) APPLICATION OF PROVISIONS.—Except as specifically provided otherwise, the requirements of this Act that apply to an employer in the small group market shall continue to apply to such employer through the end of the rating period in which the employer has failed to meet the requirements of subparagraph (A).

(14) SPECIALIZED TREATMENT EXPERTISE.—The term ''specialized treatment expertise'' means expertise in diagnosing and treating unusual diseases and condition, diagnosing and treating diseases and conditions that are usually difficult to diagnose or treat, and providing other specialized health care.

(15) SPONSOR.—The term ''sponsor'' means a carrier or employer that provides a health plan.

(16) TRADITIONAL INSURANCE PLAN.—The term ''traditional insurance plan'' includes plans that offer a health benefits package and that pay for medical services on a fee-for-service basis using a usual, customary, or reasonable payment methodology or a resource based relative value schedule, usually linked to an annual deductible and/or coinsurance payment on each allowed amount.

(17) UTILIZATION REVIEW.—The term ''utilization review'' means a set of formal techniques designed to monitor and evaluate the clinical necessity, appropriateness and efficiency of health care services, procedures, providers and facilities. Techniques may include ambulatory review, prospective review, second opinion, certification, concurrent review, case management, discharge planning and retrospective review.

TITLE I—PROTECTION OF CONSUMER CHOICE

SEC. 101. PROTECTION OF CONSUMER CHOICE.

(a) IN GENERAL.—Each employer, including a self-insured employer, who offers, provides, or makes available to employees a health plan must provide to each such employee a choice of health plans as required under subsection (b).

(b) OFFERING OF PLANS.—Each employer referred to in subsection (a) shall include among its health plan offerings at least one of each of the following types of health plans, where available:

(1) A managed care plan, including a health maintenance organization or preferred provider organization.

(2) A point-of-service plan.

(3) A traditional insurance plan (as defined in section 2).

SEC. 102. ENROLLMENT.

Each employer including a self-insured employer, who offers, provides, or makes available a health plan shall establish a process for enrollment in such plan which consists of—

(1) a general annual open enrollment period of at least 30 days; and

(2) special open enrollment periods for changes in enrollment as required by the Secretary.

TITLE II—OFFICE FOR CONSUMER INFORMATION, COUNSELING AND ASSISTANCE

SEC. 201. ESTABLISHMENT.

(a) IN GENERAL.—The Secretary shall award a grant to each State for the establishment of an Office for Consumer Information, Counseling and Assistance (hereafter referred to in this section as the ''Office'') in each such State. Each such Office shall perform public outreach and provide education and assistance concerning consumer rights with respect to health insurance as provided for in subsection (d).

(b) USE OF GRANT.—

(1) IN GENERAL.—A State shall use a grant under this section—

(A) to administer the Office and carry out the duties described in subsection (d);

(B) to solicit and award contracts to private, nonprofit organizations applying to the State to administer the Office and carry out the duties described in subsection (d); or

(C) in the case of a State operating a consumer information counseling and assistance program on the date of enactment of this Act, to expand and improve such program.

(2) CONTRACTS.—With respect to the contract described in paragraph (1)(B), the contract period shall be not less than 2 years and not more than 4 years.

(c) STAFF.—A State shall ensure that the Office has sufficient staff (including volunteers) and local offices throughout the State to carry out its duties under this section and a demonstrated ability to represent and work with a broad spectrum of consumers, including vulnerable and underserved populations.

(d) DUTIES.—An Office established under this section shall—

(1) establish a State-wide toll-free hotline to enable consumers to contact the Office;

(2) have the ability to provide appropriate assistance under this subsection to individuals with limited English language ability;

(3) develop outreach programs to provide health insurance information, counseling, and assistance;

(4) provide outreach and education relating to consumer rights and responsibilities under this Act, including the rights and services available through the Office;

(5) provide individuals with assistance in enrolling in health plans (including providing plan comparisons) or in obtaining services or reimbursements from health plans;

(6) provide individuals with assistance in filing applications for appropriate State health plan premium assistance programs;

(7) provide individuals with information concerning existing grievance procedures and institute systems of referral to appropriate Federal or State departments or agencies for assistance with problems related to insurance coverage (including legal problems);

(8) ensure that regular and timely access is provided to the services available through the Office;

(9) implement training programs for staff members (including volunteer staff members) and collect and disseminate timely and accurate health care information to staff members;

(10) not less than once each year, conduct public hearings to identify and address community health care needs;

(11) coordinate its activities with the staff of the appropriate departments and agencies of the State government and other appropriate entities within the State; and

(12) carry out any other activities determined appropriate by the Secretary.

(e) STATE DUTIES.—

(1) ACCESS TO INFORMATION.—The State shall ensure that, for purposes of carrying out the duties of the Office, the Office has appropriate access to relevant information, subject to the application of procedures to ensure confidentiality of enrollee and proprietary health plan information.

(2) REPORTING AND EVALUATION REQUIREMENTS.—

(A) REPORT.—The Office shall annually prepare and submit to the State a report on the nature and patterns of consumer complaints received by the Office during the year for which the report is prepared. Such report shall contain any policy, regulatory, and legislative recommendations for improvements in the activities of the Office together with a record of the activities of the Office.

(B) EVALUATION.—The State shall annually evaluate the quality and effectiveness of the Office in carrying out the activities described in subsection (d).

(3) CONFLICTS OF INTEREST.—The State shall ensure that no individual involved in selecting the entity with which to enter into a contract under subsection (b)(1)(B), or involved in the operation of the Office, or any delegate of the Office, is subject to a conflict of interest.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

TITLE III—UTILIZATION MANAGEMENT

SEC. 301. DEFINITIONS.

As used in this title:

(1) ADVERSE DETERMINATION.—The term ''adverse determination'' means a determination that an admission to or continued stay at a hospital or that another health care service that is required has been reviewed and, based upon the information provided, does not meet the clinical requirements for medical necessity, appropriateness, level of care, or effectiveness.

(2) AMBULATORY REVIEW.—The term ''ambulatory review'' means utilization review of health care services performed or provided in an outpatient setting.

(3) APPEALS PROCEDURE.—The term ''appeals procedure'' means a formal process under which a covered individual (or an individual acting on behalf of a covered individual), attending physician, facility or applicable health care provider may appeal an adverse utilization review decision rendered by the health plan or its designee utilization review organization.

(4) CASE MANAGEMENT.—The term ''case management'' means a coordinated set of activities conducted for the individual patient management of serious, complicated, protracted or chronic health conditions that provides cost-effective and benefit-maximizing treatments for extremely resource-intensive conditions.

(5) CLINICAL REVIEW CRITERIA.—The term ''clinical review criteria'' means the recorded (written or otherwise) screening procedures, decision abstracts, clinical protocols and practice guidelines used by the health plan to determine necessity and appropriateness of health care services.

(6) CONCURRENT REVIEW.—The term ''concurrent review'' means utilization review conducted during a patient's hospital stay or course of treatment.

(7) DISCHARGE PLANNING.—The term ''discharge planning'' means the formal process for determining, coordinating and managing the care a patient receives following the discharge of the patient from a facility.

(8) FACILITY.—The term ''facility'' means an institution or health care setting providing the prescribed health care services under review. Such term includes hospitals and other licensed inpatient facilities, ambulatory surgical or treatment centers, skilled nursing facilities, residential treatment centers, diagnostic, laboratory and imaging centers and rehabilitation and other therapeutic health care settings.

(9) PROSPECTIVE REVIEW.—The term ''prospective review'' means utilization review conducted prior to an admission or a course of treatment.

(10) RETROSPECTIVE REVIEW.—The term ''retrospective review'' means utilization review conducted after health care services have been provided to a patient. Such term does not include the retrospective review of a claim that is limited to an evaluation of reimbursement levels, veracity of documentation, accuracy of coding and adjudication for payment.

(11) SECOND OPINION.—The term ''second opinion'' means an opportunity or requirement to obtain a clinical evaluation by a provider other than the provider originally making a recommendation for a proposed health service to assess the clinical necessity and appropriateness of the initial proposed health service.

(12) UTILIZATION REVIEW ORGANIZATION.—The term ''utilization review organization'' means an entity that conducts utilization review.

SEC. 302. REQUIREMENT FOR UTILIZATION REVIEW PROGRAM.

A health plan shall have in place a utilization review program that meets the requirements of this title and that is certified by the State.

SEC. 303. STANDARDS FOR UTILIZATION REVIEW.

(a) ESTABLISHMENT.—The Secretary shall establish standards for the establishment, operation, and certification and periodic recertification of health plan utilization review programs.

(b) ALTERNATIVE STANDARDS.—

(1) IN GENERAL.—A State may certify a health plan as meeting the standards established under subsection (a) if the State determines that the health plan has met the utilization standards required for accreditation as applied by a nationally recognized, independent, nonprofit accreditation entity.

(2) REVIEW BY STATE.—A State that makes a determination under paragraph (1) shall periodically review the standards used by the private accreditation entity to ensure that such standards meet or exceed the standards established by the Secretary under this title.

(c) UTILIZATION REVIEW PROGRAM REQUIREMENTS.—The standards developed by the Secretary under subsection (a) shall require that utilization review programs comply with the following:

(1) DOCUMENTATION.—A health plan shall provide a written description of the utilization review program of the plan, including a description of—

(A) the delegated and nondelegated activities under the program;

(B) the policies and procedures used under the program to evaluate medical necessity; and

(C) the clinical review criteria, information sources, and the process used to review and approve the provision of medical services under the program.

(2) PROHIBITION.—With respect to the administration of the utilization review program, a health plan may not employ utilization reviewers or contract with a utilization management organization if the conditions of employment or the contract terms include financial incentives to reduce or limit the medically necessary or appropriate services provided to covered individuals.

(3) REVIEW AND MODIFICATION.—A health plan shall develop procedures for periodically reviewing and modifying the utilization review of the plan. Such procedures shall provide for the participation of providers in the health plan in the development and review of utilization review policies and procedures.

(4) DECISION PROTOCOLS.—

(A) IN GENERAL.—A utilization review program shall develop and apply recorded (written or otherwise) utilization review decision protocols. Such protocols shall be based on sound medical evidence.

(B) PROTOCOL CRITERIA.—The clinical review criteria used under the utilization review decision protocols to assess the appropriateness of medical services shall be clearly documented and available to participating health professionals upon request. Such protocols shall include a mechanism for assessing the consistency of the application of the

criteria used under the protocols across reviewers, and a mechanism for periodically updating such criteria.

(5) REVIEW AND DECISIONS.—

(A) REVIEW.—The procedures applied under a utilization review program with respect to the preauthorization and concurrent review of the necessity and appropriateness of medical items, services or procedures, shall require that qualified medical professionals supervise review decisions. With respect to a decision to deny the provision of medical items, services or procedures, a physician shall conduct a subsequent review to determine the medical appropriateness of such a denial. Board certified physicians from the appropriate specialty areas of medicine and surgery shall be utilized in the review process as needed.

(B) DECISIONS.—All utilization review decisions shall be made in a timely manner, as determined appropriate when considering the urgency of the situation.

(C) ADVERSE DETERMINATIONS.—With respect to utilization review, an adverse determination or noncertification of an admission, continued stay, or service shall be clearly documented, including the specific clinical or other reason for the adverse determination or noncertification, and be available to the covered individual and the affected provider or facility. A health plan may not deny or limit coverage with respect to a service that the enrollee has already received solely on the basis of lack of prior authorization or second opinion, to the extent that the service would have otherwise been covered by the plan had such prior authorization or a second opinion been obtained.

(D) NOTIFICATION OF DENIAL.—A health plan shall provide a covered individual with timely notice of an adverse determination or noncertification of an admission, continued stay, or service. Such a notification shall include information concerning the utilization review program appeals procedure.

(6) REQUESTS FOR AUTHORIZATION.—A health plan utilization review program shall ensure that requests by covered individuals or physicians for prior authorization of a nonemergency service shall be answered in a timely manner after such request is received. If utilization review personnel are not available in a timely fashion, any medical services provided shall be considered approved.

(7) NEW TECHNOLOGIES.—A utilization review program shall implement policies and procedures to evaluate the appropriate use of new medical technologies or new applications of established technologies, including medical procedures, drugs, and devices. The program shall ensure that appropriate professionals participate in the development of technology evaluation criteria.

(8) SPECIAL RULE.—Where prior authorization for a service or other covered item is obtained under a program under this section, the service shall be considered to be covered unless there was fraud or incorrect information provided at the time such prior authorization was obtained. If a provider supplied the incorrect information that led to the authorization of medically unnecessary care, the provider shall be prohibited from collecting payment directly from the enrollee, and shall reimburse the plan and subscriber for any payments or copayments the provider may have received.

(d) HEALTH PLAN REQUIREMENTS.—

(1) DISCLOSURE OF INFORMATION.—

(A) PROSPECTIVE COVERED INDIVIDUALS.—A health plan shall, with respect to any materials distributed to prospective covered individuals, include a summary of the utilization review procedures of the plan.

(B) COVERED INDIVIDUALS.—A health plan shall, with respect to any materials distributed to newly covered individuals, include a clear and comprehensive description of utilization review procedures of the plan and a statement of patient rights and responsibilities with respect to such procedures.

(C) STATE OFFICIALS.—

(i) IN GENERAL.—A health plan shall disclose to the State insurance commissioner, or other designated State official, the health plan utilization review program policies, procedures, and reports required by the State for certification.

(ii) STREAMLINING OF PROCEDURES.—To the extent practicable, a State shall implement procedures to streamline the process by which a health plan documents compliance with the requirements of this Act, including procedures to condense the number of documents filed with the State concerning such compliance.

(2) TOLL-FREE NUMBER.—A health plan shall have a membership card which shall have printed on the card the toll-free telephone number that a covered individual should call to receive precertification utilization review decisions.

(3) EVALUATION.—A health plan shall establish mechanisms to evaluate the effects of the utilization review program of the plan through the use of member satisfaction data or through other appropriate means.

(e) EMERGENCY CARE.—

(1) IN GENERAL.—A health plan shall provide coverage for emergency services provided to an enrollee without regard to whether the health professional or provider furnishing such services has a contractual (or other arrangement) with the plan.

(2) PREAUTHORIZATION.—With respect to emergency services furnished in a hospital emergency department, a health plan shall not require prior authorization for the provision of such services if the enrollee arrived at the emergency department with symptoms that reasonably suggested an emergency medical condition, regardless of whether the hospital was affiliated with the health plan. All procedures performed during the evaluation and treatment of an emergency condition shall be covered under the health plan.

TITLE IV—HEALTH PLAN STANDARDS

SEC. 401. HEALTH PLAN STANDARDS.

(a) ESTABLISHMENT.—The Secretary shall establish standards for the certification and periodic recertification of health plans, including standards which require plans to meet the requirements of this title.

(b) STATE CERTIFICATION.—

(1) IN GENERAL.—A State shall provide for the certification of health plans if the certifying authority designated by the State determines that the plan meets the applicable requirements of this Act.

(2) REQUIREMENT.—Effective on January 1, 1997, a health plan sponsor may only offer a health plan in a State if such plan is certified by the State under paragraph (1).

(c) CONSTRUCTION.—Whenever in this title a requirement or standard is imposed on a health plan, the requirement or standard is deemed to have been imposed on the sponsor of the plan in relation to that plan.

SEC. 402. MINIMUM SOLVENCY REQUIREMENTS.

(a) IN GENERAL.—Except as provided in subsection (b), each State shall apply minimum solvency requirements to all health plans offered or operating with the State. A health plan shall meet the financial reserve requirements that are established by the State to assure proper payment for health care services provided under the plan.

(b) FEDERAL STANDARDS.—The Secretary shall establish minimum solvency standards that shall apply to all self-insured health plans. Such standards shall at least meet the solvency requirements established by the National Association of Insurance Commissioners.

SEC. 403. INFORMATION ON TERMS OF PLAN.

(a) IN GENERAL.—A health plan shall provide prospective covered individuals with written information concerning the terms and conditions of the health plan to enable such individuals to make informed decisions with respect to a certain system of health care delivery. Such information shall be standardized so that prospective covered individuals may compare the attributes of all such plans offered within the coverage area.

(b) UNDERSTANDABILITY.—Information provided under this section, whether written or oral shall easily understandable, truthful, linguistically appropriate and objective with respect to the terms used. Descriptions provided in such information shall be consistent with standards developed for supplemental insurance coverage under title XVIII of the Social Security Act.

(c) REQUIRED INFORMATION.—Information required under this section shall include information concerning—

(1) coverage provisions, benefits, and any exclusions by category of service or product;

(2) plan loss ratios with an explanation that such ratios reflect the percentage of the premiums expended for health services;

(3) prior authorization or other review requirements including preauthorization review, concurrent review, post-service review, post-payment review and procedures that may lead the patient to be denied coverage for, or not be provided, a particular service or product;

(4) an explanation of how plan design impacts enrollees, including information on the financial responsibility of covered individuals for payment for coinsurance or other out-of-plan services;

(5) covered individual satisfaction statistics, including disenrollment statistics;

(6) advance directives and organ donation;

(7) the characteristics and availability of health care professionals and institutions participating in the plan, including descriptions of the financial arrangements or contractual provisions with hospitals, utilization review organizations, physicians, or any other provider of health care services that would affect the services offered, referral or treatment options, or physician's fiduciary responsibility to patients, including financial incentives regarding the provision of medical or other services; and

(8) quality indicators for the plan and for participating health professionals and providers under the plan, including population-based statistics such as immunization rates and performance measures such as survival after surgery, adjusted for case mix.

SEC. 404. ACCESS.

(a) IN GENERAL.—A health plan shall demonstrate that the plan has a sufficient number, distribution, and variety of qualified health care providers to ensure that all covered health care services will be available and accessible in a timely manner to adults, infants, children, and individuals with disabilities enrolled in the plan.

(b) AVAILABILITY OF SERVICES.—A health plan shall ensure that services covered under the plan are available in a timely manner that ensures a continuity of care, are accessible within a reasonable proximity to the residences of the enrollees, are available within reasonable hours of operation, and include emergency and urgent care services when medically necessary and available which shall be accessible within the service area 24-hours a day, seven days a week.

(c) SPECIALIZED TREATMENT.—A health plan shall demonstrate that plan enrollees have access, when medically or clinically indicated in the judgment of the treating

health professional, to specialized treatment expertise.

(d) CHRONIC CONDITIONS.—

(1) IN GENERAL.—Any process established by a health plan to coordinate care and control costs may not impose an undue burden on enrollees with chronic health conditions. The plan shall ensure a continuity of care and shall, when medically or clinically indicated in the judgment of the treating health professional, ensure direct access to relevant specialists for continued care.

(2) CARE COORDINATOR.—In the case of an enrollee who has a severe, complex, or chronic condition, the health plan shall determine, based on the judgment of the treating health professional, whether it is medically or clinically necessary or appropriate to use a care coordinator from an interdisciplinary team or a specialist to ensure continuity of care.

(e) REQUIREMENT.—

(1) IN GENERAL.—The requirements of this section may not be waived and shall be met in all areas where the health plan has enrollees, including rural areas. With respect to children, such services shall include pediatric services.

(2) OUT-OF-NETWORK SERVICES.—If a health plan fails to meet the requirements of this section, the plan shall arrange for the provision of out-of-network services to enrollees in a manner that provides enrollees with access to services in accordance with this section.

SEC. 405. CREDENTIALING FOR HEALTH PROFESSIONALS.

(a) IN GENERAL.—A health plan shall credential health professionals furnishing health care services under the plan.

(b) CREDENTIALING PROCESS.—

(1) IN GENERAL.—A health plan shall establish a credentialing process. Such process shall ensure that a health professional is credentialed prior to that professional being listed as a health professional in the health plan's marketing materials, in accordance with recorded (written or otherwise) policies and procedures.

(2) RESPONSIBILITY OF MEDICAL DIRECTOR.—The medical director of the health plan, or another designated health professional, shall have responsibility for the credentialing of health professionals under the plan.

(3) UNIFORM APPLICATIONS.—A State shall develop a basic uniform application that shall be used by all health plans in the State for credentialing purposes.

(4) CREDENTIALING COMMITTEE.—

(A) ESTABLISHMENT.—The health plan shall establish a credentialing committee that shall be composed of licensed physicians and other health professionals to review credentialing information and supporting documents.

(B) REQUIREMENT.—The credentialing process shall provide for the review of an application for credentialing by a credentialing committee with appropriate representation of the applicant's medical specialty.

(5) STANDARDS.—

(A) IN GENERAL.—Credentialing decisions under a health plan shall be based on objective standards with input from health professionals credentialed under the plan. Information concerning all application and credentialing policies and procedures shall be made available for review by the health professional involved upon written request.

(B) REQUIREMENT.—The standards referred to in subparagraph (A) shall include determinations as to—

(i) whether the health professional has a current valid license to practice the particular health profession involved;

(ii) whether the health professional has clinical privileges in good standing at the hospital designated by the practitioner and the primary admitting facility, as applicable;

(iii) whether the health professional has a valid DEA or CDS certificate, as applicable;

(iv) whether the health professional has graduated from medical school and completed a residency, or received Board certification, as applicable;

(v) the work history of the health professional;

(vi) whether the health professional has current, adequate malpractice insurance in accordance with the policy of the health plan; and

(vii) the professional liability claims history of the health professional.

(C) RIGHT TO REVIEW INFORMATION.—A health professional who undergoes the credentialing process shall have the right to review the basis information, including the sources of that information, that was used to meet the designated credentialing criteria.

SEC. 406. GRIEVANCE PROCEDURES.

(a) IN GENERAL.—A health plan shall adopt a timely and organized system for resolving complaints and formal grievances filed by covered individuals. Such system shall include—

(1) recorded (written or otherwise) procedures for registering and responding to complaints and grievances in a timely manner;

(2) documentation concerning the substance of complaints, grievances, and actions taken concerning such complaints and grievances, which shall be in writing, and be available upon request to the Office for Consumer Information, Counseling and Assistance;

(3) procedures to ensure a resolution of a complaint or grievance;

(4) the compilation and analysis of complaint and grievance data;

(5) procedures to expedite the complaint process if the complaint involves a dispute about the coverage of an immediately and urgently needed service; and

(6) procedures to ensure that if an enrollee orally notifies a health plan about a complaint, the plan (if requested) must send the enrollee a complaint form that includes the telephone numbers and addresses of member services, a description of the plan's grievance procedure, and the telephone number of the Officer for Consumer Information, Counseling and Assistance where enrollees may register complaints.

(b) APPEAL PROCESS.—A health plan shall adopt an appeals process to enable covered individuals to appeal decisions that are adverse to the individuals. Such a process shall include—

(1) the right to a review by a grievance panel;

(2) the right to a second review with a different panel, independent from the health plan, or to a review through an impartial arbitration process which shall be described in writing by the plan; and

(3) an expedited process for review in emergency cases.

The Secretary shall develop guidelines for the structure and requirements applicable to the independent review panel and impartial arbitration process described in paragraph (2).

(c) NOTIFICATION.—With respect to the complaint, grievance, and appeals processes required under this section, a health plan shall, upon the request of a covered individual, provide the individual a written decision concerning a complaint, grievance, or appeal in a timely fashion.

(d) NON-IMPEDIMENT TO BENEFITS.—The complaint, grievance, and appeals processes established in accordance with this section may not be used in any fashion to discourage or prevent a covered individual from receiving medically necessary care in a timely manner.

(e) DUE PROCESS WITH RESPECT TO CREDENTIALING.—

(1) RECEIPT OF INFORMATION.—A health professional who is subject to credentialing under section 405 shall, upon written request, receive from the health plan any information obtained by the plan during the credentialing process that, as determined by the credentialing committee, does not meet the credentialing standards of the plan, or that varies substantially from the information provided to the health plan by the health professional.

(2) SUBMISSION OF CORRECTIONS.—A health plan shall have a formal, recorded (written or otherwise) process by which a health professional may submit supplemental information to the credentialing committee if the health professional determines that erroneous or misleading information has been previously submitted. The health professional may request that such information be reconsidered in the evaluation for credentialing purposes.

(3) NO ENTITLEMENT.—

(A) IN GENERAL.—A health professional is not entitled to be selected or retained by a health plan as a participating or contracting provider whether or not such professional meets the credentialing standards established under section 405.

(B) ECONOMIC CONSIDERATIONS.—If economic considerations, including the health care professional's patterns of expenditure per patient, are part of a selection decision, objective criteria shall be used in examining such considerations and a written description of such criteria shall be provided to applicants, participating health professionals, and enrollees. Any economic profiling of health professionals must be adjusted to recognize case mix, severity of illness, and the age of patients of a health professional's practice that may account for higher or lower than expected costs, to the extent appropriate data in this regard is available to the health plan.

(4) TERMINATION, REDUCTION OR WITHDRAWAL.—

(A) PROCEDURES.—A health plan shall develop and implement procedures for the reporting, to appropriate authorities, of serious quality deficiencies that result in the suspension or termination of a contract with a health professional.

(B) REVIEW.—A health plan shall develop and implement policies and procedures under which the plan reviews the contract privileges of health professionals who—

(i) have seriously violated policies and procedures of the health plan;

(ii) have lost their privilege to practice with a contracting institutional provider; or

(iii) otherwise pose a threat to the quality of service and care provided to the enrollees of the health plan.

At a minimum, the policies and procedures implemented under this subparagraph shall meet the requirements of the Health Care Quality Improvement Act of 1986.

(C) DUE PROCESS.—The policies and procedures implemented under subparagraph (B) shall include requirements for the timely notification of the affected health professional of the reasons for the reduction, withdrawal, or termination of privileges, and provide the health professional with the right to appeal the determination of reduction, withdrawal, or termination.

(D) AVAILABILITY.—A written copy of the policies and procedures implemented under this paragraph shall be made available to a health professional on request prior to the time at which the health professional contracts to provide services under the plan.

SEC. 407. CONFIDENTIALITY STANDARDS.

(a) IN GENERAL.—A health plan shall ensure that the confidentiality of specified enrollee patient information and records is protected.

(b) POLICIES AND PROCEDURES.—A health plan shall have written confidentiality policies and procedures. Such policies and procedures shall, at a minimum—

(1) maintain the confidentiality of enrollee patient information within the administrative structure of the health plan;

(2) protect medical record information;

(3) protect claim information;

(4) establish requirements for the release of information; and

(5) inform employees of the confidentiality policies and procedures.

(c) PATIENT CARE PROVIDERS AND FACILITIES.—A health plan shall ensure that providers, offices and facilities responsible for providing covered items or services to plan enrollees have implemented policies and procedures to prevent the unauthorized or inadvertent disclosure of confidential patient information to individuals who should not have access to such information.

(d) RELEASE OF INFORMATION.—An enrollee in a health plan shall have the opportunity to approve or disapprove the release of identifiable personal patient information by the health plan, except where such release is required under applicable law.

SEC. 408. DISCRIMINATION.

(a) ENROLLEES.—A health plan (network or non-network) may not discriminate or engage (directly or through contractual arrangements) in any activity, including the selection of service area, that has the effect of discriminating against an individual on the basis of race, national origin, gender, language, socio-economic status, age, disability, health status, or anticipated need for health services.

(b) PROVIDERS.—A health plan may not discriminate in the selection of members of the health professional or provider network (and in establishing the terms and conditions for membership in the network) of the plan based on—

(1) the race, national origin, or disability of the health professional;

(2) the socio-economic status, disability, health status, or anticipated need for health services of the patients of the health professional or provider; or

(3) the health professional or provider's lack of affiliation with, or admitting privileges at, a hospital.

(c) LICENSE OR CERTIFICATION.—A health plan may not discriminate in participation, reimbursement, or indemnification against a health professional who is acting within the scope of the license or certification of the professional under applicable State law solely on the basis of the license or certification of the health professional. A health plan may not discriminate in participation, reimbursement, or indemnification against a health provider that is providing services within the scope of services that it is authorized to perform under State law.

SEC. 409. PROHIBITION ON SELECTIVE MARKETING.

A health plan may not engage in marketing or other practices intended to discourage or limit the issuance of health plans to individuals on the basis of health condition, geographic area, industry, or other risk factors.

TITLE V—HEALTH INSURANCE MARKET REFORM

SEC. 501. GUARANTEED ISSUE AND RENEWABILITY.

(a) GUARANTEED ISSUE.—Except as otherwise provided in this section, a health plan sponsor offering a health plan to a class of individuals shall offer such plan to any individual within such class who applies for coverage (either directly with the plan or through an employer) under such plan. A health plan may not engage in any practice that has the effect of attracting or limiting enrollees on the basis of personal characteristics, such as occupation or affiliation with any person or entity.

(b) RENEWABILITY.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), a health plan sponsor may not refuse to renew, or may not terminate, coverage under a health plan with respect to any individual or family.

(2) GROUNDS FOR REFUSAL TO RENEW OR TERMINATE.—Paragraph (1) shall not apply in the case of—

(A) nonpayment of premiums;

(B) fraud on the part of the individual relating to such plan;

(C) misrepresentation of material facts on the part of the individual relating to an application for coverage or claim for benefits; or

(D) the occurrence of other acts as prescribed in standards developed by the National Association of Insurance Commissioners.

(3) TERMINATION OF PLANS.—The Secretary, in consultation with the National Association of Insurance Commissioners, shall develop standards under which a health plan sponsor may terminate a health plan.

SEC. 502. NONDISCRIMINATION BASED ON HEALTH STATUS.

(a) NO LIMITS ON COVERAGE; NO PRE EXISTING CONDITION LIMITS.—Except as provided in subsection (b), a health plan may not—

(1) terminate, restrict, or limit coverage or establish premiums based on the health status, medical condition, claims experience, receipt of health care, medical history, anticipated need for health care services, disability, genetic predisposition to medical conditions, or lack of evidence of insurability of an individual;

(2) terminate, restrict, or limit coverage in any portion of the plan's coverage area;

(3) except as provided in section 501(b)(2), cancel coverage for any individual until that individual is enrolled in another applicable health plan;

(4) impose waiting periods before coverage begins; or

(5) impose a rider that serves to exclude coverage of particular individuals or particular health conditions.

(b) TREATMENT OF PREEXISTING CONDITION EXCLUSIONS.—

(1) IN GENERAL.—A health plan may impose a limitation or exclusion of benefits relating to treatment of a condition based on the fact that the condition preexisted the effective date of the plan with respect to an individual if—

(A) the condition was diagnosed or treated during the 3-month period ending on the day before the date of enrollment under the plan;

(B) the limitation or exclusion extends for a period not more than 6 months after the date of enrollment under the plan;

(C) the limitation or exclusion does not apply to an individual who, as of the date of birth, was covered under the plan; or

(D) the limitation or exclusion does not relate to pregnancy.

(2) CONTINUOUS COVERAGE.—A health plan shall provide that if an individual under such plan is in a period of continuous coverage with respect to particular services as of the date of enrollment under such plan, any period of exclusion of coverage with respect to a preexisting condition as permitted under paragraph (1) shall be reduced by 1 month for each month in the period of continuous coverage.

(3) DEFINITIONS.—As used in this subsection:

(A) PERIOD OF CONTINUOUS COVERAGE.—The term ''period of continuous coverage'' means the period beginning on the date an individual is enrolled under a health plan or health care program which provides benefits equivalent to those provided by the plan in which the individual is seeking to enroll with respect to coverage of a preexisting condition and ends on the date the individual is not so enrolled for a continuous period of more than 3 months.

(B) PREEXISTING CONDITION.—The term ''preexisting condition'' means, with respect to coverage under a health plan, a condition which was diagnosed, or which was treated, within the 3-month period ending on the day before the first date of such coverage (without regard to any waiting period).

SEC. 503. ADJUSTMENTS BASED ON AGE, GEOGRAPHY AND FAMILY SIZE.

(a) IN GENERAL.—With respect to health plan premiums, the Secretary, in consultation with the NAIC, shall specify uniform age, geography, and family size categories and maximum rating increments for age, geography, and family size adjustment factors that reflect the relative actuarial costs of benefit packages among enrollees.

