

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

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

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

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

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

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

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

The President has raised taxes, though. The Clinton tax increases have

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

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

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

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

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

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

The PRESIDING OFFICER. The Senator from Texas.

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

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

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

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

Mr. GRAMM. All right.

The PRESIDING OFFICER. The Senator from Texas.

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

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

to be one of the weakest economic recoveries in any postwar period.

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

The Senate continued with the consideration of the conference report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

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

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

Mr. D'AMATO. Mr. President, let me reflect, if I might, not only on the

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

The lessons of history, confirmed by the evidence immediately before me, show conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is in violation of the traditions of America.

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

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

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

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

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

So if there this is anything good that comes from those elections and the

partisanship back and forth and the bickering, I say this welfare reform, in my mind, would never have taken place—never, never have taken place were it not for this election.

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

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

The PRESIDING OFFICER. The Senator from New Hampshire.

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

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

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

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

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

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

This is historic because it ends a 60-year status of welfare as a Federal cash entitlement. As a result, once this bill becomes law, no person will be able to choose welfare as a way of life. And no person will be entitled to cash benefits from the Federal Government simply because he or she chooses not to work.

It is amazing some of my colleagues can defend this failed system, where people who make \$18,000 or \$19,000 a year, working hard with their bare

hands to make just enough money to put food on their tables and pay taxes, we should ask those people to continue paying forever for somebody who won't work. Won't—not can't, won't. Because that is what welfare is all about.

Yes, there are some who cannot and they are not going to slip through the net. It is the ones who won't work. Yet, time after time after time, speaker after speaker after speaker in this body has defended this system, saying people who work hard for a living, trying to put food on the table, trying to pay their mortgages, trying to get their kids through college, working hard, paying their taxes—honest, hard-working Americans—should continue to pay for people who won't work.

We are changing it. That is why this is historic. The President, in announcing he was going to sign this bill, kind of apologized for signing it, if you listen to his remarks. But again, the result is the same. He is going to sign it. We will get the results. So I give him credit for signing it. It took him a little while to get there, but he is there.

As the Senator from Texas said a few moments ago, ask yourself this question. Would we have welfare reform, would we have workfare today, were it not for people in a Republican Congress who pushed and pushed and pushed to get it through this Congress and into the White House where the President can sign it? I think the answer is: Obviously, no, we would not have. By dramatically cutting the Federal welfare bureaucracy and replacing it with block grants to the States, this bill recognizes the best hope for making welfare programs successful lies in shifting major responsibilities for their administration to a level of government where innovation and experimentation can flourish. This is a giant step toward reinvigorating federalism in our system of government.

I heard the Senator from Massachusetts, Senator KENNEDY, earlier in the debate, talking as if somehow all these people were going to slip through the safety nets because the Federal Government no longer is assuming responsibility. We all know that we have 50 Governors out there, frankly, Democrats and Republicans—I have confidence in those people. I do not think any Governor in any State in the Union is going to put a starving child on the street. I will believe that when I see it. That is not going to happen and we all know it. It is an outrage to define this welfare reform in those kinds of terms.

Governor Steve Merrill, the Governor of New Hampshire, using my State as an example, is a compassionate, decent man and a good Governor. He is not going to let that happen. I want him to have this program. I want him to be able to administer this program, this block grant, because in the State of New Hampshire, Governor Merrill and the legislature and the others who work every day in these welfare programs, know who the needy people are.

They also know how to help them find work. That is compassion and it is compassion at the local level, where it should be. Because people in Washington, DC, do not know all the answers, in case you have not figured that out yet.

No Governor is going to let a child starve and it is an outrage and an insult for anybody to even insinuate it rather than say it. Our Governors have been leading the way, from both parties. President Clinton, when he was Governor, talked about welfare reform and as a Presidential candidate said he would end welfare as we know it. He knew then as a Governor it was not working, which is why he spoke out about it. This is landmark legislation. This is dramatic. This is the kind of thing that I have been working on for all the years that I have been in Congress, and I am so happy just to see it come to fruition.

I am going to be pleased and proud to work with Governor Merrill and see that this program is administered properly to help the people in the State who need help.

This is a huge accomplishment just to get this bill through this Senate and the House and on the President's desk.

Mr. President, this bill transforms welfare from a handout that fosters dependency into a temporary helping hand for those who fall on hard times. It places a 5-year lifetime limit on receiving welfare benefits and requires able-bodied adults to work after 2 years.

Surely after 5 years, an able-bodied individual can find a job. Of course, they can find a job, if you want to find a job. But you are not going to want to find a job if somebody is taking care of you all the time.

When I was a kid, I had a favorite uncle, Uncle George. He used to sell toys, and I used to look forward to Uncle George coming around with toys. My family at sometime would say, "If Uncle George keeps coming around, we won't have to buy toys for little Bobby," because they expected it.

Where is the respect for the people who are paying the bills? It is not the Federal Government paying these bills for people who will not work. It is the taxpayers. It is the hard-working men and women across America who work hard for a living. There is no reason why this is an entitlement for somebody who does not work.

There is not a person out in America today who does not have the compassion in their heart to help somebody who needs help. We see it every time there is a tragedy. Whether it is the TWA bombing, a flood, earthquake, American people are always stepping forward in a compassionate, helpful way to help their fellow man. It happens every day. It is happening now, and it is not going to stop because we pass a bill that says people who will not work cannot get benefits for the rest of their lives.

Mr. President, another very important point here is that this bill cracks

down on the so-called deadbeat dad by requiring that father to pay child support, and it mandates that welfare applicants must assist in establishing the paternity of their children in order to qualify for their benefits.

What is wrong with that? That is responsibility, Mr. President.

I am also pleased that this bill takes a number of steps toward ending the abuse of the welfare system by those legal immigrants who come to America, not to go to work but to go on welfare. That is not true with every person who comes to America, it is not true with most people who come to America, but it is true with some, and they ought not to be getting welfare benefits if they are not an American citizen while Americans who are working hard, trying to pay their bills are providing it. That is simply wrong. It ought to stop, and this bill does stop it. But it also provides when you are sponsored, the sponsor can assume some responsibility for you. If they want to bring you to America, they can assume some responsibility. That is what built this country—responsibility, not running away from it.

Deeming is a good policy. Noncitizens, after all, remain, by definition, citizens of other countries. They should not, in all fairness, expect to be supported by Americans who are not their fellow citizens.

Finally, Mr. President, H.R. 3734 provides a total of \$22 billion to help the States provide child care for parents who are participating in work and job training programs. It also provides additional grants for States that experience high unemployment or surges in their welfare populations.

