

It is my hope that we can move ahead on this matter in a true bipartisan fashion and carefully consider a consensus. But let me emphasize, Mr. President, unreasoned haste can clearly make matters worse on this measure, which is of great import and great magnitude. Mr. President, we should work together.

I yield the floor.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent the unanimous-consent order be extended until 1:15.

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

Mr. MOYNIHAN. I thank the Senator from Nebraska not only for the generosity of his remarks, the clarity of his concern, the depth of his concern, but to connect his opening remarks to the closing remarks.

I do not think the Senator will receive many letters from welfare recipients. I do not think many of those children will be writing postcards. No one, certainly, will be paying them.

That, Mr. President, is the nub of the issue. We are talking of people who have but little voice in this land and less real influence in the end. We are seeing it all about us now.

Mr. President, the Census Bureau has just released the "Population Profile of the United States: 1995" which reports that "26 percent of children born in 1994 were out-of-wedlock births."

However, according to the National Center for Health Statistics figures which I have frequently cited, the illegitimacy ratio was 30.1 percent in 1992, and I estimate that it will have reached 32 percent in 1994.

According to Martin O'Connell, Chief of the Fertility Statistics Branch of the Census Bureau, "The higher figures are correct. The 'Population Profile' seriously undercounts the number of children born out of wedlock as the figures it reports are based on a small sample and incomplete information. Senator MOYNIHAN is right."

This is one area where precision of fact is imperative. In order to understand a problem, we must first be able to accurately measure it, and few problems are of such enormous consequence as this unrelenting rise in illegitimacy.

#### RECESS UNTIL 2:15

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

Thereupon, the Senate, at 1:12 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. COATS].

#### THE FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SHELBY. Mr. President, no one disagrees that the current welfare sys-

tem is in shambles. Since the beginning of President Lyndon Johnson's War on Poverty, government, at all levels, has spent more than \$5.4 trillion on welfare programs in America. To understand the magnitude of \$5.4 trillion, consider what could be bought for it.

For \$5.4 trillion, one could purchase every factory, all the manufacturing equipment, and every office building in the United States. With the leftover funds, one could go on to buy every airline, every railroad, every trucking firm, the entire commercial maritime fleet, every telephone, television, and radio company, every power company, every hotel, and every retail and wholesale store in the entire Nation.

While many Americans may not know the exact dollar amount of the War on Poverty, there is a public understanding that more and more taxdollars are coming to Washington and being funnelled into programs that are having little effect. Despite a \$5.4 trillion transfer of resources, the poverty rate has actually increased over the past 28 years. During this same period, the out of wedlock birthrate skyrocketed from 7 to 32 percent, and currently one in seven children in America is raised on welfare. Moreover, this massive spending has done nothing to alleviate drug use, child abuse or violent crime—all of which have sharply increased during this period. In short, our current welfare system has failed miserably. It has exacerbated the very problems it was created to solve, and it should be dramatically overhauled now.

The first priority of reform should be to change the incentives in the current system which undermine the traditional family structure. Today, the Government pays individuals, including teenagers, up to \$15,000 per year in cash and in-kind benefits on the condition that they have a child out of wedlock, do not work and do not marry an employed male. That is a cruel system, since we know that work and marriage are two of the most promising avenues out of poverty. We should not be surprised that years after this policy was instituted, the out of wedlock birthrate has reached 80 percent in many low-income communities. That means that 8 out of 10 children born in many neighborhoods in America do not know what it means to have a father. The results of this condition are devastating, not only to the children, but to the parents, and to society as a whole.

I believe the time has come that Congress should end the practice of mailing checks to teenagers who have children out of wedlock. Teenagers themselves are still children, and to simply mail them a check and forget about them is a cruel form of so-called assistance. I know of no private charity which assists people in this manner. We should continue to provide for these young mothers and their children, through adoption assistance, vouchers for child care supplies, food and nutri-

tion assistance, and health care assistance. But, this Nation should no longer dole out cash to unwed teenage recipients. Several amendments will be offered during the course of the debate on welfare reform to accomplish this, and I intend to support them.

The second priority of reform is to reinstill the value of work into our welfare system. No civilization can successfully sustain itself over a long period of time by paying a large segment of its population to remain idle. The current system discourages work, because nothing is required from those who receive assistance, and in many instances, welfare pays better than a normal job. I support the efforts of the chairman of the Finance Committee to change that by requiring welfare recipients to work in exchange for their benefits. Under this legislation, welfare will no longer be free. Taxpayers have to work hard everyday, and those receiving public assistance should do the same.

Finally, true welfare reform means saving money. In the past, welfare reform has meant digging a little deeper into the taxpayers' pockets for more money to transfer into ineffective Federal programs. Federal, State, and local governments spent \$324 billion on more than 80 different welfare programs in 1993—that is an average of \$3,357 from each household that paid Federal income tax in 1993. We must reject the idea that somehow, \$324 billion is not enough. Real welfare reform should result in fewer people needing welfare and generate savings to be returned to the taxpayers. The Work Opportunity Act will save more than \$60 billion over the next 5 years by returning control over welfare programs to State and local officials with a fixed dollar amount from Washington. This will give State and local officials the ability to improve their services to poor people without waiting on the dilatory approval of Washington bureaucrats.

The American people have demanded welfare reform not because they are stingy or spiteful toward the poor and needy. Rather, they have demanded reform because they have seen a system which has destroyed the hope and dreams of millions of Americans by trapping them in cycles of dependency and encouraging self-defeating behavior. Welfare has been fertile soil for child abuse, neglect, homelessness, and crime. By strengthening the traditional family, requiring work in exchange for benefits, and bringing financial discipline to our current welfare system, we can change welfare from a system of hopelessness to one of hope, from a system of dependency to one of responsibility. We owe it to welfare recipients, their children, and society, to do no less.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. PACKWOOD. Mr. President, will the Senator yield for a unanimous-consent request that has been agreed to?

Ms. MIKULSKI. Yes.

Mr. PACKWOOD. I ask unanimous consent that the Senate continue with debate on H.R. 4, the welfare reform bill, until the hour of 4 o'clock today without any amendments.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PACKWOOD. I thank the Senator.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I thank the Chair.

It is with great enthusiasm that I rise to support the Work First Act, the Democratic alternative on welfare reform. I support it with enthusiasm because it is firm on work, provides a safety net for children, brings men back into the family for both child support and child rearing, and at the same time provides State flexibility and administrative simplification.

Mr. President, I am the Senate's only professionally trained social worker. Before elected to public office, my life's work was moving people from welfare to work, one step at a time, each step leading to the next step, practicing the principles of tough love.

This is the eighth version of welfare reform that I have been through—as a foster care worker, as a child abuse and neglect worker, a city councilwoman, a Congresswoman, and now a U.S. Senator. Each of those previous efforts in times have failed both under Democratic Presidents and under Republican Presidents. It failed for two reasons. One, each reform effort was based on old economic realities, and, second, reform did not provide tools for people to move from welfare to work—to help them get off welfare and stay off welfare.

I believe that welfare should be not a way of life, but a way to a better life. Everyone agrees that today's welfare system is a mess. The people who are on welfare say it is a mess. The people who pay for welfare say it is a mess. It is time we fix the system.

Middle-class Americans want the poor to work as hard at getting off welfare as they themselves do at staying middle class. The American people want real reform that promotes work, two-parent families and personal responsibility.

That is what the Democratic Work First alternative is all about. We give help to those who practice self-help. Democrats have been the party of sweat equity and in our Work First bill have a real plan for work. Republicans have a plan that only talks about work, but does not really achieve it.

Democrats have produced a welfare plan that is about real work, not make work. That's why we call our bill "Work First," because it does put work first. At the same time, it does not make children second class.

Under our plan, from the day someone comes into a welfare office, they

must focus on getting a job and keeping it, and work at raising their family.

How do we do this under the Work First plan?

First, we abolish AFDC. In its place, we create a program of temporary employment assistance.

Second, we change the culture of welfare offices—moving welfare workers from eligibility workers to being empowerment workers. Social workers are now forced to fust budget over eligibility rules. Under the Work First Act, social workers now become empowerment workers. They sit down on day one with welfare applicants to do a job readiness assessment. So they can find out what it takes to move a person to a job, stay on a job, and ensure that their children's education and health needs are being met.

Third, everyone must sign a parent empowerment contract within 2 weeks of entering the welfare system. It is an individualized plan to get a job. The failure of individuals to sign that contract means they cannot get benefits.

Fourth, everyone must undertake an immediate and intensive job search once they have signed that contract. We believe the best job training is on the job. Your first job leads you to the next job. Each time you climb a little bit further out of poverty, up the ladder of opportunity, and at the same time we reward that effort.

Yes, this is a tough plan with tough requirements. It expects responsibility from welfare recipients. Everyone must do something for benefits. If you do not sign the contract, you lose your benefits. If you refuse to accept a job that is offered, you lose benefits. If, after 2 years of assistance, you do not have a job in the private sector, then one must be provided for you in the public sector.

No adult can get benefits for more than 5 years in their adult lifetime. If you are a minor, the 5-year limit does not apply, so long as you are able to stay in school and receive benefits.

So, yes, we Democrats are very tough on work. Everyone must work. Assistance is time limited and everyone must do something for benefits. If you do not abide by the contract, then you lose your benefits.

What else do we do under the Work First plan? We provide a safety net for children. We not only want you to be job ready and work-force ready, we want you to be a responsible parent. That's why we require parents, as a condition of receiving benefits, that you make sure your children are in school and that they are receiving proper health care.

Once you do go to work, under the Work First plan we will not abandon you. We want to make sure that a dollar's worth of work is worth a dollar's worth of welfare. While you are working at a minimum wage, trying to better yourself, we will provide a safety net—child care for your children, continued nutritional benefits, and health

care. We want to be sure that while you are trying to help yourself, we are helping your children grow into responsible adults.

I do not mind telling people that they must work. Because in asking them to take that step, our Work First plan makes sure they have the tools to go to work and that there will be a safety net for their children.

Unfortunately, the proposed Republican welfare bill does none of these things. It does not look at the day-to-day lives of real people and ask what is needed to get that person into a job. The people we are telling to go to work are not going to be in high-paid, high-tech jobs. We know that mother who wants to sign a contract that requires her to work will be on the edge when it comes to paying the bills. We know that she will have serious problems with finding affordable and quality child care unless she has a mother or an aunt or a next door neighbor to watch her kids.

The Republican bill does not provide enough money to pay for real child care. Suppose that mother lives in suburban Maryland or Baltimore City or the rural parts of my State? She does the right thing; she gets an entry-level, minimum-wage job. She is going to make about \$9,000 a year, but will have no benefits. She might take home, after Social Security taxes, \$175 a week. But if her child care costs her \$125 a week, that leaves her \$50 a week for rent, food, and clothing. How do we expect this woman to support a family on \$50 a week? There would be no incentive to do that.

So that means, under the Republican welfare bill, she must jump off of a cliff into the abyss of further and further poverty. Where moving to work puts her at an economic disadvantage. The Democratic bill wants to help people move to a better life. The Republican bill will push them into poverty through its harsh, punitive approach.

Welfare reform is about ending the cycle of poverty and the culture of poverty. And the Democratic Work First plan will tackle both.

Ending the cycle of poverty is an economic challenge. It means helping create jobs in this country and then making sure that our country is work-force ready and that welfare recipients are ready to be part of our new economy.

But welfare reform must also end the culture of poverty, and that is about personal responsibility. It is about bringing men back into the picture. It is about tough child support, saying that if you have got the stuff to have a child, you should have the stuff to support that child and rear that child.

We believe that the way families will move out of poverty is the way families move to the middle class—by bringing men back into the picture, having two-parent households, ensuring that there are no penalties to marriage, or to families going to work.

So, Mr. President, Democrats in this debate are firm on work and personal

responsibility. We believe that the Democratic welfare reform alternative will bring about these results. That is why I support it with the enthusiasm that I do.

I yield back the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I may state a different tack. I am sincere when I say this. I do not care which party straightens out this country just so one of them does. I have felt that way for a long time.

For the benefit of those looking in on C-SPAN, the distinguished Parliamentarian was having a discussion with the Presiding Officer. I was wondering whether he was talking about some rule that I may have unwittingly violated.

Anyway, I am pleased that debate in the Senate has finally begun on the issue of the fundamental reform of America's welfare system. There are all sorts of plans floating around. And my view is, let us get one that has a minimal amount of Government in it and proceed with a sensible welfare plan. Efforts to move away from the disastrous welfare state—some call it the dependency state—is long overdue. We have seen the bitter fruits of what has followed this business of trying to socialize welfare.

We must pray that the Nation can somehow recover from the destruction of the basic fundamental precepts and principles, the moral and spiritual principles, if you will, laid down by our Founding Fathers. And a lot of damage has been done to all of those by the effort to have the Government provide for everybody, causing so many to decide that it is better not to work and just to sit back and get a welfare check.

Now, that will cause screams in some quarters, but most Americans know it is so. Welfare as it now exists is a clear example of a Government program intended to be compassionate, but which, in fact, is demonstrably destructive, even to people to whom the political system gives benefits financed by citizens who work for a living.

The welfare system has discouraged work. It encourages dependency. It encourages single motherhood and the breakup of families. Look at statistics. It is all there for people to perceive.

Mr. President, a clear signal has been sent to the American people that the liberal policies of the past are and have been an abject failure. Congress must cease its sorry practice of cranking up more and more giveaway programs for the purpose of buying votes in the next election. It is time to stop throwing the taxpayers' money at pie-in-the-sky Federal programs instead of working to get to the root of the problem.

So, here we are. The Senate now confronts the responsibility of deciding how significantly the Congress will reform the welfare system if some Senators will let the consideration proceed.

Mr. President, it is not a matter of being for or against helping those in need. It is a matter of setting the parameters of welfare so that every able-bodied citizen will feel obliged to go to work instead of sitting back to receive free sustenance from the working taxpayers. Past policies of dumping that burden entirely on the shoulders of the American taxpayers has never worked, and it never will.