(b) AGE FACTORS.—With respect to age adjustment factors established under subsection (a), for individuals who have attained age 18 but not age 65, the highest age adjustment factor may not exceed twice the lowest age adjustment factor.

(c) PHASE-IN PERIOD.—The Secretary, in consultation with the NAIC, shall establish a schedule for the phase-in of age-adjusted community rates so as to minimize disruption of the insurance market.

(d) APPLICATION.—A health plan shall ensure that the factors developed under this section are applied uniformly across each of the small group and individual markets.

SEC. 504. RISK ADJUSTMENT.

(a) IN GENERAL.—A health plan shall participate in a risk adjustment program developed by the State involved under standards established by the Secretary in consultation with the National Association of Insurance Commissioners. Such a risk adjustment program shall—

(1) with respect to a plan offered within the small group market; or

(2) with respect to a plan offered within the individual market,

provide for adjustments based on risk within the market in which the plan is marketed.

(b) PROCESS.—A program developed under subsection (a) shall include a process designed to share the risk associated with, or to equalize, high cost claims, claims of high cost individuals, costs of variations among carriers based on demographic factors associated with the individuals insured which correlate with such cost variations, to protect health plans from the disproportionate adverse risks of offering coverage to all applicants. Risk adjustment mechanisms under the program shall, to the maximum extent practicable, be prospective to minimize the uncertainty associated with the setting of premiums by health plans to maintain consumer choice from among multiple health plans based on rates that reflect the relative medical and administrative efficiencies of health plans.

SEC. 505. LIFETIME LIMITS.

A health plan may not impose a lifetime limitation on the amount or provision of benefits under the plan.

SEC. 506. PATIENT'S RIGHT TO SELF-DETERMINATION.

A health plan shall be considered to be an eligible organization under title XVIII of the Social Security Act for purposes of applying the rules under section 1866(f) of such Act (42 U.S.C. 1395cc(f)).

SEC. 507. AFFECT ON STATE LAW.

(a) PREEMPTION.—The requirements of this title do not preempt any State law unless such State law directly conflicts with such requirements. The provision of additional consumer protections under State law shall not be considered to directly conflict with such requirements. Such State consumer protection laws which are not preempted under this title include—

(1) laws that limit the exclusions for preexisting medical conditions to periods that are less than those provided for in section 502;

(2) laws that limit variations in premium rates beyond the variations permitted under section 503; and

(3) laws that would expand the small group market.

(b) STATE REFORM MEASURES.—Nothing in this title shall be construed as prohibiting a State from enacting health care reform measures that exceed the measures established under this title, including reforms that expand access to health care services, control health care costs, and enhance the quality of care.

SEC. 508. ASSOCIATION PLANS.

With respect to health plans offered to small employers and individuals through associations or other intermediaries, such plans shall meet the requirements of this title.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. ENFORCEMENT.

(a) IN GENERAL.—A State shall prohibit the offering or issuance of any health plan in such State if such plan does not—

(1) have in place a utilization review program that is certified by the State as meeting the requirements of title III;

(2) comply with the standards developed under title IV;

(3) have in place a credentialing program that meets the requirements of section 405;

(4) comply with the requirements of title V; and

(5) meet any other requirements determined appropriate by the Secretary.

(b) SELF-INSURED PLANS.—The Secretary of Labor shall develop health plan standards, consistent with this Act, that are applicable to self-insured plans. The Secretary of Labor may take corrective action to terminate or disqualify a self-insured plan that does not meet the standards developed under this subsection.

SEC. 602. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this Act shall take effect on the date of enactment of this Act.

(b) STANDARDS.—The standards and programs required under this Act shall apply to health plans beginning on January 1, 1997.

(c) OFFICE FOR CONSUMER INFORMATION, COUNSELING AND ASSISTANCE.—A State shall have in place the Office required under section 201 on January 1, 1997. The Secretary may award grants for the establishment of such Offices beginning on the date of enactment of this Act.

(d) OTHER REQUIREMENTS.—The requirements of titles I and V shall apply to health plans beginning on January 1, 1997.●

By Mr. LOTT:

S. 610. A bill to provide for an interpretive center at the Civil War Battlefield of Corinth, Mississippi, and for other purposes; to the Committee on Energy and Natural Resources.

CORINTH MISSISSIPPI BATTLEFIELD ACT

Mr. LOTT. Mr. President, I rise today to introduce legislation relevant to historic preservation. This legislation proposes to establish an interpretive center at the Siege and Battle of Corinth sites in Corinth, MS. The battlefield of Corinth is a significant part of our Nation's history. Corinth was the scene of a monumental battle during the War between the States.

I would like my colleagues to know, that on two occasions during the 103d Congress, legislation for this proposed interpretive center was favorably reported out of the Senate Energy and Natural Resources Committee. In addition, legislation for this proposed interpretive center was passed twice in the 103d Congress, by the full Senate. This legislation needs to come to closure. It needs to be passed by both Chambers of Congress and signed into law. It is long overdue.

The Siege and Battle of Corinth sites are the only sites in my home State of Mississippi, which have been included on a Department of the Interior's American Battlefield Protection Program. Also, the sites are two of only twenty-five nationwide placed on a list of Priority Civil War Battlefields for preservation by former Secretary of the Interior, Manuel Lujan.

The Battle of Corinth, the largest to take place in Mississippi, and the Siege of Corinth, both rank, in terms of aggregate numbers of troops involved, among the largest in the history of the Western Hemisphere.

Of all the major Civil War crusades, the Battle of Corinth and the Corinth Siege are indisputably the least known and definitely the least recognized. The site area has already received National Historic Landmark designation. It is time to go one step further to ensure that this important chapter of American history is preserved.

It is most appropriate that we safeguard our national heritage and protect this significant battlefield upon which our ancestors lost life and limb in pursuit of their most fundamental ideals. I encourage my colleagues to join me in supporting the passage of this legislation.

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. 610

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 ''Corinth, Mississippi, Battlefield Act of 1995''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the sites located in the vicinity of Corinth, Mississippi, that were designated as a National Historic Landmark by the Secretary of the Interior in 1991 represent nationally significant events in the Siege and Battle of Corinth during the Civil War; and

(2) the Landmark sites should be preserved and interpreted for the benefit, inspiration, and education of the people of the United States.

(b) PURPOSE.—The purpose of this Act is to provide for a center for the interpretation of the Siege and Battle of Corinth and other Civil War actions in the region and to enhance public understanding of the significance of the Corinth Campaign in the Civil War relative to the Western theater of operations, in cooperation with State or local governmental entities and private organizations and individuals.

SEC. 3. ACQUISITION OF PROPERTY AT CORINTH, MISSISSIPPI.

(a) IN GENERAL.—The Secretary of the Interior (referred to in this Act as the ''Secretary'') shall acquire by donation, purchase with donated or appropriated funds, or exchange, such land and interests in land in the vicinity of the Corinth Battlefield, in the State of Mississippi, as the Secretary determines to be necessary for the construction of an interpretive center to commemorate and interpret the 1862 Civil War Siege and Battle of Corinth.

(b) PUBLICLY OWNED LAND.—Land and interests in land owned by the State of Mississippi or a political sub-division of the State of Mississippi may be acquired only by donation.

SEC. 4. INTERPRETIVE CENTER AND MARKING.

(a) INTERPRETIVE CENTER.—

(1) CONSTRUCTION OF CENTER.—The Secretary shall construct, operate, and maintain on the property acquired under section 3 a center for the interpretation of the Siege and Battle of Corinth and associated historical events for the benefit of the public.

(2) DESCRIPTION.—The center shall contain approximately 5,300 square feet, and include interpretive exhibits, an auditorium, a parking area, and other features appropriate to public appreciation and understanding of the site.

(b) MARKING.—The Secretary may mark sites associated with the Siege and Battle of Corinth National Historic Landmark, as designated on May 6, 12991, if the sites are determined by the Secretary to be protected by State or local governmental agencies.

(c) ADMINISTRATION.—The land and interests in land acquired, and the facilities constructed and maintained pursuant to this Act, shall be administered by the Secretary as a part of Shiloh National Military Park, subject to the appropriate laws (including regulations) applicable to the park, the Act entitled ''An Act to establish a National Park Service, and for other purposes'', approved August 25, 1916 (16 U.S.C. 1 et seq.), and the Act entitled ''an Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance and for other purposes'', approved August 21, 1935 (16 U.S.C. 461 et seq.).

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated such sums as are necessary to carry out this Act.

(b) CONSTRUCTION.—Of the amounts made available to carry out this Act, not more than $6,000,000 may be used to carry out section 4(a).

ADDITIONAL COSPONSORS

S. 12

At the request of Mr. ROTH, the names of the Senator from New Hampshire [Mr. GREGG] and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 12, a bill to amend the Internal Revenue Code of 1986 to encourage savings and investment through individual retirement accounts, and for other purposes.

S. 170

At the request of Mr. DASCHLE, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 170, a bill to amend the Public Health Service Act to provide a comprehensive program for the prevention of Fetal Alcohol Syndrome, and for other purposes.

S. 181

At the request of Mr. HATCH, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 181, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage small investors, and for other purposes.

S. 182

At the request of Mr. HATCH, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 182, a bill to amend the Internal Revenue Code of 1986 to encourage investment in the United States by reforming the taxation of capital gains, and for other purposes.

S. 190

At the request of Mr. PRESSLER, the names of the Senator from Indiana [Mr. COATS] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 190, a bill to amend the Fair Labor Standards Act of 1938 to exempt employees who perform certain court reporting duties from the compensatory time requirements applicable to certain public agencies, and for other purposes.

S. 216

At the request of Mr. HATCH, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 216, a bill to repeal the reduction in the deductible portion of expenses for business meals and entertainment.

S. 354

At the request of Mr. BREAUX, the names of the Senator from Connecticut [Mr. DODD] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 354, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the preservation of low-income housing.

S. 440

At the request of Mr. WARNER, the names of the Senator from Nevada [Mr. BRYAN] and the Senator from Missouri [Mr. ASHCROFT] were added as cosponsors of S. 440, a bill to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes.

S. 469

At the request of Mr. GREGG, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 469, a bill to eliminate the National Education Standards and Improvement Council and opportunity-to-learn standards.

S. 495

At the request of Mrs. KASSEBAUM, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 495, a bill to amend the Higher Education Act of 1965 to stabilize the student loan programs, improve congressional oversight, and for other purposes.

S. 511

At the request of Mr. ABRAHAM, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 511, a bill to require the periodic review and automatic termination of Federal regulations.

S. 584

At the request of Mr. ROBB, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 584, a bill to authorize the award of the Purple Heart to persons who were prisoners of war on or before April 25, 1962.

SENATE JOINT RESOLUTION 26

At the request of Mr. SIMPSON, the names of the Senator from Indiana [Mr. LUGAR] and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Joint Resolution 26, a joint resolution designating April 9, 1995, and April 9, 1996, as ''National Former Prisoner of War Recognition Day.''

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. MURKOWSKI, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of Senate Concurrent Resolution 9, a concurrent resolution expressing the sense of the Congress regarding a private visit by President Lee Teng-hui of the Republic of China on Taiwan to the United States.

SENATE RESOLUTION 85

At the request of Mr. CHAFEE, the name of the Senator from Utah [Mr. BENNETT] was added as a cosponsor of Senate Resolution 85, a resolution to express the sense of the Senate that obstetrician-gynecologists should be included in Federal laws relating to the provision of health care.

AMENDMENT NO. 348

At the request of Mr. BYRD his name was added as a cosponsor of Amendment No. 348 proposed to S. 4, a bill to grant the power to the President to reduce budget authority.

SENATE RESOLUTION 91—RELATIVE TO TURKEY

Mr. PELL (for himself, Mr. KERRY, Mr. FEINGOLD, and Ms. SNOWE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 91

Whereas as a signatory to the Charter of the United Nations, the Government of Turkey is obligated to maintain international peace and security,to develop friendly relations among states based on respect for the principle of equal rights and self-determination of peoples, and to achieve international cooperation through the promotion and encouragement of respect for human rights and fundamental freedoms for all;

Whereas the Government of Turkey, as a party to the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights, has made additional and firm commitments to observe and uphold the rights of all peoples;

Whereas as a member of the North Atlantic Treaty Organization, the Government of Turkey undertook to refrain in international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations;

Whereas as a member of the Organization of for Security and Cooperation in Europe, Turkey is obliged to respect the territorial integrity of other states, and to support the human rights, fundamental freedoms and the self-determination of peoples;

Whereas on March 21, 1995, more than 35,000 Turkish military troops, with tanks, armored personnel carriers, and air support, began an invasion of Northern Iraq;

Whereas the Government of Turkey declares that the invasion is in response to acts of terrorism by the Kurdistan Workers Party, also known as the PKK, and constitutes the hot pursuit of terrorists;

Whereas reports indicate that the Turkish army has penetrated 25 miles into Iraq along a 150 mile front, and that hundreds of ethnic Kurds have been killed thus far;

Whereas independent international observers claim that some of those killed are innocent civilians, and accuse Turkey of torturing prisoners, and of forcibly evacuating and destroying villages;

Whereas U.S. government officials have suggested that Turkey's invasion could last more than 3 weeks in duration;

Whereas in scope, scale and duration, Turkey's invasion of Iraqi Kurdistan appears to be an illegal act of aggression and inconsistent with Turkey's obligations under the U.N. Charter;

Whereas Turkey's actions jeopardize U.S. and international efforts under Operation Provide Comfort in Northern Iraq, and threaten the provision of vital humanitarian assistance by nongovernmental organizations to the Kurds;

Whereas the U.S. Department of State reports that the general human rights situation in Turkey ''worsened significantly'' in 1994, and that in many human rights case, the specific ''targets of abuse were ethnic Kurds or their supporters;''

Whereas according to the U.S. Government, specific violations of human rights by the Government of Turkey in its campaign against the PKK include the illegal use of torture, excessive force, and political and extrajudicial killings of non-combatants;

Now, therefore be it resolved, That the Senate—

(1) Condemns Turkey's invasion of Northern Iraq as an illegal act of aggression and a violation of international law, inconsistent with Turkey's obligations under the Charter of the United Nations, the North Atlantic Treaty, and other international agreements;

(2) Calls upon the President of the United States to express strong U.S. opposition to Turkey's invasion of Northern Iraq;

(3) Urges the United States at the United Nations Security Council to condemn Turkey's illegal act of aggression and bring about an immediate and unconditional withdrawal;

(4) Denounces Turkey's consistent pattern of human rights violations against ethnic Kurds;

(5) Condemns all acts of terror, including those by PKK forces against Turkish civilian, military and other targets;

(6) Supports the maintenance of Operation Provide Comfort and the continuation of other non-governmental humanitarian assistance for the Kurds of Northern Iraq.

Mr. PELL. Mr. President, five years ago, when Iraqi forces crossed the border and invaded Kuwait, the international community—with the United States at the forefront—condemned the aggression and vowed that it would not stand. This week, more than 35,000 Turkish forces invaded Iraqi Kurdistan under the assertion of being engaged in hot pursuit of Kurdish terrorists. The truth is that Turkey's action is no less a violation of international law than Iraq's invasion of Kuwait.

The official United States position is that Turkey faces a legitimate threat from the Kurdish Workers Party—also known as the PKK—a Kurdish separatist group based in Turkey that advocates the establishment of an independent Kurdish state.

The PKK is a terrorist organization, and Turkey has a right to defend its citizens against the unlawful use of terror. Where I draw the line, however, is Turkey's use of terrorism as a pretense for its full-scale invasion of Iraqi Kurdistan and as justification for its consistent pattern of human rights violations against innocent Kurdish civilians in southeast Turkey.

There is no way that the Turkish forces can distinguish between the Turkish Kurds and Iraqi Kurds that presently reside in Northern Iraq. Nor can they reasonably determine which Turkish Kurd is an armed terrorist, and which is an innocent civilian refuges. The result is that innocent Kurds—be they Iraqi or Kurdish—are being harassed, terrorized, and killed by Turkish forces.

I think that there is a fundamental truth that Turkey attempts to obscure in its approach to the Kurdish issue. The fact is that Kurdish experiment with self-rule in Northern Iraq threatens and undermines Turkey's identity. By conducting this invasion, Turkey has exposed that it cares little about Iraq's territorial integrity, and only wants to keep the Kurdish people in check.

The United States apparently has given the green light to Prime Minister Ciller's military adventure. Moreover, it is nearly certain that the Turkish military is using equipment and supplies of United States origin in its brutal war against the Kurds.

Turkey's militaristic policy towards the Kurds goes beyond the pale of civilized behavior. It is time for the United States to take a principled stand, express its opposition to Turkey's invasion of Iraqi Kurdistan, and cut off supplies of United States military equipment to Turkey. If, as reports today suggest, this operation is to extend for the next 3 to 5 weeks, then it is an outright falsehood to say that Turkey is engaged in hot pursuit. We should condemn this invasion for what it truly is—a clear act of aggression and a threat to international peace.

In this regard, I am submitting today with Senators KERRY, FEINGOLD, and SNOWE a resolution that does just that. In addition to condemning the invasion, the resolution calls upon the President to oppose Turkey's action, and urges the United States to lead an effort at the United Nations Security Council calling for an immediate and unconditional withdrawal. The resolution denounces both Turkey's consistent pattern of human rights violations against the Kurds and the violence perpetrated by terrorists, including the PKK. Finally, the resolution calls for the continuation of Operation Provide Comfort, which is crucial to the protection of civilians in Iraqi Kurdistan.

Mr. President, I would urge my colleague to join me in sponsoring this resolution.

NOTICES OF HEARINGS

SUBCOMMITTEE ON FORESTS AND PUBLIC LANDS MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that in addition to the hearing on ''the Mining Law Reform Act of 1995'', S. 506, ''the Mineral Exploration and Development Act of 1995'', S. 504, will also be considered before the Subcommittee on Forests and Public Lands Management.

The hearing will take place in SD–366 of the Dirksen Senate Office Building on Thursday, March 30, 1995 at 9:30 a.m. in Washington, D.C.

Those wishing to testify or who wish to submit written statements should write to the Subcommittee on Forests and Public Lands Management, U.S. Senate, Washington, D.C 20510. For further information, please call Michael Flannigan at (202) 224–6170.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. NICKLES. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Energy Production and Regulation.

The hearing will take place Thursday, March 30, 1995 at 2 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this hearing is to receive testimony on S. 283, a bill to provide for the extension of the deadline under the Federal Power Act applicable to two hydroelectric projects in Pennsylvania, and for other purposes, S. 468, a bill to provide for the extension of the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Ohio, and for other purposes, S. 543, a bill to provide for the extension of the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Oregon, and for other purposes, S. 547, a bill to provide for the extension of the deadlines applicable to certain hydroelectric projects under the Federal Power Act, and for other purposes, S. 549, a bill to provide for the extension of the deadline under the Federal Power Act applicable to the construction of three hydroelectric projects in the State of Arkansas, S. 552, a bill to provide for the refurbishment and continued operation of a small hydroelectric facility in central Montana by adjusting the amount of charges to be paid to the United States under the Federal Power Act and for other purposes, S. 595, a bill to provide for the extension of a hydroelectric project located in the State of West Virginia.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Howard Useem at (202) 224–6567.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. COATS. Mr. President, I ask unanimous consent that the committee on armed services be authorized to meet on Thursday, March 23, 1995, at 2 p.m. in open session, to receive testimony on the Department of Defense Medical Program and related health care issues in review of the defense authorization request for fiscal year 1996 in the future years defense program.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. COATS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, March 23, 1995 session of the Senate for the purpose of conducting an executive session and markup.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. COATS. 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, March 23, 1995, for purposes of conducting a Full Committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider S. 575, a bill to provide Outer Continental Shelf [OCS] Impact Assistance to State and local governments, and S. 158, a bill to encourage production of domestic oil and gas resources in deep water on the OCS.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. COATS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet for a business meeting Thursday, March 23, at 9:30 a.m. to consider S. 534, S. 268, S. 503, and other pending business.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. COATS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized

to meet during the session of the Senate on Thursday, March 23, 1995, at 10 a.m. to hold a hearing on Reorganization and Revitalization of America's Foreign Affairs Institution.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. COATS. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, March 23 at 10 a.m. for a markup on S. 291, the Regulatory Reform Act of 1995, and S. 343, the Comprehensive Regulatory Reform Act of 1995.

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

COMMITTEE ON THE JUDICIARY

Mr. COATS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, March 23, 1995.

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

SUBCOMMITTEE ON MEDICAID AND HEALTH CARE FOR LOW INCOME FAMILIES

Mr. COATS. Mr. President, I ask unanimous consent that the Subcommittee on Medicaid and Health Care for Low Income Families of the Finance Committee be permitted to meet on Thursday, March 23, 1995, beginning at 2 p.m. in room SD–215, to conduct a hearing on Medicaid 1115 Waivers.

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

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. COATS. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to meet Thursday, March 23, at 2 p.m. to conduct a hearing on legislation to approve the National Highway System and transportation issues related to clean air conformity requirements.

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

ADDITIONAL STATEMENTS

THE NATION OF BELARUS

• Mr. D'AMATO. Mr. President, I rise today to express my continued support for the nation of Belarus and its citizens on the upcoming 77th anniversary of the creation of their great country.

On March 25, 1918, in the final months of World War I, the nation of Belarus was founded. Shortly after the war ended, the Red Army of the Soviet Union seized Belarus, beginning Belarus' long hard battle against Soviet communism. During World War II 25 percent of Belarus' population was obliterated while fighting the Axis Powers of Germany and Italy. Untold numbers died at the hands of the Soviets as well.

For over 70 years the Belarusan people were forced to live under the iron fist of Communist rule. The Communist-led Soviet Union held no regard for the lives of any of its citizens, and the brutal Soviet dictators routinely incarcerated or shot anyone not conforming to their rule.

Then in 1990 the years of enslavement for Belarus came to an end as Belarusan freedom fighters issued a declaration of sovereignty, detailing their goal to become a neutral, nonnuclear state. On December 25, 1991, the United States recognized independent Belarus as a sovereign nation, allowing the people of Belarus to hold their heads high once again.

The end of one exhausting journey signifies the beginning of another. The people of Belarus must now fight to maintain their right to liberty and territorial sovereignty. Extremists within the current Russian regime are once again attempting to control Belarus through unfair economic and military treaties. This attempt to destroy the natural rights of the people of Belarus, a people who fought and overcame one of the most oppressive regimes in the history of man, must not be allowed to occur.

Mr. President, I want the Belarusan people, both in Belarus and here in the United States of America to know that I stand with them in their fight to maintain the right to freedom and self-determination that was denied them for so long.•

SESQUICENTENNIAL ANNIVERSARY OF WINSLOW TOWNSHIP, NJ

• Mr. BRADLEY. Mr. President, I rise today to commemorate the 150th anniversary of the founding of Winslow Township, New Jersey. Originally a sleepy farming community, Winslow has developed into a unique hybrid, encompassing both rural and urban elements within its 54 square miles.

With roots firmly planted in New Jersey's farming community, Winslow has played an increasingly important role in the State's agricultural industry throughout the years. It is Winslow Township's renowned peaches that help make New Jersey fourth in the Nation in production of this crop. Blessed not only with fertile farmland, the Winslow Township area also enjoys a close relationship with two of New Jersey's greatest natural resources, the Pinelands and the Great Egg Harbor River. The magnificent Pine Barrens, a national wilderness preserve, is popular with hikers, nature enthusiasts, and canoeists. The Great Egg Harbor River is also a favorite with canoeists and fishermen, and is home to hundreds of different species of fish, mammals, reptiles, birds, and amphibians.

Coexisting with Winslow's natural riches are urban areas of great diversity. Described by its residents as a ''microcosm of America,'' Winslow is ethnically, racially, and socioeconomically diverse. The small town belief that fellow residents are actually friends and family has allowed Winslow's different groups to live harmoniously as their community has grown. Different communities and forces have influenced the development of Winslow Township, and the town has profited from them. The rolling farmlands and local winery shape Winslow Township as surely as the new pockets of urban development. Children of New Jersey's most recent immigrants share classes in Winslow's outstanding school system with the great-great-grandchildren of the Italian farmers who helped found the town.

Winslow Township may be a small town, but the lessons it offers us in community and modern living are broad in scope. These lessons are simple, for they are all rooted in one common theme and that theme is respect. Respect for the beauty and riches of our environment, from which we can derive both pleasure in recreation and products with which to earn a living; respect for diversity and the lessons we cannot afford to ignore about the larger world in which we live; and finally, respect for community—the civil society in which all Americans make their homes, sustain their marriages, raise their families, hang out with their friends, meet their neighbors, educate their children, and worship their God.

Mr. President, I congratulate Winslow Township once again, on their sesquicentennial anniversary.•

TRIBUTE TO COMMANDER LORENZO ''PETE'' CASALEGNO

• Mr. WARNER. Mr. President, I rise to recognize the dedication, public service, and patriotism of Comdr. ''Pete'' Casalegno, U.S. Navy, for 30 years of unselfish service to our Nation in both the U.S. Air Force and the U.S. Navy.

Commander Casalegno's military service began in 1965 when he enlisted in the U.S. Air Force and served as a weather observer and forecaster. A veteran of the Vietnam war, he served as a member of the combat weather team at Tan Son Nhut, Vietnam, from December 1967 to December 1968.

Upon graduation from the University of San Francisco, Commander Casalegno was commissioned and subsequently designated as a naval flight officer. After completion of advanced training in the E–2 Hawkeye aircraft, Commander Casalegno was assigned to Carrier Airborne Early Warning Squadron 114 and completed two overseas deployments onboard the U.S.S. *Kitty Hawk* (CV–63) and the U.S.S. *Coral Sea* (CV–43). During this assignment, Commander Casalegno completed arduous qualifications as officer of the deck and tactical action officer.

After graduating from the United States Postgraduate School in 1981 with a master of science in systems engineering, Commander Casalegno was assigned to the staff of Cruiser Destroyer Group Three as assistant air

operations and electronic warfare officer. Involved in frequent deployments to both the Western Pacific and Southwest Asia, Commander Casalengo participated in military operations following the fall of the Shah of Iran, and numerous humanitarian operations.

In 1985, Commander Casalegno reported to Carrier Airborne Early Warning Squadron 116, where he served as operations officer and maintenance officer during deployments to the Western Pacific and Southwest Asia. Commander Casalegno was involved in operations which included escorting U.S. merchant ships through the Straits of Hormuz and retributive strikes on Iranian oil facilities.

Following this tour, Commander Casalegno was assigned to the staff of Commander Allied Forces Southern Europe in Naples, Italy. As a staff officer, he was involved in numerous North American Treaty Organization operations, including support of allied forces during Operations Desert Shield and Desert Storm.

In 1990, Commander Casalegno was assigned as the United States Navy Exchange Officer to the Royal Navy's Maritime Tactical School in Portsmouth, England, where he trained senior allied officials in the employment of naval forces. In 1994, Commander Casalegno returned to the United States to serve at the Navy's Tactical Training Group, Atlantic Fleet, as the air defense instructor.

Commander Casalegno, his wife Marla, and his sons Cory and Phillip are stalwart Americans whom have sacrificed greatly for the past 30 years. Commander Casalegno has honorably and faithfully upheld the Nation's special trust and confidence conveyed through his military commission. In every way, he has lived up to his oath of office and bore true faith and allegiance to our Constitution and the Nation. It gives me great pleasure to recognize Commander Casalegno before my colleagues and wish him all of our best in his retirement.●

REGARDING IRAN

● Mr. D'AMATO. Mr. President, I rise today to briefly discuss Iran. As we have all read, Iran has placed chemical weapons on disputed islands in the Strait of Hormuz. They have also placed at least 6,000 troops on these islands. It is becoming very clear that Iran is not content with projecting its twisted criminal acts of terrorism through third parties. They are now, like with the case of the placement of Hawk missiles a few weeks ago, issuing a direct challenge to the West in the waterway so vital to the flow of oil: the Persian Gulf.

As I have spoken on other occasions regarding Iran, we face a dangerous situation there. To compound this, we are forced to admit that Iran's military and terrorist operations are being subsidized by the purchase of Iranian oil by overseas subsidiaries of American oil companies, with the oil being resold overseas. This practice, stemming from a loophole in the regulations governing our embargo with Iran, is perfectly legal. This, however, does not make it morally right.

It is precisely for this reason that I introduced S. 277, the Comprehensive Iran Sanctions Act of 1995. We need a total United States trade embargo against Iran. We can no longer subsidize vast military buildups and terrorist operations sponsored by Iran against United States interests and United States allies.

In this regard, I ask that a statement by Prof. Patrick Clawson of the Institute for National Strategic Studies of the National Defense University, be printed in the RECORD, following the text of my remarks.

In this, ''Policy Watch'' statement of the Washington Institute, Professor Clawson details effects of a total trade ban on Iran. I urge my colleagues to read it to help them determine how we might best deal with this burgeoning threat from Iran.

The statement follows:

ESTIMATING THE EFFECTS OF COMPREHENSIVE UNITED STATES SANCTIONS ON IRAN

(By Patrick Clawson)

Secretary of Defense Perry's statements in Bahrain today highlighting the ''potential threat'' of Iran's deployment of ''8,000 military personnel * * * anti-ship missiles, air-defense missiles and chemical weapons'' on disputed Persian Gulf islands will renew debate over imposing comprehensive economic sanctions on Iran. A key element of that debate is the argument that sanctions would have no effect on Tehran but would impose a considerable burden on the United States. This claim is not accurate: unilateral U.S. sanctions would cost Iran money. Lost revenue could affect Iranian actions, and the forgone business would be no great loss to the U.S. economy.

HOW SANCTIONS WOULD COST IRAN MONEY

Comprehensive U.S. sanctions on Iran would reduce Iran's foreign exchange receipts several ways:

Oil Trade. Iran sells about one-fourth of its exported oil to U.S.-owned firms. In the event of sanctions, Iran would have to sell this oil to other oil companies. Iran would have no difficulty finding other buyers for the oil, but the loss of access to U.S. firms will have a price for Iran. U.S. firms are prepared to offer slightly better terms than firms from other countries, which is exactly the reason why Iran has been selling to the U.S. companies. When it can no longer sell to the U.S. firms, Iran will lose that extra margin. The exact size of its margin is unclear, but most probably less than $50 million per year—admittedly small relative to Iran's oil income ($12–15 billion, depending on oil prices).

Planned Oil Swaps Involving Iran and Former Soviet States. The U.S.-led consortiums producing oil in Kazakhstan and Azerbaijan are planning to ship oil to Iran across the Caspian Sea. Iran would use that oil in its northern cities, especially Tehran, while increasing the export of Iranian oil from the Gulf. This swap arrangement, which could start in a matter of months, is supposed to be temporary. But nothing lasts as long as a temporary deal. Iran will earn several tens of millions of dollars a year in profits and cost-savings from this arrangement. These swaps have all the earmarkings of being another Conoco case—the U.S. government signals the U.S. oil firms that the deal is permissible, but when the public announcement is made, the political reaction is such that the U.S. government has to feign shocked indignation.

Oil Field Renovation and Expansion. Iran's oil fields are old; production will decline unless Iran develops more difficult-to-reach offshore areas and/or uses sophisticated techniques to recover more oil from aging fields. European oil technology is about as good as the United States, but Iran has found that U.S. firms offer good terms for oil equipment, as testified by Iran's desire to use Conoco over the French firm Total for developing the fields off Sirri Island. Now that President Clinton has ordered U.S. firms not to invest, European firms will step in, at somewhat higher cost to Iran.

Investor Confidence. Comprehensive U.S. sanctions will add to the impression that Iran is a politically risky place to do business. European investors and bankers are already hesitant about Iran because of its heavy indebtedness, and Iranian businessmen are worried about increasing government restrictions. It is possible that comprehensive U.S. sanctions would trigger a further run on Iranian currency, which has already lost a third of its value in the last three months.