Mr. President, I commend those among my colleagues in the Senate who have worked long and hard to make this such a strong, landmark welfare reform bill. I also commend a former colleague—Senator Bob Dole—for working tirelessly since the beginning of this historic 104th Congress to deliver landmark welfare reform for the American people.

Thank you, Mr. President. I yield the floor.

Mr. EXON. Mr. President, I yield 7 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I thank the distinguished Senator from Nebraska.

Mr. President, a number of my colleagues have talked about their very deep concerns about various aspects of this legislation, including the estimates that go as high as 1 million more children being thrown into poverty, the very harsh cut in food stamps that is contained in this legislation, the limitation on the time period for receiving food stamps, which will hit workers who have been laid off and their families very hard in the years to come, the extreme cuts in benefits for disabled children and the treatment of legal—not illegal, but legal, and I stress

that—legal immigrants coming into the country. These are people who, under our laws, are legitimately in the country, and yet, if they encounter personal disaster financially, we are not going to provide any help to them. All of these factors constitute a valid basis for voting against this bill.

I am not going to go back over those issues. They have been discussed at some length by others. There is another matter I wish to discuss, another dimension to this legislation which I think is another strong reason to oppose this legislation which I intend to do. And that dimension is the situation we will confront in times of economic downturn and recession. All of the discussion here is about the limitations and constraints that are being placed upon existing programs in the context of current economic circumstances.

Current economic circumstances are a 5.3-percent unemployment rate across the country. But we must consider the question of what is going to happen when we have a downturn in the business cycle. People are discussing this legislation almost as though the business cycle has been repealed and is not going to happen again.

This legislation provides block grants to the States. The size of those grants does not vary with such factors as unemployment or the poverty rate, and, therefore, in recessions, States will face rising caseloads and corresponding large gaps in funding for assistance programs.

The bill has a contingency fund of \$2 billion, but it is completely inadequate—completely inadequate—it fails to address this issue. Let me just give you an example. In our Nation's most recent recession during the Bush administration in the period from 1989 to 1992, the Federal share of welfare spending increased 36 percent—an additional amount of \$7.2 billion over the four years—that is, almost four times the contingency fund.

There was a 35-percent increase in the number of children in poverty over those years. This was a period when the unemployment rate rose from 5.3 percent to a high of 7.7 percent.

What are the States going to do under this legislation when a recession hits and more and more people slip into poverty, people lose their jobs, they are out of work? Under the current system, the Federal Government assures to the States additional money for each of the additional persons who are placed into dire circumstances by a worsening economy. Under this bill, no such support. This bill essentially gives the State a block grant based on 1994 figures, and that's it.

Much of the discussion has been about the difficulty of handling the situation under current economic circumstances and the problems are very real and severe. What happens when you get an economic downturn and the number of people showing up in the poverty category on the unemployment rolls is on the increase, rising very sub-

stantially? Are the States then going to come up with more money in order to handle this problem?

Our experience to date is every time a recession strikes the States come in and say, "We need help. We're constrained. We can't deal with this recession. Look what this recession has done to our sources of revenue. Our sources of revenue are down. We can't handle the situation."

That is what they say today when the Federal assistance is automatically adjusted. What are they going to say next year or the year after and the year after that when a recession comes along, when people are added to the unemployment rolls, out of a job, families go into poverty? Where are the resources then going to come from?

Under the current system, the Federal Government, since President Roosevelt, assumed an obligation to provide help to the States to help them work through this situation. Now the Federal Government automatically steps in when a recession hits. That will not be the case in the future under this legislation.

It is true there is a contingency fund. But as I said, it is totally inadequate for any recession of any consequence, let alone a very deep recession as we experienced under President Reagan in the early 1980's, or just the recession we experienced in the early 1990's during the Bush administration when the unemployment rate went from 5.3 to 7.7 percent. That was its peak, 7.7 percent, contrasted with the Reagan recession where it went just shy of 11 percent unemployment.

In the Bush recession in the 1990's, the fact of the matter is that there was about a 40-percent increase in the Federal expenditure on welfare during that recession period. This bill fails to address the consequences of such an economic downturn.

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

Mr. SARBANES. Will the Senator yield me 1 more minute?

Mr. EXON. I am glad to.

Mr. SARBANES. Mr. President, this bill does not do that. The Federal Government is out of it in terms of assuring the States that the full burden of recession will not fall upon them. In the last recession, when the unemployment rate went close to 8 percent, millions of Americans lost their jobs and had a difficult time finding new jobs.

What is going to happen in the next recession? Does anyone realistically believe that the States will step in and pick up the burden? Even now with additional Federal assistance the States come in during a recession and say, "We can't handle our situation because our revenues have been impacted by the recession." What is going to happen is you will have literally millions of people affected by the economic downturn and without any support. No additional Federal assistance as now, because of the block grant provision. We will pay dearly for failing to pro-

vide a fail-safe mechanism against an economic downturn. The consequences will be such that we will rue this day.

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

Mr. SARBANES. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Will the Chair kindly advise the Senator when I have used 15 minutes? I yield such time as is necessary to myself.

Mr. DOMENICI. I think we rotate.

Mr. EXON. Before the chairman came in, we had three Republicans in a row. I thought that we would proceed—

Mr. DOMENICI. They were part of the 1 hour where you had 1 hour and—

Mr. EXON. No, they were not. They were after that. I yield the floor.

Mr. DOMENICI. I ask Senator NICKLES, do you need 15 minutes?

Mr. NICKLES. Yes.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, first, I wish to congratulate and compliment our colleague from New Mexico for his leadership on this bill. In addition, I compliment Senator ROTH, Chairman ARCHER in the House, and Chairman CLAY SHAW for putting this bill together, as well as Chairman KASICH in the House. I would like to go back a little farther and also compliment Senator Dole and Speaker GINGRICH for laying the groundwork for fundamental welfare reform, fundamental welfare reform that is long overdue, fundamental welfare reform that today will have bipartisan support. I am very pleased with that and I am pleased the President said he would sign this bill.

He is correct in making that decision. I know he agonized over it. He was not sure what he was going to do. That is evidenced by the fact he vetoed two similar bills earlier. He actually vetoed a bill in January, a bill that passed the Senate with 87 votes. I thought that veto was a mistake. I thought that veto was a repudiation of his campaign statement when he said we need to end welfare as we know it.

When candidate Bill Clinton made the statement, "We need to end welfare as we know it," I applauded it. I thought he was exactly right. Unfortunately, I think welfare had become a way of life for far too many families. Maybe that was their fault, maybe it was Congress' fault. I think most of the welfare programs that we have were well-intentioned, but many have had very suspect results.