There are many citizens across the country who are working to restore personal responsibility in this regard. I have a couple of remarkable ladies in mind when I say that. First, there is Mattie Hill Brown, of Wilson, NC. Now, we call her "Miss Mattie." She was recently awarded the prestigious Jefferson Award for Outstanding Community Service.

Mr. President, you know what she does? Do you know why she was given this award? This remarkable lady gives freely of her limited income—and it is limited—to prepare and deliver meals to truly needy people. Her generosity is direct and it is personal. It is independent of all administrative agencies, public and private. She wants to do it because it is a desire of her heart and from her heart to help others.

And then there is another lady. She is from Texas, Houston, TX. Her name is Carol Porter. Mrs. Porter is a remarkable lady who founded Kid-Care, Inc., a nonprofit group that helps feed some of Houston's neediest children. And Kid-Care will accept no government funding, not a penny. "I'm against people saying, 'Let the government do it,'" Mrs. Porter once said. Then she added, "It's time for Americans to feed needy Americans"—not the Government, but individual Americans out of the compassion of their hearts.

Oh, we can sit up here in the U.S. Senate and spend other people's money and we can say how generous we are. But until we do it ourselves and sacrifice ourselves, it does not mean a thing. Mr. President, history shows clearly that efforts to shift the responsibility of welfare from individuals and communities to the Federal Government have failed. You can see that failure all around you, you can see it within three blocks of this U.S. Capitol.

Now, since Lyndon Johnson led the Nation down the road to what he called the Great Society in the middle 1960's, the predictable result has been massive Federal spending, mushrooming Federal debt.

By the way, the Federal debt is going to cross \$5 trillion within the next 30 days. Watch it.

It has led to increased poverty and, unfortunately, millions of Americans are locked into the welfare cycle. In 1988, Congress enacted the Family Security Act, which ostensibly reformed welfare to reverse the errors that were apparent, the errors of the past.

They were continued, of course. But supporters of that legislation boasted at the time that it would "revise the

AFDC program to emphasize work and child support and family benefits \* \* \* encourage and assist needy children and parents under the new program to obtain the education, training and employment needed to avoid long-term welfare dependence."

If that is not a political declaration, I do not know what it is. And it was not so, and that bill failed.

It is encouraging to note that neither Democrats nor Republicans now propose to perpetuate the JOBS Program, which is an entitlement to education and job training for AFDC recipients. It was created in the 1988 act. By the way, that one act in 1988—this business of Congress giving away other people's money—has run the Federal debt up \$8 billion since 1988. It has increased the Federal debt for our children and grandchildren to pay by \$8 billion.

One reason for its failure is the large number of exemptions from participation in the JOBS Program. Currently, 57 percent of AFDC recipients are exempt from JOBS for one reason or another. Of the nonexempt only 11 percent are currently participating and all the rest—all the rest—are living off the taxpayers.

These policies have not helped to end poverty in America. Just the opposite. As of 1993, there were 15.1 percent of Americans in poverty as compared to 13 percent when that reform took place. That is a 2-percent growth in the number of people in poverty.

Yet, Senators agreed that this legislation would end welfare as we know it. We must not make that mistake on this welfare reform.

In addition, Mr. President, 76 percent of AFDC recipients receive cash benefits for 5 years or more. That is certainly not the intended effect of the 1988 legislation.

The point is, we must not miss the opportunity now to institute real reform of the welfare system. No longer should the taxpayers be forced to subsidize able-bodied people who just prefer not to work. We must provide individual responsibility and stop turning to the State and Federal treasuries for millions of borrowed dollars, the tab for which will be passed along to our children and grandchildren.

Opinions differ as to what aspect of America's welfare system has been the greatest failure, in terms of principle. The fraudulent Food Stamp Program or the failed JOBS Program or the bloated bureaucracy—the list is endless. The one segment of Federal Government control that is in most need of reform, however, is welfare.

This past April, at Elon College, NC, the Right Honorable Margaret Thatcher, former Prime Minister of Great Britain and a close personal friend of Dot Helms and me, came down to speak to a convocation. She encouraged Americans, especially the young people in the audience, to take another look at our welfare system, which she explained that day fosters what we call dependency, dependency on Government welfare.

Margaret Thatcher said: "Of course you have to help people out of poverty. The Good Samaritan was the first."

But then she said: "What happens when the system you have for getting people out of poverty produces more people in poverty, generation after generation after generation?"

Maggie Thatcher, of course, was right. She had been repeatedly right in her challenges to Government socialism and in her defense of the free enterprise system.

But there is another authority who is a favorite of mine. His name is Paul, the Apostle Paul who, in his Second Epistle to the Thessalonians, chapter 23, verses 7 through 10, and I am going to quote the modern version, had a thought or two about this issue which we call today welfare. Paul wrote to the Thessalonians and said this:

We were not idle when we were with you, nor did we eat anyone's food without paying for it. On the contrary, we worked night and day, laboring and toiling so that we would not be a burden to any of you.

And then the Apostle Paul said:

We did this, not because we do not have the right to such help, but in order to make ourselves a model for you to follow. For even when we were with you, we gave you this rule. If a man will not work, he shall not eat.

Whether we like it or not, and I happen to like it very, very much, the Apostle Paul was exactly right when he wrote his Second Epistle to the Thessalonians. Margaret Thatcher is right in what she says. All the others down through history who have sounded the same tocsin in various ways, they have been right, they have been telling us, "Watch out."

Mr. President, political hi-jinks in this matter should be laid aside so that the Senate can have a meaningful welfare reform bill considered and enacted and sent to the President of the United States for his signature. The people have made clear that this is what they want. They have made clear that if we do not deliver, they will not forget it.

Mr. President, I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Chair. Mr. President, I have been listening very carefully to this debate; this discussion. I think it is fair to say that there are some who believe this debate is a battle for the Nation's soul. There are others who believe it is a battle for the Nation's heart. And there are some, I among them, who believe that it is a battle for the Nation's future.

At its best, welfare reform can contribute to the work ethic and upward mobility of large numbers of people. At its worst, it can fuel poverty and desperation, and it can take us back to those days best characterized by Charles Dickens in some of his novels.

The results of our actions here will be evaluated by generations to come. I truly believe that the ultimate test of a civilization is, as Albert Schweitzer

once stated, a civilization is known by how that civilization treats the least among them.

So I sincerely hope that one day we will be judged as having met the challenge of welfare reform with light rather than heat and with practical solutions.

I know there are many who believe they have all the answers, but the ultimate test of whether we succeed in what we do here is whether more people will be working tomorrow than today, and whether more people will be able to support themselves than today, and whether children will be better off or worse off.

Any bill for welfare reform, I think, because of the gravity of the situation in the largest State in the Union—California, must be looked at by how it impacts that State. California today comprises 12.3 percent of our Nation's population, with more than 32 million residents. It has 18.6 percent of the country's welfare caseload. It is home to 38 percent of all legal immigrants, including 42 percent of the Nation's immigrants who receive SSI. It has one-third of the Nation's drug- or alcohol-addicted SSI caseload, and almost one-fifth of the national AFDC caseload.

So I believe it is fair to say that any successful welfare bill will have a major and dramatic impact on virtually every walk of life in the State of California.

Let me begin by laying out what I think are the necessary components of any successful welfare reform bill and how it relates to California. The first issue is entitlements. I believe that the consensus is broad that the time has come to eliminate the entitlement status of welfare. Our system of entitlements has reached a point where there are more people entitled to benefits than there are people willing to provide them. That is a major difficulty.

I have had people, particularly young people, tell me that they believe they have a right to welfare. They interpret the entitlement status as giving them a basic right to this program. I do not agree, and I believe that the notion that welfare is a right has, in a sense, contributed to the collapse of the system. People in need should have temporary assistance, but they are not entitled to a lifelong grant.

Anyone who has ever had responsibility for running a welfare system knows the challenges, but one of the biggest challenges is the welfare bureaucracy itself. I remember somebody bringing to the floor a pile of documents that it took to qualify somebody into a categorical aid program and the documents were quite high. The more top down our welfare system has become, the less effectively it has served its purpose.

As a former mayor and a county supervisor, and now a Senator, I have dealt with every conceivable layer of bureaucracy in the administration of public benefit programs. But I truly believe it is at the local level, the coun-

ties, where welfare has seen some of its most innovative and successful reforms. For example, and it has been mentioned here earlier, specifically with one county, several California counties have instituted a program called GAIN. Everybody is familiar with it: Greater Avenues for Independence. One county, Riverside, has returned \$2.84 to the taxpayers for every \$1 spent on its GAIN Program. In Los Angeles, the results from the GAIN Program have been equally impressive. Working with 30,000 long-time welfare recipients who have been employed for more than 3 years, the Los Angeles GAIN Program has a current placement rate of 34 percent, which is very high as these things go.

Followup studies in Los Angeles reveal a 60 percent retention rate, indicating that the majority have not cycled back to welfare.

San Mateo and San Diego Counties have each created successful job search programs, cutting administrative costs and moving people into private-sector employment. San Mateo last year put an unprecedented 85 percent of the people in the program to work.

Enforcement of child support obligations, I believe, is the single most important welfare reform measure from the California perspective, because one of the principal causes of poverty in my State is the absence of child support, the last time I looked at this.

Almost 3 million people in California receive AFDC [Aid to Families with Dependent Children]. Now, that is a caseload larger than the entire populations of many of the States represented in this body. Currently, the combined annual cost to Federal, State, and local government is \$7 billion for the AFDC Program.

Since 1980, the total AFDC costs for California have tripled, from \$1.9 billion in 1980 to \$5.6 billion in 1993.

During that same period, births to unmarried teen mothers rose by 76 percent. Now, it is true that this is not a large portion of the caseload. However, mothers who had their first child as teenagers comprise more than half of our entire AFDC caseload. So while teen mothers may be a small number, but the finding of the California experience is that once teenagers enter welfare, it is difficult to get them to leave the program.

I believe it takes two people to bring a child into this world, and as a society we must demand that both parents be responsible for supporting the child. So strong child support must be an essential component of welfare reform.

Of course, as has also been said by many in this debate, child care remains the linchpin to a successful transition from welfare to work. In the California experience, the shortage of affordable child care is a critical and overwhelming problem for the State and for local communities. Our State spends \$840 million annually on child care. Another \$200 million of Federal funds goes into this. That is more than \$1 billion

for child care, and we still meet the needs of less than 30 percent of the families who are eligible for child care. This is the catch-22 of the Dole-Packwood bill for California.

In San Diego, Federal funds provide a total of 1,636 child care positions. Yet, there are 11,663 eligible families on the waiting list. The odds of getting a child care spot in the present system are 1 in 14. In San Francisco, with combined State and Federal funds, there are 8,000 child care spaces. But, there are 6,000 eligible families on the waiting list.

So this is one simple issue of common sense. You cannot move millions of mothers into the work force if there are not enough child care options available for them.

Let me talk for a moment about welfare fraud, because it is a real problem and it must be addressed, particularly in the Food Stamp Program. My understanding is that an investigation by the Secret Service last year estimated that food stamp fraud alone costs taxpayers at least \$2 billion a year. I am very pleased that both bills—the Dole-Packwood bill, as well as the Democratic leadership bill—have built in legislation which I introduced last week to enact strong provisions to permanently disqualify merchants who knowingly submit fraudulent claims, and to double the penalties for recipient fraud. But we also must remove Federal obstacles to an electronic benefit system, so that we can eliminate paper coupons and replace them with the counterfeit-proof debit card. I will certainly support efforts to do so.

I think it is fair to say that under the Dole-Packwood bill, my State is the biggest loser. And I cannot vote for the bill in its present form for that reason. First of all, I was surprised to see that the bill does not consider California a growth State. No State grows more than California. Yet, in this bill, California is not a growth State.

I was pleased when I learned that there would be a new growth fund in the bill, but I might say that the growth fund excludes one of the fastest growing States in the Nation—that is California—so it is not much of a growth fund.

For my State this bill is an enormous unfunded mandate. It requires California to achieve levels of work participation five times higher than the present. Yet, it freezes funding at the 1994 level.

The Department of Health and Human Services has estimated that to operate the work program plus related child care will cost my State more than \$4 billion over 5 years. Yet, funding is frozen at the 1994 level.

Meeting the work requirements in this bill will result in a need for an 894 percent increase in AFDC-related child care needs. Yet, funding is frozen at the 1994 level.

California, as I mentioned, is home to 38 percent of all legal immigrants. But it is also home to more than half, 52 percent, of all legal immigrants who receive Federal welfare. Fifty-two per-

cent of all legal immigrants who receive Federal welfare are in the State of California. I am one who believes immigrants should not come to this country to go on welfare. But this bill takes a problem created by the Federal Government and simply dumps it on the States.

It would deny SSI and Medicaid benefits to almost 300,000 legal immigrants who reside in California, resulting in a \$6.3 billion cost shift to my State over 5 years. Los Angeles County alone has estimated a loss of \$530 million annually under the Republican bill.

We cannot just shift the problem. The impact on States and counties must also be addressed. I have already stated that many of the innovations currently under discussion have been pioneered by California counties. I want them to have the ability to continue the work they have begun. Counties—not the State—are on the front lines in California.

The Dole-Packwood bill falls far short for States like mine where responsibility for administering welfare has been delegated to the counties. If we are serious about devolving authority to local communities, I see no reason to sustain a two-tiered welfare bureaucracy where the State simply passes the responsibility through to the counties but keeps some of the funding for its own purposes. I want to see the people closest to the problem—the counties—have full control of the Federal funds being allocated to implement this mandate.

In conclusion, the legislation currently before the Senate, I believe, fails to reform welfare in a way which will help California or, I believe, the Nation. I believe the alternative proposal by the Democratic leadership is a more cost-effective vehicle for change in my State.

The Daschle bill addresses California's concern in the following ways. It accommodates growth; it provides adequate child-care funding; it allows for local government control; it does not dump a huge unfunded mandate on the States with regard to immigrant benefits.

For 60 years now, this Nation has been generous to poor families with dependent children. Originally conceived during the Great Depression, AFDC was designed to keep widows at home with their children at a time when women were not valued in the work force.