In short, sanctions would cost Iran tens of millions, if not a hundred million or more dollars a year in export revenues and in capital invested in the country.

AND THE EFFECT ON THE ISLAMIC REPUBLIC'S BEHAVIOR

Because comprehensive U.S. sanctions could reduce Iran's income by several tens of millions of dollars each year, the pressure on the Iranian budget, already under tight constraints, would be even greater. This could force Iran to decrease its military spending, given the difficulties of making adjustments elsewhere, e.g., on food supports and social welfare projects.

Indeed, one of the unsung accomplishments of the current U.S. policy towards Iran is its success in forcing Iran to curtail its ambitious 1989 plan for acquiring a large-scale modern military. Iran planned to buy $10 billion in arms in 1989–1993, primarily from the Soviet Union. The arms purchases had to be cut in half when Iran was locked out of world capital markets, thanks to both its own incompetent economic practices and to U.S. pressure not to make politically-motivated loans to Iran. The difference in military potential is highly significant. Today Iran is a threat in certain areas, mostly terrorism and weapons of mass destruction. Had Iran carried out its 1989 plan, its conventional forces would pose an even more urgent and worrisome threat than they currently do.

The impact of comprehensive U.S. sanctions should not be oversold, however. While they may reduce Iranian military spending some, there is no prospect that the Islamic Republic would fall because of sanctions. The fate of the Islamic Republic will be decided largely by internal factors, over which the U.S. has little or no influence.

IRAN'S SHRINKING ECONOMIC RELEVANCE

Some argue that the U.S. should woo Iran because it is the strategic prize in the Persian Gulf region. As far as economics are concerned, this view is outdated: Iran is no longer a country with great economic significance.

Iran is not an oil superpower. Iran produces less oil today than it did in 1970. While production has soared in other parts of the world, it has steadily declined in Iran. In 1970, Iran produced almost 9 percent of the world's oil; today, it produces only about 5 percent. Moreover, it has to invest several

billion dollars a year just to maintain its present output.

Iran is not a lucrative market. Iran's imports in 1994 were little more than $12 billion, which was less than it imported in 1977. Iran's imports in 1994 were less than one-half of one percent of world imports, whereas in 1977, its imports were 1.5 percent of the world total. The simple fact is that Iran's economic importance faded along with its oil wealth.

No one action itself will bring about the change Washington wishes to see in Iran and in Iranian behavior. But the best chances of success, especially over the long term, come from a firm stance in defense of U.S. principles. The bitter lesson of the last 15 years, learned from experiences like the Iran-Contra affair, is that the United States cannot expect moderation in Iranian foreign policy if it extends a hand of friendship.

A TRIBUTE TO LARRY PLOTT AN OUTSTANDING IDAHOAN

• Mr. KEMPTHORNE. Mr. President, I rise today to honor Mr. Larry Plott, the current director of the Idaho Peace Officers Standards and Training Academy, who has announced that he will be retiring March 31, 1995, after 37 years of service to the State of Idaho. Larry has had a distinguished career in law enforcement, and I would like to enumerate a number of his achievements and accomplishments.

Though he was born in Kansas, Larry was raised on a farm south of the city of Twin Falls. Although he liked farming, he always had a dream of being an Idaho State patrolman. Upon graduation from Twin Falls High School in 1956, he went to San Francisco where he attended the City College of San Francisco, graduating with a degree in criminology.

At this point, he returned to Twin Falls where he was hired to work as a dispatcher and jailer with the Twin Falls County Sheriff's Office. He married Marilyn Ruhter from Filer on March 1, 1959, and was promoted to roving deputy that same year. It was at this time that he began an illustrious career of revolver and automatic handgun shooting. Over the 25 years that Larry shot competitively, he garnered over 250 trophies for State and regional championships and was awarded the Distinguished Pistol Shooting Medal for .22 .38 and .45 caliber by the United States Army Reserve, one of only four Idahoans ever to receive this honor. He also has been a member of the FBI's Possible Club since 1972. To achieve a Possible, one must shoot a perfect score over a 50-yard course from various positions using both the left and right hand. Larry also augmented his shooting expertise by learning the art of quick-draw. In the early 1970's he met Officer Dan Combs from the Oklahoma Highway Patrol, who was a national quick-draw specialist. Inspired by Combs' influence, Larry not only learned and mastered quick-draw himself, but he then incorporated a demonstration of the technique into his firearms safety programs at local schools and other community and civic events.

In April 1960, Larry joined the Idaho State Police (ISP) and was stationed at the Huetter Port of Entry in Coeur d'Alene. After a year there, he returned to Twin Falls and worked at the Hollister Port of Entry until 1962, at which time his dream came true and he was promoted to the ISP patrol. Driving the familiar black and white stripped car #476, with two whip antennas flipping in the back, Larry became a familiar site throughout the District #4 Twin Falls area. After three years he was transferred to the Wood River Valley as the ISP resident patrolman, where he stayed until 1969.

In January 1970, he was offered a position as a training coordinator at the newly created Peace Officers Standards and Training (POST) Academy in Pocatello, then under the auspices of the Idaho State University. He resigned from the ISP, and moved his family to Pocatello. After two years as training coordinator he was promoted to Director of POST, a position where he has been responsible for training all the law enforcement officers throughout the entire state of Idaho.

Since his installment as Director of POST, Larry has supervised and instructed at all of the 105 sessions that have come through the training academy. Officers in a session attend POST for seven weeks, and upon completion of the basic course, are awarded a diploma of certification. These officers come from all the law enforcement agencies in the state including the Idaho State Police, the Idaho Fish & Game, Idaho Parks & Recreation, port-of-entry officers, prosecuting attorneys, and all county and city officers. Idaho law requires that an officer must be certified by POST to remain in law enforcement.

As Director of POST, Larry has set new exemplary training standards that other states are now attempting to follow. In 1972, Larry attended the FBI Academy in Quantico, Virginia, and was impressed by the high quality of training given to the agents. There, attention was not only given to firearms expertise, but to physical fitness and knowledge of the law. Larry has focused on all three of these areas at POST, and has developed the Idaho POST Academy into one of the finest police academies in the United States.

The programs and changes that have been implemented by Larry since he took over as Director of POST and numerous and impressive. He:

Instituted the first mandatory physical fitness requirements for the POST program in the United States.

Compiled/assembled the first Abridged Edition of the Idaho Criminal Code for Idaho police officers.

Developed the first law enforcement career camps for Idaho youth. For this he received the Kiwanis International Award for Service to the Community and the Citizens of Idaho.

Brought the first Executive Command College to Idaho, taught by the FBI.

Developed requirements for 15 categories of training certification and classification for police, deputies, and detention officers. He also developed a classification program for dispatchers and jailers.

Created a spouse relationship program for police officers, which was the first of its kind in Idaho and the United States.

Originated the Governor's Ten pistol competition.

Authored, proposed, and was instrumental in getting a fee assessment passed through the Idaho legislature for funding of the POST Academy.

Obtained college credit approval for courses taught at POST, allowing officers to earn up to 12 college credits.

Developed a public open house at the POST Academy.

Designed the following training certificates: Basic, Intermediate, Advanced, Master, Supervisor, Management, Executive, Jailer, Canine, Reserve, Marine Deputies, and Dispatchers.

Not only has Larry strived for a higher level of excellence for all the police officers in Idaho, but has applied those standards to himself, and is one of the best examples of an individual who practices what he preaches. For example, he not only designed the training certificates awarded by POST, but earned several of them himself, including the Basic, Intermediate, Advanced, Supervisor, Management, and Instructor. The Idaho Department of Law Enforcement recently awarded him the Outstanding Administrator Award, one of their highest honors.

Larry has written and had numerous articles published in various bulletins and magazines including: The FBI Bulletin, The Winning Edge, and The IPOA Magazine. He has also written special segments for the Idaho Association of Counties and Cities, and for the past 18 years has published the POST Bulletin. He is currently the President of the International Association of State Law Enforcement Training Directors (IASLET) for the northwest Region, and is the Past President of the National Association of State Directors of Law Enforcement Training (NASDLET). Larry also served as President of the Idaho Peace Officers Association (IPOA), and is currently a board member of the Law Enforcement Television Network (LETN).

Always urging his officers to stay physically fit, Larry began running in 1975 and has continued to this day. He has competed in several races since then, and won Gold, Silver and Bronze medals in varying events at both the World Police/Fire Olympic Games in Vancouver, and the northwest regional Games. He also served as Director for the 1990 Northwest Police/Fire Olympic Games in Boise, and is a current board member for the northwest region. In 1983 he ran the Great Potato Marathon

in Boise. He and his wife Marilyn have already announced their intent to hike the entire Appalachian Trail this year which extends from Georgia to Maine.

Finally, I would like to commend Larry not only for his brilliant career in law enforcement, but for his outstanding contribution to the officers and individuals who have been blessed by his service. He and his wife Marilyn have raised four beautiful children, Angela, Tony, Stacey, and Marty, who are now pursuing careers and raising families of their own.

Larry's contribution to Idaho has been great and extensive. However, I know that his retirement from the POST Academy will be the opening of another door and a new challenge for this very exceptional individual. I am proud to have had the opportunity to honor him here today.●

UNANIMOUS CONSENT AGREEMENT—H.R. 831

Mr. GRASSLEY. Mr. President, further on behalf of the majority leader, I ask unanimous consent that at 10 a.m. on Friday, March 24, the Senate begin consideration of calendar No. 34, H.R. 831, the self-employed health insurance bill, and that it be considered under the following agreement: 5 hours on the bill, to be equally divided in the usual form; that no amendments be in order other than the committee-reported substitute.

I further ask that following the conclusion or yielding back of time, the Senate proceed to a vote on the committee substitute, to be followed by third reading and final passage, all without intervening action or debate.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ACCOLADES TO SENATOR McCAIN

Mr. BIDEN. Mr. President, I rise to make a very brief statement and ask for a speech to be printed in the RECORD. I attended the National Veterans of Foreign Wars Convention and heard a speech delivered by one of our colleagues that I think is one of the finest speeches I have ever heard any of our colleagues deliver, although it was not on the Senate floor. It was delivered before several thousand veterans of foreign wars.

It was delivered by our colleague, JOHN MCCAIN, from the State of Arizona, in response to being the recipient of Legislator of the Year, picked by the veterans, the VFW.

I strongly commend it to my colleagues, because it is the most articulate statement I have ever heard, and I believe one of the most articulate they will ever read, about what it means to serve one's country.

I will say now what I said to JOHN MCCAIN after he delivered that speech, after listening to him: That is the JOHN MCCAIN that I knew 20 years ago. I am glad to see it is still the same JOHN MCCAIN.

I ask unanimous consent that the address by our colleague, Senator JOHN MCCAIN, at the National Veterans of Foreign Wars Convention, March 7, 1995, be printed in the RECORD at this point.

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

ADDRESS BY SENATOR JOHN MCCAIN, BEFORE THE VETERANS OF FOREIGN WARS, MARCH 7, 1995

Thank you. I fear I cannot adequately express my deep gratitude for the great honor you have done me by giving me this award. As often as we are the targets of public abuse, politicians also often find we are the recipients of undeserved acclaim. After a while, one learns to keep both scorn and praise in perspective. They come with the job.

Tonight is different. I am deeply moved to be recognized for some small service by you who have distinguished yourselves by your service to our country in war. For most of us, it has been many years since we wore the uniform. But it is still the opinion of those who wore the uniform that matters most to us. I want to thank you very much for choosing me to receive the VFW's Congressional Award. It is an honor I will long cherish.

I will also long remember the honor the people of Arizona have bestowed upon me by trusting me to represent their interests in Congress. I believe they would understand, however, when I say that I once knew a greater honor. It is an honor I share with all of you, an honor we learned about in America, but experienced in someone else's country. It is the great honor of knowing your duty and ransoming your life to its accomplishment.

I was blessed to have been born into a family who made their living at sea in defense of their country's cause. My grandfather was a naval aviator; my father a submariner. They were my first heroes, and their respect for me has been the most lasting ambition of my life. It was nearly pre-ordained that I would someday find a place in my family's profession, and that my fate would carry me to war.

Such was not the case for most of you. Your ambitions did not lead you to war; the honors you first sought were not kept hidden on battlefields. Most of you were citizen-soldiers. You answered the call when it came; took up arms for your country's sake; and fought to the limit of your ability because you believed your country's welfare was as much your responsibility as it was the professional soldier's.

I did what I had been prepared for most of my life to do. You did what I did but without the advantages of training and experience that I possessed. You were kids when you saw combat. I was thirty years old. I believe you outranked me.

I do not mean to dismiss the virtues of the professional soldier. I consider my inclusion in their ranks to be the great honor of my life. The Navy was and yet remains the world I know best and love most. The Navy took me to war.

Unless you are a veteran you might find it odd that I would be indebted to the Navy for sending me to war. You might mistakenly conclude that the secret veterans' share is that they enjoyed war.

We do share a secret, but it is not a romantic remembrance of war. War is awful. When nations seek to resolve their differences by force of arms, a million tragedies ensue. Nothing, not the valor with which it is fought nor the nobility of the cause it serves, can glorify war. War is wretched beyond description. Whatever gains are secured by war, it is loss that the veteran remembers. Only a fool or a fraud sentimentalizes the cruel and merciless reality of war.

Neither do we share a nostalgia for the exhilaration of combat. That exhilaration, after all, is really the sensation of choking back fear. I think we are all proud to have once overcome the paralysis of terror. But few of us are so removed from the memory of that terror to mistake it today for a welcome thrill.

What we share is something harder to explain. It is in part a pride for having sacrificed together for a cause greater than our individual pursuits; pride for having your courage and honor tested and affirmed in a fearsome moment of history; pride for having replaced comfort and security with misery and deprivation and not been broken by the experience.

We also share—and this is harder to explain—the survivors' humility. That's a provocative statement, I know, and the non-veteran may easily mistake its meaning. I am not talking about shame. I know of no shame in surviving combat. But every combat veteran remembers those comrades whose sacrifice was eternal. Their loss taught us everything about tragedy and everything about duty.

I suspect that at one time or another almost everyone in this room has been called a hero for having done their duty. It is at that moment that we feel most keenly the memory of our comrades who did not return with us to the country we love so dearly. I cannot help but wince a little when heroism is ascribed to me. For I once watched men pay a much higher price for that honor than was asked of me.

I am grateful, as we all are, to have come home alive. I prayed daily for deliverance from war. No one of my acquaintance ever chose death over homecoming. But I witnessed some men choose death over dishonor. The memory of them, of what they bore for country and honor helped me to see the virtue in my own humility.

It is in that humility—and only in that humility—that the memory of almost all human experiences—love and hate, loss and redemption, joy and despair, suffering and release, regret and gratitude—reside. In the end, that is the secret that veterans share.

It is a surpassing irony that war, for all its unspeakable horrors, provides the combatant with every conceivable human experience. Experiences that usually take a lifetime to know are all felt—and felt intensely—in one brief moment of life. Anyone who loses a loved one knows what great loss feels like. Anyone who gives life to a child knows what great joy feels like. The veteran knows what great joy and great loss feel like when they occur in the same moment, in the same experience.

That is why when we are asked about our time at war, we often offer the contradictory response that it was an experience that, if given the choice, we would neither trade nor repeat. The meaning behind that response is powerful, and I fear that my own powers of expression have failed to explain it clearly.

But you know what I am talking about, and in gratitude for the honor you have bestowed on me, I wanted to this evening talk about things I more often leave unexpressed.

Perhaps, I should talk about the veterans issues before the 104th Congress. But no doubt you have by this point in your convention heard from both Congress and the Administration a great many promises to protect and advance the interests of American veterans. For my part, I would simply affirm that the sacrifices borne by veterans deserve to be memoralized in something more lasting than marble or bronze or in the fleeting effect of a politician's speech. Your valor and your devotion to duty have earned your country's abiding concern for your well-being. I am, I assure you, committed to honoring that debt.

I suspect you already knew that or you would not have honored me with this award. And, as I said, I wanted to talk of other things as well tonight, of the experiences we share and the memory that holds us to one another.

Let me talk now of what you gave your country, the contribution for which the nation is in your debt. It is more than the battles you won. More than Iwo Jima or Midway or the Battle of the Bulge. More than the Chosin Reservoir or Inchon. More than flights over that most heavily defended enemy capital, Hanoi. More than Khe San or the I Drang.

All these battles, all these grim tests of courage and character have made a legend of the American fighting man's devotion to duty in every community in America. And it is the lesson of your courage that will help instruct those who will defend our country tomorrow in their duty. For they will seek to immortalize in their own devotion to duty your valor and the long and noble history of a free people's defense of their liberty. Their character will be derived in part from their appreciation of your character.

You know, as well as I, that the world in which they shoulder their responsibilities is an uncertain one. Our familiarity with man's inhumanity to man assures us that Americans will be asked someday to again bear sacrifices that only the brave can endure. That burden will be their honor, as it was once ours.

I have memories of that honor that caution me to this day to be careful when asking such sacrifices of others. But I fear that the day will come when my caution is overcome by necessity.

Last June, the free world celebrated one of the greatest battles in the long struggle against tyranny—the invasion of Normandy. President Clinton, quite appropriately, memorialized the occasion by recognizing the profound debt the world owes to the veterans of D Day. In the President's words: ''they saved the world.''

Our world, then and now, is indeed the consequence of their suffering on killing grounds that were once and are again quiet beaches in a peaceful corner of the free world. But the memory of their sacrifice, and the memories of sacrifice that are held by all of you, caution us always to never assume that peace is the normal state of world affairs.

I have memories of a place so far removed from the comforts of this blessed country that I have forgotten some of the anguish it once brought me. But my happiness these last twenty years has not let me forget the friends who did not come home with me. The memory of them, of what they bore for honor and country, causes me to look in every prospective conflict for the shadow of Vietnam.

I do not let that shadow hold me in fear from my duty as I have been given light to see that duty. Yet, it no longer falls to me to bear arms in my country's defense. It falls to our children, and our children's children. I pray that if the time comes for them to answer a call to arms, the battle will be necessary and the field well chosen. But that will not be their responsibility. As it once was for us, their honor is in their answer, not their summons.

I trust in their willingness and ability to answer the call faithfully. I hold that trust in deference to memories of brave men lost long ago. I hold that trust in deference to you and the courage with which you came of age during a moment of violence and terror. I know that the cause which you defended will not suffer in our children's hands. They are born into the same traditions, with the same values that empowered us.

I know that on some fitting, distant occasion, young men and women will be instructed in their duty by recalling our children's and our grandchildren's example. And on a quiet beach somewhere, many years from now, the liberated will again gather to pay tribute to the liberators, look upon their seasoned faces and say: they were warriors once and very brave. You and I know how great an honor that is.

Thank you for this award. I will always try to remain worthy of the honor. Good night and God bless you.

ORDERS FOR FRIDAY, MARCH 24, 1995

Mr. GRASSLEY. Mr. President, again for the majority leader, I would ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:45 a.m. Friday, March 24, 1995; that following the prayer, the Journal of proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day; that there then be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m, with Senator MCCAIN to be recognized for up to 10 minutes. I further ask that at the hour of 10 a.m, the Senate proceed to the consideration of H.R. 831, the self-employed health deduction bill.

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

PROGRAM

Mr. GRASSLEY. Again, Mr. President, for our leader, for the information of my colleagues, tomorrow the Senate will consider the self-employed health deduction bill under a previous concept agreement. Senators should be aware that there will be no rollcall votes during Friday's session of the Senate.

On Monday, the majority leader has indicated it will be his intention to proceed to S. 219, the regulation moratorium bill.

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

ORDER FOR RECESS

Mr. GRASSLEY. Now, if there is no further business to come before the Senate, I ask that following Senator DASCHLE's statement, the Senate stand in recess under the previous order.

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

FURTHER THOUGHTS ON LINE-ITEM VETO

Mr. DASCHLE. Mr. President, I did not want to take the remaining moments prior to the time people had the opportunity to vote on the line-item veto, but I did want to speak before the end of the day for a couple of reasons.

First of all, to commend the distinguished Senator from Nebraska and the distinguished Senator from West Virginia, on our side, for their admirable leadership in the effort over the last many days. Their leadership, their expertise, the remarkable contribution that they made to this debate I think lent service to the entire body. I am very grateful to them.

Let me also commend the distinguished Senators from Arizona and Indiana for their work. Certainly as a result of their leadership and commitment they made to this issue for many years, we have now reached the point where this legislation passed tonight on a vote of 69–29.

Mr. President, I voted in favor of this legislation, very, very reluctantly. It is no secret that I have had some very significant concerns about this particular version of line-item veto.

A week ago tomorrow I went to the floor to express my grave concern about the practicality of separate enrollment, about its constitutionality, and about the shift in the balance of power away from Congress and to the White House. I addressed some of those concerns again on several occasions, the latest of which was last evening. I have said all along it was my view that a legislative line-item veto, if done properly, was a very important tool, budgetarily and legislatively.

I have consistently supported the line-item veto on a number of occasions over the past 16 years. So my vote tonight was consistent with that record. But I cast it, as I said, with some reservation.

I did so with the satisfaction that we also achieved some compromise over the course of the last several days. We achieved a better understanding of what would be included in the bill's tax expenditure provisions. In our view, the Republicans have come some distance in accommodating our concern with regard to ensuring that tax expenditures be included in this bill, that special-interest tax breaks be exposed to the same critical review by the President as other spending.

We were also able to ensure that the savings generated here would be locked in, locked in to deficit reduction and nothing else. I was disappointed with the vote tonight on the Byrd amendment, because I thought that would go even further toward ensuring that our purpose in this regard would be clearly understood from the very beginning. I

thought the leadership provided by the Senator from West Virginia was very important in articulating clearly our desire to have all savings designated for purposes of deficit reduction and nothing else.

I was pleased, as well, that we were able to accommodate the concern that many had about separate enrollment. While this was not a perfect solution, at least we may have a little more practical understanding of how this bill, with its many pieces, would be packaged and sent to the President in a form that may allow us constitutionally to deal with the issue of separate enrollment, if not practically.

I still have some fundamental concerns about the practicality of requiring separate enrollment and separate signatures, about the practicality of, line by line, taking a simple bill and making it as complex as the separate enrollment process will make it.

Clearly, it is a start. It is an effort at compromise. Indeed, I believe that we have accommodated that concern to the extent that it was possible at the end of this debate.

In terms of the constitutionality of this proposal, I think it is important that we approved an amendment ensuring judicial review of the proposal. The courts will now have the ability to assess the constitutionality of this legislation.

The constitutionality of this particular version of line-item veto may be in doubt. But we have a provision in place now that will allow Members to review and to come to some conclusion about the constitutional viability of this legislation at an early date. That, too, in my view, was an improvement in this piece of legislation.

Third, let me say that I think it is very important that everyone understand this bill has a life—a life and a death, frankly. When the year 2000 approaches, we will have a much better understanding of whether or not this worked, whether or not it was practical, certainly whether or not it was constitutional, whether or not we have succeeded in preserving the balance of legislative responsibility between the President and the Congress. So, in the year 2000, knowing all of that, we will be in a much better position to determine whether or not this ought to be extended, whether or not it ought to be given a new life.

So that sunset provision, in my view, was critical to coming to the conclusion I did about this particular piece of legislation. This is not permanent. It is an experiment. It is an opportunity for us to see whether it will work.

Senator BYRD and others have raised some very legitimate concerns, both constitutionally and in many other ways. We will learn, over the course of the next 5 years, whether they need to be addressed, to what degree they should be addressed, and ultimately what if any changes may be necessary prior to the time this legislation is extended for any length of time after the year 2000.

Finally, let me say I am very concerned about the budgetary implications of what we do here. We have had a very vigorous debate on a constitutional amendment to balance the budget, on proposals to lay out a plan by which we achieve a balanced Federal budget by a date certain. We all recognize we have to make some tough decisions about what will be spent, how it will be spent, what if any tax changes we make—ultimately, what conclusions we can make with regard to the difficult, vexing problem we face with regard to the deficit in the oncoming years. If we do not have the tools available to us to make those decisions in a meaningful way, then I fear we will never achieve what we all say we want.

This is a tool. It may be a blunt instrument. It may be a precision tool. We do not know yet. But we do know it ought to give us yet one more opportunity to say with some confidence that, indeed, we are going to get our hands on the budget, our grip on the deficit, in a way that will allow us a greater degree of confidence that indeed we can succeed in these coming years.

It may not be the tool I would have chosen first. It may not be the tool I believe ought to ultimately be preserved in law in perpetuity. But it is a tool that will allow us for the next 5 years to make some effort to do what we desperately need to do, and that is find a way to reduce the deficit, find a meaningful way to assess our expenditures, find a way to ensure that we pass the best possible piece of legislation each and every time it involves spending. That is what this allows us to do, and I am very hopeful that we have made the right decision tonight.

This has been another in an ongoing series of debates about how best to accomplish deficit reduction and a meaningful plan for balancing the budget. I hope that our colleagues can now come together on other issues, as well, especially on that which we have felt all along is needed, if indeed this or anything else is going to work, and that is a budget plan that will accomplish the deficit reduction we need.

There are now 8 days left before the legal deadline, before the Budget Committee must report a budget resolution. There are 23 days prior to the time this body must act on a budget resolution. We tell the American people they need to pay their taxes by April 15. The law also requires that we pass a budget resolution by April 15. That, too, is a tool. That, too, ought to be something that has the priority that the line-item veto had this week.

I am hopeful we still can meet that goal. I am not optimistic. But whether it is April 15 or some time shortly thereafter, let us use that tool as well to achieve what we know we must. We know we must make the tough decisions and it is time we get on with it.

We have made a tough decision tonight. I think, all things considered, it was the right decision.

Again, let me commend those who had a role to play in the debate. It was a good debate, a debate that educated the American people and certainly our colleagues with regard to the implications of this legislation.

I think the Congress has served its role very well. I commend those involved and I now yield the floor.

RECESS UNTIL 9:45 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate now stands in recess until 9:45 a.m. tomorrow, March 24, 1995.

Thereupon, the Senate, at 10:05 p.m, recessed until Friday, March 24, 1995, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate March 23, 1995:

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

MARY S. FURLONG, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 1999, VICE DANIEL W. CASEY, TERM EXPIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

JEFFREY M. LANG, OF MARYLAND, TO BE DEPUTY UNITED STATES TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR, VICE RUFUS HAWKINS YERXA, RESIGNED.

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

JEROME A. STRICKER, OF KENTUCKY, TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING SEPTEMBER 25, 1998, VICE SHIRLEY CHILTON-O'DELL, TERM EXPIRED.

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

ROBERT A. KOHN, OF MARYLAND
JERRY K. MITCHELL, OF MARYLAND

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE, AS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

CAROLS F. POZA, OF FLORIDA
YING PRICE, OF MARYLAND
ROBERT A. TAFT, OF CONNECTICUT

THE JUDICIARY

CARLOS F. LUCERO, OF COLORADO, TO BE U.S. CIRCUIT JUDGE FOR THE TENTH CIRCUIT, VICE A NEW POSITION CREATED BY PUBLIC LAW 101–650, APPROVED DECEMBER 1, 1990.

WENONA Y. WHITFIELD, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ILLINOIS, VICE WILLIAM L. BEATTY, RETIRED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED BY ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATE CODE:

JUDGE ADVOCATE GENERAL'S CORPS

To be Major

ADAMS, JOHN A., 000–00–0000
*ALLEN, NORMAN F., 000–00–0000
*BALDWIN, GREGORY T., 000–00–0000
BARNES, TRACY A., 000–00–0000
*BECKER, PETER G., 000–00–0000
BRENNER-BECK, DRU A., 000–00–0000
*BROWN, RICHARD O., I, 000–00–0000
*BUTLER, STEVEN E., 000–00–0000

*CHIARELLA, LOUIS A., 000–00–0000
*CHITWOOD, MITCHELL, 000–00–0000
*CORE, DAVID A., 000–00–0000
*CORN, GEOFFREY S., 000–00–0000
*COZZIE, ROBERT M., 000–00–0000
*DOSS, ANN M., 000–00–0000
*ECONOM, SHELLEY R., 000–00–0000
EINWECHTER, JOHN P., 000–00–0000
*FORD, FRED K., 000–00–0000
*GARRETT, JAMES F., 000–00–0000
*GERESKI, JOHN T., 000–00–0000
*HAWK, SAMUEL D., 000–00–0000
*HAYES, CHARLES D., JR., 000–00–0000
*KEE, CONRAD S., I, 000–00–0000
*KERN, WILLIAM R., 000–00–0000
*KEY, JAMES D., 000–00–0000
*KRIVDA, MARY K., 000–00–0000
*LAHM, DAVID M., 000–00–0000
*LERCH, CHRISTINE, 000–00–0000
MARTIN, EDWARD J., 000–00–0000
*MC CORD, MARY M., 000–00–0000
*MURPHY, JEROME A., 000–00–0000
*NANCE, JEFFERY R., 000–00–0000
*NICASTO, ANTHONY P., 000–00–0000
O'BRIEN, EDWARD J., 000–00–0000
*PARK, KATHRYN S., 000–00–0000
*PARKER, CURTIS A., 000–00–0000
*PEDE, CHARLES N., 000–00–0000
*PERRITT, BILLY D., 000–00–0000
*PODLASKI, KEVIN P., 000–00–0000
*REDMON, STEPHEN T., 000–00–0000
*RISCH, STUART W., 000–00–0000
*SAINSBURY, MICHAEL, 000–00–0000
*SAVAGE, ANGELA S., 000–00–0000
*SEITSINGER, MARK W., 000–00–0000
*SHEERAN, EDWARD J., 000–00–0000
*SIEMIETKOWSKI, JOHN, 000–00–0000
*SMITH, MICHAEL E., 000–00–0000
STOREY, ERIC G., 000–00–0000
*STRUNCK, THOMAS F., 000–00–0000
*TOZZI, KENNETH J., 000–00–0000
*TURNEY, PAUL H., 000–00–0000
*WALTERS, STEVEN M., 000–00–0000
*WILKERSON, LAUREL L., 000–00–0000
*WOLLSCHLAEGER, DARI, 000–00–0000

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICERS OF THE MARINE CORPS RESERVE FOR TRANSFER INTO THE REGULAR MARINE CORPS UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531: U.S. MARINE CORPS AUGMENTATION LIST.