In addressing the issue of welfare, on January 4, 1935 Franklin D. Roosevelt said that:

The lessons of history, confirmed by the evidence immediately before me, show conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is inimicable to the dictates of sound policy. It is a violation of the traditions of America.

That was in his second annual message to the country. He was right. Maybe he was a little bit prophetic because, if you look at what has happened in our welfare system, we now have under the Federal Government 334 federally controlled welfare programs.

The Federal Government determines who is eligible, for how long, and for how much they will receive. We have 156 job training programs stacked on top of each other, all with good intentions but a lot with results that are not very desirable, results that in many cases have not helped a lot of the intended beneficiaries and certainly have not helped taxpayers.

This Congress has done several historic things. I have been around here now for 16 years. This Congress, for the first time, has actually passed some reform and some curtailment of the growth of entitlement programs.

We passed it in the Balanced Budget Act, but the President vetoed it so that did not become law. We passed it in the welfare bill, but the President vetoed that and it did not become law. We passed entitlement reform in the farm bill, a historic rewrite of decades of farm policy. That was a good bill. The President signed it. I compliment him for signing it.

Now we are passing welfare reform. Is the bill perfect? No. But it is a good, giant step in the right direction. I am pleased the President will sign it.

Mr. President, this bill does change the way we do welfare. The so-called AFDC, aid to families with dependent children, will no longer be a cash entitlement. We are reforming its entitlement status. The current program says that if you meet eligibility standards—in other words, if you are poor—you can receive this benefit for the rest of your life. There is no real incentive to get off. There is no real incentive to go to work. We are really falling into exactly what Franklin Delano Roosevelt said. We are destroying human spirit. So now we have a chance to fix that in this bill today. This is a giant leap.

Again, I mentioned that I am pleased President Clinton is signing this bill. But if you look at the bill he introduced, his bill was a continuation of the entitlement of aid to families with dependent children. They would go on continually. It was a continuation of an entitlement.

Today we are breaking that continuation. We are going to say that we trust the States. I have heard some of my colleagues say, "Wait a minute. What about the kids?" What we are doing is taking this money and we are going to give this cash welfare program to the States and let them determine eligibility. I happen to think that the States are just as concerned, maybe even more concerned than we are about kids in their own territory.

What makes people think that the source of all wisdom comes from Washington, DC, that Washington, DC, should determine who is eligible and who is not? Who can make the best de-

termination of those requirements? I believe the individual States can.

In this bill we have work requirements. We have time limits. We have a 5-year lifetime limit. I think we have taken some big steps in the right direction.

So I want to compliment Senator ROTH and Senator DOMENICI, Senator Dole, and others.

Also, I would like to make a couple of other comments. I have heard the President say we have cut too much in food stamps. In this bill we require able-bodied adults age 18 to 50 with no dependents, no kids, to work 20 hours a week, with the exception that they have 3 months in a 3-year period when they can receive food stamps. Other than that they are going to have to work at least 20 hours a week. That is real reform. I know my colleague from North Carolina thinks that is right.

Under current law you can receive food stamps forever. Eligibility is pretty easy. If you meet these income requirements, you can receive food stamps. There is not a time limit. Under this bill we are telling able-bodied people, now you are going to have to get a job.

There are now going to be work requirements in order to receive welfare. You are going to have to get a job. We turn the money over to the States, yes, but it is a transition. We call it temporary assistance for needy families. It is temporary assistance; it is not a way of life. It is not a system that we are setting up where people can receive this income forever, as many families do under the current system.

There was an investigation in areas of my State that had drug problems and crime problems, and I learned a little bit about the drugs and the crime. But I probably learned a little bit more about welfare. This area had a very high incidence of crime and drug problems but had an even higher incidence of welfare dependency.

As a matter of fact, I talked to a young person who had a couple of kids and found out that, yes, she had been on welfare for a few years and her mother had also been on welfare for several years. I was thinking, we have to break this cycle. What about the kids? I looked at her kids, and I really felt sorry for them, and they were growing up, now the third generation of a welfare family. We have to break that trap of welfare dependency.

This bill will help give people a hand up and not just a hand out; to where they will be able to go to work; where we provide job training; where we have child care; where we have an opportunity for people to climb up out of this welfare dependency cycle. This is a giant step in the right direction.

With the old system, if they met the income standards, then they kept getting the cash. There is no limit whatsoever. So this bill is, again, a very positive step in the right direction toward rewarding work, encouraging work, encouraging people to become independ-

ent, and not dependent on taxpayers. I compliment Senator Dole and others who are responsible.

I want to correct some misstatements that have been made by the President and other people. The President stated yesterday that the reason why he is signing the bill is that it allows States to use Federal money for vouchers for children and for parents who cannot find work after the time limit has expired. The President says he lobbied for this. To clarify, we did not put money in specifically under the welfare bill, but we have said they can use money under title XX, the Social Services Block Grant, for those purposes. That is the same policy we had in the bill H.R. 4, that unfortunately the President vetoed. There was not really a change in that area.

President Clinton made a statement saying the congressional leadership insisted on attaching to this extraordinarily important bill a provision that will hurt legal immigrants in America, people working hard for their families, paying taxes and serving in our military. Well, the President is wrong. Just to state the facts, noncitizens who work for their families, pay taxes, can become eligible for welfare in two ways under this bill. First, they can become citizens. If they become citizens, they can qualify for any benefits any other American can. Second, even if they decide not to become citizens, they can become eligible for welfare by working and paying Social Security payroll taxes for 40 quarters, basically 10 years.

Third, and this is most important, noncitizens who serve in our military are eligible for welfare under this bill. The bill explicitly exempts them from the bans on welfare to non-Americans. It is in the bill.

I was surprised by the President's statement. His statement was this: "You can serve in our military, you may get killed for defending America, but if somebody mugs you on a street corner or you get cancer or get hit by a car, or the same thing happens to your children, we are not going to give you assistance anymore."

Mr. President, President Clinton is wrong. As I mentioned, people who serve in our military, veterans and their dependents all continue to be eligible for assistance under this bill, this is title 4, page 5. So are refugee and asylees and people who pay Social Security taxes for 40 quarters, title 4, page 5. People mugged on a street corner or hit by a car, whether or not they are citizens and whether or not they work and whether or not they are in the country legally or illegally, qualify for emergency medical assistance under this bill.

I think it is important we stay with the facts. President Clinton also said yesterday, "I challenge every State to adopt the reforms that Wisconsin, Oregon, Missouri, and other States are proposing to do." Fact: On May 18, President Clinton spoke favorably of

the welfare waiver application submitted by the State of Wisconsin: "Wisconsin is making a solid welfare reform plan. I pledge my administration will work with Wisconsin to make an effective transition to a new vision of welfare. States can keep on sending me these strong welfare proposals, and I will keep on signing them." That was May 18. Guess what? Wisconsin's waiver was proposed on May 26, over 2 months ago, and he has not signed it yet.