The 1930's were a time when women and children were accorded respect and compassion if they were poor, because they were economically vulnerable. It seems that time has passed. But our goal in these times has not changed. We still need a plan to assist the economically vulnerable, assist them to work and to be independent. So we must do so with training, with child care, and with incentives to work. Surely a nation which could reach for the stars could also eliminate poverty.

I have been very fortunate in my life. I have not known poverty, and I have

not known hunger. But I have known failure. To me, there are few human experiences that are worse.

Yet, our welfare system has rewarded failure and punished success. In the process, we have created not only a dependency on welfare but a dependency on failure. It is overcoming failure which is the challenge before the Senate.

I very much hope that in reform we do not throw the baby out with the bath water, and that we also recognize that the American people are no less generous than they were in 1935. Today, perhaps, they are much more practical. They want to know that their tax-paying dollars are going for good, solid, practical programs.

I do not believe there are Americans that really want to see youngsters starving in the streets of our communities. They are still willing to help those in need, provided they are willing to help themselves.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I wanted to rise today to continue discussing welfare with a little different tack on it than yesterday. I want to talk about what is going on on the other side of the aisle, and how the President and the Senators on the Democratic side are participating, or, in some cases, not participating, in this debate.

I have been on the floor on many occasions over the past several months to talk about the President's abdication of responsibility in dealing with the most important issue that we have to deal with here in this session of the Congress and one of the most important issues we deal with in every sense of the Congress, and that is passing a budget—passing a reconciliation bill. In this case, a very important reconciliation bill, because it is one that will bring our budget into balance.

I got up on the floor of the Senate on many occasions and suggested that the President has not come to the table in that respect in offering a balanced budget. I have not been to the floor in recent weeks because the President has not really been talking about his budget—the one that he proposed, the 10-year balanced budget that he proposed.

I am not going about espousing how this brings us into balance, but yesterday he did an interview on NPR talking about how irresponsible the Republican budget was, how irresponsible the Republicans were on Medicare, how irresponsible the Republicans are being on welfare, and I thought it was time to bring to the Senate floor and remind people of how many days it has been since we put up a responsible Republican balanced budget over a period of 7 years, and how long it has been since the President has refused to come to the table and do so.

He gets away with a lot in the national media. I am not surprised with NPR, but I would be surprised with any

other mainstream media that he gets away with saying he lived up to his responsibility. He says, "My responsibility was fulfilled when I offered them an alternative balanced budget and a willingness to discuss it."

When did he offer such an alternative budget? He did not. The Congressional Budget Office scored the President's balanced budget over 10 years as producing annual deficits of \$200 billion a year as far as the eye can see. There is no balanced budget.

Standing here and wishing it were so, saying that because you can cook the numbers at the White House and change all the economic assumptions, assume faster growth, lower interest rates, that there will not be any other problems out there, that does not make it a balanced budget.

The President himself said that he would stick with the Congressional Budget Office because they have been the most accurate in assessing whether a budget comes into balance or not and what the provisions cost that we pass here in Washington. But he has abandoned that, and he has gone with the Office of Management and Budget—his own internal recordkeeping to come up with this phony budget that he trots around the country suggesting that he has come forward with a balanced budget. He has not. It is absolutely amazing to me that the members of the press corps continue to publish this as if he has actually come forward with a balanced budget when he has not.

But this should be no surprise. It is 83 days since the President has refused to come forward with a balanced budget after the Republicans have. It has been an equal number of days since he has been unwilling to come forward with a specific Medicare proposal, to tell us how he is going to get savings. In his 10-year balanced budget, he does call for a reduction in Medicare spending. That is interesting to note, because he is running around the country saying how the Republicans are going to gut Medicare because they are going to cut Medicare. I know the esteemed chairman of the Finance Committee has said on many occasions, as has the Budget Committee chairman from New Mexico, Medicare is going to grow under the Republican budget at 6.4 percent per year. What does it grow under the President's budget? At 7.1 percent. What does it grow if we do nothing? At 10.5 percent.

You can say the Republicans are reducing the rate of spending, of growth in Medicare. But you also have to say the President is doing the same thing. In fact, there is only about \$11 billion a year difference between the Republicans' and Democrats' number. That is, by the way, out of a program that is roughly a \$200-billion-a-year program. So to suggest the Republicans are slashing when the President is not, that is just not living up to the realities of what is going on here. The President goes after Medicare as much as we do, almost. He does not consider

that a cut. We do not consider ours a cut. We consider it strengthening the program because otherwise it would go bankrupt. He knows that as well as we do. So, let us own up to what the problem is on Medicare.

The reason I started with these two is now we are at the third major issue of the day, of the times, and that is welfare reform. And where is the President? Where is the President who ran as a moderate Democrat on one issue, welfare? It was the defining issue, in the American public's eye, that made him different from Michael Dukakis or Walter Mondale. He was for ending welfare as we know it. He was the moderate Democrat, the new Democrat who was going to come forward and change the system.

Where is he? Where is the proposal? Oh, he trotted out something late last year, 19, 20 months into his term, that was dismissed by both sides as an irrelevant welfare bill—an irrelevant welfare bill. Even in comparison to what the Democratic leader has put up here, it was modest. It was truly rearranging the deck chairs on the *Titanic*.

Where is he this year on an issue that he says is the most important issue to face this country? Where is he? Where is the welfare reform proposal that really takes us in a new direction, that really reaches into the communities where poverty is at its worst and gives the people in those communities a chance, that changes the whole dynamic of the system? Where is that proposal? It is nonexistent. It is more than 83 days. Hundreds of days have gone by without the President being relevant.

Oh, that does not mean he cannot sit in the Oval Office and throw darts at the Republican plan. We will see lots of that; of how this is cruel and how it does not solve the problem. But where is his answer? Where is the leadership on the budget, with real numbers, with real choices and decisions? Where is the leadership on Medicare, that everyone in this Chamber knows will be bankrupt in 7 years? Where is the leadership? Where is the leadership on welfare, his defining issue?

Oh, it is political season down on Pennsylvania Avenue. It is time just to criticize what the Congress is doing and hope the voters do not notice that you do not have anything to offer yourself.

One thing I will say, the minority leader, the Democratic leader and others on the Democratic side, have actually come up with a proposal. They have actually put forward a proposal on welfare. I will add, just to be consistent in comparison, that the Democratic leader offered no balanced budget. No balanced budget, no substitute budget was offered. There were no ideas on how they would get to a balanced budget.

Oh, there were plenty of criticisms, plenty of amendments, but no Democratic budget to get this country into balance. Medicare—I have not seen any

program offered on the other side of the aisle on how we are going to solve the Medicare problem. I have not seen anything, not even a discussion of a discussion. Not even a possible meeting on the subject.

Again, there is plenty of criticism on what the Republicans want to do and the fact we are even thinking of doing it. But not one solution on the other side of the aisle, not one discussion on how they would solve the problem that everyone in this Chamber knows exists.

But now we move to welfare, and so they are 0 for 2 and they have decided maybe this time, instead of watching the strikes go past, they are going to take a swing at it. They are going to take a swing and see if we can put forward a welfare plan that can attract some support among the American public. Unfortunately, they swung and they missed and missed badly. This is a strikeout. This is a strikeout. It is a strike against the people who are in the system who need the help. It is a strike against those who have to pay for this system.

The Daschle bill tinkers with welfare. In fact, I would even add that it may make things worse rather than improve them. It, in fact, spends more money. It eliminates AFDC—that is the big claim, they eliminate AFDC. Again, it is changing the name of the program. But there is still an entitlement program there for mothers and children. It is called now the Temporary Employment Assistance Program. It replaces the AFDC Program but it is still a Federal program with Federal guidelines administered in Washington, run by bureaucrats here in Washington, administered through the State. It costs \$16 billion more than the current AFDC Program. No, it does not spend less, it spends more on AFDC—now called TEAP—but \$16 billion more over the next 7 years.

They say it puts time limits in. Remember, the President ran saying we are going to put a 2-year limit on welfare and at some point we are going to cut people off of welfare if they refuse to work? The minority leader would have you believe his bill puts time limits on welfare. It does not. It puts a 5-year limit on the—and this is in the bill, they do not use the word "person," they use the word "client."

Mrs. BOXER. Will the Senator yield for a question on his chart?

Mr. SANTORUM. I will be happy to. Mrs. BOXER. Thank you so much.

Are you referring to the President of the United States, when you use the name "Bill"? Or are you referring to a bill, as in a Senate bill?

Mr. SANTORUM. I am sorry, the Senator from California has not been here for the many occasions that I have been questioned on this chart. On each one of those occasions I have been asked a question about who am I referring to. This is referring to the President's lack of a balanced budget.

Mrs. BOXER. So you when you say "Bill" you mean the President of the United States?

I would say to my friend, if I had asked you to yield and I said, "Will RICKY yield for a question?" I would think that would not be appropriate and I would not do that. I would say "Will the Senator yield?"

I think, when we refer to the President of the United States on the Senate floor, be it in verbiage or on a chart, we ought to be respectful.

Thank you.

Mr. SANTORUM. I appreciate that. That is a common voice that I hear from the other side every time I have this chart up. So I appreciate the Senator being added to the chorus of people who do not like my chart. But I am glad people are paying attention. Maybe the White House will pay attention and actually come forward with a budget.

It is easy for me. I do not have to come here and do this. I can actually put this chart away, file it away for another day. All the President has to do is put a budget forward.

I would say to the Senator from California, who hopefully is listening in the Cloakroom, on a couple of occasions I came to the floor and noted example after example how Members on her side of the aisle refer to the President of the United States by his first name, terms like, "Where is George?" "Bush-whack," "Reaganomics." I can go on down the list. So to be indignant in this case is just further evidence of the fact that maybe people are uncomfortable with the fact that the President has not put forward his budget, and since you cannot argue the substance, let us argue the chart.

Getting back to the Democratic bill on this subject of welfare reform, they say they impose a 5-year limit, but in fact they do not because there are in this bill—here is the substitute, and we have pages 8 through 11, four pages of exceptions, of people who do not have to live by the 5-year time limit.

So there are a whole host of exceptions to people who are limited to 5 years, and I will go through some of them. There is a hardship exception. That is the first one on here. A hardship exception is people who are on AFDC, or now this new program, who live in high unemployment areas. So if you are on unemployment—high in this case is defined as 7½ percent—if you are in a high unemployment area, 7½ percent or higher, you do not have to worry about the time limit.

Just to give you an idea, in 1994, people who lived in these cities would not have 5-year time limits: Los Angeles, Washington, New York, Philadelphia, Miami, Detroit, and the list goes on. None of those people would have time limits. I do not know what percentage of the people on AFDC are in those cities, but I would suggest a pretty good percentage of them are.

All of them are now off the list. They do not count toward the State's participation rate. So you have large groups of folks who will never be time limited, particularly in the major

cities of this country. One huge loophole. And there are a lot of suburban areas and rural areas that also qualify with these high unemployment areas.

I know that in several counties, rural counties in Pennsylvania that have had difficult times, the unemployment rate is well in excess of 7 percent.

In New Jersey, there are 99 areas for computing unemployment. Of the 99, 35 had rates in excess of 7½ percent in 1994. So you can see that this is a major loophole to this 5-year requirement.

What else? Well, teenagers are exempt. Anybody who is a teenager does not have a 5-year limit. If you have a child while you are a teenager, you do not have a 5-year limitation. Your limitation does not kick in until you become the age of maturity and beyond. So you can get a much longer period of time if you have children when you are a teen.

It does not apply to mothers who are having children. You get a year exemption. If you have a child, you have a 1-year exemption. It extends your 5-year limit another year. And it goes on and on.

There are literally pages of exemptions for people to the 5 years. All I would suggest is it is a phony 5 years. And remember, this only applies, to begin with, to 20 percent of the caseload; 20 percent of the people who go into the system have to go into this kind of program with all of these exemptions in place. That is 20 percent of the remaining caseload—not 20 percent of everybody but 20 percent of the people who are not exempt.

So you take the people who are exempt out first and then you say you have to have 20 percent. To give you an idea how that compares with the Republican bill, the Republican bill is 20 percent of everybody, whether they are exempt or not. In fact, there are no exemptions in the Republican plan. The State can figure out who is exempt if they want to. It goes up to 50 percent in the Republican bill; in the Democratic bill, over a period of 5 years, but again the Democrats have this huge exempt group out here that never has to participate in this program. So it is a phony 5 years and a phony number of people who are going to be in this kind of program.

Under the Dole-Packwood bill, the savings in the welfare program over the next 7 years are \$70 billion. That is less than the House bill. The House bill is \$60 some billion but it is over 5 years. The Senate bill is \$70 billion over 7 years, and, of course, the House bill will be much more over 7 years. The Democratic bill, \$21 billion over 7 years—\$21 billion over 7 years in programs that spend over \$100 billion a year.

Take in one case the child support enforcement provision. Very important. The Senator from California, Senator FEINSTEIN, was absolutely correct that this is a very important aspect of the bill, to track down deadbeat dads—

and 98 percent of the folks who owe back child support are fathers—to track down deadbeat dads and get them to pay the back child support. We are talking about over \$50 billion in back child support owed in this country.

So this is a very important provision in this bill. You would think that when tracking down deadbeat dads and getting them to pay the child support, as we do in this bill, that part of the child support paid back would go to the State, because it would offset the welfare payments that are being made to mom. In other words, if the mother and children get child support, they no longer get welfare. This would actually be a cost savings to the Federal Government. And, in fact, in the Dole bill it saves \$155 million a year, \$1.2 billion over 7 years. The Democratic bill costs \$261 million over the next 3 years. That is the only estimate we have at this point. So it costs money over those 3 years.

What does this bill do for State flexibility? You are hearing a lot about getting the bill and the program back to the States, back to the localities where they solve the problems the best, giving State flexibility. You will hear, as I have on some shows with some Members of the other side talking about welfare, the term "partnership." What the Democratic bill does is create a partnership between the Federal Government and the State government, and that this partnership will be forged where they work together to solve the problems of poverty. It sounds so nice, except it is not true.