To be captain

ALLEN, DAVID F., 000–00–0000
ALPERT, CHRISTOPHER J., 000–00–0000
ANDERSON, JAMES P., 000–00–0000
ARAUJO, THEODORE L., 000–00–0000
ASKEW, JAMES B., 000–00–0000
ATKINS, CYNTHIA M., 000–00–0000
AUDSLEY, WALTER W., 000–00–0000
BARGER, DANIEL P., 000–00–0000
BARR, ROBERT S., 000–00–0000
BEUKE, JAMES F., JR., 000–00–0000
BLAU, JEFFREY L., 000–00–0000
BLESSING, MICHAEL A., 000–00–0000
BLOT, HAROLD W., JR., 000–00–0000
BOOS, GERALD F., JR., 000–00–0000
BOYER, RICHARD T., 000–00–0000
BOZEMAN, KENNETH M., 000–00–0000
BRENNAN, JAMES C., 000–00–0000
BRIGHT, JAMES M., 000–00–0000
BROUGHTON, ALLEN D., 000–00–0000
BROWN, GREGORY R., 000–00–0000
BROWN, WILLIAM M., JR., 000–00–0000
BUDDE, MARK V., 000–00–0000
BULLARD, KIMBALL S., III, 000–00–0000
BULMAN, TIMOTHY P., 000–00–0000
BURLINGAME, JOHN C., 000–00–0000
BURTON, DAN E., 000–00–0000
CANNION, DWAYNE K., 000–00–0000
CANTRELL, THOMAS L., 000–00–0000
CAPUTO, RICHARD L., JR., 000–00–0000
CARTER, MICHAEL L., 000–00–0000
CASSIDY, TIMOTHY M., 000–00–0000
CEDERHOLM, MICHAEL S., 000–00–0000
CHABOLLA, MIGUEL, 000–00–0000
CHATMAN, ALEXANDER A., JR., 000–00–0000
CHENAIL, KEVIN M., 000–00–0000
CHRISTENSEN, JERRY T., 000–00–0000
CLARK, ALAN B., 000–00–0000
CLARK, BART W., 000–00–0000
CLARK, JAMES C., 000–00–0000
CLARKSON, JOHN B., 000–00–0000
CLOSE, BRADLEY C., 000–00–0000
COKE, CHRISTOPHE P., 000–00–0000
COKER, STEVEN K., 000–00–0000
CONLEY, SEAN P., 000–00–0000
CORDELL, ROGER L., 000–00–0000
COTE, JOHN D., 000–00–0000
COTE, ROBERT P., 000–00–0000
COX, MICHAEL E., 000–00–0000
CROSS, KENNETH H., 000–00–0000
CURATOLA, JOHN M., 000–00–0000
DARCY, PATRICK J., 000–00–0000
DEFFENBAUGH, LANCE D., 000–00–0000
DELACRUZ, STEVE A., 000–00–0000
DEMERS, JEFFREY R., 000–00–0000
DEVLIN, JEFFREY S., 000–00–0000
DIBENEDETTO, ANTHONY P., JR., 000–00–0000
DICKERSON, WILLIAM N., 000–00–0000
DINGEE, ANDREW J., 000–00–0000
DUNKIN, STEVE M., 000–00–0000
DUNN, JEFFREY M., 000–00–0000
EGENOLF, ROBERT W., 000–00–0000
EHNOW, ROBERT M., 000–00–0000
EVERETT, CURTIS J., 000–00–0000
EZYK, DAVID A., 000–00–0000
FACUNDUS, JOHN E., 000–00–0000
FAIRCLOTH, JOHN K., JR., 000–00–0000
FEENEY, JAMES P., 000–00–0000
FEGARD, STEPHEN A., 000–00–0000
FERNANDEZ, MICHAEL M., 000–00–0000
FLANERY, PATRICK S., 000–00–0000
FOGG, MICHAEL D., 000–00–0000
FORCUM, LYLE E., 000–00–0000
FORD, ROBERT B., 000–00–0000
FRENCH, CHRISTOPHER L., 000–00–0000
GAITHER, MICHAEL S., 000–00–0000
GALLAGHER, JOSEPH V., III, 000–00–0000
GALLIGAN, PATRICK J., 000–00–0000
GARFIELD, PETER J., 000–00–0000
GASKILL, THOMAS M., 000–00–0000
GEISLER, MATTHEW J., 000–00–0000
GILLCRIST, EDWARD, 000–00–0000
GILMORE, ANDREW J., 000–00–0000
GIUDICE, RICHARD J., 000–00–0000
GORSKI, ROBERT B., 000–00–0000
GOULET, JOSEPH R., 000–00–0000
GRASSO, DOMINIC A., 000–00–0000
GREENWOOD, FREDERIC J., 000–00–0000
GROGAN, PETER A., 000–00–0000
GRUTER, JESSE L., 000–00–0000
GUZMAN, RANDOLPH A., 000–00–0000
HAHN, CHET P., 000–00–0000
HARDMAN, KYLE E., 000–00–0000
HARGIS, DARREN L., 000–00–0000
HATHAWAY, SETH A., 000–00–0000
HENDERSON, CHARLES R., 000–00–0000
HENRY, JOHN M., 000–00–0000
HERRERA, JAMES H., 000–00–0000
HESFORD, JOHN P., JR., 000–00–0000
HITCHCOCK, MICHAEL C., 000–00–0000
HOGAN, JOHN S., 000–00–0000
HUTCHINSON, MICHAEL T., 000–00–0000
HYAMS, HENRY M., III, 000–00–0000
JACKSON, BRIAN L., 000–00–0000
JENKINS, OLIVER G., 000–00–0000
JENNINGS, STEPHANIE C., 000–00–0000
JESSUP, KARLA M., 000–00–0000
JOHNSON, BRANDON F., 000–00–0000
JOHNSON, THOMAS V., 000–00–0000
JOHNSON, JAMES C., JR., 000–00–0000
KEENEY, JEROME T., III, 000–00–0000
KIEFNER, MATTHEW A., 000–00–0000
KILLEA, KEVIN J., 000–00–0000
KIMBROUGH, RONALD S., 000–00–0000
KING, LONNIE F., 000–00–0000
KNABEL, JOHN F., 000–00–0000
KNUTH, MARK D., 000–00–0000
KOCHANSKI, ROBERT J., 000–00–0000
KOJAC, JEFFREY S., 000–00–0000
KRAFFT, JOHN C., 000–00–0000
KREKEL, ROBERT A., 000–00–0000
KU, BRIAN L., 000–00–0000
KUDSIN, MICHEL W., 000–00–0000
KUHN, BRIAN E., 000–00–0000
KUMAGAI, KIRK J., 000–00–0000
LANDECHE, LANCE K., 000–00–0000
LAO, RAMON, 000–00–0000
LARSON, KURT B., 000–00–0000
LEMONS, GREGORY L., 000–00–0000
LIBERACE, JAMES P., 000–00–0000
LIZOTTE, BRIAN B., 000–00–0000
LOFTESNES, GREGORY C., 000–00–0000
LUCAS, WILLIAM S., 000–00–0000
MAC DOUGALL, KEVIN M., 000–00–0000
MACKIE, THOMAS J., 000–00–0000
MAC TOUGH, ROBERT B., JR., 000–00–0000
MANIS, CHRISTOPHER S., 000–00–0000
MARQUISE, DANIEL R., 000–00–0000
MARRON, JOSEPH A., 000–00–0000
MAXWELL, WILLIAM H., 000–00–0000
MC CARTHY, MICHAEL A., 000–00–0000
MC CLELLAND, MARC A., 000–00–0000
MC CONNELL, MARK G., 000–00–0000
MC COY, MICHAEL G., 000–00–0000
MC HENRY, FREDERICK S., 000–00–0000
MC KAY, RAYMOND N., 000–00–0000
MC LENNAN, SCOTT L., 000–00–0000
MC NAMARA, BRIAN F., 000–00–0000
MC NAMARA, JOHN J., 000–00–0000
MELLOTT, WILLIAM C., 000–00–0000
MERCADO, LUIS A., 000–00–0000
MICHAUD, ROBERT C., 000–00–0000
MICHELSEN, CHRISTOPHER J., 000–00–0000
MILES, SCOTT G., 000–00–0000
MILLER, MICHAEL C., 000–00–0000
MITCHELL, BONNIE J., 000–00–0000
MOCKBEE, THOMAS B., 000–00–0000
MONTGOMERY, EDWARD M., 000–00–0000
MONTGOMERY, JAY B., 000–00–0000
MORRIS, RONALD M., 000–00–0000
MORSE, LOUIS J., JR., 000–00–0000
MYRICK, RICHARD E., 000–00–0000
NELSON, MARK W., 000–00–0000
NELSON, TROY L., 000–00–0000
NEMETH, THOMAS J., III, 000–00–0000
NESTER, WALTER J., III, 000–00–0000
NEWMAN, STEPHEN C., 000–00–0000
O'CONNOR, KEVIN S., 000–00–0000
O'LEARY, THOMAS J., 000–00–0000
OWEN, DAVID M., 000–00–0000
PATTERSON, PAUL D., JR., 000–00–0000
PERLAK, JOSEPH R., 000–00–0000
PERRY, DUANE B., 000–00–0000
PERRY, MICHAEL W., 000–00–0000
PETERS, MARK E., 000–00–0000
PFISTERER, DAVID P., 000–00–0000
PIERSON, JOSEPH C., 000–00–0000
PINNEY, CHARLES D., 000–00–0000
POHLMAN, DAVID L., 000–00–0000
POMATTO, MICHAEL P., 000–00–0000
PRIMM, STEPHEN W., 000–00–0000
PUGH, FRANKLIN L., JR., 000–00–0000
PUSKAR, JOHN M., 000–00–0000
RAY, EDDIE S., 000–00–0000
REYES, JOHN D., 000–00–0000
RILEY, PATRICK T., 000–00–0000
RILEY, RICHARD J., 000–00–0000
ROSENBERG, ANDRE J., 000–00–0000
ROSS, SYLVIA D., 000–00–0000
RUBLE, SAMUEL L., 000–00–0000
RUTLEDGE, JOSEPH, 000–00–0000
SALAS, BRYAN F., 000–00–0000
SCALISE, MICHAEL L., 000–00–0000
SEILHAMER, MARK E., 000–00–0000
SELLECK, RICHARD M., 000–00–0000
SEXTON, CLARENCE E., JR., 000–00–0000
SHARP, JOSEPH W., 000–00–0000
SHELBURNE, JON W., 000–00–0000
SHENBERGER, MICHAEL C., 000–00–0000
SIMPSON, STEPHEN A., 000–00–0000
SINIFF, DEAN T., 000–00–0000
SISSON, JOHN A., 000–00–0000
SMITH, HORACE W., 000–00–0000
SMITH, JEFFREY A., 000–00–0000
SMITH, KENNETH 000–00–0000
SOLLNER, JOHN F., 000–00–0000
STANTON, JOHN A., 000–00–0000
STEININGER, ROBERT M., 000–00–0000
STENBERG, ROLLAND E., 000–00–0000
STERLING, DONALD G., 000–00–0000
STOUT, CHARLES D., 000–00–0000
SULLIVAN, CHRISTOPHE G., 000–00–0000
SWAN, STUART M., 000–00–0000
SWARTZ, PETER G., 000–00–0000
SWEITZER, DOUGLAS J., 000–00–0000
TAYLOR, TROY D., 000–00–0000
THIRY, JEFFREY A., 000–00–0000
THOMAS, JOHN J., 000–00–0000
TIMBERLAKE, THOMAS B., 000–00–0000
VARA, JOHN C., 000–00–0000
VESELY, DALE S., 000–00–0000
VISTED, WILLIAM A., 000–00–0000
WALKERWICZ, RONALD C., 000–00–0000
WALSH, MICHAEL J., 000–00–0000
WALSH, THOMAS F., III, 000–00–0000
WANG, ALBERT C., 000–00–0000
WARIS, JAMES R., 000–00–0000
WELLING, JAMES L., 000–00–0000
WERTZ, SCOTT C., 000–00–0000
WHITE, JACK R., 000–00–0000
WILCOX, ANDREW G., 000–00–0000
WILEY, DONALD J., 000–00–0000
WILKES, HERMAN L., JR., 000–00–0000
WILLIAMS, BRIAN A., 000–00–0000
WILLIAMS, CHRISTOPHE W., 000–00–0000
WILLIAMS, JOHN P., 000–00–0000
WILLSON, BRENT S., 000–00–0000
WINICKI, ANTHONY A., 000–00–0000
WOLFE, EDWIN A., 000–00–0000
WOLFE, RICHARD T., JR., 000–00–0000
WOODARD, KENNETH M., 000–00–0000
WOOTEN, MICHAEL E., 000–00–0000
YOSTEN, BERNARD J., 000–00–0000

To be first lieutenant

ABBOTT, PATRICK J., 000–00–0000
AKERS, DARRELL L., 000–00–0000
ALBERTS, CLINTON D., 000–00–0000
AMELSE, STEVEN P., 000–00–0000
ANDERSON, JAMES H., II, 000–00–0000
ARLEDGE, CARA S., 000–00–0000
ARMELLINO, JOHN, JR., 000–00–0000
AZEVEDO, ROGER S., 000–00–0000
BAIRD, ROBERT A., 000–00–0000
BAKER, DEADRICK D., 000–00–0000
BARNES, LEWIS R., 000–00–0000
BARTELT, BRAD S., 000–00–0000
BASH, GARY L., JR., 000–00–0000
BECK, STEPHEN R., JR., 000–00–0000
BEETH, CLANTON D., 000–00–0000
BELLON, DAVID G., 000–00–0000
BEST, WILLIE J., 000–00–0000
BIANCA, ANTHONY J., 000–00–0000
BIEN, STEFAN E., 000–00–0000
BLACKBURN, JAMES M., 000–00–0000
BLIGH, EDWARD W., 000–00–0000
BOARDMAN, AMY C., 000–00–0000
BOTUCHIS, LISA M., 000–00–0000
BOWEN, JOHN R., 000–00–0000
BRADLEY, TIMOTHY 000–00–0000
BRINEGAR, THOMAS J., 000–00–0000
BRUUN, DOUGLAS B., 000–00–0000
CALEY, JAMES C., 000–00–0000
CAMDEN, SCOTT E., 000–00–0000
CARPENTIERO, MICHAEL A., 000–00–0000
CASSERLY, LAWRENCE A., 000–00–0000
CEPEDA, SALVADOR E., 000–00–0000
CHERRY, IAN G., 000–00–0000
CHERRY, SEAN T., 000–00–0000
CHRISTOPHER, JOHN P., 000–00–0000
CLARK, VINCENT E., 000–00–0000
COBLE, NEAL S., 000–00–0000
COCHRAN, DOUGLAS S., 000–00–0000
CONGDON, WILLIAM J., 000–00–0000
COOK, BRENDAN G., 000–00–0000
COOK, MATTHEW S., 000–00–0000
CORBETT, JOSEPH M., 000–00–0000
CORCORAN, KEVIN M., 000–00–0000
CORDOVA, KIRK F., 000–00–0000
GOUGHLIN, KEVIN M., 000–00–0000
COUNTS, DWIGHT N., 000–00–0000
CURTIS, JENS A., 000–00–0000
DALLMAN, JON M., 000–00–0000
DAVIES, EVAN W., 000–00–0000
DAYZIE, LADANIEL 000–00–0000
DEPPA, BRIAN N., 000–00–0000

DEWYEA, THOMAS P., 000–00–0000
DILL, JEFFREY J., 000–00–0000
DISNEY, JAMES W., 000–00–0000
DIXON, CHRISTOPHE G., 000–00–0000
EATON, DUSTIN C., 000–00–0000
EBELING, WILLIAM S., 000–00–0000
EHLERT, CHARLES E., 000–00–0000
ESTEPP, JACK E., 000–00–0000
ETTIEN, STEVEN D., 000–00–0000
FARRIS, DAVID L., 000–00–0000
FERRIS, TRENT J., 000–00–0000
FIELD, GEOFFREY H., 000–00–0000
FOSTER, JONATHAN D., 000–00–0000
FOSTER, ROGER A., 000–00–0000
FRAMPTON, JAMES S., 000–00–0000
FREDERICK, THOMAS E., 000–00–0000
GANN, MICHAEL J., II, 000–00–0000
GAUL, DAVID E., 000–00–0000
GIBSON, HAROLD K., 000–00–0000
GOODES, JEFFERY, O., 000–00–0000
GRAHAM, WILLIAM L., 000–00–0000
GRAY, DONALD E., JR., 000–00–0000
GRIGGS, DUDLEY R., 000–00–0000
GRUENDEL, DARREN J., 000–00–0000
GUARNIERI, CHRIS T., 000–00–0000
HAIRSTON, REGINALD L., 000–00–0000
HALLSTROM, SCOTT V., 000–00–0000
HARRISON, LYLE M., 000–00–0000
HARWELL, BRETT A., 000–00–0000
HAWKINS, DOUGLAS A., 000–00–0000
HAYES, KENT W., 000–00–0000
HEARN, JEFFERY M., 000–00–0000
HENDERSON, SCOTT H., 000–00–0000
HENSEY, DAVID A., 000–00–0000
HENSIEN, JAMES R., 000–00–0000
HIGGINS, RONALD M., 000–00–0000
HOLLON, ROY F., 000–00–0000
HOSMER, MARK N., 000–00–0000
HOTTENDORF, JOSEPH K., 000–00–0000
HOWARD, TONY L., 000–00–0000
HUBBARD, MICHAEL P., 000–00–0000
HUMPHREY, RUSSELL W., 000–00–0000
HUNT, JEFFREY L., 000–00–0000
HUNTLEY, PETER D., 000–00–0000
INGRAM, DENNIS J., 000–00–0000
IULO, JAMES T., 000–00–0000
JACKSON, MICHAEL S., 000–00–0000
JACOBS, JON M., 000–00–0000
JAKOVICH, EDWARD K., III, 000–00–0000
JENKINS, ROBERT P., JR., 000–00–0000
JENSEN, LARS D., 000–00–0000
JOERGER, CHARLES A., 000–00–0000
JOHNSON, JEFFREY J., 000–00–0000
JOHNSTON, KEVIN O., 000–00–0000
KAVANAGH, KEVIN J., 000–00–0000
KEELER, CURTIS R., 000–00–0000
KEOUGH, LAURENCE L., III, 000–00–0000
KERZIE, TODD A., 000–00–0000
KETCHEM, MATTHEW D., 000–00–0000
KING, JAMES A., 000–00–0000
KNAPP, SCOTT F., 000–00–0000
KNARR, KENNETH A., 000–00–0000
KOONS, DAVID G., 000–00–0000
KREBS, DAVID A., 000–00–0000
KUHN, THOMAS E., 000–00–0000
LADOUCEUR, DAVID L., 000–00–0000
LANCASTER, DAVID W., 000–00–0000
LAND, OMAR D., 000–00–0000
LAUGHEAD, PAUL A., 000–00–0000
LEFAN, BRUCE W., 000–00–0000
LEIBA, HOWARD A., 000–00–0000
LENOX, PAUL T., 000–00–0000
LEONARD, SCOTT D., 000–00–0000
LESHO, PAVEL T., 000–00–0000
LEVY, MICHAEL J., 000–00–0000
LIMON, SALVADOR L., III, 000–00–0000
LITTLE, JOHN A., 000–00–0000
LIZOTTE, MARIA C., 000–00–0000
LONGWELL, DANIEL E., 000–00–0000
LUIZ, ANTHONY R., 000–00–0000
LUKEZ, FRANK A., 000–00–0000
LUPER, PHILLIP T., 000–00–0000
LYNNE, REX D., 000–00–0000
MAC INTYRE, DOUGLAS J., 000–00–0000
MADSEN, JOHN C., 000–00–0000
MALEC, MICHAEL W., 000–00–0000
MANNING, MICHAEL A., 000–00–0000
MANSON, JOHN M., II, 000–00–0000
MANUEL, ANTHONY J., 000–00–0000
MARBLE, ERIC S., 000–00–0000
MARKAKOS, PETER S., 000–00–0000
MARTIN, MICHAEL S., 000–00–0000
MATOS, JOSEPH A., 000–00–0000
MATTHES, DANIEL W., 000–00–0000
MC BRIDE, SEAN M., 000–00–0000
MC CARTHY, KYLE B., 000–00–0000
MC CARTHY, ROBERT E., III, 000–00–0000
MC CONNELL, STEWART C., 000–00–0000
MC DONNELL, MICHAEL T., 000–00–0000
MC DONOUGH, JOHN E., 000–00–0000
MC GOWAN, BRANDON D., 000–00–0000
MC KNELLY, LAWRENCE S., 000–00–0000
MC KNIGHT, JOHN G., 000–00–0000
MC LELLAN, ARCHIBALD M., 000–00–0000
MC NAMARA, CRAIG P., 000–00–0000
MEANS, FLOYD M., JR., 000–00–0000
MEZAORTEGA, GUILLERMO G., 000–00–0000
MILBURN, ANDREW R., 000–00–0000
MILLER, LINDA A., 000–00–0000
MONTALVO, WILLIAM C., 000–00–0000
MOOREFIELD, DAVID C., 000–00–0000
MORRIS, DAN E., 000–00–0000
MURPHY, MARK A., 000–00–0000
NASH, CHRISTOPHE B., 000–00–0000
NYKANEN, MICHAEL D., 000–00–0000
O'HORA, DANIEL P., 000–00–0000
O'NEAL, MICHAEL S., 000–00–0000
OSBORNE, JEFFREY D., 000–00–0000
OSKAR, DANIEL R., 000–00–0000
PALOMBO, STEVEN G., 000–00–0000
PARDUE, CLINTON E., 000–00–0000
PARK, ROBERT Y., 000–00–0000
PASAGIAN, ARTHUR J., 000–00–0000
PATALINO, PATRICK M., 000–00–0000
PEMBER, MYLES F., IV, 000–00–0000
PERKINS, LIONEL P., III, 000–00–0000
PETERS, NICHOLAS W., 000–00–0000
PETERSON, TYROME A., 000–00–0000
PETIT, PAUL T., III, 000–00–0000
PHILLIPS, RICHARD L., II, 000–00–0000
PIERSON, GRAHAM C., 000–00–0000
POWELL, DOUGLAS M., 000–00–0000
PRATT, PAUL J., 000–00–0000
PRIEST, THOMAS E., 000–00–0000
RALSTON, MINTER B., IV, 000–00–0000
RASMUSSEN, JOHN, G., II, 000–00–0000
REID, DESMOND A., JR., 000–00–0000
REVENTLOW, KEITH D., 000–00–0000
RICE, JAY N., 000–00–0000
RICHARDSON, DEREK G., 000–00–0000
RICHARDSON, PAUL W., 000–00–0000
RINE, ERIC L., 000–00–0000
ROBINSON, GREGORY L., 000–00–0000
ROMASKO, EDWARD H., 000–00–0000
ROSS, RANDY W., 000–00–0000
RUNYAN, MICHAEL A., 000–00–0000
RUOCCO, JOHN F., 000–00–0000
RUSH, RICHARD C., 000–00–0000
SALVADORE, ANTHONY M., 000–00–0000
SAYER, BRICE D., 000–00–0000
SBRAGIA, CHAD L., 000–00–0000
SCHAFFER, BRENT C., 000–00–0000
SCHMID, STEVEN J., 000–00–0000
SCHOLER, MARK T., 000–00–0000
SCHWEITER, HERBERT E., 000–00–0000
SCOTT, CHRISTOPHE B., 000–00–0000
SEEK, DWIGHT C., 000–00–0000
SEIFFERT, BRIAN F., 000–00–0000
SHARKEY, JOHN J., JR., 000–00–0000
SHERMAN, BRETT T., 000–00–0000
SIDES, CHARLES L., 000–00–0000
SIMMONS, DEREK E., 000–00–0000
SISAK, THOMAS J., 000–00–0000
SKINNER, GREGG, 000–00–0000
SMITH, HOWARD P., JR., 000–00–0000
SPATARO, JOSEPH P., 000–00–0000
STALLWORTH, CLAUDE A., 000–00–0000
STEHLY, JOSEPH A., 000–00–0000
STOCKS, JAMES A., 000–00–0000
SULLIVAN, DANIEL R., 000–00–0000
SULLIVAN, PAUL A., 000–00–0000
SVENDSEN, STEVEN R., 000–00–0000
TAVUCHIS, CHRISTOPHE A., 000–00–0000
THOENE, MAX E., 000–00–0000
THORNTON, PAUL, R., III, 000–00–0000
TODD, KEVIN L., 000–00–0000
TONTINI, JEFFREY S., 000–00–0000
TRAMONT, ROBERT L., 000–00–0000
TWOHIG, BELINDA L., 000–00–0000
URIBE, RICK A., 000–00–0000
VANMESSEL, JOHN A., 000–00–0000
VINCENT, ERIC L., 000–00–0000
WALTER, MARK M., 000–00–0000
WARD, WALTER D., 000–00–0000
WARE, HUGH R., 000–00–0000
WARE, STEVEN C., 000–00–0000
WASHBURN, JAMES S., 000–00–0000
WEICK, DANIEL H., 000–00–0000
WELCH, JERALD R., 000–00–0000
WENDLING, FRANK E., 000–00–0000
WEST, JERRY J., II, 000–00–0000
WESTER, SEAN D., 000–00–0000
WHALEY, STEVEN L., 000–00–0000
WHEELER, KENT E., 000–00–0000
WHITESIDE, DWAYNE A., 000–00–0000
WILLIAMS, KARL E., 000–00–0000
WISCHMEYER, WILLIAM D., JR., 000–00–0000
WOODCOCK, JONATHAN A., 000–00–0000
WOODS, JEFFREY K., 000–00–0000
WORTH, CALVERT L., JR., 000–00–0000
WOULFE, JAMES B., 000–00–0000
WRIGHT, ARTHUR L., 000–00–0000
WRIGHT, BRIAN P., 000–00–0000
WRIGHT, CARL M., III, 000–00–0000
WYNN, GERARD A., JR, 000–00–0000
ZELLER, SIDNEY G., 000–00–0000
ZUCHRISTIAN, CHRISTOPHE M., 000–00–0000
ZURLINI, CRAIG R., 000–00–0000

To be second lieutenant

BURTON, TIMOTHY G., 000–00–0000
FERARES, FREDERICK G., 000–00–0000
HASLE, CARLTON W., 000–00–0000
RINEHART, KURT A., 000–00–0000
STEPHENS, THOMAS S., JR., 000–00–0000
WANDO, WILLIAM M., 000–00–0000

THE FOLLOWING-NAMED LIMITED DUTY OFFICERS OF THE REGULAR MARINE CORPS FOR APPOINTMENT AND DESIGNATION AS UNRESTRICTED OFFICERS IN THE REGULAR MARINE CORPS UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5589: U.S. MARINE CORPS UNRESTRICTED LIST.

To be major

CLARKE, HOWARD P., 000–00–0000

To be captain

PETRUZZIELLO, MICHAEL A., 000–00–0000

THE FOLLOWING-NAMED OFFICER OF THE U.S. NAVY FOR TRANSFER INTO THE REGULAR MARINE CORPS UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531:

To be captain

WILLIAMS, EUSEEKERS, JR., 000–00–0000

IN THE NAVY

THE FOLLOWING-NAMED CAPTAIN IN THE LINE OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL (LOWER HALF), PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS, THEREFORE, AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

JOHN B. PADGETT III, 000–00–0000

THE FOLLOWING-NAMED COMMANDERS IN THE LINE OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADE OF CAPTAIN, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICERS

To be captain

ANDREWS, VINCENT J., 000–00–0000
ARROWOOD, ROGER A., 000–00–0000
BADGER, CARLOS S., 000–00–0000
BAKER, JEFFREY W., 000–00–0000
BELCHER, CHARLES G., 000–00–0000
BERTSCH, FRED S., III, 000–00–0000
BOOKERT, REUBIN B., 000–00–0000
BOYER, JAMES C., 000–00–0000
BOZIN, STANLEY D., 000–00–0000
BRADO, ROBERT F., 000–00–0000
BRANNON, ROBERT B., 000–00–0000
BRIGGS, ALFRED N., III, 000–00–0000
BROWN, JERRY J., 000–00–0000
BURLINGNAME, NEIL C., 000–00–0000
CALLAND, ALBERT M., III, 000–00–0000
CAMPBELL, JAMES L., 000–00–0000
CAREN, MARK S., 000–00–0000
CASSIAS, JEFFREY B., 000–00–0000
CHRISTENSON, JOHN D., 000–00–0000
CHRISTMAN, WILLIAM E., 000–00–0000
CLARK, FRANK N., 000–00–0000
COOPER, JAMES S., 000–00–0000
CORRIGAN, DENNIS M., 000–00–0000
CRAFT, WILLIAM P. 000–00–0000
DAVIDSON, LYAL B. 000–00–0000
DEARTH, RANDOLPH S., 000–00–0000
DEASARO, LOUIS P. 000–00–0000
DENIS, DAVID A., 000–00–0000
DESTEFANO, ROBERT, 000–00–0000
DEWEY, BRIAN E., 000–00–0000
DONNELLY, JOHN J., 000–00–0000
DONOVAN, THOMAS J., 000–00–0000
DONOVAN, WALTER J., JR., 000–00–0000
DOUGLASS, STANLEY W., 000–00–0000
DUFFIE, DAVID A., 000–00–0000
ECKELBERRY, JOHN R., 000–00–0000
EVANOFF, JOHN D., II, 000–00–0000
FABER, GERALD W., 000–00–0000
FALZETTA, OTTAVIO A., 000–00–0000
FLAMMANG, HAROLD J., JR., 000–00–0000
FOLLY, FRANK E., 000–00–0000
FOREMAN, DAVID E., 000–00–0000
FOSTER, RICHARD P., 000–00–0000
FUQUA, MICHAEL T., 000–00–0000
FURSMAN, THOMAS M., 000–00–0000
GALLAGHER, RICHARD K., 000–00–0000
GARRETT, CARL E., JR., 000–00–0000
GARRETT, GENE W., 000–00–0000
GIBSON, JAMES H., 000–00–0000
GOVE, DAVID A., 000–00–0000
GREGORY, THOMAS J., 000–00–0000
GUTH, JAMES D., 000–00–0000
HAEFNER, ALAN M., 000–00–0000
HALLOWELL, PAUL E., JR., 000–00–0000
HARDEMAN, EDWARD L., 000–00–0000
HAWKS, LEE A., 000–00–0000
HEATH, RONALD Y., 000–00–0000
HEELY, TIMOTHY L., 000–00–0000
HEINE, DAVID G., 000–00–0000
HERBERT, MAURICE M., 000–00–0000
HICKS, WILLIAM M., 000–00–0000
HILL, GEORGE C., 000–00–0000
HOLT, ROBERT L., 000–00–0000
HOPPOCK, RONALD E., 000–00–0000
HORSMAN, JOHN P., JR., 000–00–0000
HOVATTER, PATRICK J., 000–00–0000
HUFFINE, CHARLES H., 000–00–0000
HUNT, PATRICK W., 000–00–0000
JABLONSKI, EDWARD R., 000–00–0000
JAGOE, DONALD A., 000–00–0000
JASKOT, RICHARD D., 000–00–0000
JENSEN, RICHARD J., 000–00–0000
JOHNSON, SCOTT T., 000–00–0000
JONES, GARY R., 000–00–0000
JORDAN, WILL H., 000–00–0000
JOYCE, MAURICE S., 000–00–0000
KASER, ROBERT D., JR., 000–00–0000
KASKY, PHILIP C., 000–00–0000
KIRCHER, HARTMANN J., IV, 000–00–0000
KNIGHT, JAMES T., 000–00–0000
KNOUSE, CRAIG R., 000–00–0000
KOLLMORGEN, LELAND S., 000–00–0000
KRULL, RODGER P., 000–00–0000
KUPPERS, ROBERT H., JR., 000–00–0000
LEE, JAMES E., JR., 000–00–0000
LEGHART, MARTIN J.S., 000–00–0000
LEMEN, JON F., 000–00–0000
LENCI, MARK R., 000–00–0000
LINSCOTT, JEFFREY D., 000–00–0000
LIPPERT, ROLLIN G., 000–00–0000
LOHOSKI, EDWARD F., JR., 000–00–0000
LONG, LINDA D., 000–00–0000