President Clinton, before a speech of National Governors' Association in 1995, told the Governors he would act on their waiver application within 30 days, some of which have taken well over a year, some almost 2 years. It has been 60 days since the Wisconsin waiver. We tried to put the Wisconsin waiver into the bill to make it applicable. We get a message, according to Speaker GINGRICH, that if it is in the bill, the President will veto it. At the same time he was bragging on Wisconsin's waiver and their new approach yesterday on national TV, he was telling us if we put it in the bill, he would veto the bill.

Mr. President, I could go on. I think it is important we not try to scare people, that we stay with the facts, that we do try to do what is right.

Let me make a couple of other comments. I heard the President and other people saying this bill is too hard on noncitizens, on legal aliens. We eliminate benefits for illegals; what about noncitizens who are legally here? We make some changes. The President and others say we went too far.

Let's look at what we did. Our legislation has a priority that says fundamentally we should take care of Americans. When aliens come to this country, their sponsors pledge to support them and they sign a statement that says they will not become a public charge. People come to this country voluntarily. If noncitizens want to stay in this country, they sign a statement saying they will not become a public charge. We will start holding them to that statement and hold their sponsors who also signed the statement saying, "We will make sure they do not become a public charge; we will make sure they do what they committed to do." I think that is very important.

I might mention a couple things about taxpayers. If you look at the number of noncitizens currently receiving SSI, Social Security supplemental income, in 1982 there were almost 128,000 noncitizens receiving SSI; in 1994 that number had increased by almost sixfold, and there were 738,000 noncitizens receiving SSI. The program has exploded since 1982—almost six times as many.

What happens is a whole lot of people determine they can come to the United States not asking for a land of opportunity to grow and build and expand, they come to the United States for a handout. What did they do? They received SSI and Medicaid. They received

a lot of Government assistance. Thank you very much, taxpayer, and the sponsors who signed statements saying, "We will take care of them and make sure they do not become a charge to the Federal Government." But who have not done their share, they have not held up their side of the bargain when they said they would not become a charge to the American taxpayers, and they did.

We are saying they have a couple of choices. If they want to become citizens, they will be eligible for benefits. If they do not become citizens, that is certainly their option, but they do not have the option to say, "Yes, take care of us, taxpayers." If they pay taxes for 40 quarters then they could become eligible for benefits.

A couple of other comments. We deny noncitizens from receiving food stamps until they become citizens or pay taxes for 10 years. We did the same thing with food stamps. Why should someone come to the United States as a noncitizen and say, "Give me food stamps"? Some people have criticized this by saying, "Wait, cuts in food stamps are draconian." We spent \$26.2 billion this year in food stamps. In the year 2002, if you listen to some of the rhetoric, you would think we cut that in half. That is not the case. In the year 2002, 6 years from now, we will spend over \$30 billion in food stamps. So we are spending more money in food stamps every year, but we are saying to the people who are noncitizens who come to the United States, they are not automatically entitled to continue receiving benefits forever.

Mr. President, I have several charts to be printed in the RECORD, and I compliment my friend and colleague from New Mexico for his leadership. I mentioned food stamps, and I will mention SSI, the growth rates in SSI.

In 1980, SSI cost the taxpayers \$6 billion; in 1996, it costs \$24 billion, four times as much. This program is exploding. The growth rates in SSI for the last 5 years are 10 percent, 14 percent, 21 percent, 18 percent, and 20 percent. The program has exploded in many, many cases because noncitizens have said this is a good way to get on a gravy train. We need to close that abuse. We do that under this bill. I think that is positive reform.

I ask unanimous consent to have printed in the RECORD charts to substantiate these facts.

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

Year	Outlays	Growth (dollars)	Growth (percent)
FOOD STAMPS			
1980	9		
1981	11	2	24
1982	11	(0)	-3
1983	12	1	7
1984	12	(0)	-2
1985	12	0	1
1986	12	(0)	-1
1987	12	0	0

Year	Outlays	Growth (dollars)	Growth (percent)
1988	12	1	6
1989	13	1	4
1990	15	2	17
1991	19	4	25
1992	23	4	21
1993	25	2	11
1994	25	0	0
1995	26	1	4
1996	26	0	1
1997	28	2	7
1998	30	2	6
1999	31	1	5
2000	32	1	4
2001	34	1	4
2002	35	1	4
FAMILY SUPPORT*			
1980	7		
1981	8	1	12
1982	8	(0)	-2
1983	8	0	5
1984	9	1	6
1985	9	0	3
1986	10	1	8
1987	11	1	6
1988	11	0	3
1989	11	0	4
1990	12	1	9
1991	14	1	11
1992	16	2	16
1993	16	0	3
1994	17	1	6
1995	18	1	6
1996	18	0	2
1997	19	0	2
1998	19	1	3
1999	20	1	3
2000	21	1	3
2001	21	1	3
2002	22	1	3
SSI			
1980	6		
1981	7	1	11
1982	7	0	6
1983	7	1	7
1984	8	1	12
1985	9	0	6
1986	9	1	8
1987	10	1	6
1988	11	1	13
1989	11	0	0
1990	13	1	10
1991	14	2	14
1992	17	3	21
1993	20	3	18
1994	24	4	20
1995	25	1	2
1996	24	(1)	-4
1997	28	4	16
1998	30	2	8
1999	33	2	8
2000	38	5	17
2001	35	(3)	-9
2002	40	6	17
CHILD NUTRITION			
1980	4		
1981	4	0	0
1982	3	(1)	-14
1983	3	0	10
1984	4	0	9
1985	4	0	3
1986	4	0	3
1987	4	0	5
1988	4	0	8
1989	5	0	7
1990	5	0	9
1991	6	1	12
1992	6	0	7
1993	7	1	10
1994	7	0	6
1995	8	1	13
1996	8	1	7
1997	9	0	6
1998	9	1	6
1999	10	1	6
2000	11	1	6
2001	11	1	6
2002	12	1	5
EARNED INCOME CREDIT			
1980	1		
1981	1	0	0
1982	1	(0)	-8
1983	1	0	0
1984	1	0	0
1985	2	0	38
1986	2	0	25
1987	2	0	1
1988	4	2	91
1989	6	2	47
1990	7	1	11
1991	7	0	8
1992	11	4	51
1993	13	2	23
1994	16	3	20
1995	19	4	22
1996	23	3	18

FEDERAL SPENDING ON MAJOR WELFARE PROGRAMS—
Continued

[Current law in billions of dollars]

Year	Outlays	Growth (dollars)	Growth (percent)
1997	24	2	8
1998	25	1	3
1999	26	1	4
2000	27	1	4
2001	28	1	4
2002	29	1	3
TOTAL			
1980	27		
1981	31	4	14
1982	30	(1)	-2
1983	32	2	7
1984	34	1	5
1985	35	1	4
1986	37	2	5
1987	38	1	4
1988	43	5	12
1989	46	3	7
1990	51	5	12
1991	59	8	15
1992	72	13	22
1993	81	9	12
1994	89	8	10
1995	96	7	8
1996	100	4	4
1997	108	8	8
1998	114	6	5
1999	120	6	5
2000	129	9	8
2001	129	0	0
2002	139	10	7

*Family Support includes AFDC, child care, child support enforcement, and JOBS.