A partnership is where each party has a say in the decision; that they work together to come to a decision jointly. That is exactly what happens under the Republican bill. Some decisions are made predominantly in Washington, other decisions are made predominantly in the State. Most of them in fact are made by the State.

Under the Democratic bill, all the decisions are still made in Washington. You want to do something different in your State? You have to ask Washington for permission. I do not know too many people who are going to get involved in the partnership where the one partner basically can tell the other partner no all the time and go ahead and do whatever they want to do without asking them. But that is this partnership that they would have you believe is a partnership. That is the current system. The current system already allows for waivers. This does not change it any. It just says we will be nicer and give you more. But that is up to the President to decide.

You can see there is even some little special interest things in the Democratic bill that remind you what constituency they are really serving here, and it is not the poor. This is not the poor. There is a provision in this bill that has to do with the Work First program, the program that they get people in to get to work immediately upon getting on welfare.

Participants in the Daschle bill program would be forbidden to fill any unfilled vacancy—in other words, “participants” meaning employers—employers would be prohibited from filling any unfilled vacancy at their place of employment or to perform any activities that would supplant the hiring of employed workers not funded under the program.

What does this mean? This means if you have a vacancy and you are in a unionized job—most of these participants would be governed—that you not fill a job slot with a welfare employee; you have to hire the union person first. So unions do not lose any positions under this. The Government has to fill the job created in the bureaucracy with another unionized person. They cannot take a slot and fill it with a welfare recipient who wants to get the job opportunity. Oh, no. We have to bow to the AFL-CIO here on the floor and make sure that any jobs we create for this new work-force program are basically new—probably in many cases make-work jobs—because you cannot even supplant the hiring of employed workers. You cannot even supplant the hiring of employed workers.

This is one big bout to the AFL-CIO and one big “Who cares?” to the poor. We do not want to give you good job opportunities and opportunities where you can, in effect, learn some skills in jobs that are needed. We want to make jobs for you and keep you on the dole.

That is where this program goes. It keeps the gravy train running. It keeps the entitlements and keeps the control, and it keeps everything decided here in Washington and spends more money in the process.

I know a lot of people in this country are looking for welfare reform. But you have not found it here. It does not exist in this proposal. I do not know if I need to start another chart of how many days it will be since Democrats have come up with a welfare reform proposal, because this is not it. If you want to get serious about welfare reform, let us talk about working together on a bipartisan basis for something real, something that fundamentally changes things, not playing around with the existing programs, spending more money and paying off your constituencies that help you get elected.

Mr. President, I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, first, I would like to ask unanimous consent that Cindy Baldwin, who is a fellow in my office this year, be granted the privileges of the floor for the remainder of the debate on welfare reform.

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

Mr. LIEBERMAN. Which may be a substantial period of time.

I thank the Chair.

Mr. President, I have some remarks that I would like to make on the work components of the two major bills, the Dole-Packwood bill and the Daschle-Mikulski-Breaux bill. But the twist of fate has put me in the position to be looking across the Chamber at my good friend and partner in some other good causes. And the question of, Where is the President? And I do, in fairness, want to respond to that question.

The Senator from Pennsylvania has discussed the role that the President's discussion of welfare reform had in the 1992 campaign. And I agree with the Senator from Pennsylvania; it was a pivotal role. It was the defining element of the campaign. And may I say, as a Democrat, how proud I was that we had a Presidential candidate in 1992 who broke with the past, who was not defensive about the status quo, who was prepared to take on some interest groups, frankly, within the Democratic Party who had always said, “Do not touch welfare.” I mean, if you touch welfare you are really talking about beating up on welfare recipients. For your own political advantage—In this case, I think the President stood up and stood out and said very clearly, welfare as we know it has to change. Welfare as we know it has to change. And I really believe that, had the President not taken that leadership stand, we would not be in the process of considering and having a genuine opportunity to adopt welfare reform. We may disagree—obviously we do disagree on some of the specifics. But I think that the President's position in 1992, and his following of that position since then, has created a bipartisan consensus in favor of welfare reform. And his principles as enunciated in the campaign were to create time limits, to require work, to give the States flexibility, to deal with teenage pregnancy and to increase the child support enforcement role.

Mr. President, last summer the President introduced a bill, proposed legislation, that would follow through, implement those principles that he enunciated in the campaign. I want to say to my friend, and my colleagues, that the President has worked very closely with the Democratic Senate leadership, and I believe the House leadership, to fashion the proposal that is before the Senate now or will be when introduced as a substitute by Senator DASCHLE and Senator BREAUX and Senator MIKULSKI, which is the so-called Work First proposal.

The President has joined forces in that sense with the Senate Democratic leadership. He has unequivocally endorsed the proposal. His endorsement is part of the reason why there is a remarkable unity among Senate Democrats. I remember the old Will Rogers line, “I belong to no organized political party. I am a Democrat.” That is true. Often that is the case. But in this case it is not true. That is to say, the Democrats are united behind the principles that the President enunciated in 1992.

I will say one thing concerning the question that continues to resonate toward me in those luminescent colors of blue and yellow across the Chamber, which is this: that President Clinton has not just spoken on this issue, he has acted. He has used the authority that the law gives him as President to grant waivers to the States, more waivers, granted more rapidly, than any President before him. More than half the States now have waivers.

And the truth is that in the midst of all of the discussion and rhetoric and contests going on here, the real work of welfare reform in the midst of the parameters that we set at the Federal level is going on at the State level. They are experimenting. And one of the things I hope we will show in this debate is some sense of humility when we are dealing with the lives of millions of people in a system that we agree has gone wrong, to understand that while we know what is wrong with the system, we, in most cases, do not have a great reason to have a great sense of confidence about exactly what will make it better. The States, in their experiments, are going to help us do that. And the President has encouraged that. And this proposal builds on that.

So I do not know that I have totally satisfied the interrogatory alleged by the Senator from Pennsylvania, but I feel very, very secure in saying that on this issue President Clinton was out in front early, formed a consensus, and has been directly involved in the work that brings us, hopefully in the near future, to the adoption of genuine welfare reform.

Mr. President, this is an important debate. There have been some very thoughtful statements made in the first couple of days of the debate which showed that the people really thought about this issue and understand the importance of it to those who are on welfare, to those of us who pay for welfare, and really to the country, and to the people's attitude toward Government, because the fact is welfare has become a symbol, in some senses a caricature, of all that has gone wrong with our Government, a well-intentioned program created in the 1930's, as we all know, to help widows, particularly widows of coal miners, then becomes an enormous program that takes basic American values—work, reward for work, family, loyalty to family, and personal responsibility—and turns them on their head. And in doing so, builds up an enormous bureaucracy, a kind of institutionalization of a lot of values gone astray.

So the debate here has been a good one. There is obviously a very, very broad consensus supporting reform. There are winds in the willows here. There are echoes in the Chamber that suggest it may not be possible to finish this debate this week. I am not surprised at that. And I do not think it is a bad sign.

Mr. President, it took us 60 years—60 years—for our welfare system to become the mess it is. We are not going to solve it in 6 days. We are not going to solve it right in 6 days. So, I hope that we will begin the debate, lay down some basic proposals, and then continue when we come back to do it the right way.

We all agree, I think, that the current system fails to demand responsibility and provide work opportunities. It financially rewards parents who do not work, who do not marry, but who do have children out of wedlock. By doing so, our current welfare system demeans our most cherished values and really deepens society's worst problems, including the problem of violent crime which has cut at the fabric of trust that used to underlay the sense of community that was so basically part of American life. Gone, the victim of violent crime.

Mr. President, there is, as I say, this broad agreement that our system must change, and I believe that there is also bipartisan agreement that one can see through the discussion on the goals of welfare reform. Democrats and Republicans agree that the welfare system should focus first and foremost on moving people into the work force.

A reform system, obviously, should also combat the causes of welfare dependency, particularly the growth in out-of-wedlock pregnancies among teenagers. I hope to return to the floor on some other occasion to talk about this epidemic problem the Senator from New York has foreseen, has documented, has spoken of with such insight.

May I just say the obvious, which is that if we can deal effectively with out-of-wedlock pregnancies, if we can create a national effort to try to cut down the number of pregnancies, this problem that has gone wild, we will thereby cut down the welfare rolls.

The welfare rolls are composed of children in great part who were born out of wedlock. They are, therefore, dependent children. It is a child or children living with the mother and no father, or at least no father who has assumed responsibility and gone through marriage and lives legally in the house.

So I hope we will act on this shared impulse of reaction to this terrible problem. The system reform should reinforce, not undermine, our shared values and a reformed system should fulfill our national commitment, in the midst of all the changes, that we try to provide protections for our poorest children, remembering that they are the innocent victims of the errors, misdeeds, irresponsibility, very often, of their parents.

So when we say "entitlement," there is no entitlement, as the Senator from New York has pointed out. It is up to the States whether they want to deal with the problems of the poorest.

Mr. MOYNIHAN. Will the Senator from Connecticut yield for a question?

Mr. LIEBERMAN. I will be proud to yield.

Mr. MOYNIHAN. Mr. President, is the Senator from Connecticut aware that he is the first Senator, other than the Senator from New York, to make that point in this now 2-day debate? There is no entitlement. I am profoundly grateful to him, for at least he has heard that voice.

Mr. LIEBERMAN. I thank the Senator from New York. I am proud to be in his company. That is the truth. It is up to the States to decide that they wish to enter this system the Federal Government has created. It is really the choice of the State. There is no coercion here. But once they decide, they have to play by the rules, and one of the rules—it certainly seems like a good one, and I would guess it is a rule that would be accepted in principle by a great majority of people in America—and that is we care for the children.

I hope whatever system we adopt provides that level of guarantee for a decent life for our children in this country.

The pending legislation, as amended by S. 1120, the Republican leader's bill, will create a welfare system that I believe will fail ultimately to meet its primary objective, which is to put people to work in great numbers, to get them off of welfare. It fails to give the States the right incentives and resources to put people to work, and I am afraid that it ignores a lot of what we have learned about what works and what does not in getting people off welfare.

Finally, I do not think it holds States accountable for their success, that is I do not think that it gives them incentives appropriately to succeed or that it creates standards to measure in a fair and reasonable, rational way what success really means.

Mr. President, for the remainder of the time speaking this afternoon, I want to focus in on the work requirements.

We know a lot about what it takes to get people to work. In 1988, Congress passed the Family Support Act under the skilled and, may I say, unique leadership of Senator MOYNIHAN. The Job Opportunities Basic Skills Program, which has come to be known as JOBS, established by the act, sought to provide training to people on welfare to prepare them for work. Evaluations of the JOBS Program that have been conducted have shown that the programs have had some success; they have begun to make a difference.

Obviously, they have suffered from a lack of funding in some substantial degree, but welfare-to-work programs have increased work participation. The Government education and training programs have not yet moved large numbers of welfare recipients permanently into the work force, and so we hope in this bill to try to do better.

But I do want to stress that it is critically important that we do not dismiss the JOBS Program in that sense, but that we build on what we have

learned from the JOBS Program. Our experience with that program has taught us several important lessons, one of which is that programs that are focused on education and training, on investing in human capital, have had some results. Programs that have, however, emphasized the immediate work experience along with education and training have seemed to be more successful.

What research is showing us is that providing an initial connection to the work force, a step on the first rung on the ladder of work, then to be combined with training and education, seems to be an approach that gives us some hope of making a welfare recipient find a way off welfare and into work.

What we have learned from the Family Support Act is that education and training are critical to continue to climb up the ladder to self-sufficiency. But it is Work First, which is the title of the Democratic bill, that will spur a recipient on and improve her life—it seems obvious, but it is important in this area of human frailty and profound human problems to test what seems obvious. It means that a recipient should, whenever possible, first take a job—any job—that is offered her to discover what her abilities are and then to be helped to learn the basic skills that most employers value, some of them very basic but critically important skills, like showing up to work on time, having good work habits, working hard, notifying employers of absences, communicating well with co-workers.

The traditional education system has failed most of our welfare recipients. Education and training, therefore, must play a critical role in helping them succeed in the work force. But we have to connect recipients to work and then help them succeed once they are in that work environment. And that is what this bill, which Senators DASCHLE, BREAU, and MIKULSKI have introduced, and many of us have cosponsored, has focused on.

Employers—and we have to listen to the people who are going to give these welfare recipients jobs—employers say over and over again that it is not necessarily formally trained workers that they need, but dependable workers, workers that they can help to train along with Government-supported training programs.

As one employer said to me, "I can train an employee to take apart and reassemble a widget, but I cannot train her to show up to work on time."

So programs that have taken a work-first approach, we think, have had the most encouraging results. There has been a lot of discussion here, and I need not go on at length about the GAIN program in Riverside County, CA, which is one such positive example. The program focuses on quickly placing people in private-sector jobs and

emphasizes low-paying jobs are an opportunity to start up a career ladder and should not be turned down.

Mr. President, the Manpower Demonstration Research Corp. evaluated the program and found a percentage of the recipients employed was 13.6 percent higher than in a control group. The JOBS programs run in Atlanta, Grand Rapids, and other places, provide additional evidence of the importance of this strategy that emphasizes rapid job entry.

Mr. President, we have also learned that private investment in support agencies can effectively move welfare recipients into the work force. So I would say that the three characteristics that we find from successful programs are, first, that each assesses the needs and skills of each of its clients individually and assumes that they want to work.

Second, each program bypasses traditional education and training and, instead, puts its clients to work as quickly as possible. But then, obviously, it has to supplement that with the education and training.

Third, successful programs do form strong links with local employers and work hard to maintain those links with the local employers, who are the source of the jobs.

Another example of the private sector agency that has done some successful work is America Works, which has been working in Connecticut for a period of time. It is a for-profit placement and support organization that has helped over 5,000 welfare recipients find full-time private sector jobs in New York, Connecticut, and Indianapolis. It places 60 percent of those in the program into jobs, and of that percent, 68 percent are hired permanently at an average wage of \$15,000 per year, including benefits; 75 percent are still off of welfare 18 months later, at a cost to the Government of \$5,400 per placement. America Works is cost effective, especially when compared to other public sector only programs.