LOPEZ, DAVID R., 000–00–0000
LUCK, CHARLES W., 000–00–0000
LUKE, RICHARD T., 000–00–0000
LYNCH, JOHN, 000–00–0000
LYONS, JAMES E., 000–00–0000
MACINTYRE, JOHN M., 000–00–0000
MATHEWS, MICHAEL J., 000–00–0000
MAULDIN, RICHARD J., 000–00–0000
MAUNEY, CARL V., 000–00–0000
MAWHINNEY, DAVID A., 000–00–0000
MAYER, GEORGE E., 000–00–0000
MCCARTHY, WILLIAM J., 000–00–0000
MCDONOUGH, ROBERT J., 000–00–0000
MCKINLEY, GARY M., 000–00–0000
MCNAMARA, CHRISTOPHER P., 000–00–0000
MERRILL, ROY A., III, 000–00–0000
MILLER, BRUCE E., 000–00–0000
MORRELL, KENNETH A., JR., 000–00–0000
MORRIS, LOUIS F., 000–00–0000
MOYE, WILLIAM C., 000–00–0000
NATALE, JOSEPH J., 000–00–0000
NELSON, ARNE J., 000–00–0000
NORTON, CARLETON P., 000–00–0000
NOWAKOWSKI, MICHEAL P., 000–00–0000
O'BRIEN, DAVID R., 000–00–0000
O'CONNOR, THOMAS J., JR., 000–00–0000
OFFER, DEREK F., 000–00–0000
OWSLEY, ROBERT C., 000–00–0000
PATTOON, DANIEL C., 000–00–0000
PERKINS, RICHARD C., 000–00–0000
PETERSON, GARY A., 000–00–0000
PURCELL, MARC L., 000–00–0000
READE, ANTHONY R., 000–00–0000
ROGERS, EDWARD J., III, 000–00–0000
SALTER, LARRY G., 000–00–0000
SCHERER, ROBERT J., JR., 000–00–0000
SCHOULTZ, ROBERT P., 000–00–0000
SCHUTZENHOFER, ROBERT R. 000–00–0000
SERFASS, PAUL T., JR., 000–00–0000
SHARP, MICHAEL A., 000–00–0000
SLOSS, DANIEL D., 000–00–0000
SMITH, JOHN W., 000–00–0000
SNYDER, JAMES S., 000–00–0000
SQUICCIARINI, PETER D., 000–00–0000
STAFFORD, JOE N., 000–00–0000
STAIR, GERALD K., JR., 000–00–0000
STANLEY, PAUL S., 000–00–0000
STANTON, PAUL E., 000–00–0000
STARK, JAMES K., JR., 000–00–0000
STROTT, JOHN B., 000–00–0000
SWEENEY, ROBERT L., III, 000–00–0000
SWEET, WILLIAM J., 000–00–0000
TAYLOR, DAVID C., 000–00–0000
TEATES, JOHN F., 000–00–0000
TENGA, RICHARD 000–00–0000
THOMAS, DAVID L., 000–00–0000
TOWNER, RICHARD L., 000–00–0000
TRACY, MICHAEL C., 000–00–0000
TUOHY, MATTHEW W., 000–00–0000
VERNON, ROBERT J., 000–00–0000
WALLACE, JUSTIN, L., 000–00–0000
WALSH, JOHN J., 000–00–0000
WALTERS, CLYDE T., 000–00–0000
WEAVER, KEITH T., II, 000–00–0000
WEBBER, CHARLES F., 000–00–0000
WEGNER, BRIAN J., 000–00–0000
WELLOCK, STEPHEN M., 000–00–0000
WEST, ROBERT C., 000–00–0000
WETHERBEE, JAMES D., 000–00–0000
WILLIAMS, RICHARD B., 000–00–0000
WILLIAMS, RUSSELL T., 000–00–0000
WILLIS, MONTGOMERY P., 000–00–0000
WOODS, JAMES A., JR., 000–00–0000
WYATT, CHARLES A., 000–00–0000
ZACHARIAS, DAVID A., 000–00–0000
ZAZWORSKY, DANIEL S., 000–00–0000
ZELLER, RNADEL L., 000–00–0000

ENGINEERING DUTY OFFICERS

To be captain

ARMSTRNG, DAVID T., JR., 000–00–0000
BOURNE, CARLTON M., 000–00–0000
BROOKS, JEFFREY A., 000–00–0000
BUTLER, JOHN D., 000–00–0000
CONNELL, ROGER J., JR., 000–00–0000
EDWARDS, JOHN A., 000–00–0000
HAMMER, DAVID A., 000–00–0000
LANGAN, JOHN R., 000–00–0000
LUEBKE, WILLIAM H., 000–00–0000
LYMAN, KATHLEEN M., 000–00–0000
MARSH, BERT, 000–00–0000
MASON, BRADLEY J., 000–00–0000
NOLLIE, THOMAS C., JR., 000–00–0000
O'HARE, MARK S., 000–00–0000
PARKER, FREDERICK H., 000–00–0000
RIES, DANIEL E., 000–00–0000
SCHWARTING, RICHARD A., 000–00–0000
SIEDBAND, MARC A., 000–00–0000
TODD, GREGORY B., 000–00–0000
VIOLETTE, THOMAS F., 000–00–0000
WEBB, KENNETH R., 000–00–0000
WILHOIT, GEORGE Z., 000–00–0000

AEROSPACE ENGINEERING DUTY OFFICERS (ENGINEERING)

To be captain

CURTIS, JOHN T., 000–00–0000
GAGNON, DONALD R., 000–00–0000
JEWETT, CHARLES E., 000–00–0000
KUPOVITS, TERRY M., 000–00–0000
LANGFORD, JOHN D., JR., 000–00–0000
LEEDY, DAVID H., 000–00–0000
MESSERSMITH, ROGER J., 000–00–0000
MOEBIUS, RICHARD C., 000–00–0000
NOVAK, PAUL M., 000–00–0000
ROGERS, WALTER L., 000–00–0000
SPILMAN, THEODORE L., III, 000–00–0000
THUOT, PIERRE J., 000–00–0000

AEROSPACE ENGINEERING DUTY OFFICERS (MAINTENANCE)

To be captain

CLAWITER, JAMES H., 000–00–0000
GIBSON, STEVEN B., 000–00–0000
MARKS, KENNETH A., 000–00–0000
WEAKLEY, RANDY G., 000–00–0000

SPECIAL DUTY OFFICERS (CRYPTOLOGY)

To be captain

BERNAS, BARRY L., 000–00–0000
KURZANSKI, EDWARD J., 000–00–0000
MCDONALD, MELVYN K., 000–00–0000
NEWMAN, JAMES S., 000–00–0000
PEYRONEL, SHARON A., 000–00–0000
SCAGNELLI, MICHAEL L., 000–00–0000

SPECIAL DUTY OFFICERS (INTELLIGENCE)

To be captain

ABBOTT, EDWIN D., 000–00–0000
DOVE, THOMAS E., 000–00–0000
LAWRENCE, MARK S., 000–00–0000
MYERS, ERIC M., 000–00–0000
RICHASON, STEVEN K., 000–00–0000
VAUGHN, HOLLY A., 000–00–0000
WEIDMAN, ROBERT P., 000–00–0000
WILSON, WALTER E., 000–00–0000

SPECIAL DUTY OFFICERS (PUBLIC AFFAIRS)

To be captain

ARTERBURN, GEORGE K., JR., 000–00–0000
CARMAN, JOHN W., 000–00–0000
GRAHAM, SHEILA A., 000–00–0000
HONDA, STEPHEN, 000–00–0000
KUDLA, JAMES M., 000–00–0000
PRITCHARD, ROBERT S., 000–00–0000
VANDYKE, MARK A., 000–00–0000

SPECIAL DUTY OFFICERS (FLEET SUPPORT)

To be captain

AUGUSTINE, MARILYN J., 000–00–0000
BAILEY, ROSALIND T., 000–00–0000
BAIVIER, ANITA G., 000–00–0000
BEATTY, FLORENCE E., 000–00–0000
BROWN, NANCY E., 000–00–0000
CRAWFORD, BILLIE E., 000–00–0000
CRISP, DONNA L., 000–00–0000
DRISLANE, PATRICIA A., 000–00–0000
FICHTE, SUSAN D., 000–00–0000
HINE, CATHERINE E., 000–00–0000
HONEY, NANCY E., 000–00–0000
ILLIG, CHRISTINA F., 000–00–0000
JACOB, JODEE C., 000–00–0000
MAYBAUMWISNIEWSKI, SUSAN C., 000–00–0000
MCCULLOM, SARAH S., 000–00–0000
OAKLEAF, ANN C., 000–00–0000
STARZY, VIRGINIA L., 000–00–0000
USHER, JILL R., 000–00–0000
WEST, CAROL, 000–00–0000
WHITEHEAD, CORNELIA D.G., 000–00–0000
YATES, SANDRA J., 000–00–0000

SPECIAL DUTY OFFICERS (OCEANOGRAPHY)

To be captain

CLARK, ROBERT L., 000–00–0000
DONALDSON, THOMAS Q.V., 000–00–0000
RANELLI, PETER H., 000–00–0000
SWAYKOS, JOSEPH W., 000–00–0000

LIMITED DUTY OFFICERS (LINE)

To be captain

GLIDDEN, ERIC S., 000–00–0000
HANSON, JAMES H., 000–00–0000
JAEH, ROLAND, H., 000–00–0000
PROCTOR, DANNY L., 000–00–0000
REA, JERRY F., 000–00–0000

EXTENSIONS OF REMARKS

TRIBUTE TO SIGNET BANK OF MARYLAND

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. CARDIN. Mr. Speaker, I rise today to pay special tribute to the Signet Bank of Maryland on its 200th anniversary of serving the Baltimore community. Originally established as the Bank of Baltimore on Christmas Eve 1795 by the Maryland General Assembly, Signet Bank of Maryland is the direct descendant of that original bank.

For two centuries, the Bank of Baltimore and its descendants have remained on the same site, at the heart and core of Baltimore. The bank has steered a steady and profitable course through the War of 1812, numerous financial panics of the 19th century, the Great Fire of Baltimore in 1904 and the Great Depression.

In 1985, Union Trust Bancorp, a descendant of the original Bank of Baltimore, and Bank of Virginia Co. merged to create a $7 billion multibank institution. The name was changed to Signet Banking Corp. a year later. Presently, Signet Bank of Maryland is a full-service commercial bank with 87 locations throughout central Maryland, the Eastern Shore, and the Maryland suburbs of Washington DC. In offering specialized services for retail and commercial banking, international trade finance, trust, asset-based lending and leasing, cash management, real estate, insurance and consumer financing, Signet is an important contributor to the prosperity of Baltimore and Maryland.

A subsidiary of Signet Banking Corp., which is approximately a $10 billion multibank holding company, Signet Bank of Maryland and its ancestors have been the financial home for many generations of Baltimoreans. Signet has shared in Maryland's rich history and there is little doubt that it will continue to be a major contributor to our community into the 21st century.

I hope my colleagues will join me in extending congratulations to Signet Bank of Maryland in celebrating its 200-year history in Maryland.

TRIBUTE TO THE LEAGUE OF WOMEN VOTERS OF MODESTO

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. CONDIT. Mr. Speaker, I rise today to recognize and congratulate the League of Women Voters of Modesto for its 48 years of dedicated service to the voters of our community in the 18th Congressional District. This year marks the 75th anniversary of the League of Women Voters of the United States. During its historic past throughout our Nation, the league has encouraged the informed and active participation of citizens in government as well as influenced public policy through education and advocacy.

The League of Women Voters of Modesto under the leadership of its first president in 1947, Helen Pierce, to its current president, Julie Saugstad, has provided a driving force in our community to keep our voters abreast of the issues facing our local communities as well as the Nation. In the 1950's, the Modesto league began studying local government institutions under the leadership of Esther Beard Brack and Mary Johnson, founding members and former presidents. With the aid of former president, Thelma Van Overbeek, the league opened its first office. As the 1960's progressed, so did the league's involvement with issues on both the State and local levels. The work of then presidents Doris Scanlon and Irene Chadwick made it possible for the league to hold televised Candidate's Nights. In the 1970's, the league began holding a weekly television program to educate the community about pressing issues. In addition, it began printing its ever-popular Facts for Voters in both English and Spanish. At that time, the league worked under the direction of Connie Harris, Carole Davis, and Alita Roberts.

The league of Modesto continued its work in the 1980's by actively participating in local activities. Local member Kenni Friedman went on to become president of the League of Women Voters of California. Former local presidents, Myrtle Osner, Dorothy Schmidt, Jean Hamp, and Lisa Howard along with the rest of the members brought the league into the 1990's by their continued participation in government. The league can proudly reflect on two of its local members Councilmember Friedman of Modesto and Supervisor Pat Paul of Oakdale who have been elected to local government posts.

The league has continued its original mission of providing voter service and education by its candidates forums, production of Facts for Voters, and the lobbying of government bodies.

Mr. Speaker, on March 25, 1995, the League of Women Voters of Modesto will be recognized for its years of service at the Stanislaus County Commission for Women 16th Annual Outstanding Women Celebration. Since the inception of this annual event, 32 members of the league have been recognized as Outstanding Women.

I am proud to represent such fine members of our community as well as to recognize the league for its invaluable service.

INTRODUCTION OF PRESIDIO LEGISLATION

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Ms. PELOSI. Mr. Speaker, today, I am introducing bipartisan legislation to create a Presidio Trust at the Presidio in San Francisco which is included in the national park system as part of the Golden Gate National Recreation Area.

I am pleased to be joined in this bipartisan effort by my colleague from California, Representative STEPHEN HORN, and by Representative BENJAMIN GILMAN from New York. These Members, from east to west, appreciate the national significance of the Presidio and the need for innovative ways to reduce Federal costs for its operations.

Presidio Trust legislation, H.R. 3433, was considered by the Congress in the last session where it passed the House and was reported by a 20 to 0 vote in Senate committee. It was not taken up by the full Senate in the final days of the session.

Creation of a Presidio Trust would enable Federal costs for this national park to be reduced considerably. The structure of the trust is based on the study of 19 management models by independent financial and real estate experts who determined that this legislative proposal would be successful in reducing costs to the Government.

The legislation calls for private-sector expertise and management of the Presidio's extensive nonpark properties. There are over 900 structures at the Presidio, almost half of which are historic. A significant number of these properties could be leased with revenues retained to support renovation and operation of the park's facilities.

A small board of planning and financial experts would direct the trust's activities and the National Park Service would continue its traditional management of resource protection and open-space park areas.

Today's legislation differs from H.R. 3433 in its provision for a smaller, more efficient board of experts, and its streamlined management structure. The bill's financing provisions are subject to appropriations and additional private or other financing possibilities are included.

A more detailed summary of the legislation is included below:

SUMMARY OF PRESIDIO TRUST LEGISLATION, 104TH CONGRESS

Background: The Presidio is a scenic and historic former Army post that is now included in the national park system as part of the Golden Gate National Recreation Area. Because the Presidio contains substantial building space, it offers an opportunity, unique within the national park system—to generate revenues from building leases. In order to realize the savings that this opportunity affords, a public-private management entity (Presidio Trust) with specialized financing and managerial expertise is needed.

The Presidio Trust would manage the renovation and leasing of specific Presidio properties transferred by the National Park Service. Ownership would be vested with the federal government and the Presidio would be operated as a national park with the Park Service continuing its traditional management of open space areas and visitor and public safety services.

The Presidio Trust is based on studies of 19 management models by independent financial and real estate experts. The Trust would be equipped with the following authorities:

The Presidio Trust would have managerial jurisdiction over certain Presidio properties. It would manage the rehabilitation of these properties and would lease buildings to rent-paying tenants.

Revenues from leases would be retained and used to offset costs at the Presidio, driving operating costs down and reducing the need for federal appropriations.

Capital improvements would be financed primarily from private sources. The Trust could augment or leverage private lending through credit enhancement, direct loans, and bonding. Such financing would be subject to review and approval by the Treasury Department.

Oversight of the Trust would be achieved through routine reporting and auditing requirements.

The Trust would adhere to the enabling legislation for the GGNRA and the Presidio General Management Plan.

For nearly 150 years, the federal government has invested in the Presidio as an Army post. The best way to protect this asset is by creating a management and financial mechanism that will enable it to be used and to pay for itself.

The Presidio Trust offers a good government approach that recognizes fiscal realities and offers a less costly, more business-like approach to the management of important federal assets at the Presidio.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR ADDITIONAL DISASTER ASSISTANCE AND RESCISSIONS FOR FISCAL YEAR 1995

SPEECH OF

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 15, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes:

Ms. DELAURO. Mr. Chairman, during debate on the Young amendment to H.R. 1158 that restored funding for veterans' medical care and cut funding for the AmeriCorps national service program, it was charged that AmeriCorps is hurting military recruiting. This is an absolutely false charge concocted to justify an appalling amendment that pits veterans who served our country against young people serving their communities. There also is no evidence to support this charge. To refute this charge, I am submitting for the RECORD the following letter form Assistance Secretary of Defense for Force Management, Frederick Pang:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 15, 1995.

Hon. BOB STUMP,
House of Representatives,
Washington, DC.

DEAR MR. STUMP: I understand that you are considering introducing an amendment to reduce funding for national service based on testimony from Sergeant Major of the Marine Corps, Harold G. Overstreet. This letter provides the Department's position regarding the possible effects of national service on military recruiting.

During his testimony before the House Committee on National Security on March 7, Sergeant Major Overstreet discussed results from the Marine Corps' Youth Attitude and Awareness Study that suggested national service is a threat to military recruiting. This survey is administered twice a year to a sample of 800 unmarried men, ages 16–19 years, with no military service. In particular, Sergeant Major Overstreet indicated that 47 percent of the young men responding to the survey would consider enrolling in a national service program. He also said 56 percent of the respondents believed that national service offers a better way to obtain money for college than does the military.

Unfortunately, Sergeant Major Overstreet's testimony did not include all the salient facts about national service from the survey. When asked if they were aware of national service, only 11 percent of respondents answered yes. The percentages mentioned above came after the interviewers had explained national service to the respondents. The proportions who indicated awareness of national service in October 1993 and in February 1994 were 15 and 8 percent, respectively.

At yesterday's hearing before the Personnel Subcommittee of the Committee on National Security, the Chairman asked the Service Personnel Chiefs if national service was causing recruiting problems. Each stated unequivocally that national service has not had a negative impact on recruiting. In addition, I am told that Lieutenant General G.R. Christmas further indicated that the types of people attracted to national service were very unlikely to be interested in joining the Marine Corps.

While I share Sergeant Major Overstreet's concerns about future recruiting challenges, I believe he overstated the potential impact of national service on recruiting. Given the small size of the current national service program, the greater value of the military educational benefits (Montgomery GI Bill), and the greater depth of training available in today's Armed Forces, we maintain that military recruiting is in no danger from national service. Fiscal Year 1994 was the third best recruiting year in the history of the All-Volunteer Force. In terms of recruit quality, 96 percent of new enlistees were high school diploma graduates and 72 percent scored above average on the enlistment test. Recruiting also is going well in Fiscal Year 1995.

I appreciate the opportunity to clarify the Department's position on this issue.

Sincerely,

F. PANG.

ST. PETERSBURG INTERNATIONAL FOLK FAIR SOCIETY CELEBRATES 20TH ANNIVERSARY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. YOUNG of Florida. Mr. Speaker, this weekend I had the opportunity to participate in the St. Petersburg International Folk Fair Society's [SPIFFS] 20th annual International Folk Fair, one of our city's great annual traditions.

As in past years, thousands of people flocked to the Thunderdome, the future home of major league baseball's Tampa Bay Devil Rays, to sample the ethnic cuisines of 55 nationalities and to walk through the cultural exhibits of the SPIFFS world village.

It was in 1976 that Bethia Caffery, a former columnist for the St. Petersburg Evening Independent, brought together a small group of our community's prominent ethnic leaders to organize SPIFFS as part of the city of St. Petersburg's Bicentennial Celebration. Their early successes turned this small, loosely organized group into a full time organization that now provides year-round programs throughout Pinellas County and the Tampa Bay area. They have also become a tremendous resource for our local schools to educate students about the history and culture of countries around the world, large and small.

This year's fair included the colorful Ukrainian Academy of Dance from Toronto, Canada, and Step Dancers from Ireland. Additional entertainment was provided by the various local groups that comprise SPIFFS. For me, however, the significance of SPIFFS takes hold during the opening ceremonies where the flags of the nations of SPIFFS gather around the Stars and Stripes. It is then that each of us puts away ethnic political differences to join in giving thanks for the freedoms of America and to pledge allegiance to the United States.

Mr. Speaker, it is with great admiration that I congratulate SPIFFS, its officers, and its societies for the contributions they have made to our community and to our country over these past 20 years. I salute them for their work, look forward to next year's fair, and thank the St. Petersburg International Folk Fair Society for making their Representative in Congress proud of their efforts to educate each of us about our Nation's great ethnic diversity and heritage.

PERSONAL EXPLANATION

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. BATEMAN. Mr. Speaker, on March 15, I was recorded in the CONGRESSIONAL RECORD as not voting during Rollcall Vote No. 241 although I was on the floor at that time and cast an ''aye'' vote. Evidently, a mechanical error led to this discrepancy. I have therefore submitted this statement so that my views on this matter are readily available to my constituents.

HONORING THE 30TH ANNIVERSARY OF THE NEW YORK CITY LANDMARKS LAW

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mrs. MALONEY. Mr. Speaker, I rise today to pay tribute to the 30th anniversary of the New York City landmarks law, as well as the efforts of Barbaralee Diamonstein-Spielvogel and the New York Landmarks Preservation Foundation. On April 19, 1965, after years of seeing New York's building heritage destroyed, Mayor Robert Wagner signed the landmark law. It is because of this milestone legislation that New York City leads the Nation in the preservation of its landmarks.

In commemoration of this anniversary, an unprecedented number of organizations and individuals have collaborated to arrange over 75 diversified programs, and activities scheduled over the next several months, with Barbaralee Diamonstein-Spielvogel and the New York Landmarks Preservation Foundation coordinating these efforts. The number and variety of these projects vividly demonstrates that preservation is not just the province and concern of a limited constituency. This anniversary brings into focus over 30 years of awareness on the part of historians, preservationists, architects, appointed and elected officials, and concerned citizens that New York is a city of enormous architectural resources.

Because of the landmarks law, these landmarks resources are being held in trust for the use, pleasure, and instruction of future generations. In the last 30 years the landmarks law has preserved 1,021 of the city's individual landmarks, 66 historic districts, and 93 interiors. Though this may sound like a lot of property, it is actually less than 2 percent of real estate in New York, and there is still much that must be accomplished.

I ask that my colleagues join me in saluting the 30th anniversary of the New York City landmarks law. May we all take this opportunity to renew our commitment to the past 30 years of preservation and to see that our commitment to future preservation of these landmarks continues for the next 30 years.

CONGRATULATING JUAN TAITANO EVANGELISTA

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. UNDERWOOD. Mr. Speaker, I would like to commend and congratulate Mr. Juan Taitano Evangelista, for having been awarded the Purple Heart that he so rightfully deserved for having been wounded in action while in the service of our Nation's military during World War II on Guam.

Tun Juan, the son of Pedro T. and Rosalia C. Evangelista was born in the city of Agana on October 14, 1923. In the summer of 1944, right after liberation, he served as a civilian scout of the American troops. He joined the Guam Combat Patrol at the age of 18 in the fall of 1944 and was wounded in the neck by Japanese sniper fire while on duty in the city of Agana.

Forty years later, the Secretary of the Air Force, acting for the Secretary of Defense, decided to recognize the service of Guam Combat Patrol members as active duty military service. Tun Juan was awarded the World War II Victory Medal. Although the Victory Medal was presented under direct orders from the Commandant of the Marine Corps, specific details of recipients' service records were not examined. Tun Juan's wartime injury was not taken into account.

Another decade passed before full recognition could finally be bestowed upon Tun Juan. Despite proper documentation and testimony from credible witnesses, several obstacles still presented themselves. Providing proof that he was not a foreign national was the last of these hurdles. This was, however, the easiest to overcome. Tun Juan has always been and always will be a true American.

Sharing in this recognition is his supportive family. His wife, Tan Pricilla Camacho Evangelista, his 17 children, 48 grandchildren and 3 great-grandchildren are all equally deserving of recognition because they have been, through the years, the source of Tun Juan's motivation. On behalf of the people of Guam, I commend Tun Juan Taitano Evangelista for the wartime service that he rendered our Nation and congratulate him for having been finally awarded the Purple Heart Medal that he deserved.

''WOMEN'S RIGHTS'' CONFERENCE IN BEIJING, CHINA?

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. SOLOMON. Mr. Speaker, I commend this article by Dr. Nicholas Eberstadt of the American Enterprise Institute and Harvard University to you concerning the irony of the U.S. decision to hold a conference on women in Beijing.

[From the Washington Times, Mar. 13, 1995]

U.N. SUMMIT FOLLIES

(By Nicholas Eberstadt)

Somewhere within the United Nation's vast New York headquarters, there must be an official charged with finding the most inappropriate spot on earth for each new U.N. summit.

How else to explain the upcoming U.N. World Conference on Women in Beijing—a capital that has championed coercive abortions, and revived female infanticide? Or the choice of Copenhagen—exemplar of the discredited and hypertrophied ''social welfare state—as the venue for this week's U.N. World Summit for Social Development?

Though ostensibly organized to push for the eradication of global poverty, the proceedings of the Copenhagen Summit often sounded like the work of a cruel satirist intent upon discrediting this same cause:

First Lady Hillary Clinton, whose disastrous ''health care reform'' initiative had just helped her husband's party lose control of both houses of Congress, arrived to instruct the summit's 13,000 delegates on the development strategies they should undertake in their own lands.

The non-aligned ''Group of 77,'' apparently unaware that the Cold War was over, proposed a program of ''new and additional'' aid for Third World governments, arguing that such subventions would be in the national interest of donor countries.

Meanwhile, off-stage, diplomats were concentrating upon a substantive question: Who would fill the top United Nation's Children's Fund (UNICEF) slot just opened by the sudden death of the American James P. Grant? The United States, it was widely agreed, no longer could lay exclusive claim to this plum job. According to rumors the British candidate, Richard Jolly, looked strong—except that U.N. Secretary General Boutros Boutros-Ghali wanted a woman . . .

Thus the Copenhagen Summit closes like so many U.N. conferences before it: forgettable, superficial, at moments plainly silly. And in the final analysis, this gathering has done another disservice to its nominal beneficiaries, the world's poor.

In the comfortable surroundings of the Copenhagen Summit, very few delegates were prepared to deal with some of the uncomfortable truths about global poverty: that national wealth must be created, rather than wished into existence, or extorted from countries that have accumulated it; that free international trade, and free blows of private investment, help create national wealth; that governments throughout the Third World routinely exacerbate poverty through unwise or even destructive policies and practices; or that the economic success of such countries as Taiwan and South Korea was sparked by the termination of their ''development assistance'' programs.

Unending state-to-state transfers of concessional aid will not solve the problems of the world's poor. To the contrary, as we are learning with sub-Saharan Africa and elsewhere, unconditional funding for irresponsible regimes can lead to economic ruin and national impoverishment. Such blunt themes, unfortunately, seem too serious for the light comedies we have come to expect from major U.N. productions.

TRIBUTE TO LORETTA COLLIER

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. DIXON. Mr. Speaker, I rise today to pay tribute to my good friend Loretta Collier, who retired from the State of California Department of Corrections on November 1, 1994. On Thursday, March 30, 1995, Loretta's colleagues and many friends, will gather at the Holiday Inn Crown Plaza in Los Angeles to honor her for her outstanding contributions to the Department of Corrections and the community. Loretta is a very good friend of many year standing, and I am especially proud to have this opportunity to share just a few of her distinguished accomplishments with my colleagues.

Loretta was born in St. Louis, MO, to Lucy and Raymond Collier. The eldest of three children, she graduated from St. Louis' renowned Vashon High School in 1957, and in 1961 received her undergraduate degree in sociology from Lincoln University in Jefferson City, MO. Loretta pursued graduate studies at the Washington University Brown School of Social Work. She also attended 2 years at the West Los Angeles School of Law.

Prior to settling in Los Angeles, Loretta worked for the Missouri division of welfare as a child welfare worker. In 1966, she moved to Cleveland, OH, and was employed as a counselor for the Neighborhood Youth Corps.

Three years later, Loretta moved to Los Angeles and joined the Los Angeles County Probation Department as a deputy probation officer. She spent a decade with the probation department, resigning in December 1979 to accept a new position as an administrative hearing officer for then-Los Angeles County District Attorney John Van De Kemp.

In June 1980, Loretta was appointed by then-Governor Jerry Brown to a 4-year term on the Board of Prison Terms as a parole commissioner. With her appointment to this important position, she became only the third African-American woman to hold such a position since the board was constituted in 1931. During her tenure, she presided over the parole hearings of a number of some of this country's most infamous criminals, including Sirhan Sirhan and Leslie Van Houton.

In 1989 Loretta was promoted to the position of associate chief deputy parole commissioner responsible for a geographical area that stretched from Fresno, CA to the Mexican border and from the Pacific Ocean to the Arizona border.

Loretta's last 2 years with the California Department of Corrections were spent as the senior administrative hearing officer. In light of her considerable expertise in parole matters, she was called upon to implement new procedures and policies related to the parole revocation process. In addition, she developed training programs for new deputy parole commissioners, and the staffs of the Parole and Community Services Division and the Department of Corrections. She represented the board on local television programs and on radio talk shows, as well.

In addition to her professional responsibilities as an authority on parole matters, Loretta served as a member of the California Probation, Parole, and Correctional Association. She has served as treasurer of the California Democratic Party, and is a former member of the Los Angeles County Democratic Central Committee. She is a member of the Alpha Kappa Alpha Sorority, the New Frontier Democratic Club, the Urban League, the NAACP, and the Black Women's Forum.

In recognition of her numerous and distinguished contributions to the Los Angeles community, Loretta has been honored as Los Angeles County Democrat of the Year; listed in Who's Who in American Politics; and received the Outstanding Community Service Award, presented by the New Frontier Democratic Club. In 1993, she was further honored when Vashon High School inducted her into the school's distinguished Hall of Fame.

Although she has officially retired, Loretta has turned her considerable energies to other community activities. She currently serves on a subcommittee which aids the Rebuild L.A. Project, and continues her involvement with the Crenshaw 28th Street YMCA and the Crenshaw Corridor Project.

Mr. Speaker, nearly 60 years ago, the late, renowned French-born American author and diarist Anaïs Nin noted that ''Each friend represents a world in us, a world possibly not born until they arrive, and it is only by this meeting that a new world is born.'' By her celebrated accomplishments, Loretta Collier has made this world a better place for all of us. And by her loyal and steadfast friendship, she has immeasurably enriched my world. I am pleased and honored to have this opportunity to salute her and ask that you please join me in extending to her the very best for a future that is filled with great happiness, great health, and great prosperity.

U.S.-PAKISTAN RELATIONS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. BURTON of Indiana. Mr. Speaker, each and every one of us was shocked by the deaths of the two American consular officers in Pakistan. I am sure that every Member in the House of Representatives would like to send their deepest condolences to the families of these two Americans.

Immediately following this tragedy, Prime Minister Benazir Bhutto sent a letter of condolence to the White House and vowed to bring to justice those responsible for this crime. I would like to commend this action. Over the past year, Pakistan has been the recipient of many unsubstantiated statements in the House regarding its role in world terrorism. In fact, there now exists a coordinated campaign in the House to brand Pakistan as a terrorist state.

In that regard, I would call my colleague's attention to a March 10, editorial in the Wall Street Journal which says ''the murders should not become an excuse for the United States to turn away from Pakistan, a moderate Moslem nation.'' As the United States continues to work toward improved relations with this valuable ally, we should value not only what Pakistan did for the United States during the cold war, but what a modern Pakistan will mean to us in the future. Pakistan should be looked upon as a progressive, modern, and democratic bridge to 1 billion Moslems strategically located around the Earth.

[From the Wall Street Journal, Mar. 10, 1995]

DEATH IN PAKISTAN

Americans are not killed very often in Pakistan, but when political killers do get U.S. citizens in their sights, the assaults tend to be spectacularly brutal. After a Pakistani mob stormed and torched the U.S. Embassy in Islamabad in 1979, staffers hiding in a vault were saved only at the last moment from mass suffocation. Ambassador Arnold Raphael died in the still unexplained C–130 crash that killed President Zia ul Haq near Bahawalpur in 1988. On Tuesday, an unknown number of gunmen opened up on a U.S. consular van in Karachi, killing two junior diplomats and wounding a third.

After the Zia crash, the American embassy, for still unexplained reasons, refused to let FBI experts join the Pakistani team investigating suspected sabotage. This time, Bill Clinton has vowed to pursue the killers, and G-men have been dispatched to join the search. With the help of the experienced Pakistanis, they may actually find out who pulled the triggers. But Jackie Van Landingham and Gary Durell were not picked out as targets because of some widespread anti-Americanism. The bullets that killed them were aimed at Pakistan itself.