Sources: CBO & OMB.
Prepared by the Office of Senator Don Nickles.

Mr. NICKLES. I thank my colleague from New Mexico and my colleague from Nebraska for yielding.

Mr. DOMENICI. First, I am not sure everyone that has sent the message down that they want to speak will speak, but without wrap-up by our leader and without any wrap-up by me, there are 14 Senators on our side who have requested some time to speak.

I ask the Parliamentarian, how much time remains on the Republican side under the 5 hours?

The PRESIDING OFFICER. Approximately 2 hours and 15 minutes.

Mr. DOMENICI. That still means with 14 Senators, we clearly will not be able to give 20 or 25 minutes to everyone. We hope we can keep everyone to somewhere around 10 minutes or less.

Having said that, Senator EXON has not even spoken today. He is next, and he will choose as much time as he wants, obviously. Following him, my understanding is that Senator SPECTER of Pennsylvania will speak on our side. Who will speak on your side?

Mr. EXON. Senator MOSELEY-BRAUN, who was here at 9:30 this morning trying to speak, will follow me.

Mr. DOMENICI. Senator FAIRCLOTH will be next.

Mr. EXON. Following Senator MOSELEY-BRAUN, Senator BRADLEY.

Mr. DOMENICI. All right. We know that many other Senators on this side want to speak. Since Senator GRASSLEY is here, I am going to say that, on our side, he will follow Senator FAIRCLOTH. Senator CHAFEE wants to speak, also. Where would the Senator go next on the Democratic side?

Mr. EXON. Mr. President, may I inquire from the Chair, are there 2 hours left on the Republican side? I thought when I inquired a half an hour ago, at that time there were 2 hours on the Re-

publican side and 2 hours 20 minutes on our side. Now I understand that the Chair said the Republicans had 2 hours 15 minutes left.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Republicans have approximately 2 hours 15 minutes remaining. The reason is that there was an inadvertent addition that was made on the time allowed.

Mr. EXON. How much time do I have remaining?

The PRESIDING OFFICER. Two hours twenty-one minutes.

Mr. EXON. I thank the Chair.

Mr. DOMENICI. Can we go beyond that and get a couple more sequenced in? Who was the last one?

Mr. EXON. Senator BRADLEY. I have 8 or 10 other speakers. I do not have a scenario beyond Senator BRADLEY.

Mr. DOMENICI. On our side, when the time arrives, the next Senator would be Senator CHAFEE, and then Senator GREGG is after the Senators I had previously announced. If any other Senators have difficult times, call us and we will try to put them in sooner. As soon as we can schedule you in, we will. Come down and tell us.

So the order on our side is Senators SPECTER, FAIRCLOTH, GRASSLEY, CHAFEE, and GREGG.

Mr. EXON. Mr. President, many of my colleagues have given very thoughtful and rigorous descriptions of the economic growth of our Nation under the dedicated leadership of President Clinton. Much of that growth is due to the deficit reduction in the President's 1993 budget that we passed with strictly Democratic votes, and not a single Republican vote in either the House or the Senate. The Federal Reserve Chairman, Alan Greenspan, agrees. He said, earlier this year, that President Clinton's budget was "an unquestioned factor in contributing to the improvement in economic activity that occurred thereafter."

Mr. President, we have been on the right course since we passed the 1993 deficit reduction plan. At that time, dire predictions were made on that side of the aisle. If anybody is interested in those, I would be glad to supply the doomsday forecast if that became law—which it did—from that side of the aisle.

In 1992, the deficit was \$290 billion, the highest dollar level in history. Today, thanks to the President's budget, it has been cut more than in half, to \$117 billion. That is living up to both your promises and the promises that have been emphasized so often in debate here.

I don't customarily use charts, but I want to put up a chart that may have been used before, which drives this point home. I suggest, Mr. President, that this may be the best kept secret in America.

In 1980, when President Carter was President of the United States, we had a deficit of \$74 billion for that year. That was an awful lot of money. I remember how concerned we were about

that. Several years later, after 1980, in the intervening 12 years of Republican Presidents—first Ronald Reagan and then George Bush—and supply side economics, that deficit loomed from a high \$74 billion, we thought, to \$290 billion. When President Bill Clinton became President of the United States, look what has happened since then under his leadership. That deficit has been more than cut in half, to the 1996 projection of \$117 billion.

I don't know what tells the history of success in this particular area more than a chart like this, which is factual. I ask anyone to challenge it. The Republicans like to carp a lot about the President's 1993 budget. A distinguished Republican said that President Clinton's taking credit for deficit reduction is like a rooster crowing very loudly at sunrise. I say to my Republican friend that the President has every right to crow, if you want to use that word. He has every right to lay claim to reducing the deficit, because that he has done.

That enormous fiscal egg laid by the previous two Republican administrations had to be attacked by someone, and President Bill Clinton did the job. Facts are facts. He has cut it more than in half.

As much as I am gratified by the economic and fiscal performance of the current administration, I am deeply concerned with what is being said by the Republican campaign to challenge this administration. The same folks who were part of the fiscal wrecking crew in the 1980's, and who voted against the only real deficit reduction plan in the 1990's, are now ready to sabotage the 21st century with billions of dollars in new tax cuts, which they don't pay for. That is more of the supply-side economics that got us into this mess in the first place.

Mr. President, I ask my colleagues here, and I ask the people of the United States, why on Earth would Bob Dole change his mind from a strict and sound fiscal conservative and become the Willy Loman of supply-side economics and perhaps destroy the economy by going back on this track?

Mr. President, the lessons learned in the 1980's through the 1992 period are very clear: You can't grow your way out of tax breaks of this magnitude. That is why President Clinton came into office, saddled with a \$290 billion deficit. Supply-side economics, or so-called dynamic scoring are, at best, a toss of the dice.

To gamble the fiscal integrity of our Nation on such speculation is totally irresponsible. It is shameless. It is truly shameless. Only it is a way of disguising the true costs of tax cuts.