Mr. President, we have to be honest here and say that successful programs are still the exception and not the rule. That is the difficult challenge that we face. States need more incentives to move recipients into the labor market. We have to move the system away as we all want to, I am sure, from one that focuses on writing checks to one that focuses on getting people into employment and providing the necessary backup and education and training to keep them there. We need to change the incentives in the current system and to reward States, administrators, and caseworkers for placing recipients in work.

There is simply not enough incentive in the current system, or may I say in the Republican leadership bill, that rewards States directly for meeting the most important goal of all, which is to place and keep a welfare recipient in a job—a private sector, unsubsidized job.

Mr. President, the Republican leadership bill does take one important step,

I think, in the right direction. That is, to give States the flexibility to design innovative work-based programs. But flexibility is not synonymous with reform, and therein lies the fundamental flaw of the Republican leadership bill. The problem with S. 1120 is that it gives States flexibility, but without the proper incentives to do the right thing, without the resources, without the accountability, without the measurement of success. The bill sets States up, I am afraid, to fail to meet the fundamental goal that the bill establishes, which is to help establish self-sufficiency through work. Then it lets States off the hook when they fail.

Mr. President, S. 1120 looks tough on work, but ultimately I am afraid it will not deliver on that toughness, because it does not give the States the resources they need to help put welfare recipients to work.

There are some similarities, which is encouraging, to the Democratic Work First proposal. One is that it requires States to ensure that an increasingly high percentage of their welfare caseload is involved in work activities. By the year 2000, States must ensure that 50 percent of people receiving welfare are working in a private sector job for at least 30 hours a week, or are participating in vocational education.

But I am afraid when you look closely at S. 1120, the Republican bill, you have to conclude that the States are going to have a very hard time meeting those work requirements, that 50 percent goal, 50 percent of welfare recipients to work, because the States simply cannot afford to meet them. States will not have the money they need to pay for child care and other support for single parents participating in part-time work.

The Republican leadership block grant proposal freezes Federal support for cash assistance in child care at \$16.8 billion—actually, less than what we are spending now, even as it requires States to move more than three times as many individuals into work activities.

Mr. President, we all want to save money on welfare. But it seems to me that we should learn the lessons of business. In so many cases, you do not save money, you do not turn out a better service, unless you invest a little bit. That is exactly what we have to do to achieve longer range savings for a better service, a better program.

Today, as required by the Family Support Act, about 400,000 people are participating in mandatory training or work programs for at least 20 hours a week. That is no small accomplishment. Under the Republican leadership bill, by the year 2000, 1.3 million individuals would have to be in work activities for not 20, but at least 30 hours per week. So the Republican leadership proposal triples the number of people who will need child care, for instance, but adds no new funds; it basically triples the number of people who will have to be in these mandatory work

programs for 10 more hours a week, but asks the States to do it with effectively less and less money.

The unfunded costs, as estimated by the Department of HHS, and roughly, I gather, confirmed by CBO, the unfunded cost of these work requirements in S. 1120 is a whopping \$23 billion over 7 years. The State of Connecticut, my State, alone would have to spend an additional \$300 million.

Mr. President, I ask, where will the States get that money? I am going to suggest on this chart that they have four choices to satisfy the goal of getting 50 percent of welfare recipients into work. One is to raise State and local taxes. That is not a very pleasant prospect for the Governors and State legislators, and I doubt they will do it.

Second is to deny assistance to needy families, either to make the welfare eligibility requirements more restrictive or to cut down the benefit level.

Third is to cut back on child care support, meager as it may be in most places, and, therefore, force people to go to work, but to do so at the cost of leaving their children home alone, unattended.

The fourth choice is not to go ahead with reform, not to achieve the 50 percent welfare-to-work goal that is set out in S. 1120, and the punishment is a 5-percent reduction of the block grant.

Well, it seems to me, we talk a lot about market incentives in this Chamber, and I am all for them. We are going to give the States—speaking in macro terms—a choice here. The choice is to spend the \$23 billion-plus over the 7 years for what I would call the “unfunded mandate,” or to lose what amounts to \$6 billion, which is the cumulative total of a 5-percent reduction for no reform.

I am afraid that just on the basis of fiscal incentive, the system set up in S. 1120 will encourage States not to achieve the work goals in their proposal and, therefore, to take the relatively more attractive \$6 billion hit.

Mr. President, let me offer one final chart and then I will close because I see my friend from Missouri here.

By contrast, I think the Work First proposal of Senators DASCHLE, BREAUX, and others of us, really does do the job and understands that you have to spend some money to save some money here. It funds the work requirement through spending cuts within existing welfare programs. It understands that you are not going to get people to go to work—and these are people who need some special help to get out there and go to work—without some money.

Second, Mr. President, the Senate Democratic leadership proposal, which really is welfare reform, builds on a successful experience in the State of Iowa—and a few other States have tried it—which is when welfare recipients come in to apply, from day one, they undergo a work assessment profile, a work assessment test that is done on them. And they are asked to sign a contract.

In other words, we are not just going to give them a check: Come in, show you meet the basic requirements, write a check, and that is that. The check is no longer unconditional. The check requires something of the recipient to meet her part of what we call the parent empowerment contract.

That goes from day one. Part of that contract is to accept any job offer. Sometimes you have a situation where people say that is not good enough for me, that is a minimum wage job. The point is, we found if you start with a minimum wage job, you work your way up.

Third, as others have said, the Democratic proposal provides child care.

Fourth, an important part that Senator BREAUX and I may build on in an amendment later in the debate, the Democratic proposal provides bonuses to States for private-sector job placements. The amendment to the Republican leadership bill will take 3, 4, 5 percent successively from the \$16.8 billion in the bill and put it into a special fund that will be redistributed to the States based on the number of people they get off of welfare and into private-sector jobs. I think that is the kind of incentive that can make these work requirements really work.

Finally, Mr. President, it is important to remember that welfare as we have known it for 60 years is first and foremost a program to protect the lives of children. Nine million of the 14 million welfare recipients are kids—9 million.

Helping parents receive self-sufficiency through work will help kids. Children growing up in a home with a working parent have a much more positive environment, positive role model, and less poverty. Requiring work breaks the vicious cycle that is creating such—for want of a better term—an underclass in our society. That is why Senator DASCHLE's Work First proposal demands that people who are receiving benefits work.

I hope that the proposal that I have described will assist the debate and, in whole or in part, draw bipartisan support. I think it deserves it. I hope my colleagues will agree with me that it is really through holding States accountable for their record at placing people in private-sector jobs that we will genuinely achieve welfare reform and improve the plight of these millions of children who are born to poverty with the odds stacked against them as they go forward in life.

The greatest barrier to equal opportunity in our society today is poverty. Too often, that barrier has been made even more rigid by a welfare system that sends all the wrong messages to people in our society.

I hope we together, Republicans and Democrats, side by side as this debate goes forward, can finally and effectively reform that system.

I thank the Chair. I yield the floor.

Mr. KENNEDY. Will the Senator yield for a brief question?

Mr. LIEBERMAN. Yes.

Mr. KENNEDY. I want to commend the Senator for an excellent presentation and statement, and in particular his emphasis on the child care and the work provisions.

I think the Senator has made the case that unless you are going to have a good training program in terms of moving people off of welfare, unless you have the day care—of the 10 million children today on welfare, only 400,000 actually get any kind of day care; the other children do not—unless we are going to manage that, we are not going to be able to get the kind of results we want.

We are also going to have to at least provide the assurance of some health benefits for those children under the Medicaid Program.

Is it the sense of the Senator that folding into the majority leader's program effectively all of the training programs which were out there for working families—the dislocated worker programs, or workers that lose their jobs because of either trade agreements like NAFTA or GATT, or coal miners or timber industry workers or displaced defense workers, men and women who have worked generally a lifetime, all they need is an upgrading of their skills—those programs have been effective in helping and assisting these workers, particularly through the community college program, which we are all familiar with and which is in all of our States, the good work and the training programs; that it really does not make any sense to take away those programs and take all of that money, the \$30 billion and put it into the other pot; effectively, the workfare program, which has been suggested or actually more than suggested, included in the majority leader's program?

Is the Senator concerned about what we would be doing to working families who have lost their jobs through no action of their own, and who need that kind of upgrading and training so they can get additional jobs in the future, and that effectively we have just taken all of the training programs and put it in here to workfare, in too many instances, dead-end jobs that do not do the kind of reform that I know the Senator and others and the Senator from New York are committed to?

Mr. LIEBERMAN. Mr. President, responding to the Senator from Massachusetts, and I thank him for his kind words and for his question which I think puts a finger on something I am very concerned about, the answer to his question is yes, I am concerned.

It seems to me there are two great problems pressing in our society today. One is the problem of people caught in the cycle of poverty—usually people on welfare for whom the current system has failed. We want to change that. We want to give those people incentives, training, and a reason to go to work.

Second, we have a whole group of people in our society who are working-class, middle-class families who have

been dislocated for one reason or another—defense downsizing, changes in the economy, the economy becoming more high tech, more information-age oriented—and they are profoundly unsettled and worried about their ability to provide for their families in the future.

There are a whole set of programs that we have built up, this Congress has built up, over succeeding administrations, supported by both parties, to try to provide essential assistance to those working middle-class families to help retrain them and to get them back to work.

What we are trying to do here in the welfare reform proposal is to create a new effective program to help people at the bottom, to help them up from the bottom and get them into the work force.

It seems to me to take from the working family program and to combine it with trying to get the welfare people to work will mean that both programs are ultimately going to be underfunded and each group will suffer. Each group really needs not to suffer but to be helped.

I hope as this debate goes on, I say to my friend from Massachusetts, we can work together across the aisle to make sure there is enough money here to make the promise of work and the requirement of work real.

Mr. KENNEDY. I see others on the floor. I welcome the statement of the majority leader indicating that there might be some additional opportunity to do some corrective action on the child care program.

I hope that we will also have an opportunity to do it in the work training program. These are two extremely important features of it. That will take some debate and some discussion. I know the Senator from Connecticut wants to do it.

I welcome the opportunity of working with others in those areas. Perhaps if we had more time, we could really make sure we get a bill that is worthy of its name.

I thank the Senator.

Mr. LIEBERMAN. I thank the Senator from Massachusetts. I yield the floor.

Mr. LUGAR. Mr. President, the welfare reform legislation before the Senate insists on more individual responsibility. It penalizes destructive behavior and it promotes work. The legislation provides new authority to the States, affirming federalism and allowing Governors to make bold reforms. This bill will reduce the Federal deficit.

Nutrition assistance is a major part of our Nation's system of social programs. The legislation before us contains a modified form of an original bill approved by the Senate Agriculture Committee on June 14. All Republican members of the committee voted for the bill, along with one Democratic member.

That bill, now part of the leadership proposal we are considering, makes

dramatic changes in the food stamp program. These changes reflect the three goals of individual responsibility, State empowerment, and deficit reduction.

First, the Agriculture Committee bill reduces the Federal deficit by \$19.1 billion over the next 5 years, and \$30.1 billion over 7 years. Part of these savings are obtained through a crackdown on fraud and food stamp trafficking. The majority of savings, however, result from benefit cutbacks, tighter eligibility rules, and policy reforms. The standard deduction that is used to calculate food stamp benefits will be lower under this bill than under current law. Similarly, the bill will pay food stamp benefits based on the thrifty food plan, and not 103 percent of that plan as is the case today.

Second, this bill requires individuals to take more responsibility for their actions. The legislation withdraws benefits from able-bodied childless adults who do not work. It disqualifies any individual who voluntarily quits a job or reduces the number of hours worked. It denies benefits to anyone who violates an AFDC work requirement, and bars food stamps from increasing when a family's welfare check is cut because they failed to comply with other welfare program requirements, such as making sure children stay in school or receive immunization shots.

This important policy change puts an end to the mixed message that our welfare system sends to recipients. Up to now, when a welfare recipient's cash benefits have been reduced as a penalty, his or her food stamps have automatically increased, partly offsetting the loss of income.

For food stamp work requirements, the bill establishes new mandatory minimum disqualification periods for violators. States will have the authority to disqualify for longer periods. In sharp contrast to current law, this legislation will allow States to permanently disqualify three-time repeat violators.

The bill will discourage teen pregnancy by requiring that minor parents living at home apply for benefits with their parents. In addition, the bill will place new responsibilities on anyone sponsoring a legal alien who then applies for food stamps.

Third, the legislation before us will empower the States. States will have a broad range of new authorities to design simplified food stamp programs and conform procedures and rules for AFDC households. The bill will allow States to obtain waivers for welfare demonstration projects that reduce food stamp benefits or restrict eligibility. The bill also compels the U.S. Department of Agriculture to be more responsive to State waiver requests by imposing a strict turnaround time for initial responses to these requests, with automatic approval if USDA misses its deadline.

Under this legislation, States will be able to pay wage subsidies in lieu of

food stamps—innovative programs in which the amount of the food stamp benefit is paid to an employer who hires a recipient. The employer then passes the benefit along as a wage.

Finally, the legislation allows States to choose an optional block grant instead of the regular food stamp program. States would be eligible for an amount equal to the higher of their 1994 food stamp funding level or the 1992-94 average. Seventy-five percent of the amount expended would have to be spent on food assistance, with the remainder to be spent on payments in return for work, work supplementation programs, other work-related initiatives, and administrative costs.

The bill approved by the Agriculture Committee did not include the block grant option. Although several Senators on the committee supported block grants, a majority did not.

I believe that the optional block grant that has been developed over the past several weeks gives States a fair choice. If they are concerned about the possibility of a demographic change or a large, recession-induced increase in their caseload, they may continue to participate in the Federal food stamp program, and benefit from all the flexibility provided in this bill. But if States prefer, they now have the ability to make a one-time choice of block-granted benefits. It is their decision.

Mr. President, we should give States the opportunity to try new approaches. We must make it clear to recipients of public assistance that more will be expected of them. And we should spend less money on welfare.

The legislation before us passes all three of these tests. I hope all Senators will support it.

The PRESIDING OFFICER (Mr. THOMPSON). The majority leader.

#### ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I thank the Senator from Missouri for waiting just a few more moments. I think the Senator from Washington also wanted to speak, Senator MURRAY.

Let me just sort of lay out where we are and where we are going. I discovered a lot of people want to go home, which has some impact on what we are doing.

I think it is fair to say we have had almost 2 solid days of debate on welfare reform, plus statements by the two leaders on Saturday. And I think, without exception, we have had good debate. We have had different points of view, different philosophical approaches. But overall it has been steady, and we have had very few quorum calls.

But it is also clear to me—and I am not criticizing anybody, I just know how this place works—we are not going to finish the bill this week. We could stay all night every night. So the question is, let us do it next week. But I know from counting on this side there would be a number of absentees, and I assume the same would be true on the other side, because people can make commitments.

There was an August recess. So I was faced with the reality of what we can do and what we cannot do and knowing we cannot finish this week. I have talked to the Democratic leader about it. We had a good visit. We were not going back and forth blaming each other. I think the conclusion was, the signals were, there was no way we could do it. There were too many amendments, too many people had not been heard.

But I would say on this side, today Governor Thompson, who is chairman of the National Governors Association, was kind enough to come to Washington from Wisconsin, and we met with about, I would say, 18, 20, 22 Republican Senators. And we heard from a Governor who has cut his welfare caseload 27 percent and a Governor who is saving \$17 million a month. Half of that is Federal money and half of that is State. And somebody who knows about child care, health care, transportation, and other things he says are so important to welfare reform.

He tried to make the point—and did make the point very effectively with a number of my colleagues on different sides of the spectrum here—that Governors get elected by the same people we do. Do you not trust your Governors? Then he went on to say what he had done in Wisconsin.

So, I think we are a little closer together, I would say, on the Republican side, than we were 6 or 7 hours ago. So, today and tomorrow and Friday we will be going back to Republicans who had different views on the so-called leadership bill, the Work Opportunity Act of 1995, and perhaps the leaders would reserve the right to modify their bills before we go out on Friday. I think at that point we would be, hopefully, very, very close to having every Republican on board. I think maybe Senator DASCHLE can say the same.

These negotiations are going on now. They are going to continue. So I have to make a judgment whether I want the negotiations to go on and make some headway and then bring all that to the floor on Friday, or should we go ahead today and finish three very important appropriations bills: Transportation, Interior, Defense appropriations and the Defense authorization bill. That is a lot to do in 3 days. It may spill into Saturday. But I have learned from the past that when you have a deadline, things do go more quickly. Suddenly speeches that could have been made for hours are 10 minutes, and they are better. People actually listen to 10-minute speeches. So we hope that is the case.

It is my intent to go to the Interior bill, if it is satisfactory with the Democratic leader, and try to finish that, hopefully, tonight. We have had consultations with managers on each side. There are some contentious amendments, but I do hope we can have cooperation of all Members on each side as far as amendments—give us time agreements, give the managers time

agreements. And I think the question is—I think I already know the answer because I have talked to the Democratic leader—I think we have agreed to cooperate on this, to work on both sides of the aisle, try to get Members to cooperate with us. When we finish these bills, the recess starts. So it is automatic. It is automatic.

It is up to every Member when he or she stands up to address an issue—and certainly some of these should not be addressed in a—Do not misunderstand this. They are very serious. But I think we can make the case in fairly rapid order.

So I ask the Democratic leader if he concurs in this statement, and, if so, it would then be the intention of the leader to move to the Interior appropriations bill.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, I do concur. I also want to commend the majority leader for making the decision he has.

I think there are three reasons why this makes sense. First, as the distinguished majority leader said, negotiations are continuing. I hope to lay the Work First amendment down prior to the time we go to the Interior bill for the opportunity it presents all Members to compare and to pick apart and critically review both the bill offered by the Republican leadership and the bill offered by the Democratic leadership. So the next 3 days could be very helpful in bringing to refinement what we hope are legislative proposals that will unite not only our caucuses but, hopefully, the Senate, ultimately.

Second, I think it is also helpful, as the distinguished majority leader said, to involve the Governors in a way that they have not yet had the opportunity to be involved. I think the next 3 weeks could be the most meaningful in terms of asking people outside of Washington what they think. They are the ones ultimately, when this legislation passes, who are going to be confronted with the responsibility for not only implementing but administering what it is we are doing here. So, having their input, having their review, having their ideas will even better prepare us to come back and conclude the work on this very important piece of legislation in September.

Third, as the distinguished leader said, we have a lot of work to do on appropriations. I recognize the very difficult decisions that have to be made on a number of these bills. I may, personally, vote against a couple of these bills, but that ought not preclude us from considering them in a timeframe that will allow us to accommodate this schedule in a way that will meet the schedule laid out by the majority leader.

I hope as many problems and as many difficulties as we may have with this legislation—that is, these appropriations bills—that we agree to short time limits, that we do the best we can

to resolve what differences there are, be as willing to confront these bills with time limits to amendments and ultimately, perhaps, even a time agreement in consideration of the legislation itself.

I believe we can accommodate not only the welfare reform schedule in that manner but also the rigorous schedule we will have with regard to appropriations bills when we return in September.

So, for those three reasons I think this makes a good deal of sense, and I hope we could get unanimity here in the Senate with regard to this schedule and the appropriateness with which we will take up each of these bills and, hopefully, welfare reform when we come back.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I want to underscore a point made by the Democratic leader because I had forgotten Governor Thompson indicated they would like a little time, too, the Governors.

We sort of unveiled our bill in Burlington, VT, I guess, a week ago Monday. The President talked about welfare that same day. The Governors broke up the next day, and they have had one meeting. They are about to send us a letter in general terms saying they support a lot of things in different proposals.

The Governor made the point this would give them some time in the next 3 weeks to try to bring Governors together—Governors, I am talking about Democrats, Republicans—to see if there is some common ground. There may not be. So I want to underscore the point made by the Democratic leader.

Second, to indicate that when we come back, with the appropriations bills out of the way, there has been a lot of talk about a train wreck in this town on October 1. When we finish the appropriations bills, we will have finished everything that has been reported out by the Appropriations Committee. There is nothing else left to take up.

So when we come back on September 5, we will be back on the welfare bill, which will give the appropriators time to report out the other bills. We want all these bills, if we can possibly do it, down to the President before October 1. You have to go to conference; you have to do a lot of things. We may have to negotiate with the White House and others. So I think that is very important. We want to try to avoid that. We want the President to understand that the Congress has done its work on time, and completing these three appropriations bills will be a big step in that direction.

Finally to indicate—not just to indicate, just a fact—we will bring up welfare again on the 5th of September, unless something unforeseen happens. That would be Tuesday, Wednesday, Thursday, Friday of that week, maybe

even slip into the next week, into Monday. If we cannot finish it in a reasonable time, then I think the Democratic leader understands and others understand, we will probably have to put it in reconciliation. But first we want to give everybody an opportunity.

I would rather pass a freestanding welfare reform bill where everybody has a right to offer amendments, we have votes on the amendments—and I think there are going to be dozens of amendments, legitimate amendments. But I would make that statement. And that date is September 27, sort of the drop-dead day for that process. So we do not have a lot of time. I think this makes the best use of our time, and it also permits our colleagues to start the recess either Friday or Saturday of this week.

I thank my colleague, the Democratic leader.

AMENDMENT NO. 2282 TO AMENDMENT NO. 2280

Mr. DASCHLE. Mr. President, with that understanding, I would like to lay down the Democratic substitute at this time and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows: The Senator from South Dakota [Mr. DASCHLE] proposes an amendment numbered 2282 to amendment No. 2280.

Mr. DASCHLE. 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 printed in today's RECORD under "Amendments Submitted.")

Mr. DASCHLE. Mr. President, I would also ask unanimous consent that Timothy Prinz, a congressional fellow in my office, be granted privileges of the floor during the debate on welfare reform and the appropriations bills to which it would refer.

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

Mr. DASCHLE. Mr. President, I have had a number of opportunities to discuss this legislation. I did again last night. I probably will throughout the remainder of the week. In the interest of time and certainly appreciation of the long wait that the distinguished Senator from Missouri has had already, I will make no further statements regarding the amendment and save that for a later date.

Mr. DOLE. Mr. President, we will probably be making comments on the bill, too, on this side of the aisle. A lot of comments have been about our bill, so I assume we will probably make a few comments about this bill before the recess.

Mr. DASCHLE. If I could just ask the majority leader for a clarification on the opportunity both leaders will have to modify our legislation prior to the end of the week. I think there is an understanding we will be able to do that.

Mr. DOLE. That is an understanding we have.

Because I assume the Senator is meeting with his colleagues; we are meeting with our colleagues. We are working out problems, and we would like, where we can, to accommodate different views to those changes. It might save a lot of amendments.

Mr. DASCHLE. That is right.

Mr. DOLE. So I ask unanimous consent now that we turn to the consideration of H.R. 1977, the Interior appropriations bill.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. First, before we do that, I understand the Senator from Missouri would like about 8 minutes and the Senator from Washington about 8 minutes.

Mr. KENNEDY. Mr. Leader, I need about 4 minutes.

Mr. DOLE. And the Senator from Massachusetts, 4 minutes. So that gives the appropriators 20 minutes.

Mrs. KASSEBAUM. Mr. President, I hate to—

Mr. DOLE. Excuse me.

Mrs. KASSEBAUM. I hate to delay this, but I have some things I wish to say in answer to the Senator from Massachusetts, and it would seem to me important to kind of set the record straight on some of the job training aspects of this. If I could have just 5 minutes, that would be fine.

Mr. DOLE. So the appropriators have 25 minutes to arrive.

The PRESIDING OFFICER. Without objection, the Senate will proceed to H.R. 1977, at the conclusion of the remarks of the Senators.

The Senator from Missouri.

Mr. BOND. Mr. President, I thank the Chair. I am most grateful to the leaders. I will accept the admonition to make it brief and do it within 8 minutes.

Mr. President, I know there is an old saying that a good sermon in a house of worship wins no souls after 20 minutes. I think we have probably gotten to the point in the debate over welfare where even the most compelling statement on welfare does not win too many votes after about 10 minutes, and I will accept the challenge to summarize some of the things that I think are very important.

Mr. DASCHLE. Will the Senator from Missouri yield for a short unanimous-consent request?

Mr. BOND. I will be happy to yield to my colleague from South Dakota.

Mr. DASCHLE. The Senator from Missouri has mentioned the need for 10 minutes, and I think that was the understanding. I think under the unanimous-consent agreement, it was just 8 minutes. I ask unanimous consent that the Senator from Missouri and the Senator from Washington have 10 minutes.

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

Mr. BOND. Mr. President, I am most grateful to my friend from South Dakota, the minority leader. I will try not to use the full 10 minutes.

I wish to say based on what we have heard here today that there may be dif-

ferences among us. We do have some questions about the Democratic leadership amendment that has been introduced, but I gain a great deal of encouragement from hearing the comments of my friend from Connecticut, who was talking about work and the emphasis we must place on work.

I personally am pleased to be an original cosponsor of the welfare bill the majority leader and the chairman of the Finance Committee have introduced. I think that after 30 years of ever more expensive and less effective approaches to poverty, we are on the threshold of developing a plan that will reform welfare in a meaningful way.

We have heard from a lot of our colleagues who spent the last 2 days describing the problems of the current system. I agree with that. There are problems. We all recognize the current system is a disaster and it does not well serve those down and out in society who need a hand up, and it does not serve the taxpayers of the country who fund it. If any of us have questions about that, I think we can just go home and ask the folks in our home State. We are going to hear that clearly.

I would like to describe in brief some of the reasons I think the Dole-Packwood approach will work in that it strikes a fair balance between the role of the Federal Government in providing a safety net and giving States increased responsibility. I think it is a sound approach in fixing the system and clearly the best alternative to those who would completely dismantle public assistance and those who would simply tinker around the edges.

We have heard some very eloquent statements in the last hour about how important all the individual programs are and how great they are and what wonderful things they have done and how much better they would be if we spent more money.

I do not think that is the real world. I hope we can come together on a bipartisan basis to say more and more individual Federal programs with more and more money is not getting us out of the hole.

I have been working on welfare reform 8 years as Governor and longer than that in this Congress in past legislative sessions. I have been very pleased to work on a bipartisan basis with my colleague from Iowa, Senator HARKIN, over the last 2 years, and I am delighted that some of the ideas we have worked on are included in the bill before us. The centerpiece of the bill that we included on a bipartisan basis was a personal responsibility contract.

This is a fundamental change in the way we would approach public assistance. Since the creation of aid to families with dependent children, public aid has been regarded as an entitlement. If you meet the requirements, if you have the problems and if you have the lack of money for eligibility and you have the children, you get the cash with no

strings attached. That just does not work.

The current system has rightly been condemned by persons from all walks of life: researchers, advocates, pastors, politicians, even the recipients themselves. The system is impersonal. It is inefficient, and it encourages continued dependency. Recipients continue to get cash month after month after month without thinking about their future and without giving any help or any encouragement or any prod to become self-sufficient.

Treating public assistance as a contractual relationship such as is being done in Iowa, Missouri, Utah, and elsewhere where both parties have responsibility for changes, both parties need to do something, recipients themselves have to work or perform for their benefits, is the way out of the trap.

I believe a large reason for the stagnation in the welfare programs today is that we have not required anything in return for benefits. It is a one-way street. The lack of reciprocity has bred an ethic of dependence rather than a work ethic. The only way we can turn this around is to require something in return for what the taxpayers are paying out.

Most Americans believe our Government has a responsibility to help families in need, and certainly we are going to pursue that. But we also know that individuals have a responsibility to help themselves if they can. I believe that this approach will do a better job of helping people to create a better life for themselves and their families. I am concerned that if we do not require recipients of public assistance to work or behave responsibly, then our efforts at reform will fail.

The principle should be, public assistance is a two-way street. You want benefits? You have got to work and behave responsibly in return. The Dole-Packwood bill has a real work requirement. We have, I think, in this measure, since we last took on welfare reform in 1988, learned that the States are moving well ahead of the Federal Government. That is why we are going to look to the States to lead the way in finding new ways and better ways to get out of welfare dependency.