Theories about traffickers angered by U.S. drug-fighting efforts, or about Islamists bent on revenge for the recent extradition of an alleged terrorist from Pakistan to New York miss the point. The killings come on the eve of a visit to Washington by Prime Minister Benazir Bhutto. She goes in search of a restoration of U.S. aid and greater economic ties, and will now arrive in a country that sees Pakistan through a glass even more darkly than before. The radicals may hope that the American companies that have signed mega-deals for energy projects will now get cold feet and that Pakistan will become a no-go zone for foreigners in general, with all their sorely needed capital.

Sound familiar? Perhaps like Egypt, where antigovernment Islamists have systematically targeted the tourist industry? Or like Bangladesh, where power-hungry opposition forces have used the hapless feminist writer Taslima Nasrin to get Muslim mobs on the streets? Despite their proven ability to whip up crowds, Pakistan's radical Islamic parties are political failures. They have stood for election and been rejected by a solid majority of Pakistani voters. Now they, or some other frustrated power-seekers, may be going for the cheap option of destabilization.

The murders should not become an excuse for the U.S. to turn away from Pakistan, a moderate Muslim nation with which relations have lately been rocky. Given Karachi's recent history of random sniping and bloodshed, it's alarming that U.S. government vehicles are not adequately bulletproofed—if also testimony to the safety that Americans feel there. And Pakistan should certainly re-think the yellow license-plating of all diplomatic cars with numbers that identify each car by country. On Tuesday, that big American 64 was an easy bull's-eye.

And Americans everywhere should prepare for at least one nasty aftershock. When Ambassador Raphael died with Zia, the 100% of Pakistanis who are conspiracy theorists seriously entertained the notion that the plane was brought down by the CIA. Sooner or later, some will want to blame the U.S. for the Karachi shooting as well.

But letting this tragedy sour the overdue rapprochement between Pakistan and the U.S., once allies in winning the cold war, would only hand a victory to Pakistan's radical fringe. And as bad, it would lend one more brick to those in the U.S. who want to build an isolation wall against a world that still needs American leadership and friendship.

A SALUTE TO AN ORDINARY HERO

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. OBERSTAR. Mr. Speaker, at a time when we see, hear, and read seemingly endless reports of young people engaged in crime, drug use, and self-absorption, at a time when the reputation of our military forces has been tainted by events such as the Tailhook scandal, it is uplifting to read of an act of heroism by a young sailor from Wrenshall, MN, in my congressional district.

Scott Gardner serves as a machinist and fireman aboard the repair ship USS *Yellowstone.* Last month, when the ship was docked in Nassau, Bahamas, Gardner and his fellow crewmembers came to the rescue of 50 passengers aboard a sinking ferryboat. Gardner and his buddies pulled 38 people—including two infants—from the water that day. Such rescues are not new to Gardner; last year in Greece he jumped into the water to save a German sailor who had fallen off the dock.

I am proud of Scott Gardner and his buddies, Mr. Speaker, and I believe all America should be proud of them as well. Therefore, I commend to your attention and that of my colleagues the story of these events as reported by the Duluth News Tribune.

In reading this article, Mr. Speaker, what impressed me the most was Gardner's attitude toward his heroism. To him, these acts were not heroic; they were reflexive, natural. In his view, he could have acted no other way under the circumstances.

Scott Gardner and his equally heroic crewmates do not wear stars on their shoulders or ''scrambled eggs'' on their caps. They are not Annapolis graduates or the products of elite special forces training programs. They are ordinary sailors who saw their duty and responded without question or hesitation. These young members of the U.S. Navy acted in the highest traditions of the service, and displayed

for the rest of the world the best of the American character.

[From the Duluth News-Tribute, Mar. 3, 1995]

A SAILOR, A SAVIOR—WRENSHALL MAN, CREW SAVE 38

(By Jason Skog)

When Scott Gardner heard there were babies on board the rapidly sinking water taxi, he jumped from the pier into the swift Bahamian channel's current and began saving lives.

After throwing dozens of life jackets into the water and swimming some frightened tourists to safety, Gardner and his fellow U.S. Navy crew members saved 38 people.

Gardner, a 24-year-old Wrenshall native serving aboard the USS Yellowstone, was docked in Nassau, Bahamas, on Feb. 22 when the alarms sounded. He humbly retold his story of heroism and bravery from a pay phone in Norfolk, VA., where his ship was docked this week.

Gardner's latest rescue came almost a year after he got wet saving a drunken German sailor from drowning off the coast of Corfu, Greece.

It was around dinner time and Gardner was washing up when the Yellowstone's alarm sounded, signaling somebody was in danger.

He grabbed his gear and ran up top to the deck, where he saw a boat in the channel sinking quickly. Panicked and without life jackets, people on the sinking boat began jumping into the water.

''We were throwing life jackets off the pier, but we couldn't throw them all the way and they were washing against the pier,'' Gardner said.

Gardner said he wasn't sacred.

''I saw them and something just clicks and you say, 'Hey, idiot. Go in and help.' ''

When the rescue ended, the Navy crew learned there were nearly 50 people aboard the flooded boat. Gardner's crew alone had saved 38 of them, including two babies. The others were saved by passing boats.

The Navy's Yellowstone is a repair ship that fixes other boats. Gardner, who joined the navy in 1992 after graduating from technical college, works as a machinist and fireman on the ship.

The captain of the Yellowstone had planned to stop in the Bahamas for a little fun, sun and snorkeling. The crew had just finished training drills in Cuba and the captain felt his crew needed a break before sailing to the Mediterranean Sea.

And if the alarm sounds again?

''If they made the call at 2 a.m., we'd be running down the pier,'' Gardner said. ''Because if we were in the water, we'd want somebody running to save us.''

PROMINENT CIS SCIENTISTS PROTEST CHECHNYA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. SMITH of New Jersey. Mr. Speaker, as I noted yesterday, Russia has now passed the hundredth day of its armed intervention in Chechnya. The brutality continues. Moscow gives soothing words about a cease-fire, but the shelling and the bombing continue unabated.

With this in mind, I would call attention to an open letter that I recently received, courtesy of the American Foreign Policy Council. This letter was written by three of the most prominent scientists currently living in the former Soviet Union. In this letter, A. Belavin, a physicist, and two mathematicians, V. Drinfeld and B. Feigin, characterize Moscow's actions as ''genocide and crimes against humanity'' and say, as I have maintained all along, that ''these actions cannot be considered merely an internal affair of Russia.'' I urge President Clinton and others in his administration to keep in mind the powerful message in this letter, and hope that it would be included in the President's briefing book for his upcoming trip to Moscow.

Mr. Speaker, I ask that the full text of this letter be inserted in the RECORD at this time.

DEAR FRIEND: We are compelled to write to you from the feeling that terrible crimes committed by Russian authorities and armed forces in Chechnya are not accidental, and that we are all responsible for them. These crimes, according to the testimony of journalists, human rights defenders, and mothers of the soldiers fighting there, include not only the bombing of towns and villages inhabited by civilians, but also the capturing of hostages, robberies, [and] the organization of filtration camps where people, incarcerated on the basis of their race, and cruelly beaten, tortured, maimed and murdered.

All these actions should be characterized as GENOCIDE and crimes against humanity. They cannot be considered merely an internal affair of Russia.

The Chechen crisis is not accidental. It reveals the criminal essence of the political regime that is being formed in Russia. The most dangerous aspect of the present situation is the absence of a clear appreciation of this fact.

Instead, in the public opinion, especially in the West, there still exists the myth that Russia is moving toward democracy and reforms and, unless Yeltsin is supported, fascists of the type of Zhirinovsky will take over.

We consider this opinion as deeply erroneous. Supporting democracy and human rights by words, the regime is persecuting them in a cynical and brutal way [*sic*]. Many facts give evidence for this, such as beatings and killings of honest journalists and human rights defenders who get and publish information dangerous for the regime, the criminal and corrupted methods of privatization, and many other things. Now there is an attempt of annihilation of a whole nation.

Acting by fascist methods, the regime uses Zhirinovsky and the threat of fascism for manipulating public opinion.

Russia is not moving by the path of democracy and human rights. A new regime, unusual in its cruelty and falsehood, is being born. Whether the criminal regime or democracy with a human face will take over in Russia, will, in the first place, depend on people in Russia, our ability to understand the danger and take responsibility, [and] our courage and will to stand against evil.

However, the realization by people in the West of the true state of affairs of Russia and the support of democracy, not Yeltsin, are also crucial.

We ask your help in spreading our letter.

A. BELAVIN,
V. DRINFELD,
B. FEIGIN.

THE ECONOMIC BENEFITS OF FULL COMPETITION IN ALL TELECOMMUNICATIONS MARKETS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. BONIOR. Mr. Speaker, in July 1993, I submitted for our colleagues highlights of the first WEFA [Wharton Econometric Forecasting Associates] Group study on the economic benefits of full competition in all telecommunications markets. In that study, the WEFA Group predicted that more than 3 million new jobs would be created over the next 10 years if all lines-of-business restrictions were lifted on the regional Bell companies.

The biggest obstacle to fulfilling the promise of telecommunications to the American people is the maintenance of policies at the Federal and State levels of government that restrict competition in communications markets. Regulation has failed to keep pace with the changes that have occurred in the telecommunications industry and the laws governing the industry are seriously outdated and need to be reformed. As Congress takes on the task of reforming and updating the Nation's telecommunications laws, policymakers should be mindful of the results of the most recent study by the WEFA Group that evaluated the economic impact of removing all regulatory barriers to entry in communications and permitting full competition in all communications markets.

Under one scenario, WEFA estimated the effects of immediate and simultaneous removal of all restrictions on competition in telecommunications, long distance, information services, and equipment manufacturing markets as well as the replacement of rate-of-return regulation with price regulation in all Federal and State jurisdictions. The predicted response by the economy, as determined by the WEFA Group—perhaps the Nation's preeminent economic forecasting group—gives overwhelming evidence and support that such change in policy is needed in the national interest. Under this scenario the economy would stand to gain an additional 3.4 million jobs over the next decade compared to the baseline forecast. In my home State of Michigan, immediate regulatory relief for all telecommunications companies would create more than 35,000 new jobs throughout the entire State's economy by 1998 and nearly 71,500 jobs by the turn of the century. Because telecommunications is so important to the functioning of the economy, the additional jobs created by the change of policy would be spread across all States and all major industry groups. Job gains would be realized as lower prices, service enhancements, and technology innovations all serve to boost economic activity. The surge in job growth would, in effect, discount the unemployment rate at the end of the 10-year period by 0.4 percent of a percentage point compared to the baseline forecast. At the conclusion of my remarks, I will include a statement by Morton Bahr, president of the Communications Workers of America, commending the WEFA Group study and stating that ''we applaud any legislation that will bring jobs to communications workers and

benefits to American consumers as quickly as possible.''

Other significant improvements to economic growth obtain to the economy in this scenario in addition to the employment gains. Real Gross Domestic Product [GDP] is $298 billion higher growing 0.5 percent faster on average over the 10-year period and the change in policy assumed in the scenario generates more than $900 billion more real disposable income. The balance of trade improves $14 billion due to lower domestic inflation and strengthened U.S. global competitiveness. The Federal budget deficit improves by more than $140 billion over the next decades as higher incomes boost tax revenues. Other indicators of economywide growth show dramatic increases in automobile sales and housing starts and curbing or downward pressure on consumer price inflation and long-term interest rates.

Consumers benefit tremendously under the WEFA Group study scenario of full, immediate, and simultaneous competition in all communications markets. With this change in policy, over the 10-year period, consumers reap nearly $550 billion in savings from the increased competition and the lower prices it generates compared to the baseline scenario and the continuation of the status quo in telecommunications policy. The $550 billion in consumer savings is spread across all communications markets. More competition in the long-distance market produces $333 billion in consumer savings from lower rates. More competition in the cellular market yields $107 billion in consumer savings from lower rates. More competition in the local exchange market for telephone service picks up another $32 billion in consumer savings from lower rates.

WEFA Group compared the full, immediate, and simultaneous competition scenario with two other scenarios that would have delayed the introduction of full competition in all communications markets for 3- and 5-year periods, respectively. The cost of delay and staggered competition to the economy and to consumers, as estimated by the WEFA Group, are quite significant. Furthermore, this realization underscores the importance of Congress acting now to change and reform the Nation's telecommunications laws but in so doing avoid the delay of full competition. For example, the 3- and 5-year delay scenarios create 1.5 million and 1.9 million fewer jobs, respectively, than are created in the full, immediate, and simultaneous competition scenario over the same time period. WEFA also found that every year of delay in the introduction of full competition in communications markets costs consumers $55 billion in lost savings in telecommunications services and $40 billion in lost savings on long-distance rates.

The WEFA Group study findings are in keeping with earlier studies undertaken in this area, for example the study during the last Congress by the President's Council of Economic Advisors, which confirm large gains to consumer welfare and economic growth from the unleashing of restrained competition in telecommunications markets. Those of us in the Congress who are about to take up telecommunications reform legislation should be guided and instructed by the essential findings of the recent WEFA Group study, that is, the Nation's economy and consumers would fare best with a change in policy that produced competition now in all communications markets. Continuation of the current telecommunications policy or a change of policy that produced more regulatory barriers, delay, and uncertainty would not be in the best interest of consumer welfare and economic growth. There are some interests who are pushing Congress to, in fact, stagger, delay, or sequence competition in various telecommunications markets. However, if you listen very carefully to the proponents of this argument, you will note that the markets they serve today would be the last to face the new competition, if ever, under their proposal. We need to enact legislation that gives all players a fair and equal opportunity to compete in any market they choose to enter and, therefore, need to eliminate these lines-of-business restrictions on the Bell companies as soon as possible.

Finally, Mr. Speaker, I include remarks from several Wall Street analysts who dispute the notion that there is real price competition in the long-distance telephone marketplace—a key finding of the WEFA study.

STATEMENT OF MORTON BAHR, PRESIDENT, COMMUNICATIONS WORKERS OF AMERICA, ON THE WEFA GROUP STUDY ON COMMUNICATIONS COMPETITION

WASHINGTON, DC.—The recently released study on communications competition by the WEFA Group confirms what we in CWA have known for years—that delaying full competition in the communications marketplace is costing America hundreds of thousands of jobs every year.

Congress tried to pass legislation last year that would have deregulated markets and created jobs. The opportunity is at hand again and it's time we get it right, because every year we delay is another year of lost jobs and lost consumer benefits.

CWA recognizes that competition will ultimately mean a boom in new services and new industries, and an explosion in jobs in every state and every industry in the country. That's why we support the deregulation of America's telecommunications markets as soon as possible.

America shouldn't have to wait for Information Age benefits when communications workers are ready to build the infrastructure now. We applaud any legislation that will bring jobs to communications workers and benefits to American consumers as quickly as possible. Full competition will do that, delayed completion won't.

THE VIEW FROM WALL STREET: COMPETITION IN THE LONG DISTANCE TELEPHONE MARKET

AT&T and its rivals are pushing some prices up after almost 10 years of steady discounting. This gives AT&T more room to grow profits, and it creates an umbrella over MCI and Sprint, allowing them to raise prices, too.—Kenneth Leon, Bear Stearns, 10/20/92.

AT&T, MCI, and Sprint all have high-quality earnings because they operate in a stable, oligopolistic industry * * * without serious price competition. [T]he only real threat [is] posed by the Regional phone companies which are unlikely to gain regulatory freedom to enter this business for at least 3–5 years.—Philip A. Managieri, Cowen, 8/23/93.

Margins improved for all four [long distance] carriers, reflecting an impact from price increases and steady declines in access costs.—Daniel P. Reingold and Richard C. Toole, Merrill Lynch, 2/10/94.

The combination of a cozy oligopoly that wishes to avoid price wars and falling operating expenses primarily due to [exchange] access cost reductions is an unbeatable environment in which to do business.—Timothy N. Weller and Nick Frelinghuysen, Donaldson, Lufkin & Jenrette, 6/1/94.

The long distance industry is one of today's premier growth industries. Where else can you find: (1) double-digit unit volume growth, (2) declining unit costs, on a nominal as well as real basis, (3) a $10 billion barrier to entry, (4) a benign, stable oligopoly where the price leader [AT&T] is looking to generate cash to fund other ventures, and (5) a prohibition on competition * * * It is rare to see a full-fledged price war in an oligopolistic market, witness soft drinks. The same holds true in the long distance market.—G.W. Woodlief and E. Strumingher, Dean Witter, 10/28/94.

Many investors still seem to believe that there has been some sort of ''price war'' among the major interexchange carriers. The fact is that although interstate telephone rates have come down by about 50% over the past decade, the entire decline has been ''funded'' by decreases in the amounts paid by interexchange carriers to the local exchange carriers for ''access.''—John Bain, Raymond James & Assoc., 1/12/95.

Overall, MCI's new Friends & Family program looks like just another round of discounting funded by previously announced increases in the base rates. By focusing on the discount instead of the rate, the industry has been able to quietly raise base rates while spending millions of dollars promoting ever-increasing discounts.—D. Reingold and M. Kastan, Merrill Lynch, 1/20/95.

Regardless of your carrier, you are paying higher and higher rates if you are among the tens of millions of Americans who have not signed up for a discount calling plan. The person paying the retail rate is bearing the disproportionate burden. And these are probably the people who can't afford to make a lot of phone calls and therefore [do not] qualify for those cheaper plans.—D. Briere, TeleChoice Inc., 1/21/95.

AT&T now has the same revenues as the entire Bell system just before the break up in 1984, when they spun off about 85 percent of their assets.—John Bain, Raymond James & Assoc., 1/24/95.

MCI . . . filed for a 3.9% across-the-board rate increase. We fully expect AT&T, Sprint, and the second tier carriers to follow suit. This move by MCI is extremely bullish for the long distance stocks since it sends a clear message to the investment community that the long distance industry will practice 'safe pricing' which will lead to stable revenue per minute trends.—Jack B. Grubman, Salomon Brothers, 2/6/95.

A TRIBUTE TO THE ORKAND CORPORATION

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to the Orkand Corp., with headquarters in Silver Spring, MD, on the occasion of the company's 25th anniversary. Over the past quarter of a century, Orkand has grown from 2 to 2000 employees and is a leader in the high technology market.

The company has a long history of service to the Federal Government. More recently, the Orkand Corp. has begun serving the private sector, most notably healthcare researchers. The company has enhanced the critical work performed by several Federal agencies, including the Departments of Energy, Housing and Urban Development, Labor, State, the U.S. Postal Service and the Centers for Disease Control and Prevention.

The Company's founder and president, Dr. Donald S. Orkand, is an individualist, a man who believes in equal opportunity for all men and women. On the occasion of the company's milestone anniversary, Dr. Orkand has taken the opportunity to reflect on the accomplishments of the past and to launch his company's plans to deliver its unique brand of client-centered information into the 21st century. I am proud to pay tribute to the Orkand Corp., and I am honored to add my voice to the praises of the many friends and colleagues who gather to salute Dr. Donald Orkand and his outstanding company.

''BE YOUR BEST DAY''

HON. DEBORAH PRYCE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. PRYCE. Mr. Speaker, I rise to applaud the efforts of our Nation's Girl Scouts and the activities that they took part in as part of Be Your Best Day on March 14, 1995.

On this day, Girl Scouts across the country encouraged people of all ages and walks of life to improve themselves, help a friend, or better their community.

I would particularly like to submit for the RECORD the activities of several Girl Scout troops in Columbus, OH:

Eighty girls participated in conducting science experiments on the Darby Creek, a National Scenic River, to determine the kinds of service projects they will need to maintain its pristine condition.

Approximately 50 girls participated in an I'm Safe, Alert and Alive program that enabled them to take the information and share it with young girls.

Brownie Girl Scouts, age 6 to 8, participated in dancercize, an activity that taught them how to remain fit through dancing.

Fifty girls participated in a 1-day seminar on health and fitness, focusing on basic nutrition and fitness techniques. Junior Girl Scouts were paired with Brownie Girl Scouts to share the information with them.

Two Girl Scouts troops collected food and clothing items and donated them to a social service agency for distribution.

Brownie and Junior Girl Scouts participated in a computer basics course to learn more about technology and to encourage them to pursue math and science curricula.

Several Girl Scout troops filled out pledge cards to be their best on that day and to emphasize community service throughout the year.

Mr. Speaker, as a former Girl Scout myself, I would like to commend these Scouts for their efforts. They are true examples of young women dedicated to improving their own lives and making their communities better places to live.

SEAL OF OHIO GIRL SCOUT COUNCIL, INC.,
Columbus, OH, March 1, 1995.

Memo To: Deb Fiddelke, Ass't. to U.S. Representative Deborah Pryce

From: Donna Hughes, Public Relations Director

Re: Be Your Best Day activities in Columbus

Below are some of the activities Girl Scout troops in Seal of Ohio Girl Council have planned to do for Girl Scouts of the U.S.A.'s BE YOUR BEST DAY, Tuesday, March 14 or during Girl Scout Week, March 12–18.

1. 80 girls will participate in conducting science experiments on the Darby Creek, a National Scenic River, to determine the kinds of service projects they will need to establish to maintain it's pristine condition.

2. Approximately 50 girls will participate in a ''I'm Safe, Alert and Alive'' program that will enable them to take the information and share it with younger girls.

3. Brownie Girl Scouts, ages 6–8, will participate in Dancercize, an activity that will teach them how to remain fit through dancing. This also enables then to earn a Try-It badge.

4. Scheduled later in the week, primarily due to time, 50 girls will participate in a one-day seminar on health and fitness. It will focus on basic nutrition and fitness techniques. The Junior Girl Scouts will then be paired with Brownie Girl Scouts to share the information with them.

5. Two troops are collecting food and clothing items to donate to a social service agency to distribute to clients.

6. Brownie and Junior Girl Scouts are participating in Computer Basics to lean more about the technology and how it can help them in school by encouraging them to pursue math and science curricula.

7. Troops are filling out pledge cards they have designed, pledging to be their best on March 14 and to put an increase emphasis on community service throughout the year.

The main thrust behind Be Your Best Day is to highlight the values of Girl Scouts and raise the visibility of the kind of contemporary issues Girl Scouts are confronting on a daily basis, and to get the community involved with Girl Scouts to address some of these concerns. If you need additional information about Be Your Best Day, do not hesitate to call.

GIRL SCOUTS OF THE U.S.A.,
Washington, DC, February 21, 1995.

Hon. DEBORAH PRYCE,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSWOMAN PRYCE: As a woman who has risen to the top in government because of your commitment to contemporary issues, you have shown how important it is for people to pull together and make their community a better place to live.

We would like to invite you to help us call other Americans to action on March 14, 1995. The event is ''Girl Scouts' Be Your Best Day.'' On that day we are encouraging people—children, teens, adults and senior citizens to improve themselves, help a friend or better the community.

In the spirit of the day, we would like you to get involved, perhaps in your hometown, either individually working with a special cause, or with a local Girl Scouts troop. Should you not be with your constituents on that day, perhaps you would consider joining Girl Scouts in our nation's capital who will be participating in a series of very special activities, including an intergenerational aerobics workout program.

We hope you will join us on ''Girl Scouts' Be Your Best Day,'' and would like to assure you that you do not need to make a major time commitment. We will be alerting the media about people's involvement in this day. Even half an hour of your time, whether it be speaking out to an important issue or promising to adhere to a personal resolution will help increase visibility for the hundreds of volunteers across the United States who will be participating that day.

Sincerely,

B. LARAE ORULLIAN,
National President.

CONGRESSIONAL REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 22, 1995, into the CONGRESSIONAL RECORD.

IMPROVING CONGRESSIONAL REFORM EFFORTS

The House got off to a good start this session by passing a series of internal reforms aimed at making the institution more open, efficient, and accountable. Yet in some ways the reforms are not working as well as expected. We need to revisit the changes made, as well as expand the scope of our reform effort into new areas.

Procedural reforms: On the first day of the 104th Congress, the House passed several procedural reforms—including measures to open up floor procedures, simplify the committee structure, and require Congress to comply with the same laws it passes for everyone else. These will not revolutionize the House, but they do move us in the right direction. Many were based on the work of last session's Joint Committee on the Organization of Congress. Yet there is some disappointment about the overall impact of the reforms. In many ways the House is less open and deliberative that it was last session.

A central theme of the reforms was to improve the work of congressional committees, since that is where the real work of Congress takes place. Yet the effectiveness of the committee reforms—reducing Members' committee assignments, banning proxy voting, and opening up committees further to the public—has been undermined by the new leadership's desire to pass key legislation within 100 days. The new congressional compliance bill, for example, passed the House without a single day of consideration by a House committee, even though much of the language was entirely new. No committee hearings were held on the highly complex unfunded mandates bill and only cursory hearings were held on the crime bills. Passing reforms to ban proxy voting or to open up committee deliberations makes little difference if an important bill simply bypasses the committee.

Another major reform was the promise by the new leadership to open up floor proceedings by allowing Members more opportunities to offer amendments. Yet this has simply not happened for several key bills. Many bills—from congressional compliance to the balanced budget amendment—came to the floor with limited or no opportunity for Members to amend them. The spending cut bill considered by the House last week put four-fifths of discretionary spending off limits to amendments—only those areas the committee wanted cut could be cut. It is unrealistic to expect every bill to come to the floor under open rules. That would be too unwieldy, and most Members recognize that. What is needed is that we have generous enough rules so Members can vote on the major policy issues on a particular bill; and that has not happened several times this year.

Rushing legislation through leads to mistakes. Sometimes we need to slow down to do things right and to make sure that all voices have been heard. We need a balance. The pace of legislation is important to the work product—too slow and the result is gridlock, too fast and the result is mistakes and unintended consequences.

Hearings are expected this summer on how well the new reforms are working. That is

certainly appropriate. We also should consider additional procedural reforms. One change I favor is having the House regularize the congressional reform process—taking reform up every Congress rather than having one-shot, omnibus packages every twenty years. Reform should be a continual, ongoing process. We should also streamline the budget process, publicize hidden spending projects and tax breaks, and take steps to improve public understanding of Congress.

Ethics reforms: Although we have made some progress on procedural reform in the House, not enough attention has been given to other kinds of institutional reforms—in particular various ethics reforms. It is worthwhile to change our committee or floor procedures, but at a more basic level we need to ensure the basic integrity of the legislative process. We need to pass strong lobbying reform and a ban on lobbyists' gifts to Members, as well as pass campaign finance reform that reduces the role of PACs and monied special interests. Such measures will make it clear to the American people that special interests are not getting favored consideration from policymakers.

We also need to improve our procedures for enforcing House ethics rules. I have introduced a proposal to set up an outside panel of citizens to investigate Member misconduct. That will give our disciplinary proceedings much more credibility. Another priority should be broadening our ''preventive ethics'' efforts—greater informational, outreach efforts by the Ethics Committee to head off possible cases of Member or staff misconduct before they occur.

One of our top priorities in institutional reform should be making sure that the American people have confidence in the integrity and accountability of the legislative process.

Excessive partisanship: I am also concerned about the heightened partisan tensions in Congress and the increased interest among Members on both sides of the aisle in scoring political points and embarrassing the other side. Many observers feel that the House has become too negative, too bitter, too contentious. That has a clear impact on our ability to come together to pass legislation for the good of the country—indeed it can be a much greater roadblock to effective governance than many of the procedures we reformed on the first day of this session.

Excessive partisanship is not easily addressed through rules changes or reform packages, but it is a problem that we need to start thinking seriously about. One option might be to ask the Ethics Committee to issue clearer guidelines for Members on when spirited debate has stepped over the line and is bringing discredit upon the institution. Another step would be better enforcement of rules now in place to encourage basic civility among Members.

Conclusion: The House has taken some initial steps this session toward reform, but much more needs to be done. To really improve the way we do business, our reforms need to be more effective and much broader in scope.

IN SUPPORT OF AN OPEN MEDIA IN TAIWAN

HON. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 1995

Mr. TORRICELLI. Mr. Speaker, I commend the following for the RECORD:

A PLEA TO AMERICAN FRIENDS OF TAIWAN FOR A FAIRER TELEVISION MEDIA SYSTEM IN MY COUNTRY

(By Trong R. Chai, Ph.D.)

Distinguished Members of Congress, Ladies and Gentlemen: Every time I revisited Capitol, I felt so good, as if I came back to my old sweet home. During my long residency in America, I frequently visited this place, as an advocate for human rights for the Taiwanese and for security and independence for Taiwan, my country. Since I left the U.S. for Taiwan at the turn of the last decade, I have continued to champion the same cause and values.

I am here today to call your attention to the problem of equal opportunity for the opposition to access the television media in Taiwan.

At the present, all the three nationwide television stations have been firmly controlled by the ruling Koumintang (KMT) party. By manipulation of content and twist of reporting language, in the gubernatorial and mayoral elections of last December, for example, all television stations depicted the KMT as the defender of order, stability, and prosperity, while demeaning the Democrat progressive party (the DPP), the largest opposition party, as an underminer toward social unrest and a solicitor of China's military attack. In addition, by disparity of coverage, the KMT candidates were given close to 90 percent of news coverage, whereas the DPP candidates, receiving more than 40% of popular votes, were given less than 10% of exposure, thereby creating unfair elections.

The government of Taiwan has decided to license one more nationwide television station next month to three groups submitted applications for the license last June, and one of them was submitted a KMT leader. The followup question is, ''Will the fourth television station be granted to a non-KMT group?'' This question is so important to the process of democratization in Taiwan that I believe each of you here in this room will be concerned with.

Distinguished Members, and dear friends of Taiwan: Your past influence on Taiwan's democratic development has been enormous and deeply appreciated by the people of Taiwan. Especially, at crucial milestones in the last decade, your voices helped Taiwan successfully end the old one-party dictatorship and create a two-party system, lift the 38 year-old martial law, and close the darkest record of human rights violations; thereby bringing real hopes for democratic reforms and freedom from fear. Now, at this critical juncture in selecting the winner of the fourth nationwide television station, would you give us a timely and most crucial support to ensure that this winner will be a non-KMT applicant so that democracy will not be an empty slogan but a real way of life in Taiwan.

Thank you for your attention and support.

HONORING GREEK INDEPENDENCE DAY

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. BONIOR. Mr. Speaker, I am pleased to join the Greek community to celebrate the 174th anniversary of Greek independence.

On March 25, 1821, the Archbishop of Patras blessed the Greek flag at the Aghia Lavra monastery near Kalavrita, marking the beginning of the Greek war of independence in which nearly 400 years of Ottoman rule was turned aside.

Since the war for independence, Greece has become a steadfast ally of the United States. But that alliance and freedom have not come without a price. More than 600,000 Greeks died while fighting with the Allied forces in World War II against fascism.

Ancient Greece was the birthplace of democratic values. It brought forth the notion that the ultimate power to govern belongs in the hands of the people. It inspired a system of checks and balances to ensure that one branch of government does not dominate any other branch.

These ideals inspired our Founding Fathers as they wrote the Constitution. In the words of Thomas Jefferson, ''to the ancient Greeks * * * we are all indebted for the light which led ourselves out of Gothic darkness.''

These democratic principles, formed more than 2,500 years ago, have affected change around the world. Witness our own Revolutionary War, the renewal of Greek independence, and the dramatic recent changes in Eastern Europe, the former Soviet States, and around the globe.

Today, the United States is enriched not only by Greek principles but also by its sons and daughters. Greek-Americans have made major contributions to American society, including our arts, sports, medicine, religion, and politics.

My home State of Michigan has been enhanced by the Greek community. In Macomb and St. Clair Counties, we are served by St. John's Greek Orthodox Church and Assumption Greek Orthodox Church. These institutions provide a multitude of community services and add to the rich diversity of the area.