How did they make up for them with the supply-side economics, or voodoo economics, to use a Republican phrase, from the period 1980 to 1992 that caused this?

Fed Chairman Alan Greenspan said, "We must avoid resting key legislative decisions on controversial estimates of

revenues and outlays." We sure did that from the period 1980 to 1992.

I find it curious, Mr. President, that the advocates of supply-side Dole tax cuts seem to be trying to cash two fiscal dividends at the same time. And it will not work. On the one hand, they want to take credit for the fiscal dividend that the Congressional Budget Office said we will get from the conservative fiscal policies needed to balance the budget. On the other hand, they want to simultaneously take credit for a fiscal dividend that would come from the stimulative fiscal policies of a tax cut. We have a record to show what happens when you go down that road.

I hope the American voters will find out quickly what the Dole medicine show is really trying to sell. It is pure poison, and it hurts. The American people reject out of hand the heartless reductions, indeed, in the latest Republican 7-year budget plan. I tell my fellow Americans that these needs pale in comparison to what may lie ahead if we follow their lead to supply-side economics once more. Those reductions from real need will be twice as bad if we have to pay for the total tax breaks that are about to come.

That is right, Mr. President. That is right, and all should understand that President Clinton cut the deficit in half, as evidenced by this chart. Bob Dole wants to double the amount that the Republicans are taking from ordinary Americans to pay for his \$600 billion or so in tax breaks for the wealthy. The American people know and the American people understand who is heading in the right direction, and it is President Bill Clinton.

Mr. President, an important part of all of this—to keep the promises that were made during the campaign—is the matter of the welfare reform bill that is presently before the body.

Mr. President, the conference report that is before us in the Senate today is not the best possible welfare bill, but it may be the best welfare bill that this divided and weary Congress can pass.

I salute my good friend, the chairman of the Budget Committee, for doing his able best, and he did a lot to smooth over the rough edges of the House measure, and there were many.

I also want to compliment the tenacious and effective work of the Senator from Rhode Island, Senator CHAFEE, in the conference committee. This is a better bill for their efforts.

Throughout the consideration of this bill, my primary concern has been with our Nation's children. A hungry child should be an affront to all men and women of good will.

I am at a loss to understand why the Republican leadership felt it necessary to force their caucus to vote against allowing States to provide noncash vouchers for children's food and clothing under the State's block grant. The conference report allows States to use another program for that purpose, but provides no additional funds, and has even reduced that program by 15 percent below the baseline.

It is certainly not the intention of this Senator to throw more children into poverty, or to create more want in our land of plenty. Should this legislation become law, I would hope that we monitor its effects very carefully. We are giving the States more powers and flexibility; with that will come new responsibilities. A midcourse correction may be needed 2 or 3 years hence, if the critics are right and the number of children living in poverty swells.

I am heartened, however, that the conference moderated some of the very worst of the welfare bill and retained many of the improvements added by the Senate. For example, there was the Kasich food stamp amendment that was cruel and heartless in the extreme. It limited unemployed people without kids to only 3 months of food stamps in their adult lifetime. Thank goodness cooler heads prevailed. Eligibility has now been modified to 3 months for any 3-year period, with an additional 3 months if one is laid off.

I was also most gratified that the conference retained the Chafee amendment maintaining current eligibility standards for Medicaid, as well as the Conrad amendment eliminating the food stamp block grant. These two amendments were critical to this Senator's support of the conference report. Removing them would have been tantamount to pulling the keystone from an arch. Bipartisan support for this bill would have collapsed.

I and many of my Democratic colleagues will vote for this conference report today. We do so with some misgivings, but also with the sincere hope and desire that we are helping our fellow citizens to reclaim the dignity and pride that comes from work and providing for one's family—no matter how humble the calling. I hope our efforts prove worthy of both those we are trying to help and the American people who have asked for reform.

I hear a great deal these days about ending welfare as we know it. But to this Senator, that does not mean ending our responsibility to our fellow man. It does not mean just cutting off the welfare check, and then cutting and running on our poor.

Mr. President, our responsibilities do not end with this bill. Quite the contrary. As we ask those who have been in welfare's rut to become breadwinners, it is our responsibility to provide them with a living wage through an increase in the minimum wage.

Since few minimum-wage jobs offer it, we must also help them find affordable, available, and accessible health care, especially for their children. We must assist too with education and job training to help them get and hold better jobs.

Mr. President, one final observation. I believe that this will be the sole reconciliation bill of the three promised by the Republican majority to make it to the President's desk.

Their grotesque Medicare and Medicaid bills are being locked up in the

attic, out of sight of the electorate. The tax breaks may, however, be a different story. We hear rumors that, if Bob Dole's numbers plummet any further, we may see some tax breaks shoot up to the front of the legislative agenda. I am deeply concerned that the Republican majority may try to use the welfare savings we achieve today to justify their tax breaks. Some things never change.

Other things certainly have changed. Senator Bob Dole once scorned supply-siders, but Candidate Dole is now a fellow traveler. He has jettisoned the hard, dirty work of cutting spending, and now peddles comforting tales about tax cuts that pay for themselves.

They did not pay for themselves in the 1980 to 1992 period, and they will not pay for themselves between now and the turn of the century and thereafter.

These policies that they are trying to invoke once again evidently broke the bank in the 1980's. We will repeat this foolhardiness again under the new name of dynamic scorekeeping and supply-side economics. A rosy scenario is a rosy scenario by any name. I pray for the sake of our children and grandchildren that the Republican majority reclaims its wits.

The bill before us today asks those who receive a helping hand to take responsibility for their lives and to find work. I will vote for the bill. In the same vein, I ask those who have been entrusted with the fiscal responsibility of the Nation not to fritter it away. Face up to your responsibilities. Do not pander. Do not promise what cannot be delivered. Do not hide behind economic fairy tales. It will take hard work to balance the budget. It is high time that we get back to work with the rest of America and do our job right.

Mr. President, I reserve the remainder of my time.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. EXON. Mr. President, one further item for insertion into the RECORD.

The President yesterday delivered a statement indicating he would sign the welfare bill when it is presented to him. I ask unanimous consent that a copy of that statement be printed in the RECORD.

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

THE WHITE HOUSE,
July 31, 1996.

STATEMENT BY THE PRESIDENT

The PRESIDENT. Good afternoon. When I ran for President four years ago, I pledged to end welfare as we know it. I have worked very hard for four years to do just that. Today, the Congress will vote on legislation that gives us a chance to live up to that promise—to transform a broken system that traps too many people in a cycle of dependence to one that emphasizes work and independence; to give people on welfare a chance to draw as paycheck, not a welfare check.