We have tinkered with the problem. We have tinkered with eligibility. But we have not come close to solving the problem of poverty. I am pleased that we take steps to move responsibility back to the States. I think we are doing an excellent job in reforming the supplemental security income program, which has grown out of control and has brought real outrage. I think that we need to change the system with respect to noncitizens. These elements are all in the bill.

The Dole-Packwood plan has a real work requirement, unlike the existing system. There would be no automatic exemption from work requirements. Currently, over half the caseload on average in every State is exempt from participation in work and job training

programs. No wonder the American people think the system is a sham.

Since we last took on the welfare reform issue in 1988, we learned that our Nation's Governors are far ahead of Washington in generating reform ideas and in implementing them. Currently States must undertake a lengthy and cumbersome waiver process in order to obtain permission to implement commonsense reforms. States that want to require welfare recipients to obtain preventive health care for their children, or to ensure that their children stay in school, or wish to allow recipients to keep more of their earnings from a parttime job—good ideas all—must now obtain a waiver from HHS. This is costly, time consuming, and silly. Dole-Packwood permits States to try a variety of ideas to move people into meaningful work and off public assistance, without permission from the Feds.

Senator HARKIN and I had also proposed that recipients be permitted to keep more income earned on the job, that teens be allowed to work without counting against family income, and that States be permitted to subsidize private sector jobs for welfare recipients on a trial basis. We also proposed that benefits be denied to those who fail to behave responsibly—those who fail to have their children immunized or to attend school. Under the system set up by the Dole-Packwood plan, States would be able to try any combination of these ideas, and many more we have not even thought of yet, without permission from Washington bureaucrats.

Mr. President, in past attempts to reform welfare we have erred on the side of caution. We have tinkered with the programs and generally expanded eligibility. We have not come close to solving the problem of poverty; in fact, there are more children living in poverty now than 30 years ago. So we do not want to be overly cautious in our approach to this issue. But neither do we want to throw the problems back to the States. Some of my colleagues propose a mega-block grant which would encompass virtually all means-tested assistance. I would argue that just because we no longer have to deal with the issue on the Federal level does not mean that there is no longer a problem. While their plan has the appeal of simplicity, I do not believe it is workable.

I have tried to work with those in my State who have the responsibility of running these programs to determine what reform efforts make sense. I have come to the conclusion that we should not include certain programs in this bill, particularly child welfare and foster care programs, and public housing reform. Children who are abused and neglected and who become wards of the State are our society's most vulnerable, and their needs should be addressed separately. And I am pleased that the majority leader and the Chair-

man of the Finance Committee have left these programs out of this bill.

Another highlight of this plan, in my view, is its reform of the Supplemental Security Income [SSI] Program, which provides benefits to low-income disabled individuals. SSI is one of the fastest growing welfare programs in the Federal budget, costing \$22 billion per year, and without the reforms in this bill, projected to grow 50 percent by the year 2000. SSI provides perhaps the best example of what happens when the Federal Government provides cash and asks for nothing in return. Over the last 2 years, we have investigated abuses in the program. We have discovered that many drug addicts and alcoholics are using the cash payments to subsidize their addictions, that children are being coached by their parents to fake a disability, and that new immigrants are being coached to fake disabilities to qualify for benefits.

Dole-Packwood would reform the SSI Program without denying benefits to those who truly need them. The bill would no longer treat drug addiction and alcoholism as disabilities or purposes of qualifying for SSI. Noncitizens would only be eligible after working and paying taxes for 5 years. And only children who were diagnosed with a real disability, rather than being said to behave inappropriately for their age level, would qualify for benefits.

Mr. President, the bill before us is not perfect. No legislative document ever is. Over the course of this week I hope we will make improvements in the area of child care and job training. Certainly there are a number of loose threads. But I am throwing my support behind this plan because I believe it is fundamentally sound from a philosophical and practical standpoint. It recognizes that the Federal Government cannot possibly provide the innovation and compassion necessary to solve the problem of poverty. It permits States, private organizations, and individuals to assume more responsibility in caring for our neighbors. And it recognizes that persons in need of assistance in our society will not become self-sufficient unless they are required to give of themselves in return. I yield the floor.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, the Senate has jumped into the welfare reform debate with both feet. I want to pose a question to the body now, as we enter the process: What is this debate about?

I will make it very simple: it is about families. It think all my colleagues will agree that in this country, there can be no substitute for healthy families; they are the bedrock of our society.

I hear so much from my constituents about their fears for the American family. In the modern world, the family faces more challenges than ever before, from economic opportunity, to edu-

cation, to child care. We live in a world where more and more both parents must work to make ends meet. We have also seen an increase in single-parent homes where the challenge to balance work and family can be overwhelming. In my own family, my brothers, sisters, and cousins all share these fears.

With this in mind, there is one question I urge my colleagues to keep in mind throughout this debate: what can the Government do—or not do—to build, and rebuild, families in this country?

What can the Government do to ensure economic opportunity? What can the Government do to create a healthy environment for children? What can the Government do to open doors and prevent dependency?

What can the Government do—or not do—to foster a sense of security, hope, and confidence for families?

During this debate, we will hear a lot about failure. In fact, we already have. We have heard about bad actors who abuse the system. We have heard about systemic failure, about substance abuse, crime, spousal abuse, child abuse, and everything that plagues a family stuck in poverty.

We have heard about addicts awaiting the day their checks come in the mail. We have heard about mothers who stay on welfare, rather than accepting work. And we are going to keep hearing these things used to justify radical overhaul of the current welfare system.

We may hear about these failures, and we may all agree the current system needs improvement. But let's not lose sight of what this debate is about: families and children. America's children.

Mr. President, I bring a unique perspective to this debate on the Senate floor. I am a mother with school-age children. I have been a preschool teacher, dealing with kids from all economic classes. I have taught parent education classes, counseling young parents to help them develop their skills as mothers and fathers in the modern world.

I can personally tell you what it is like to take a desperate phone call from a young single mom at the end of her rope. She is burning the candle at both ends, trying to work, worrying all day long about her kids. For school age kids, they face a tough environment at school; for toddlers, access to quality day care is a constant problem.

When this mom gets home, the kids need attention, but she is out of energy. They need love, they need nourishment, and she has to summon everything she has got to meet their needs. Take my word for it: in today's world this is hard for any parent.

To succeed in reforming welfare, we cannot talk in vagaries about accountability and responsibility, though these concepts are important. We have to understand the everyday challenges of everyday parents.

Only by knowing and understanding these challenges can we begin to design

a welfare reform proposal that truly gives struggling families a boost to economic stability.

Mr. President, shortly after I was elected to the Senate, I decided I needed a better perspective on the challenges faced by young kids in our cities. I asked friends from Washington State social service agencies, from the juvenile justice system, from the public school system, and kids themselves to come together in a series of forums across my State.

In all three cases, I heard the same message over and over again. Kids today feel like adults do not care about them, or their problems. They come home to an empty house because one parent is absentee, or both parents have to work to cover expenses. Or they have dysfunctional parents.

They wake up each morning scared, and all they can think about is survival. They do not see anything getting better for themselves, and to them, it adds up to a world in which adults just do not care.

More recently, Mr. President, I have tried to learn more about the perspective of typical welfare recipients. I participated in a unique program called Walk-a-Mile which started in Washington State and pairs a welfare recipient with an elected official, and the two speak frequently on the telephone about each others' experiences. I was lucky enough to be paired with June, a single mother of two from a Seattle suburb who survived an abusive relationship.

During her time on welfare, June attended school and earned a degree from Evergreen State College. Her classroom time was frequently interrupted, however, because her 6-year-old son Jonathan suffers from attention deficit order, a side effect of the abuse suffered in their previous home.

June has been told by six different day care providers that her son could not be cared for, because of his explosive and erratic behavior. During this time June has lived in fear she would lose her credits at school, or have to drop out, because Jonathan could not stay in day care, or in school.

Since earning her degree, June has divided her time between looking for work and looking for childcare. Her dilemma is a familiar one: in the absence of child care, she cannot work; yet she is qualified to willing to work today.

Mr. President, I know what scared single parents, and I know what scares the kids. I have seen it firsthand, and I have studied it closely over the past 2 years.

These are the fears of moms and their children. This is why moms get trapped in dependency, and why their kids look for their solutions on the streets. And unless we do something to remove these fears, we will not accomplish reform.

I am concerned about what the Dole plan means for the State of Washington that has quality programs based on current Federal resources. I am con-

cerned about parents and families—like June—who are currently participating in programs that will move them off welfare and into the work force.

The Dole plan limits funding to States, and stipulates 2 years of benefits and then you are cut off. This amounts to nothing more than passing one of our biggest headaches off to the States for them to deal with. As a former state legislator, I can tell you that is something my State does not relish.

The Senate has already passed a budget proposing to cut Medicare and Medicaid over the next 7 years. Under the Dole welfare plan, the same working families will lose another \$500 million over the next 7 years.

Over 60 percent of my State's budget is public education: There is no way it can maintain any kind of excellence in public education if Congress forces new responsibilities and under-funded block-grants down to the State level.

What does this mean in personal terms for June, my Walk-a-Mile partner? Under the Dole plan, there is no certainty she and her son Jonathan will have access to quality child care. In fact, there is a strong possibility they would not, because overall funding is being reduced.

This plan will not do anything to improve June's situation, and it will certainly add to the message we send to our kids that we do not care about them.

The Daschle bill offers credible reform. It proposes to move welfare recipients into the work force swiftly and decisively. It provides guidance on how to equip recipients to make this move. And, most importantly, it ensures quality childcare will be available during the transition.

For people like June, this means they will have the stability and peace of mind to invest themselves in education or training programs that will equip them to move into the work force, without worrying about whether their kids will be looked after during the day.

Mr. President, as a preschool teacher, and parent education counselor, I can tell you based on firsthand experience, give the choice between work and kids, the parent, with limited options, will stay at home.

I can also tell you that unless we neutralize the fears and challenges of poor families, single parents, and their kids, we will not succeed in reforming welfare. We will simply infuse the underclass with a big new group of have-nots.

I will conclude my statement where I began this statement. Welfare reform should be—must be—about rebuilding families in America. In America, we have always taken care of our own.

We built the farm program to preserve the family farms. We establish Social Security to make sure Americans live well in retirement. We passed a GI bill to give our men and women in uniform ready access to education.

Welfare reform should be no different. The central goal of welfare reform should be to make sure American families at all economic levels have equal access to economic opportunity in the modern world.

We cannot legislate morality. Nor can we legislate family values. But we must promote family values. These are intangibles that are up to every family to address in their own homes. All we can do is provide opportunity and a stable environment to let it happen.

If we can move people into the work force and create self-sufficiency, we will have succeeded. To do this, we must remove parents' fears about access to child care, and we must remove kids' fears about the future, and we must make skills training and education available; and we must be very firm about our end goals. If we do these things, we will create a stable environment in which families can succeed in their own right, on their own merits.

I thank the Chair, and I yield my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to commend the majority leader for his decision to postpone further action on the welfare reform bill.

Clearly, the pending Republican bill needs more work. Governors, mayors, business leaders, workers should all take a close look at what is being proposed. As this debate has proceeded, it has become clear that the bill is deeply flawed in two major respects: Its failure to include adequate provisions on child care, and its grossly defective treatment of job training.

No welfare reform bill that fails to deal effectively with child care and job training deserves to pass. Without adequate job training, the goal of welfare reform is a charade, since those on welfare will not be able to work even if they are willing to work. To raid existing job training and job education programs in order to solve this problem, as the bill proposes to do, is an unacceptable assault on dislocated workers and all families in all parts of the country struggling to hold on to their current jobs or to improve their skills to find new jobs.

Without adequate child care, this bill is a sham. It makes no sense to force mothers on welfare to work and then deny child care for their children left at home. The last thing the Senate should do in the name of welfare reform is pass a "Home Alone" bill that jeopardizes millions of children and their chance for a brighter future.

Finally, it is clear that the Republican bill is also under assault from many Republican Senators who think this bill should be even more punitive on people on welfare.

It is no surprise, therefore, that this defective legislation is being recalled for further repairs. As President Clinton and Democrats have made clear, we are ready to support responsible and

far-reaching welfare reform. But it must be more than bumper-sticker slogans. It must be genuine reform that makes welfare a hand up, not a hand-out. This bill flunked that basic test, and it deserves the failing grade it has now received.

I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, let me say before I start that the majority leader has yielded me his leadership time if I should need more time than the 5 minutes I believe was in the agreement.

Mr. President, I would like to answer several accusations that have been made about the welfare reform bill. First of all, the bill is neither marginal nor is it a sham. The bill that has been put forward by the majority leader is an important step forward and makes good progress in dealing with a most difficult problem.

There may be some major philosophical differences, and that we would all recognize. But the bill addresses three areas that I think are important to any significant and major welfare reform legislation. One, it ends the entitlement for welfare; two, it makes substantial reforms in the Food Stamp Program; and three, it provides major and constructive reform of our job training programs.

It is job training, Mr. President, that I would like to address specifically. If we are ultimately going to be successful in reforming welfare, we must be realistic about what it takes to do so. We have to separate rhetoric from the reality of what is out there, and we must determine how we can be supportive while making changes that are absolutely necessary.

Effective welfare reform is not simply a matter of increasing flexibility or changing incentives, but also of recognizing that obtaining and holding a job does not occur in a vacuum. That is why quality child care is important and why job training—realistic job training—is important.

This morning, my colleague, the Senator from Massachusetts, who is the ranking member of the Labor and Human Resources Committee, said in a press conference: "This is a cynical scheme to pit welfare beneficiaries against laid-off factory workers, unemployed defense workers and millions of other Americans."

Mr. President, that is just not true, and there has been a misunderstanding about what the job training portion of this program does. Because it was approved by the Labor and Human Resources Committee, I would like to spend a little bit of time going through that title of the bill.

Mr. KENNEDY. Will the Senator yield on that point?

Mrs. KASSEBAUM. I will be happy to yield.