In this changing world of ours, the challenges today include protecting the integrity of the borders of Greece and promoting the democratic ideals which originated in that country. Let us not forget the sacrifices Greeks have made to preserve freedom and enhance democracy.

Mr. Speaker, I join the people of Greece and those of Greek ancestry around the world celebrating Greek Independence Day. I salute all of them for the tremendous contributions to freedom and human dignity which they have made.

TRIBUTE TO LEROY HARRIS

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. RUSH. Mr. Speaker, I rise today with great sadness to ask my colleagues to join me in expressing our respects and sympathies to the family of Leroy Harris, who passed from this life on March 20, 1995, at the age of 81.

Mr. Harris was born in Mobile, AL. He was both a businessman and professional athlete, having been a semi-professional baseball player in the old Negro Baseball League from 1935–45. After his career as a pitcher, which was reported to be exemplary, Mr. Harris worked at American Radiators and later was an employee for the New York Telephone Co. in Buffalo, N.Y. until his retirement in 1977. Always a hard worker, Mr. Harris bought a taxi

cab business after his retirement from the telephone company and successfully ran the operation there until his health failed him in 1992. Since that time, he was fortunate to spend his remaining days with his family and friends in Chicago, IL.

Mr. Harris leaves behind a large family of sons, daughters, grandchildren, and great grandchildren. I ask my colleagues, then, to join with me in expressing our deep condolences to the extended Harris family. Thank you, Mr. Speaker, and I yield back my time.

HONORING OLYMPIC DIVING CHAMPION PAT McCORMICK

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. TORRES. Mr. Speaker, I rise to recognize Olympic Diving Champion Pat McCormick. Pat is America's most successful female Olympic diver, having won two Gold medals at the 1952 Melbourne Games and two more at the 1956 Helsinki Games.

At Melbourne, Pat won both the 10 meter platform and 3 meter springboard competition. She repeated her Gold Medal performance in both events at Helsinki. She is the only woman to have ever won four Gold Medals in these events. Adding to her Olympic Golds, Pat also garnered 27 National Diving Titles during her illustrious career. She received additional recognition in 1956 when she was awarded the coveted Sports Illustrated Sullivan Award as the Nation's most outstanding amateur athlete of the year.

Pat, a long-time resident of Seal Beach, CA, will be inducted into the Orange County Sports Hall of Fame, on March 25, 1995. On display at the Hall of Fame in the ''Pat McCormick Exhibit,'' will be her four Olympic Gold Medals.

Following her retirement from competition, Pat established the Pat McCormick Education Foundation to provide at-risk students an opportunity to graduate from high school and pursue a college education. The Education Foundation provides motivation, counseling, tutoring, and funding all the way through college for participating students. As told by Pat on numerous occasions, the foundation has helped high school students destined for academic failure to become honor students at many of our Nation's top universities.

Mr. Speaker, it is with pride that I rise to recognize Pat McCormick on the occasion of her Gold Medal Retirement Celebration, and I ask my colleagues to join me in extending best wishes and congratulations to Pat, our Gold Medal champion.

BART CHARLOW HONORED FOR LEADERSHIP IN MENTAL HEALTH CARE

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Ms. LOFGREN. Mr. Speaker, I rise today to recognize and commend Mr. Bart Charlow for his uncompromising advocacy on behalf of mental health care in Santa Clara County, CA, which includes the 16th Congressional District that I represent in this 104th Congress.

For 15 years, Mr. Charlow has actively helped families—and particulary children—touched by mental illness to overcome disability and lead rich and productive lives. As president and CEO of the Adult and Child Guidance Center in San Jose, CA, he fashioned mental health services specially designed to address the needs of many of the community's most neglected populations. As a result, the Adult and Child Guidance Center offers one-of-a-kind programs for adolescents, the hearing impaired, and Southeast Asian immigrants, among others. True to its charitable nature, the center strives to provide a treatment alternative for those who fall short of public-sector assistance.

Those who know Mr. Charlow know that his efforts carry far beyond his own organization. During my tenure as a local government official, I worked closely with Mr. Charlow and others to build a comprehensive system of mental health care for the needy and to preserve those vital health services as local government budgets for such services shrank. As president of the local contract agencies association and delegate to the countywide mental health board budget committee, he was key to these efforts.

Mr. Charlow has participated on too many community boards to mention at this time, yet it is worth noting that he has placed a particular emphasis—importantly—on efforts helping children.

Mr. Speaker, on March 27, 1995, Mr. Charlow will be honored by colleagues and friends for his intelligent and passionate leadership in the field of mental health. I would like to express my own gratitude to Mr. Charlow on behalf of my constituents in the 16th district and the U.S. House of Representatives.

TRIBUTE TO WILLIAM O. HIATT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. SKELTON. Mr. Speaker, today I wish to honor an outstanding Missourian, William O. Hiatt, Jr., of Sedalia, who was recently the recipient of the Center for Human Services' Life Achievement Award. This lifetime achievement award is a tribute for his many years of service to the Children's Therapy Center located in Sedalia, MO.

Hiatt has been involved with the center since 1967. During those years he has been a member of the board and served as president from 1982 until 1992. Hiatt worked for Missouri Public Service, until his retirement 8 years ago. He is also actively involved with other community organizations, such as the United Way, Lions Club, and the Boy Scouts.

The Center for Human Services has benefited from the countless contributions by William Hiatt. I urge my colleagues to join me in commending him for his dedication and perseverance on all his achievements through the years.

CUT THE TECHNO-PORK

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. STARK. Mr. Speaker, Mr. T.J. Rodgers, the CEO of Cypress Semiconductor located in San Jose, CA, wrote the following memo for the Red Herring magazine, January 1995 issue.

He makes some excellent points: Government megascience programs all too often become the grossest of pork projects. Keep it small, keep it simple, keep it seed money for merit-based research is his message. It is a message worth heeding.

The article follows:

CYPRESS SEMICONDUCTOR

January 9, 1994.

To: The Congress of the United States of America.

From: T.J. Rodgers, CEO of Cypress Semiconductor.

Re: Cut the Techno-Pork!

My advice to the new Congress on technology policy is to kill government science megaprograms, get out of the technology-subsidy business, and double science and technology funding for universities through thousands of small grants. These priorities are particularly important for Republicans who find big-science wonders hard to resist.

With the possible exception of the Manhattan Project, government science megaprograms have a terrible record of return on the taxpayers' investment. Remember synfuels? This scheme to create gasoline from coal followed the classic, eight-step scenario for wasteful government megaprograms:

(1) Scare the hell out of them. (What happens when the oil cartel shuts off the gasoline?)

(2) Declare that the program is so big, only the government can pull it off. (Translation: No other sucker could be convinced to invest in this loser.)

(3) Get expert advice. (Translation: Listen to oil industry lobbyists who are paid to know that what is good for the oil industry is good for America.)

(4) Create a consensus. (Translation: Spread the pork out to enough states to get the bill passed.)

(5) Execute. (Translation: Use government funds to hire a large P.R. staff.)

(6) Fail.

(7) Lose $88 billion.

(8) Blame the Republicans for underfunding the project.

Remember the superconducting supercollider (SSC)? I debated a particle physicist from the University of Texas-Arlington on National Public Radio on its merits. He claimed that $12 billion was a cheap price to discover the sixth and elusive ''top quark'' subatomic particle. I argued that the genius of the physics community would find a cheaper way to float the top quark in electric and magnetic fields long enough to take its picture. A few weeks later, Congress canceled the SSC. A few weeks after that, the top quark had its first snapshot taken at Chicago's Fermi labs. Then, a Texas entrepreneur proclaimed the $4 billion 10-mile hole in the ground created for the SSC an ideal spot for growing mushrooms.

Boeing and Lockheed have just teamed up to work on Space Shuttle II. What did Space Shuttle I accomplish to justify the next multibillion dollar investment? Certainly, it launched many satellites, but they could

have been launched more cheaply with disposable rockets. Indeed, if the American taxpayer had not been forced to subsidize those shuttle satellite launches (wiping out any possible competition that would have had to pay full cost), there might now be a viable private American corporation capable of launching satellites—a boon to the entrepreneurs waiting in line for years for a satellite launch.

NASA has run out of useful work for the shuttle, let alone its successor. So we are bombarded by reports of German and Russian astronauts using the Canadian robot arm to perform ecology experiments. The large P.R. efforts that form in step 5 of all government megascience endeavors have learned that spreading the pork (step 4) now must be both an international and a politically correct endeavor.

Some shuttle experiments—at a cost of about $500 million each—are simply ludicrous. Who cares or will ever care if spiders spin their webs differently in zero gravity? And technology con men are having a field day. One University of Houston professor convinced NASA to spend $2.5 billion on five shuttle flights to make space-grown gallium arsenide (GaAs) semiconductor wafers, the starting material for GaAs computer chips. The flight produced five wafers at a cost of about $100 million each. The promise is that in the near-perfect vacuum of space, the shuttle will produce GaAs semiconductor wafers nearly perfect in crystal structure. Eventually, the space-grown wafer cost is projected to drop to $10,000 per wafer.

I am a member of the board of directors of the largest GaAs chip maker in the United States. Here are the facts:

(1) Current terrestrial GaAs wafers cost $500.

(2) The hypothesized improvement in the crystal structure of space-grown wafers is irrelevant, since the GaAs chip manufacturing process destroys and rebuilds the crystal as part of the process.

(3) All GaAs companies would go out of business if their wafers cost $10,000 each.

The basic problem with megaprogram funding is that particle physicists, space scientists, and big-company technology experts can have their way with a lay Congress that barely comprehends the complex technologies it is funding. And even that minimal comprehension comes only when huge sums are expended on ever-increasing congressional staffs.

After eliminating the big-science megaprograms, Congress should attack the technology subsidies that Secretary of Labor Rober Reich reasonably calls ''corporate welfare''. The corporate subsidy most often touted as a success by the Clinton administration (yes, they speak on both sides of the issue) is Sematech, the Austin-based semiconductor research facility that has been given $1 billion in two five-year grants so far. A reasonably well-run organization, Sematech recently announced it would not seek a third $500-million grant. (Of course, the original Sematech promise was that it would not come back to Congress the second time.) The Clinton administration believes Sematech should be replicated in other industries. But its record is not one that warrants replication:

Sematech has as members only 12 of America's 200 semiconductor companies.

Two of Sematech's original 14 members quit because even with their dues halved by government subsidy they could not justify the investment.

The big companies that control Sematech's board designed the consortium's dues structure to prevent small, entrepreneurial companies from joining. A $20-million chip company that may someday be the next Intel must pay 5 percent of revenue, while Intel itself pays only 0.15 percent of its revenue—a 33-to-1 ratio, which is the primary reason so few companies joined Sematech originally. Of course, Intel, which makes over $1 billion a quarter in pre-tax profits, needs the subsidy a lot less than the small companies that were excluded. But the political system provides the opposite results: Only big companies can muster the lobbying resources to convince Congress to subsidize them. And why would they share the pork with the upstarts?

Sematech used its government subsidy to attack directly the other 100-plus American chip companies that were not Sematech members. After the checks were signed and the TV lights turned off, Sematech began granting funds to companies that make the critical equipment for the production of computer chips—in return for contracts to hold back the most advanced equipment from all but Sematech members for up to one year. (The deals, which Sematech denied repeatedly, were discovered during a lawsuit.) It is no wonder that Sematech insisted on and received antitrust immunity as part of its funding legislation.

If Sematech's silicon-chip subsidy represents the Clinton/Gore model for government subsidies, it's up to the new Republican Congress to stop its replication. Let's not copy a system that allows well-heeled corporations to use their lobbying clout to entrench themselves with taxpayer subsidies, to the detriment of new companies with new ideals.

The flow of bright, well-educated technologists into industry is much more important to American high-tech businesses than are subsidies to prop up ailing giants. And by cutting out science megaprograms and corporate technology subsidies, the new Congress can both cut the federal budget and free up funds to increase university research funding.

Many Silicon Valley venture capitalists—no friends of big government—believe that the defunct DARPA (Defense Advanced Research Projects Agency) was one of the most effective government technology programs. They credit it with funding such winning pre-venture capital investments as the UNIX computer operating system work done by Sun Microsystems founder Bill Joy.

DARPA funded my doctoral studies on transistor physics at Stanford. The high-performance chips I worked on may or may not have improved national defense, but I became one of the hundreds of DARPA-funded Ph.D.s who flooded into Silicon Valley from Stanford and Berkeley. What caused an unlikely agency like DARPA to provide decent return on government investment?

DARPA conducted classified military research, which kept Congress on a need-to-know basis. Thus DARPA projects avoided having to spread the pork or to hire a P.R. staff to maintain viability.

DARPA contracts were awarded by competent technical experts on a merit basis without much political consideration. DARPA also had a ''customer,'' the Pentagon, that had at least a long-run interest in the usefulness of what it funded.

DARPA tended to fund the large number of small programs, rather than wasteful megaprojects. The agency was on the right side of the economic tradeoff that demands the sacrifice of 1,000 chances to fund the next Bill Joy/Sun Microsystems in order to fund one superconducting supercollider.

Unfortunately, today's ARPA, the non-defense version of the old DARPA, is drifting back into politics. Members of Congress fantasize about ''dual use'' (military and commercial) technology, with the hope of picking losers and winners, the latter preferably in their districts. There are debates about where the ''retraining'' funds should be spent when military programs are shut down.

Some of this is inevitable—ARPA's mission is hazier and more politicized that DARPA's. But the agency's best chance for success is if Congress leaves it alone, allowing it to set technical priorities and give out thousands of small grants to universities based only on a peer-review meritocracy.

The new Congress has an opportunity to shrink the federal government and simultaneously help America's technology industries. It involves getting politics out of the laboratory and supporting education on a non-partisan, merit basis.

OPPOSITION TO SUMMER YOUTH PROGRAM RESCISSIONS

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. QUINN. Mr. Speaker, I rise today in opposition to the proposed elimination of the Summer Youth Program. I fully support the program and will fight to restore its funding when the rescissions bill is sent to the conference committee later this year.

At the same time, I encourage private sector businesses to contribute to the Summer Youth Program so they may make a contribution to the communities in which they do business. In these times of tight budgetary constraints, it is my hope that local businesses can assist in ways that the Government can no longer afford.

Although I support the Summer Youth Program, I also saw the need for reducing the deficit. If we continue to spend money we don't have, we will be passing the financial burden on to our children.

Mr. Speaker, I urge all of my colleagues, especially the members of the Appropriations Committee, to work to restore the funds necessary to continue the summer youth program.

FAIR COMPENSATION FOR KRIS MURTY

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. COLEMAN. Mr. Speaker, today I have introduced legislation which would allow for the Federal Government to right an injustice wrought upon one of its own over 8 years ago. In January 1985, the Department of the Army extended a job offer to Mr. Kris Murty, then of Houston, TX, for a position at Ft. Bliss, TX. He received orders authorizing reimbursement for miscellaneous expenses, unexpired lease expenses, and temporary quarters subsistence expense. It was with this understanding that Mr. Murty accepted the position. Upon his relocation to Ft. Bliss Mr. Murty was awarded an advance for his travel costs.

Several months later, Mr. Murty was notified that the Army had erred. At that time, Mr. Murty was instructed that he must make restitution for the Army's mistake. Without recourse, his wages were garnished.

Mr. Murty acted in good faith with the Department of Army. His acceptance of the position hinged on the Army's assurances that it

would cover these expenses. Mr. Murty has spent the last 8 years exhausting all possible avenues of redress. His last recourse is the bill of private relief which I have introduced today.

The Comptroller General of the United States has reviewed Mr. Murty's claim and agrees that his case deserves to be favorably considered by Congress. I urge the committee of jurisdiction to take up this legislation expeditiously so that this issue will be fairly and judiciously settled once and for all.

PERSONAL EXPLANATION

HON. DAN MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. MILLER of Florida. Mr. Speaker, during Rollcall Vote 265, the Roukema amendment, I was unfortunately unable to be present.

I would have voted ''yes'' on the amendment.

TRIBUTE TO MR. AND MRS. HEINDL

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. CLINGER. Mr. Speaker, I rise today to recognize Mr. and Mrs. Heindl for the many acts of kindness they have bestowed on our community. It is an honor and a privilege to express my gratitude to this generous couple. Truly, the Heindls epitomize the type of people that make our local communities great. These are the real life heros that kindle the spirit of giving in each one of us.

When we look at role models in history, the ones who get recognized the most are sometimes the least worthy. I hope that volunteers like the Heindls continue to be recognized as they are most deserving. One of the traits that make people like the Heindls so special is that they do it out of the goodness of their heart. The only motives behind their actions is the hope that those around them will in some way be bettered by their hard work. I can speak for everyone when I say that we have all been touched by their philanthropy.

One of the most important facets in our society is the education system; it lays the foundation for future leaders. Contributions, like those of the Heindls, prove to enhance the system and benefit community members for years to come. The Ridgway residents I am speaking of today have made significant contributions to the Ridgway Area Public Schools. They have selflessly donated their time and resources to ensure that new facilities would be constructed for use by all students. By giving of themselves so freely, they set an example for all of us to follow.

Mr. Speaker, it is my distinct pleasure to recognize Mr. and Mrs. Heindl for all of their kindness and dedicated service on behalf of the Ridgway community. I extend to them my best wishes for continued health and happiness.

WISHING ''BO'' WILBURN AND SUSIE BOWES WELL ON THEIR WEDDING DAY

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. FIELDS. Mr. Speaker, thank you for allowing me to take a moment to wish two very special people well as they prepare to join in holy matrimony this Saturday in Texas.

Mark ''Bo'' Bryan Wilburn of Dayton, TX, will marry Kathleen Sue Bowes of Houston at the Heaven on Earth plantation in Missouri City, TX, this Saturday. ''Bo'' is a peace officer in the Houston area, while Susie is a fifth grade teacher at Timber Elementary School in Humble. Following their wedding, the couple plans to live in the Humble area.

''Bo'' is the son of Tom and Janet Wilburn of Dayton, TX, and Susie is the daughter of William and Barbara Bowes of Houston. Since I first took office in January 1981, Barbara has served as my district coordinator, while Bill has for many years served as chairman of my Service Academy Nominations Board.

Mr. Speaker, thank you for allowing me this opportunity to observe this upcoming union, and thank you for joining with me in wishing ''Bo'' and Susie much happiness on their wedding day and throughout their lives together.

CELEBRATING THE LIFE OF JIM GRANT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. GILMAN. Mr. Speaker, this week I was privileged to participate in a very special event to mark the life of Jim Grant, one of the most extraordinary public servants the world has ever seen, who died earlier this year at the age of 77.

Memorial services are often held at which the passing of a noted public figure is lamented. But, for those who gathered in the Russell caucus room to remember Jim Grant, it was in celebration of a life that was devoted with energy, enthusiasm, endless persistence and, yes, joy, to saving and improving the lives of children in the world's poorest countries.

Those who offered remembrances of Jim Grant included Congressmen DAVID OBEY and TONY HALL; Warren Unna, John Sewell, president of the Overseas Development Council; Dr. Richard Jolly of UNICEF; Mrs. Margaret Catley-Carlson of the Population Council, and two of Jim's sons, John and James D. Musical interludes were provided by the World Children's Choir.

One of Jim's greatest gifts was his ability to imbue others with that same sense of demanding dedication that motivated his own life, and that was how the speakers recalled him.

Jim Grant was one of the most remarkable men it has ever been my privilege and my pleasure to know and to work with.

Never elected to public office, he nonetheless was one of the most effective politicians and diplomats I can recall, particularly when it came to working the Halls of Congress.

His special constituents were the children in the world's poorest countries. He worked tirelessly to improve their conditions.

Jim used his role as executive director of UNICEF as a bully pulpit to prod, pull, and pummel the international community into facing the awful realities of malnourishment and disease that annually claims the lives of millions of children.

Jim Grant placed special emphasis on adapting new findings in the drug and health industries—immunization, breastfeeding, oral rehydration therapy—to low-cost applications that parents could use at home to care for their children.

He was relentless in pursuit of resources to support programs to save and improve the lives of children. Jim's motto was, the difficult gets done immediately, the impossible takes a little longer.

Jim was a leader who went out to see for himself. No project was too remote to escape his interest. Traveling with Jim in Africa meant bouncing around in Land Rovers and Jeeps to check on village health programs in the remote bush.

His flair for promotion and publicity enabled him to attract as celebrity spokesmen for UNICEF leading figures of the entertainment world such as Danny Kaye, Peter Ustinov, Harry Belafonte and Audrey Hepburn, to name just a few.

Shakespeare's Marc Antony lamented in his funeral oration for Julius Caesar that the ''good that men do is oft interred with their bones.'' In Jim Grant's case the good he has done lives on.

During his tenure as the executive director of UNICEF, immunization levels in developing countries increased from 20 percent in 1980 to nearly 80 percent today the number of polio victims fell from 500,000 a year to fewer than 100,000. More than a million lives are saved each year thanks to the oral rehydration therapy works makes Jim strongly advocated.

Jim Grant was an American hero and a world treasure. His presence is greatly missed, but his spirit and his good works continue as a legacy of his persistence, his energy and his humanity. We shall all miss him.

TRIBUTE TO JOHN BYRNE

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mrs. VUCANOVICH. Mr. Speaker, I want to salute John Byrne upon his retirement from the International Brotherhood of Electrical Workers, the I.B.E.W.

Mr. Byrne graduated from Storey County High School in May 1943, and completed his electrical apprenticeship in Medford, OR, in 1947. He returned to Reno in 1950 as general foreman for Landa Electric and became a member of the I.B.E.W. Local Union No. 401, in Reno, in 1951.

From 1957 to 1966 he served as financial secretary/business manager of the I.B.E.W. Local Union No. 401, until his appointment as secretary/business representative of Northern Nevada Building Trades Council. He was reelected secretary/business representative in 1967 and 1969.

In January 1971 he accepted an interim appointment as secretary/business representative of the Honolulu Building Trades Council. However, he returned to Reno in July 1971 when he was reelected as financial secretary and business manager of I.B.E.W. Local Union No. 401, a post in which he served until 1987.

In addition, Mr. Byrne has been active in his community throughout his life. He served on the Washoe County Building Code Appeal Board from 1960 to 1964, the Reno Electrical Board of Examiners from 1960 to 1966, the Nevada Employment Security Board of Review from 1963 to 1971, the Nevada State Apprenticeship Council from 1963 to 1971, the Nevada OSHA Review Board from 1981 to 1985, the Governor's Committee for the Restoration of Virginia City, the Nevada State Industrial Safety Code Revision Committee, and the Construction Opportunity Trust. He also served as chairman of the Nevada OSHA Review Board from 1985 to 1989, president of the California State Electrical Association from 1982 to 1983, and coordinator of the Construction Opportunity Trust.

Further, Mr. Byrne's achievements were recognized by the Northern Nevada Chapter of the Associated General Contractors who awarded him their prestigious Service, Integrity, Responsibility [S.I.R.] Award, the only time that award has been given to a labor representative in Nevada.

I would like to extend my sincere thanks to Mr. Byrne for his accomplishments and my warm wishes for an enjoyable retirement.

PERSONAL EXPLANATION

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. RUSH. Mr. Speaker, I was unavailable to cast my vote on the Archer en bloc amendment, rollcall No. 258. I had been in a meeting off the floor during this 5-minute vote, and was unable to return to the floor before the 5-minute period had ended. Had I been present I would have voted ''no'' on the Archer en bloc amendment.

HONORING JAMES C. HOUGE ON HIS RETIREMENT FROM THE MONTEBELLO POLICE DEPARTMENT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. TORRES. Mr. Speaker, I rise today to recognize James C. Houge, who is retiring from the Montebello Police Department after 30 years of dedicated and superior service. Lieutenant Houge will be honored at a special ceremony on Friday, March 24, 1995.

Born in Baldwin Park, CA, Lieutenant Houge attended local schools and earned his associate of science degree from Mount San Antonio Junior College. He enlisted in the U.S. Army on October 31, 1961, and was honorably discharged on October 21, 1963.

In 1965, Lieutenant Houge began his tenure serving the people of Montebello as a police officer. In 1971, his on-the-job performance earned him the status of senior officer. Three years later he was promoted to detective and, in 1979, sergeant. In 1985, Lieutenant Houge was instrumental in leading an investigation which resulted in the seizure of 131 kilos of high-grade cocaine, approximately $300,000 of U.S. currency and the arrest of three foreign nationals. On March 26, 1987, he achieved his present rank of lieutenant and was assigned the responsibility of overseeing the department's K–9 unit.

In recognition of his dedicated and committed service, in 1992, Lieutenant Houge was awarded the Career Contribution Management Award.

Mr. Speaker, it is with pride that I rise to recognize one of Montebello's finest, James C. Houge, on the occasion of his retirement from the Montebello Police Department and I ask my colleagues to join me in saluting him for his 30 years of outstanding service to the residents and community of Montebello.

TRIBUTE TO THE SANTA CLARA COUNTY LEGAL AID SOCIETY ADVOCATES FOR JUSTICE HONOREES

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Ms. LOFGREN. Mr. Speaker, I rise today to pay tribute to the five honorees who will be receiving awards tonight, March 23, on the occasion of the 35th anniversary of the Legal Aid Society of Santa Clara County.

The honorees will include the Rotary Club of San Jose, the law firm of Wilson, Sonsini, Goodrich & Rosati, Santa Clara law professor Eric Wright, and deputy district attorney Rolanda Pierre-Dixon. Plaintiffs cocounsel Morrison & Forester will be receiving the prestigious W. Robert Morgan Legal Services Award for donating its services to school desegregation suit against San Jose Unified School District.

President of the board of the Legal Aid Society, Susan L. Sutton said, ''Our mission is to be the catalyst for community—we want to ensure that the right thing happens on behalf of our client community without regard to the client's ability to pay. We understand that in some segments of the country that's an idea that has gone out of fashion. But it's still a notion of some currency here in San Jose, good people of this community need to be recognized for their contributions. That is why we created our Advocates for Justice Program.''

The Legal Aid Society of Santa Clara County provides legal advice and representation for the indigent community in civil matters including family law, custody, visitation, support, and domestic violence, government benefits, health access advocacy, consumer rights, landlord-tenant law, fair housing, home financing and foreclosure issues, individuals rights and immigration, offers family law and housing self-help clinics, and mediation assistance in landlord-tenant matters.

The following honorees were selected for their community contributions:

Rotary Club of San Jose. This 435 member volunteer organization participates in a broad spectrum of community activities. The club is honored by LASSCC for its works in conjunction with the San Jose Housing Authority, building the 102 unit Marrone Garden complex off Branham Lane in San Jose.

Jim San Sebastian chaired the Rotary committee that had the mission to promote a moderate income senior citizen housing complex in San Jose, for which the club donated personal, professional, and financial assistance beginning in 1988. The project opened in September 1994, and since that time the club members continue to provide assistance to the residents. The Rotary Club's financial contributions totaling $100,000 stacked a library, bought a piano, and provided art work for the project of one bedroom apartments that are available for seniors. The Rotary members' contribution of time was priceless.

Wilson, Sonsini, Goodrich & Rosati. For its pro bono and philanthropic aid to the community, particularly for the efforts of Larry Sonsini in setting the tone of the largest private law firms in the county. The work of Wilson, Sonsini, Goodrich & Rosati in the Silicon Valley has resulted in jobs for local residents of all ages, backgrounds, and abilities as various high technology clients have prospered. LASSCC believes a growing economy offers more access to the community's mainstream of its client base. That alone would be basis for an Advocates for Justice Award. But Wilson, Sonsini, Goodrich, & Rosati has contributed generously to charitable causes with attorneys time and their money.

Prof. Eric Wright. Professor Wright has brought a number of agencies together in creating the East San Jose Community Law Center. Professor Wright sought and obtained two separate grants in 1993 to establish a low-income law office in East San Jose. Starting on a shoe-string budget the law center represented day laborers on their wage and hour claims at the outset.

After receiving a grant from the Legal Services Corporation and from the U.S. Department of Education, the center branched further into employment law and immigration law services. Professor Wright is the unpaid center director and has added a community law practice class to the Santa Clara University Law School curriculums well as a street law class involving students in teaching law to middle school and high school students in low income areas of San Jose.

Deputy District Attorney Rolanda Pierre Dixon. Ms. Pierre-Dixon's job requires her to prosecute domestic violence crimes. It doesn't require her to give more than eight speeches a month on that issue to schools and community groups. She is recognized as the Advocate for Justice for her tireless voluntarism on domestic violence issues and her work with community legal groups, including serving on the board of LASSCC. She is past president of the South Bay Black Lawyers, the chair of the Santa Clara County Bar Association and committee on minority access to the Santa Clara County Bar Association.

Morrison & Foerster. The winner of the W. Robert Morgan Legal Services Award is Morrison & Foerster. Their activities cover a full range of public interest work from staffing of legal services clinics and counseling over 140 nonprofit organizations, to handling high impact litigation. The areas of greatest effort during the past year were assisting children in poverty, civil rights and civil liberties cases, representing immigrants, handling issues of

housing and homelessness, and AIDS related matters.

W. Robert Morrison is a founder and benefactor of LASSCC where personal and professional activities exemplify the highest possible commitment to community service.

Morgan & Foerster attorneys spent over 65,000 hours on pro bono work in 1993, and average of 123 hours per lawyer. Among other accomplishments, the firm won a $1 million civil rights jury verdict for Latin women who were strip-searched after they were arrested while attending a school board meeting; obtained HMO coverage of life-saving home nursing care for critically ill infants; won an order safeguarding a Chinese citizen brought into a U.S. court to give testimony coerced with threats of execution; and sought writs of habeas corpus for persons under death sentence in four States.

All of these distinguished recipients should be commended on their extraordinary work in the service of others.

TRIBUTE TO THE LATE CAPT. MARK P. McCARTHY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. SKELTON. Mr. Speaker, today I wish to pay tribute to a member of the U.S. Air Force 510th Fighter Squadron, Capt. Mark P. McCarthy, who died while participating in aerial combat maneuvers over the Adriatic Sea on January 26, 1995, Captain McCarthy was a devoted aviator who faithfully served the Air Force and his country.

Hand-picked to assist the 510th Fighter Squadron as assistant operations officer, Captain McCarthy displayed leadership qualities which earned him the utmost respect as an aviator. In addition, his superb instructional abilities led to the squadron's 100-percent success rate supporting U.N. resolutions by enforcing the no-fly zone over Bosnia and Herzegovina.

Captain McCarthy's commendable military record is reflected through his abundant accomplishments. He was named distinguished graduate at the pilot instructor course, AT–38 Fighter lead in, F–16 RTU, and Squadron Officer School, and Squadron Top Gun on many occasions. In addition, he was twice named Air Training Command Professional Performer. His decorations include the Air Medal with one oak leaf cluster, Aerial Achievement Medal with one oak leaf cluster, Meritorious Service Medal, Air Force Achievement Medal, Combat Readiness Medal, National Defense Service Medal, and the Southwest Asia Service Medal with one devise.

I know that the Members of this body join me in sending the deepest sympathy to Captain McCarthy's entire family. A devoted husband and father, he is survived by his wife Patricia, his three children, Bryan, David, and Christina, his parents, General and Mrs. McCarthy, his sisters, Kathleen, Susan, and Ann, his brother Michael, and Patricia's parents, Colonel and Mrs. Harry MacGregor.

IN MEMORY OF EDWARD ROBERTS—WORLD LEADER FOR THE DISABLED

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. STARK. Mr. Speaker, Edward Roberts, a highly acclaimed activist for the rights of persons with disabilities and a personal friend, died March 14 of cardiac arrest at his home in Berkeley, CA.

Mr. Roberts was a tireless fighter for the rights of the disabled, even though he himself was severely disabled. At the age of 14, Edward Roberts became paralyzed from the neck down as a result of polio. Although this paralysis would dramatically change his life, Mr. Roberts found the courage to not only exist, but to excel. He became infuriated when a counselor informed him he would never work because of his disability. Ironically, Mr. Roberts later became the supervisor of that same counselor.