It gives us a better chance to give those on welfare what we want for all families in

America, the opportunity to succeed at home and at work. For those reasons I will sign it into law. The legislation is, however, far from perfect. These are parts of it that are wrong, and I will address those parts in a moment.

But, on balance, this bill is a real step forward for our country, our values and for people who are on welfare. For 15 years I have worked on this problem, as governor and as a President. I've spent time in welfare offices, I have talked to mothers on welfare who desperately want the chance to work and support their families independently. A long time ago I concluded that the current welfare system undermines the basic values of work, responsibility and family, trapping generation after generation in dependency and hurting the very people it was designed to help.

Today we have an historic opportunity to make welfare what it was meant to be—a second chance, not a way of life. And even though the bill has serious flaws that are unrelated to welfare reform, I believe we have a duty to seize the opportunity it gives us to end welfare as we know it. Over the past three and a half years I have done everything in my power as President to promote work and responsibility, working with 41 states to give them 69 welfare reform experiments. We have also required teen mothers to stay in school, required federal employees to pay their child support, cracked down on people who owe child support and crossed state lines.

As a result, child support collections are up 40 percent, to \$11 billion, and there are 1.3 million fewer people on welfare today than there were when I took office. From the outset, however, I have also worked with members of both parties in Congress to achieve a national welfare reform bill that will make work and responsibility the law of the land. I made my principles for real welfare reform very clear from the beginning. First and foremost, it should be about moving people from welfare to work. It should impose time limits on welfare. It should give people the child care and the health care they need to move from welfare to work without hurting their children. It should crack down on child support enforcement and it should protect our children.

This legislation meets these principles. It gives us a chance we haven't had before—to break the cycle of dependency that has existed for millions and millions of our fellow citizens, exiling them from the world of work that gives structure, meaning, and dignity to most of our lives.

We've come a long way in this debate. It's important to remember that not so very long ago, at the beginning of this very Congress, some wanted to put poor children in orphanages and take away all help for mothers simply because they were poor, young and unmarried. Last year the Republican majority in Congress sent me legislation that had its priorities backward. It was soft on work and tough on children. It failed to provide child care and health care. It imposed deep and unacceptable cuts in school lunches, child welfare and help for disabled children. The bill came to me twice and I vetoed it twice.

The bipartisan legislation before the Congress today is significantly better than the bills I vetoed. Many of the worst elements I objected to are out of it. And many of the improvements I asked for are included. First, the new bill is strong on work. It provides \$4 billion more for child care so that mothers can move from welfare to work, and protects their children by maintaining health and safety standards for day care. These things are very important. You cannot ask somebody on welfare to go to work if they're going to neglect their children in doing it.

It gives states powerful performance incentives to place people in jobs. It requires states to hold up their end of the bargain by maintain their own spending on welfare. And it gives states the capacity to create jobs by taking money now used for welfare checks and giving it to employers as income subsidies as an incentive to hire people, or being used to create community service jobs.

Second, this new bill is better for children than the two I vetoed. It keeps the national nutritional safety net intact by eliminating the food stamp cap and the optional block grant. It drops the deep cuts and devastating changes in school lunch, child welfare and help for disabled children. It allow states to use federal money to provide vouchers for children whose parents can't find work after the time limits expire. And it preserves the national guarantee of health care for poor children, the disabled, pregnant women, the elderly and people on welfare.

Just as important, this bill continues to include the child support enforcement measures I proposed two years ago, the most sweeping crackdown on deadbeat parents in history. If every parent paid the child support they should, we could move 800,000 women and children off welfare immediately. With this bill we say to parents, if you don't pay the child support you owe, we will garnish your wages, take away your drivers license, track you across state lines and, as necessary, make you work off what you owe. It is a very important advance that could only be achieved in legislation. I did not have the executive authority to do this without a bill.

So I will sign this bill. First and foremost because the current system is broken. Second, because Congress has made many of the changes I sought. And, third, because even though serious problems remain in the non-welfare reform provisions of the bill, this is the best chance we will have for a long, long time to complete the work of ending welfare as we know it by moving people from welfare to work, demanding responsibility and doing better by children.

However, I want to be very clear. Some parts of this bill still go too far. And I am determined to see that those areas are corrected. First, I am concerned that although we have made great strides to maintain the national nutritional safety net, this bill still cuts deeper than it should in nutritional assistance, mostly for working families with children. In the budget talks, we reached a tentative agreement on \$21 billion in food stamp savings over the next several years. They are included in this bill.

However, the congressional majority insisted on another cut we did not agree to, repealing a reform adopted four years ago in Congress, which was to go into effect next year. It's called the Excess Shelter Reduction, which helps some of our hardest pressed working families. Finally, we were going to treat working families with children the same way we treat senior citizens who draw food stamps today. Now, blocking this change, I believe—I know—will make it harder for some of our hardest pressed working families with children. This provision is a mistake, and I will work to correct it.

Second, I am deeply disappointed that the congressional leadership insisted on attaching to this extraordinarily important bill a provision that will hurt legal immigrants in America, people who work hard for their families, pay taxes, serve in our military. This provision has nothing to do with welfare reform. It is simply a budget-saving measure, and it is not right.

These immigrant families with children who fall on hard times through no fault of their own—for example because they face the same risks the rest of us do from accidents,

from criminal assaults, from serious illnesses—they should be eligible for medical and other help when they need it. The Republican majority could never have passed such a provision standing alone. You see that in the debate in the immigration bill, for example, over the Gallegly amendment and the question of education of undocumented and illegal immigrant children.

This provision will cause great stress for states, for localities, for medical facilities that have to serve large numbers of legal immigrants. It is just wrong to say to people, we'll let you work here, you're helping our country, you'll pay taxes, you serve in our military, you may get killed defending America—but if somebody mugs you on a street corner or you get cancer or you get hit by a car or the same thing happens to your children, we're not going to give you assistance any more. I am convinced this would never have passed alone and I am convinced when we send legislation to Congress to correct it, it will be corrected.

In the meantime, let me also say that I intend to take further executive action directing the INS to continue to work to remove the bureaucratic roadblocks to citizenship to all eligible, legal immigrants. I will do everything in my power, in other words, to make sure that this bill lifts people up and does not become an excuse for anyone to turn their backs on this problem or on people who are generally in need through no fault of their own. This bill must also not let anyone off the hook. The states asked for this responsibility, now they have to shoulder it and not run away from it. We have to make sure that in the coming years reform and change actually result in moving people from welfare to work.