Mr. KENNEDY. I welcome the Senator's clarification. I just mention, in

the Senator's bill, as the Senator knows, in listing the various provisions of permissible activities, on page 67, those effectively are identical to what is in the Dole bill, with the exception of one word. The Senator may be familiar with this, and that is on page 337, under paragraph O and line 20, which adds the word "workfare."

So essentially all of the provisions of the Senator's bill were in there. We had other kinds of differences about the construct, but not in this area.

Then there was the addition of the word "workfare." Just the workfare under permissible activities, at least the way the bill was designed or appeared to this Senator, would open up the utilization of those funds for the welfare training programs. That is a reason for the observation.

I welcome the clarification. I had a chance to read the Senator's statement a minute or two before, but I welcome at least what she intended. I certainly welcome the chance to work with her and try and remedy it.

Mrs. KASSEBAUM. Mr. President, yes, I will clarify the workfare addition to the permissible activities section. But first let me speak more generally about the Workforce Development Act, a measure which provides a substantial and dramatic reform of our current work force training and work force education systems. The linkage it provides between our training and education systems is, I think, enormously important.

The Workforce Development Act was a separate bill, S. 143, that has been incorporated in the legislation that is before us; that is, the welfare reform legislation or, as it is called, the Work Opportunity Act.

I want to emphasize from the outset that the Workforce Development Act is not a welfare program. It is a comprehensive effort to bring together myriad Federal programs—about 90 in all—serving everyone from high school vocational students to dislocated workers in America. These programs are brought together in a way that is going to help everyone. The new system will be far more beneficial to individuals in terms of offering realistic help in finding jobs that suit them and in identifying the market opportunities that actually exist.

Several question whether these provisions should be included in a measure that focuses on welfare reform, and I understand the concern that misconceptions could occur. At the same time, because the relevant training activities for welfare and food stamp recipients must be provided by the single system created by the Workforce Development Act, this welfare bill provides the opportunity to consider, what I believe to be, a very important initiative. I will, therefore, strongly oppose any efforts to remove these titles from the bill.

Our current patchwork system is ill-equipped to deal effectively with today's work force needs. The prolifera-

tion of training programs has instead resulted in duplication of effort and is the source of confusion for both employers and job seekers.

Moreover, there is little evidence available to tell us what we have actually achieved in return for the \$20-some billion we spend annually on all of these programs. The purpose of the Workforce Development Act of 1995 is to develop a single, unified system of job training and training-related education activities designed to ensure that:

One, there is a logical relationship among formal education, job-specific training, and the jobs available in our economy.

Two, individuals who need assistance in obtaining employment are easily able to identify the resources available for that purpose.

Three, there is a clear accountability for Federal dollars. To achieve this goal, Mr. President, the Workforce Development Act repeals all or a major portion of nearly a dozen Federal education employment and training statutes and some 90 programs that they authorize. The funds would be combined into a single authorization and distributed to States as block grants, but with accountability measures that ensure there indeed will be a means of monitoring what is to be achieved.

Maximum flexibility will be provided to the States to design their own work force development systems, based on the following principles: One-stop delivery of job training services; support for school-to-work activities for youth; the development of benchmarks by which to measure results.

In addition, private sector employers will be involved at all levels of the training system, including the Federal, State, and local levels.

Finally, the legislation provides for a transition period during which States may be granted broad waivers from current regulations to begin consolidation.

I think this legislation takes bold steps to reform our training and education programs. I think it is a valuable part of any welfare reform effort. More importantly, it is important for us as a country to be able to address in a far more realistic and effective way, how to help States design the programs that best fit their individual needs.

At this point, I would like to speak specifically to the question that was raised in the press conference where Senator KENNEDY indicated we were trying to pit welfare beneficiaries against laid-off factory workers and unemployed defense workers. I think it is important to clarify the provision which has been the source of a serious misunderstanding.

The Workforce Development Act contains a section on activities for which work force training funds may be used. It is the same list as included in the committee-passed bill, but with one addition. That addition—workfare—is the source of the current confusion.

It has been represented that this term was added to create a loophole, whereby all work force training funds could ultimately be diverted to welfare payments. That is simply not the case.

I, too, would oppose the diversion of work force training funds to welfare payments. It was for that reason that I strongly opposed provisions included in an earlier draft of the Work Opportunity Act which would have permitted up to 30 percent of the work force development funds to be used for other activities in the bill. That transferability provision was deleted.

So let me be very clear. Under no circumstances, may funds be taken out of State job training systems to be used to pay for welfare benefits or food stamps.

On the contrary, any training activities conducted under a State's welfare or food stamp program must be carried out through the State job training system. That preserves the concept that training activities within a State will be carried out through a single system.

The reason "workfare" was added to the list of permissible activities was to link a very specific existing food stamp employment and training program into the statewide job training system.

Six States currently carry out workfare programs as a component under their food stamp employment and training program. The purpose of workfare is to improve the employability of individuals not working by providing work experience to assist them to move into regular public or private employment. In essence, it is another form of on-the-job training.

The sole reason that this activity was added to the bill was to ensure that those States that currently conduct the food stamp workfare program can continue to do so through the statewide workforce development system established under title VII.

In general, the overall food stamp employment and training program has not been a very effective job training program, Mr. President. Nevertheless, it remains a part of the food stamp initiative—an initiative which I believe is important.

I am prepared to add clarifying language to assure that the intent of this language is completely clear. I hope, Mr. President, that my explanation clears up any misunderstandings about this issue.

Before I yield the floor, I just want to say that I regret at this late hour to take such a long time on an issue to which we will return in September. But I am convinced, Mr. President, that there is an opportunity for both sides of the aisle to come together in a significant way to address welfare reform.

I think it is an important issue. I, in no way, believe that the legislation that has been put forward by the Republican leader, Senator DOLE, is one that minimizes or ruins our support system for those in need. I think, as a matter of fact, it strengthens it; it shows that there is an ability to work

through some issues that are of concern on both sides of the aisle. At the end of the day, we are going to have a stronger, more effective, and more constructive program.

I think that is an opportunity and we should seize it. I think we will when we come back in early September and address the issue.

Mr. KENNEDY. Will the Senator be good enough to yield for a question?

Mrs. KASSEBAUM. I do not know how much time I have.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator has 3 minutes.

Mrs. KASSEBAUM. I am happy to yield.

Mr. KENNEDY. First of all, I want all of our colleagues to know—and I believe they know already—the respect that all of us on our committee, Human Resource Committee have for the work Senator KASSEBAUM has done in working through the job training and consolidation. We have certain areas that remain that we hope to be able to work through. I appreciate very much the clarification of the workfare provision because, as the Senator knows, nowhere in the legislation is workfare designed.

So her explanation certainly gives us the legislative history about what the reason was for including it, because nowhere in the legislation is it defined. Generally, Governors have defined workfare whatever way they desired to do it, as an augmenting and supplementing way of providing assistance or jobs to welfare recipients. It has not been defined. And being included where it was could, at least under permissible activities, open up a range of different possibilities.

Clearly, the Senator did not support it. I want to say that I look forward to working with the Senator not just on this issue, but on the other issues, to try and see if we cannot find common ground. We had some areas of difference. The Senator has been a strong supporter of the child care feature and programs, and also in the consolidation of training programs. So it is certainly our desire to try and find ways, and maybe this period of time will permit us the opportunity to do so.

I thank the Senator.

Mrs. KASSEBAUM. Mr. President, I certainly would welcome the support of the Senator from Massachusetts for this legislation. I look forward to seeing if we cannot work these things out in September.

Mr. GRAMM. Mr. President, I ask unanimous consent to have 5 minutes to speak on welfare.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRAMM. Mr. President, Senator DOLE has pulled down the welfare bill and, therefore, the amendments that I and others had prepared will not be offered today, tomorrow, or at any time during the remainder of the week. So I thought it was very important to outline what I see the issues to be and to

make the point that some progress has been made, even though the bill was only on the floor for 2 days, with no formal amendments, other than a change that the leader himself sent to the desk and was approved.

When we started this debate, there was a lot of common ground between Senator DOLE's position and the position that I and other conservative Republicans have taken. But there were also some fundamental differences:

First, I felt very strongly that we needed a binding work requirement which said, in no uncertain terms, that able-bodied men and women riding in the welfare wagon were going to be required to get out of the wagon and help the rest of us pull. I had concerns about the original Dole-Packwood bill that came out of committee because it did not contain a binding work requirement and because there was no enforcement mechanism to guarantee that people who refused to work would actually be dropped from the welfare rolls.

I am very proud of the fact that yesterday Senator DOLE decided, in what I viewed as a gesture toward consensus, to send a modification of his amendment to the desk to add the pay-for-performance provision that was part of both the House bill and the bill that I had proposed with 24 other Republican Senators. This modification simply says that welfare should operate like any other process in America: if you do not show up for work, you will not get paid. This work requirement was added, I think it was a change in the right direction, and I think that as a result we are closer to a consensus today than we were 2 days ago.

I want to see this bill changed to deal with illegitimacy. Under the current program, the illegitimacy rate has risen from 5 percent in 1960 to almost 30 percent in 1990. Last year, roughly half of all the children born in the big cities in America and almost a third of all children born in the entire country were born out of wedlock.

It is clear to me that a program which continues to give people more and more money to have more and more children while on welfare has got to be changed. I have agreed today, in talking to the majority leader, to sit down with him, to have our staffs sit down together, and to see if we can find an agreement to deal with illegitimacy. I think it is clearly necessary not just to pass a bill, but to change the welfare system in America.

I feel very strongly that we should not continue to have immigrants coming to America, looking for a hand out rather than with their sleeves rolled up ready to go to work. I do not believe people ought to be able to come to America just to get welfare. We have room in America for people who want to come and work, for people who want to come here to realize their own American dream.

We have children of immigrants in the U.S. Senate. Most of us are grandchildren or great-grandchildren of immigrants. We want people to come to America to build their dream, to build our dream, but we ought to end this practice of letting people come to America and immediately go on welfare.

Senator DOLE has agreed today—in fact, our staffs at this moment are meeting—to try to see if we can find language in this area that we can agree on, both to settle this issue and to make a fundamental change in this bill. I think if we can do that, then we are making progress toward a consensus.

I want a smaller Federal bureaucracy. If we are going to give AFDC to the States, if we are going to let States run this building block of the welfare system, it seems to me we should not be keeping 70 percent of the program's Government employees at the Federal level with nothing to run. What are these people going to do other than to get in the way of States that are trying to reform the system?

In working with Senator ASHCROFT, I have proposed that we give those Federal programs which are going to be block granted to the States no more than 10 percent of the Government positions they have now, so that they can monitor what the States are doing. Although I would rather have audits by independent firms, I cannot see any logic in giving AFDC, a program which we are eliminating at the Federal level, the ability to keep 70 percent of their Government employees in place. Is a Government job the only immortal thing in the temporal world? I would answer no, but Congress continually says yes.

Finally, I would like to expand the number of programs that we are giving to the States. We will try to block grant food stamps and I believe that there will be a cross section of Senators voting together in favor of this proposal.

The point is that although some progress has been made, we need to continue to work. In the past, we have reformed welfare many times, but we have never truly changed it. I want this bill to be different.

I yield the floor.

#### DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1996

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 1977) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in *italics*.)

H.R. 1977

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes, namely:

#### TITLE I—DEPARTMENT OF THE INTERIOR

##### BUREAU OF LAND MANAGEMENT MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau **[\$570,017,000]** *\$565,936,000*, to remain available until expended, of which not more than \$599,999 shall be available to the Needles Resources Area for the management of the East Mojave National Scenic Area, as defined by the Bureau of Land Management prior to October 1, 1994, in the California Desert District of the Bureau of Land Management, and of which \$4,000,000 shall be derived from the special receipt account established by section 4 of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-6a(i)): *Provided*, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors; and in addition, \$27,650,000 for Mining Law Administration program operations, to remain available until expended, to be reduced by amounts collected by the Bureau of Land Management and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than **[\$570,017,000]** *\$565,936,000*: *Provided further*, That in addition to funds otherwise available, and to remain available until expended, not to exceed \$5,000,000 from annual mining claim fees shall be credited to this account for the costs of administering the mining claim fee program, and \$2,000,000 from communication site rental fees established by the Bureau.

##### WILDLAND FIRE MANAGEMENT

For necessary expenses for fire use and management, fire preparedness, emergency suppression, suppression operations, emergency rehabilitation, and renovation or construction of fire facilities in the Department of the Interior, **[\$235,924,000]** *\$242,159,000*, to remain available until expended, of which not to exceed \$5,025,000, shall be available for the renovation or construction of fire facilities: *Provided*, That notwithstanding any other provision of law, persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: *Provided further*, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: *Provided further*, That unobligated balances of amounts previously appropriated to the Fire Protection and Emergency Department of the Interior Firefighting Fund may be transferred or merged with this appropriation.

##### CENTRAL HAZARDOUS MATERIALS FUND

For expenses necessary for use by the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of

hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. 9601 et seq.), \$10,000,000, to remain available until expended: *Provided*, That, notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to sections 107 or 113(f) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. 9607 or 9613(f)), shall be credited to this account and shall be available without further appropriation and shall remain available until expended: *Provided further*, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary of the Interior and which shall be credited to this account.

##### CONSTRUCTION AND ACCESS

For acquisition of lands and interests therein, and construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, **[\$2,515,000]** *\$2,615,000*, to remain available until expended.

##### PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901-07), **[\$111,409,000]** *\$100,000,000*, of which not to exceed \$400,000 shall be available for administrative expenses.

##### LAND ACQUISITION

For expenses necessary to carry out the provisions of sections 205, 206, and 318(d) of Public Law 94-579 including administrative expenses and acquisition of lands or waters, or interests therein, **[\$8,500,000]** *\$10,550,000* to be derived from the Land and Water Conservation Fund, to remain available until expended.

##### OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; **[\$91,387,000]** *\$95,364,000*, to remain available until expended: *Provided*, That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

##### RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than \$9,113,000, to remain available until expended: *Provided*, That not to exceed \$600,000