A driving force in Edward Roberts life was his love of a challenge. Being able to move only one finger, Mr. Roberts was one of the first disabled individuals to attend the University of California at Berkeley. While attending college, he and a group of his fellow classmates organized a counseling program for persons with disabilities. This innovative program was named ''Rolling Quads''.

After graduation, Mr. Roberts continued his fight to enhance the lives of those who had disabilities. In 1972, he cofounded the Center for Independent Living. This program won acclaim for the incredible work it accomplished and for the fact that it was the first organization run by and for persons with disabilities. This program was an inspiration to people around the Nation. It spawned 400 similar institutions throughout the United States.

In 1975, Gov. Jerry Brown appointed Edward Roberts to head the State Department of Rehabilitation. He utilized the organization's 2,500 employees and its $140 million budget to implement programs that promoted self-reliance for those with disabilities. Mr. Roberts ran this organization until 1983, at which time he founded the World Institute on Disability [WID]. This think tank is involved in creating and monitoring programs that help individuals with disabilities.

Over his 56 years, Edward Roberts positively impacted a countless number of lives. Deborah Kaplan, the president of the WID Program and a disability rights lawyer, said ''There are literally thousands of people whose lives have been influenced by Ed.'' Through his leadership skills as well as his intense drive to overcome discrimination, Mr. Roberts was a great role model for those with and without disabilities. Friends as well as colleagues will morn this immense loss.

LIHEAP

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. QUINN. Mr. Speaker, I rise today to speak to an issue of utmost importance to my district in western New York.

Mr. Speaker, I applaud congressional efforts to trim Federal spending and reduce our deficit. We are making some bold and difficult decisions. The rescissions bill takes many steps in the right direction.

It is an injustice, however, to eliminate programs—which unlike the Small Business Administration's Tree Planting Program—people depend upon to meet their basic needs.

I am referring to the Low Income Home Energy Assistance Program or LIHEAP. I know this might not be a big concern to citizens in Florida or Arizona—but to those who live in areas like Buffalo, NY, it can be a matter of life or death.

LIHEAP provides fuel assistance to disabled, working poor, and low-income senior citizens who cannot meet their own total energy needs; 55 percent of households receiving assistance have at least one child under age 18 and 43 percent include senior citizens.

Some argue that LIHEAP was conceived in a time of energy crisis and that is no longer needed. We must remember, however, that energy is still not affordable to everyone.

LIHEAP recipients have an average income of $8,257 per year—without some assistance their heat could be cut off; 18 percent of their incomes are spent on energy needs.

LIHEAP is a vital program which is certainly not pork or luxurious Federal spending.

I am very worried about the families and seniors from my district and districts across the Nation who may be unable to properly heat their homes next winter. I hope that the good and bad aspects of eliminating the LIHEAP Program will be more properly addressed during the appropriations process.

Thursday, March 23, 1995

Daily Digest

HIGHLIGHTS

Senate passed Legislative Line-Item Veto.

Senate

Chamber Action

Routine Proceedings, pages S4409–S4523

Measures Introduced: Eleven bills and one resolution were introduced, as follows: S. 600–610, and S. Res. 91. **Page S4491**

Measures Passed:

Legislative Line-Item Veto: By 69 yeas to 29 nays (Vote No. 115), Senate passed S. 4, to grant the power to the President to reduce budget authority, after taking action on amendments proposed thereto, as follows: **Pages S4409–86**

Adopted:

(1) Levin/Murkowski/Exon Amendment No. 406 (to Amendment No. 347), to clarify the definition of items of appropriations. **Pages S4429–34**

(2) Abraham Modified Amendment No. 401 (to Amendment No. 347), to require the Congress to approve the bills prior to transmittal to the President. **Pages S4428–29, S4450**

(3) Dole Amendment No. 347, to provide for the separate enrollment for presentation to the President of each item of any appropriation bill and each item in any authorization bill or resolution providing direct spending or targeted tax benefits. **Pages S4409–64**

Rejected:

(1) Daschle Amendment No. 348 (to Amendment No. 347), in the nature of a substitute. (By 62 yeas to 38 nays (Vote No. 112), Senate tabled the amendment.) **Pages S4411–28**

(2) Hatch Modified Amendment No. 407 (to Amendment No. 347), to exempt items of appropriation provided for the judicial branch from enrollment in separate bills for presentment to the President. (By 85 yeas to 15 nays (Vote No. 113), Senate tabled the amendment.) **Pages S4434–43**

(3) Exon (for Byrd) Modified Amendment No. 350 (to Amendment No. 347), to prohibit the use of savings achieved through lowering discretionary spending caps to offset revenue decreases subject to pay-as-you-go requirements. (By 49 yeas to 48 nays (Vote No. 114), Senate tabled the amendment.) **Pages S4450–60**

Withdrawn:

Murray Amendment No. 388 (to Amendment No. 347), to limit the rescission of items of appropriation to unauthorized appropriations. **Pages S4410–11**

Self-Employed Health Insurance Tax Credit—Agreement: A unanimous-consent time agreement was reached providing for the consideration of H.R. 831, to amend the Internal Revenue Code of 1986 to permanently extend the deduction for the health insurance costs of self-employed individuals, and to repeal the provision permitting nonrecognition of gain on sales and exchanges effectuating policies of the Federal Communications Commission, on Friday, March 24, 1995. **Page S4521**

Appointments:

Senate Arms Control Observers Group: The Chair, on behalf of the Minority Leader, pursuant to S. Res. 105, adopted April 13, 1989, as amended by S. Res. 280, adopted October 8, 1994, announced the appointment of Senator Kerrey as a member of the Senate Arms Control Observer Group. **Page S4486**

Nominations Received: Senate received the following nominations:

Mary S. Furlong, of California, to be a Member of the National Commission on Libraries and Information Science for a term expiring July 19, 1999.

Jeffrey M. Lang, of Maryland, to be Deputy United States Trade Representative, with the rank of Ambassador.

Jerome A. Stricker, of Kentucky, to be a Member of the Federal Retirement Thrift Investment Board for a term expiring September 25, 1998.

Carlos F. Lucero, of Colorado, to be United States Circuit Judge for the Tenth Circuit.

Wenona Y. Whitfield, of Illinois, to be United States District Judge for the Southern District of Illinois.

1 Navy nomination in the rank of admiral.

Routine lists in the Army, Navy, Marine Corps, and Foreign Service. **Pages S4523–26**

Messages From the House: **Page S4489**

Measures Placed on Calendar: **Page S4489**

Petitions: **Pages S4489–90**

Executive Reports of Committees: **Pages S4490–91**

Statements on Introduced Bills: **Pages S4491–S4515**

Additional Cosponsors: **Pages S4515–16**

Notices of Hearings: **Page S4517**

Authority for Committees: **Pages S4517–18**

Additional Statements: **Pages S4518–21**

Record Votes: Four record votes were taken today. (Total—115) **Pages S4428, S4443, S4460, S4484**

Recess: Senate convened at 9:30 a.m., and recessed at 10:05 p.m., until 9:45 a.m., on Friday, March 24, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on page S4522.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—RAILROAD TRANSPORTATION

Committee on Appropriations: Subcommittee on Transportation and Related Agencies held hearings on proposed budget estimates for fiscal year 1996 for the Federal Railroad Administration, and the National Passenger Railroad Corporation (Amtrak), receiving testimony from Jolene M. Molitoris, Administrator, Federal Railroad Administration, Department of Transportation; Thomas M. Downs, President and Chairman of the Board, National Railroad Passenger Corporation (Amtrak); and Kenneth M. Mead, Director, Transportation Issues, Resources, Community and Economic Development Division, General Accounting Office.

Subcommittee will meet again on Thursday, March 30.

APPROPRIATIONS—TREASURY

Committee on Appropriations: Subcommittee on Treasury, Postal Service, General Government held hearings on proposed budget estimates for fiscal year 1996 for the Department of the Treasury, receiving testimony in behalf of funds for their respective activities from Ronald K. Noble, Under Secretary for Enforcement, John Magaw, Director, Bureau of Alcohol, Tobacco, and Firearms, and George J. Weise, Commissioner, United States Customs Service, all of the Department of the Treasury.

Subcommittee will meet again on Monday, March 27.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Subcommittee on Personnel resumed hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program, focusing on the Department of Defense medical program and related health care issues, receiving testimony from Stephen C. Joseph, Assistant Secretary of Defense for Health Affairs; Lt. Gen. Alcide M. LaNoue, Surgeon General, Department of the Army; Lt. Gen. Edgar R. Anderson, Jr., Surgeon General, Department of the Air Force; and Vice Adm. Donald F. Hagen, Surgeon General, Department of the Navy.

Subcommittee will meet again on Thursday, March 30.

BUSINESS MEETING

Committee on Commerce, Science, and Transportation: Committee ordered favorably reported the following business items:

The nomination of Robert Pitofsky, of Maryland, to be a Federal Trade Commissioner, Federal Trade Commission, and routine lists of United States Coast Guard nominations;

S. 267, to establish a system of licensing, reporting, and regulation for vessels of the United States fishing on the high seas;

S. 84, to issue a certificate of documentation and coastwise trade endorsement for the vessel *Bagger;*

S. 172, to issue a certificate of documentation for the vessel *L. R. Beattie;*

S. 212, to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Shamrock V;*

S. 213, to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Endeavour;*

S. 278, to authorize a certificate of documentation for the vessel *Serenity;*

S. 279, to authorize a certificate of documentation for the vessel *Why Knot;*

S. 475, to authorize a certificate of documentation for the vessel *Lade Hawk;*

S. 480, to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Gleam;*

S. 482, to issue a certificate of documentation and coastwise trade endorsement for the vessel *Emerald Ayes;*

S. 492, to issue a certificate of documentation for the vessel *Intrepid;*

S. 493, to issue a certificate of documentation for the vessel *Consortium;*

S. 527, to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Empress;*

S. 528, to issue a certificate of documentation and coastwise trade endorsement for the following three vessels: *Idun Viking, Liv Viking,* and *Freja Viking;*

S. 535, to issue certificates of documentation with appropriate endorsement for employment in coastwise trade for each of two vessels named *Gallant Lady,* subject to certain conditions;

S. 561, to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Isabelle;* and

An original bill entitled Telecommunications Competition and Deregulation Act of 1995.

OUTER CONTINENTAL SHELF

Committee on Energy and Natural Resources: Committee concluded hearings on S. 575, to provide Outer Continental Shelf impact assistance to State and local governments, and S. 158, to encourage the production of domestic oil and gas resources in deep water on the Outer Continental Shelf in the Gulf of Mexico, after receiving testimony from Robert L. Armstrong, Assistant Secretary of the Interior for Land and Minerals Management; Kodiak Island Borough Mayor Jerome Selby, Kodiak, Alaska; W. Dennis Heagney, Sonat Offshore Drilling Inc., on behalf of the International Association of Drilling Contractors and the National Ocean Industries Association, and Richard Chamberlain, Chevron U.S.A. Production Company, both of Houston, Texas; H. Leighton Steward, Louisiana Land and Exploration Company, New Orleans; and Ernest A. Burguieres III, Louisiana Department of Natural Resources, Baton Rouge.

BUSINESS MEETING

Committee on Environment and Public Works: Committee ordered favorably reported the following bills:

S. 534, to amend the Solid Waste Disposal Act to provide authority for States to limit the interstate transportation of municipal solid waste, with amendments; and

S. 268, to authorize the collection of fees for expenses for triploid grass carp certification inspections.

NATIONAL TRANSPORTATION AIR QUALITY REQUIREMENTS

Committee on Environment and Public Works: Subcommittee on Transportation and Infrastructure resumed hearings on S. 440, to provide for the designation of the National Highway System, focusing on the effects of the transportation conformity requirements of the Clean Air Act Amendments of 1990, and the air quality programs of the Intermodal Surface Transportation Efficiency Act of 1991, receiving testimony from Jane F. Garvey, Deputy Administrator, Federal Highway Administration, Department of Transportation; Mary D. Nichols, Assistant Administrator for Air and Radiation, Environmental Protection Agency; Virginia Governor George Allen, Richmond; Kirk Brown, Illinois Department of Transportation, Springfield; William J. Roberts, Environmental Defense Fund, Washington, D.C.; and Brian R. Holmes, Connecticut Road Builders Association, Wethersfield, on behalf of the American Road and Transportation Builders Association.

Subcommittee will meet again on Thursday, March 30.

MEDICAID WAIVERS

Committee on Finance: Subcommittee on Medicaid and Health Care for Low-Income Families held hearings to examine the status of certain Statewide Medicaid waivers authorized by section 1115 of the Social Security Act and on the effect these waivers have on access to and quality of care for Medicaid patients and providers, receiving testimony from Sally K. Richardson, Director, Medicaid Bureau (Baltimore, Maryland), Health Care Financing Administration, Department of Health and Human Services; William J. Scanlon, Associate Director, Health Financing and Policy Issues, Health, Education, and Human Services Division, General Accounting Office; Mabel Chen, Arizona Health Care Cost Containment System, Phoenix; and Manuel Martins, Tennessee Department of Finance and Administration, Nashville.

Hearings were recessed subject to call.

FOREIGN AFFAIRS REORGANIZATION

Committee on Foreign Relations: Committee held hearings to examine the reorganization and revitalization of American foreign affairs institutions, receiving testimony from Lawrence S. Eagleburger, Baker, Donelson, Bearman, and Caldwell; Brent Scowcroft, Forum for International Policy; McGeorge Bundy, Carnegie Corporation; Fred C. Ikle, Center for Strategic and International Studies; Julia V. Taft, American Council for Voluntary International Action; and Lannon Walker, Senior Foreign Service Association, all of Washington, D.C.

Hearings were recessed subject to call.

BUSINESS MEETING

Committee on Governmental Affairs: Committee ordered favorably reported the following bills:

S. 291, to reform the regulatory process, to make Government more efficient and effective, with an amendment in the nature of a substitute; and

S. 343, to reform the regulatory process, with an amendment in the nature of a substitute.

CIRCUIT JUDGE SERVICE

Committee on the Judiciary: Committee ordered favorably reported, with an amendment, S. 531, to authorize a circuit judge who has taken part in an en banc hearing of a case to continue to participate in that case after taking senior status.

House of Representatives

Chamber Action

Bills Introduced: Eleven public bills, H.R. 1304–1314; one private bill, H.R. 1315; and one resolution, H. Con. Res. 47, were introduced.

Page H3732

Reports Filed: Reports were filed as follows:

H.R. 1216, to amend the Atomic Energy Act of 1954 to provide for the privatization of the United States Enrichment Corporation, amended (H. Rept. 104–86);

H.R. 1217, to amend parts B and C of title XVIII of the Social Security Act to extend certain savings provisions under the Medicare Program, as incorporated in the budget submitted by the President for fiscal year 1996 (H. Rept. 104–87, Part 1);

H.R. 1218, to extend the authority of the Federal Communications Commission to use competitive bidding in granting licenses and permits (H. Rept. 104–88); and

H.R. 1219, to amend the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 to extend and reduce the discretionary spending limits, amended (H. Rept. 104–89, Part 1). **Page H3732**

Personal Responsibility Act: House continued consideration of H.R. 4, to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence; but came to no resolution thereon. Consideration of amendments will continue on Friday, March 24. **Pages H3581–H3700**

Agreed To:

The Johnson of Connecticut amendment that increases the authorization level for child care block grants by $150 million for fiscal years 1996–2000; **Pages H3582–86**

The Roukema amendment that requires States to establish a cost containment system for the procurement of infant formulas under the Family Nutrition Block Grant Program; **Pages H3586–92**

The Ros-Lehtinen amendment that exempts aliens who have been lawfully admitted for permanent residence and are unable to comply with naturalization requirements of a physical or developmental disability or a mental impairment from being denied Federal public assistance; **Pages H3592–95, H3599**

The Coburn amendment that encourages States to protect against fraud and abuse by using new and recent technologies to maximize the security of electronics benefits transfer (EBT) systems; and it requires States to incorporate within their EBT systems, within two years, measures that enable such systems to differentiate between allowable and non-allowable food items; **Pages H3603–05**

The Upton amendment, as modified, that prohibits individuals who are delinquent in making court-ordered child support payments from receiving assistance under the food stamp program if the court is not allowing the payment to be delayed;

Pages H3605–09

The Traficant amendment that requires those States which use electronic benefit transfer cards to include a photograph of the members of the household to which the food stamp card is issued;

Pages H3600–03, H3616–17

The Blute amendment that prohibits temporary family assistance, food stamps, and SSI benefits to fugitive felons with fleeing prosecution or confinement or in violation of probation or parole;

Pages H3617–22

The Salmon amendment that requires States to adopt procedures to automatically put liens against property of persons for delinquent child support payments ordered by another State (agreed to by a recorded vote of 433 ayes, Roll No. 264); and

Pages H3622–28, H3633–34

The Roukema amendment that authorizes States to withhold or suspend the driver's license of individuals who owe back child support (agreed to by a recorded vote of 426 ayes to 5 noes, Roll No. 265).

Pages H3628–33, H3634

Rejected:

The Moran amendment that sought to give families that participate in required State welfare work programs a preference in obtaining Federal housing assistance, including public housing and Section 8

rental assistance (rejected by a recorded vote of 35 ayes to 395 noes, Roll No. 262); **Pages H3595–H3600**

The Hostettler amendment that sought to strike the Simplified Food Stamp Program provisions and replace them with block grants to States based on their number of economically disadvantaged residents (rejected by a recorded vote of 114 ayes to 316 noes, Roll No. 263); and **Pages H3609–16, H3617**

The Deal amendment in the nature of a substitute (text of H.R. 1267 that sought to transform the AFDC Program into a program that moves recipients from welfare to work within a certain time limit; increase the funding for education, job training, employment services, and child care for welfare recipients; create a new Work First Program and require States to have an increasing percentage of their AFDC caseload participate in Work First and Workfare over seven years; impose a time limit on eligibility for AFDC benefits; place certain restrictions on SSI eligibility for disabled children; provide certain cutbacks in the Food Stamp Program, and limit the eligibility of certain legal immigrants for Federal benefits (rejected by a recorded vote of 205 ayes to 228 noes, Roll No. 266). **Pages H3634–95**

Quorum Calls—Votes: Five recorded votes developed during the proceedings of the House today and appear on pages H3599–H3600, H3617, H3633–34, H3634, and H3695. There were no quorum calls.

Adjournment: Met at 10 a.m. and adjourned at 12 a.m. on Friday, March 24.

Committee Meetings

OVERSIGHT—AMERICAN DAIRY INDUSTRY—STATUS OF THE DAIRY TITLE OF 1990 FARM BILL

Committee on Agriculture: Subcommittee on Livestock, Dairy, and Poultry held a hearing on the state of the American Dairy Industry and the status of the Dairy Title of the 1990 Farm bill. Testimony was heard from the following officials of the USDA: Keith J. Collins, Acting Chief Economist; and Kenneth C. Clayton, Deputy Administrator (Marketing Programs), Agricultural Marketing Service.

AGRICULTURE, RURAL DEVELOPMENT, FDA, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies held a hearing on Food and Consumer Services. Testimony was heard from the following officials of the USDA: Ellen Haas, Under Secretary, Food, Nutrition and Consumer Services; and William Ludwig, Administrator, Food and Consumer Services.

COMMERCE, JUSTICE, STATE, AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary (and Related Agencies) held a hearing on International Organizations. Testimony was heard from the following officials of the Department of State: Douglas J. Bennet, Assistant Secretary, International Organization Affairs; and David A. Colson, Deputy Assistant Secretary, Oceans and Fisheries Affairs, Bureau of Oceans and International Environmental and Scientific Affairs; and John M. Bernal, Commissioner, International Boundary and Water Commission, U.S. and Mexico; and a public witness.

DISTRICT OF COLUMBIA APPROPRIATIONS

Committee on Appropriations: Subcommittee on District of Columbia held a hearing on D.C.'s Financial Condition. Testimony was heard from the following officials of the District of Columbia: Russell A. Smith, Auditor; and Samuel McClendon, Inspector General; and Otis H. Troupe, former Auditor, District of Columbia.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Energy and Water Development continued appropriation hearings. Testimony was heard from Members of Congress and public witnesses.

FOREIGN OPERATIONS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related programs held a hearing on Export Financing. Testimony was heard from public witnesses.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior (and Related Agencies) held a hearing on National Biological Survey, DOE: Energy Information Administration, Office of Hearings and Appeals, Economic Regulation, and on Emergency Preparedness. Testimony was heard from George T. Frampton, Jr., Assistant Secretary, Fish and Wildlife and Parks, Department of the Interior; the following officials of the Department of Energy: Jay E. Hakes, Administrator, Energy Information Administration; Susan F. Tierney, Assistant Secretary, Policy; Vincent J. McClelland, Deputy Director, Office of Energy Management Nonproliferation and National Security; Robert Nordhaus, General Counsel; and George Breznay, Director, Office of Hearings and Appeals.

LABOR—HHS—EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education (and Related Agencies) held a hearing on National Center for Human Genome Research, Office of the Director, Buildings and Facilities, National Eye Institute, and on National Institute of Neurological Disorders and Stroke. Testimony was heard from the following officials of the Department of Health and Human Services: Francis S. Collins, M.D., Director, National Center for Human Genome Research; Ruth L. Kirschstein, M.D., Deputy Director, NIH; Carl Kupfer, M.D., Director, National Eye Institute; and Zach W. Hall, M.D., Director, National Institute of Neurological Disorders and Stroke.

MILITARY CONSTRUCTION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Military Construction held a hearing on Family Housing. Testimony was heard from Robert E. Bayer, Deputy Assistant Secretary (Installations), Office of the Assistant Secretary (Economic Security), Department of Defense.

NATIONAL SECURITY APPROPRIATIONS

Committee on Appropriations: Subcommittee on National Security held a hearing on Advanced Research Projects Agency and on Space Programs. Testimony was heard from the following officials of the Department of Defense: Larry Lynn, Acting Director, Advanced Research Projects Agency; and Paul G. Kaminski, Under Secretary (Acquisition and Technology).

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation (and Related Agencies) continued appropriation hearings. Testimony was heard from Members of Congress and public witnesses.

CONDITION OF DEPOSIT FUNDS—IMPACT OF PROPOSED DEPOSIT INSURANCE PREMIUM REDUCTION ON BANK AND THRIFT INDUSTRIES

Committee on Banking and Financial Services: Subcommittee on Financial Institutions and Consumer Credit held a hearing on the condition of deposit funds and the impact of the proposed deposit insurance premium reduction on the bank and thrift industries. Testimony was heard from Ricki Tigert Helfer, Chairman, FDIC; the following officials of the Department of the Treasury; Jonathan L. Fiechter, Acting Director, Office of Thrift Supervision; and Richard Carnell, Assistant Secretary; Nicholas P. Retsinas, member, Federal Housing Finance Board; Robert W. Gramling, Director, Corporate Audit Group, Accounting and Financial Management Division, GAO; and public witnesses.

Hearings continue tomorrow.

CORPORATE RESTRUCTURING

Committee on the Budget: Held a hearing on Corporate Restructuring. Testimony was heard from public witnesses.

DISPOSAL OF SOLID WASTE; INTERSTATE TRANSPORTATION OF SOLID WASTE

Committee on Commerce: Subcommittee on Commerce, Trade, and Hazardous Materials held a hearing on issues related to flow control measures for the disposal of solid waste. Testimony was heard from Representatives Smith of New Jersey, Minge, Buyer, and Molinari; George Voinovich, Governor, State of Ohio; and public witnesses.

The Subcommittee also held a hearing on issues involved in the interstate transportation of solid waste. Testimony was heard from Michael J. Hogan, Counsel to the Commissioner, Department of Environmental Protection, State of New Jersey; Kathy Prosser, Commissioner, Department of Environment Management, State of Indiana; and public witnesses.

CLEAN AIR ACT AMENDMENTS—IMPLEMENTATION AND ENFORCEMENT

Committee on Commerce: Subcommittee on Oversight and Investigations continued hearings on the implementation and enforcement of the Clean Air Act Amendments of 1990, with emphasis on the Inspection and Maintenance Program. Testimony was heard from public witnesses.

Hearings continue tomorrow.

TRAINING ISSUES

Committee on Economic and Educational Opportunities: Subcommittee on Postsecondary Education, Training and Life-Long Learning continued hearings on training issues. Testimony was heard from Anthony Carnevale, Chairman, National Commission for Employment; and public witnesses.

Hearings continue March 29.

FAMILY PRIVACY PROTECTION ACT

Committee on Government Reform and Oversight: Ordered reported amended H.R. 1271, Family Privacy Protection Act of 1995.

MUNSTER VERSUS GEJDENSON

Committee on House Oversight: Task Force on Contested Election assigned to the Second Congressional District of Connecticut met and denied a motion to dismiss *Munster* v. *Gejdenson* case.

SEED ACT ASSISTANCE PROGRAMS FOR EASTERN EUROPE

Committee on International Relations: Held a hearing on SEED Act Assistance Programs for Eastern Europe. Testimony was heard from Ralph Johnson, Coordinator, Eastern European Assistance, Department of State; and Thomas Dine, Assistant Administrator, Europe and the Newly Independent States, AID, U.S. International Development Cooperation Agency.

OVERSIGHT

Committee on the Judiciary: Subcommittee on Crime held an oversight hearing on the Criminal Division of the Department of Justice. Testimony was heard from Jo Ann Harris, Assistant Attorney General, Criminal Division, Department of Justice.

OVERSIGHT

Committee on the Judiciary: Subcommittee on Immigration and Claims held an oversight hearing on removal of criminal and illegal aliens. Testimony was heard from the following officials of the Department of Justice: T. Alexander Aleinkikoff, General Counsel, Immigration and Naturalization Service; and Anthony C. Moscato, Director, Executive Office for Immigration Review.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Personnel continued hearings on the fiscal year 1996 national defense authorization request, with emphasis on reserve component issues. Testimony was heard from the following officials of the Department of Defense: Deborah R. Lee, Assistant Secretary, Reserve Affairs; Lt. Gen. Edward D. Baca, USA, Chief, National Guard Bureau; Maj. Gen. Donald W. Shepperd, USAF, Director, Air National Guard; RAdm. Thomas F. Hall, USN, Chief, Naval Reserve; Brig. Gen. Ron Richard, USMC, Director, Reserve Affairs, U.S. Marine Corps; Maj. Gen. John R. D'Araujo, Jr., USA, Director, Army National Guard; Maj. Gen. Max Baratz, USA, Chief, Army Reserve; Maj. Gen. Robert A. McIntosh, USAF, Chief, Air Force Reserve; and Maj. Gen. Elvin J. Schofield, USAR (Ret.), Former Commander, 90th Army Reserve Command; RAdm. Richard M. Larrahbee III, USCG, Chief, Office of Readiness and Reserve, Coast Guard Reserve, Department of Transportation; and public witnesses.

Hearings continue March 28.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Readiness continued hearings on the fiscal year 1996 national defense authorization request, with emphasis on reforming financial management, logistics, data processing and other support functions of the Department of Defense. Testimony was heard from Donna Heivilin, Director, Defense and NASA Management Issues, National Security and International Affairs Division, GAO; and John J. Hamre, Under Secretary (Comptroller), Department of Defense.

Hearings continue March 29.

DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Research and Development met in executive session to continue hearings on the fiscal year 1996 national defense authorization request, receiving a classified briefing on research and development budget and programs. The Subcommittee was briefed by Bruce Dauer, Assistant Deputy Comptroller, Department of Defense; and the following officials of the Congressional Research Service, Library of Congress: Sandy Davis; Mike Davey, Director, Science Policy Research; and Jack Moteff.

Hearings continue March 28.

MARINE RESOURCES REVITALIZATION ACT

Committee on Resources: Subcommittee on Fisheries, Wildlife and Oceans held a hearing on H.R. 1175, Marine Resources Revitalization Act of 1995. Testimony was heard from Ned A. Ostenso, Assistant Administrator, Oceanic and Atmospheric Research, NOAA, Department of Commerce; and public witnesses.

TECHNOLOGY ADMINISTRATION/ NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY AUTHORIZATION

Committee on Science: Subcommittee on Technology held a hearing on Technology Administration/National Institute of Standards and Technology Fiscal Year 1996 Authorization. Testimony was heard from the following officials of the Department of Commerce: Arati Prabhakar, Director, National Institute of Standards and Technology; and Mary Good, Under Secretary, Technology; and public witnesses.

GRADUATE MEDICAL EDUCATION

Committee on Ways and Means: Subcommittee on Health held a hearing on issues regarding Graduate Medical Education. Testimony was heard from Stuart Altman, Chairman, Prospective Payment Assessment Commission; and public witnesses.

MEXICO: PESO CRISIS

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on Mexico: Origins of the Peso Crisis. Testimony was heard from departmental witnesses.

NEW PUBLIC LAW

(For last listing of Public Laws, see DAILY DIGEST, *p. D313)*

S. 1, to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal mandates on State, local, and tribal governments without adequate funding, in a manner that may displace other essential governmental priorities; and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations. Signed March 22, 1995. (P.L. 104–4)

COMMITTEE MEETINGS FOR FRIDAY, MARCH 24, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations, business meeting, to mark up an original bill making emergency supplemental appropriations for additional disaster assistance and making rescission for the fiscal year ending September 30, 1995, 10 a.m., SD–192.

Committee on the Judiciary, Subcommittee on Constitution, Federalism, and Property Rights, to hold hearings on the 10th Amendment and the Conference of the States, 9 a.m., SD–226.

House

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, on Administration and on Chief Financial Officer, 10:30 a.m., 2362A Rayburn.

Subcommittee on Commerce, Justice, State, and the Judiciary (and Related Agencies), on Antitrust Activities, 10 a.m., H–309 Capitol.

Subcommittee on Interior (and Related Agencies), on Public Witnesses (DOE and Other Programs), 10 a.m. and 1 p.m., B–308 Rayburn.

Subcommittee on Labor, Health and Human Services, and Education (and Related Agencies), on Health Care Financing Administration, 10 a.m., 2358 Rayburn.

Subcommittee on National Security, on Army Aviation Programs, 10 a.m., H–140 Capitol.

Subcommittee on Veterans' Affairs, Housing and Urban Development, and Independent Agencies, on Corporation for National and Community Services, 10 a.m., 2360 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Financial Institutions and Consumer Credit, to continue hearings on the condition of deposit funds and the impact of the proposed deposit insurance premium reduction on the bank and thrift industries, 10 a.m., 2128 Rayburn.

Committee on Commerce, Subcommittee on Oversight and Investigations, to continue hearings on the implementation and enforcement of the Clean Air Act Amendments of 1990, 10 a.m., 2123 Rayburn.

Committee on Economic and Educational Opportunities, Subcommittee on Employer-Employee Relations, hearing on Affirmative Action, 9:30 a.m., 2175 Rayburn.

Committee on International Relations, Subcommittee on Africa, hearing on Narcotics Trafficking in Africa, 9:30 a.m., 2255 Rayburn.

Committee on National Security, Subcommittee on Military Installations and Facilities and the Subcommittee on Military Readiness, to continue joint hearings on the fiscal year 1996 national defense authorization request, 10 a.m., 2118 Rayburn.

Committee on Ways and Means, Subcommittee on Oversight, hearing to Explore Development of the Taxpayer Bill of Rights II legislation, 9 a.m., 1100 Longworth.

Next Meeting of the SENATE

9:45 a.m., Friday, March 24

Senate Chamber

Program for Friday: After the recognition of one Senator for a speech and the transaction of any morning business (not to extend beyond 10 a.m.), Senate will consider H.R. 831, Self-Employed Health Insurance Tax Credit.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Friday, March 24

House Chamber

Program for Friday: Conclude consideration of H.R. 4, Personal Responsibility Act.

Extensions of Remarks, as inserted in this issue

HOUSE

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