The business community must provide greater private sector jobs that people on welfare need to build good lives and strong families. I challenge every state to adopt the reforms that Wisconsin, Oregon, Missouri and other states are proposing to do, to take the money that used to be available for welfare checks and offer it to the private sector as wage subsidies to begin to hire these people, to give them a chance to build their families and build their lives. All of us have to rise to this challenge and see that—this reform not as a chance to demonize or demean anyone, but instead as an opportunity to bring everyone fully into the mainstream of American life, to give them a chance to share in the prosperity and the promise that most of our people are enjoying today.

And we here in Washington must continue to do everything in our power to reward work and to expand opportunity for all people. The Earned Income Tax Credit which we expanded in 1993 dramatically, is now rewarding the work of 15 million working families. I am pleased that congressional efforts to gut this tax cut for the hardest pressed working people have been blocked. This legislation preserves the EITC and its benefits for working families. Now we must increase the minimum wage, which also will benefit millions of working people with families and help them to offset the impact of some of the nutritional cuts in this bill.

Through these efforts, we all have to recognize, as I said in 1992, the best anti-poverty program is still a job. I want to congratulate the members of Congress in both parties who worked together on this welfare reform legislation. I want to challenge them to put politics aside and continue to work together to meet our other challenges and to correct the problems that are still there with this legislation. I am convinced that it does present an historic opportunity to finish the work of ending welfare as we know it, and that is why I have decided to sign it.

Q. Mr. President, some civil rights groups and children's advocacy groups still say that

they believe that this is going to hurt children. I wonder what your response is to that. And, also, it took you a little while to decide whether you would go along with this bill or not. Can you give us some sense of what you and your advisers kind of talked about and the mood in the White House over this?

The PRESIDENT. Sure. Well, first of all, the conference was not completed until late last evening, and there were changes being made in the bill right up to the very end. So when I went to bed last night, I didn't know what the bill said. And this was supposed to be a day off for me, and when I got up and I realized that the conference had completed its work late last night and that the bill was scheduled for a vote late this afternoon, after I did a little work around the house this morning, I came in and we went to work I think about 11:00.

And we simply—we got everybody in who had an interest in this and we went through every provision of the bill, line by line, so that I made sure that I understood exactly what had come out of the conference. And then I gave everybody in the administration who has there a chance to voice their opinion on it and to explore what their views were and what our options were. And as soon as we finished the meeting, I went in and had a brief talk with the Vice President and with Mr. Panetta, and I told them that I had decided that, on balance, I should sign the bill. And then we called this press conference.

Q. And what about the civil rights groups—
The PRESIDENT. I would say to them that there are some groups who basically have never agreed with me on this, who never agreed that we should do anything to give the states much greater flexibility on this if it meant doing away with the individual entitlement to the welfare check. And that is still, I think, the central objection to most of the groups.

My view about that is that for a very long time it's hard to say that we've had anything that approaches a uniform AFDC system when the benefits range from a low of \$187 a month to a high of \$655 a month for a family of three or four. And I think that the system we have is not working. It works for half the people who just use it for a little while and get off. It will continue to work for them. I think the states will continue to provide for them.

For the other half of the people who are trapped on it, it is not working. And I believe that the child support provisions here, the child care provisions here, the protection of the medical benefits—indeed, the expansion of the medical guarantee now from 1998 to 2002, mean that on balance these families will be better off. I think the problems in this bill are in the non-welfare reform provisions, in the nutritional provisions that I mentioned and especially in the legal immigrant provisions that I mentioned.

Q. Mr. President, it seems likely there will be a kind of political contest to see who gets the credit or the blame on this measure. Senator Dole is out with a statement calling—saying that you've been brought along to sign his bill. Are you concerned at all that you will be seen as having been kind of dragged into going along with something that you originally promised to do and that this will look like you signing onto a Republican initiative?

The PRESIDENT. No. First of all, because I don't—you know, if we're doing the right thing there will be enough credit to go around. And if we're doing the wrong thing there will be enough blame to go around. I'm not worried about that. I've always wanted to work with Senator Dole and others. And before he left the Senate, I asked him not to leave the budget negotiations. So I'm not worried about that.

But that's a pretty hard case to make, since I vetoed their previous bills twice and since while they were talking about it we were doing it. It's now generally accepted by everybody who has looked at the evidence that we effected what the New York Times called a quiet revolution in welfare. There are 1.3 million fewer people on welfare today than there were when I took office.

But there are limits to what we can do with these waivers. We couldn't get the child support enforcement. We couldn't get the extra child care. Those are two things that we had to have legislation to do. And the third thing is we needed to put all the states in a position where they had to move right now to try to create more jobs. So far—I know that we had Wisconsin and earlier, Oregon, and I believe Missouri. And I think those are the only three states, for example, that had taken up the challenge that I gave to the governors in Vermont a couple of years ago to start taking the welfare payments and use it for wage subsidies to the private sector to actually create jobs. You can't tell people to go to work if there is no job out there.

So now they all have the power and they have financial incentives to create jobs, plus we've got the child care locked in and the medical care locked in and the child support enforcement locked in. None of this could have happened without legislation. That's why I thought this legislation was important.

Q. Mr. President, some of the critics of this bill say that the flaws will be very hard to fix because that will involve adding to the budget and in the current political climate adding the expenditures is politically impossible. How would you respond to that?

The PRESIDENT. Well, it just depends on what your priorities are. For one thing, it will be somewhat easier to balance the budget now in the time period because the deficit this year is \$23 billion less than it was the last time we did our budget calculations. So we've lowered that base \$23 billion this year. Now, in the out years it still come up, but there's some savings there that we could turn around and put back into this.

Next, if you look at—my budget corrects it right now. I had \$42 billion in savings, this bill has about \$57 billion in savings. You could correct all these problems that I mentioned with money to spare in the gap here. So when we get down to the budget negotiations either at the end of this year or at the beginning of next year, I think the American people will say we can stand marginally smaller tax cuts, for example, or cut somewhere else to cure this problem of immigrants and children, to cure the nutritional problems. We're not talking about vast amounts of money over a six year period. It's not a big budget number and I think it can easily be fixed given where we are in the budget negotiations.

Q. The last couple days in these meetings among your staff and this morning, would you say there was no disagreement among people in the administration about what you should do? Some disagreement? A lot of disagreement?

The PRESIDENT. No, I would say that there was—first of all, I have rarely been as impressed with the people who work in this administration on any issue as I have been on this. There was significant disagreement among my advisers about whether this bill should be signed or vetoed, but 100 percent of them recognized the power of the arguments on the other side. It was a very moving thing. Today the conversation was almost 100 percent about the merits of the bill and not the political implications of it. Because I think those things are very hard to calculate anyway. I think they're virtually impossible.

I have tried to thank all of them personally, including those who are here in the room and those who are not here, because they did have differences of opinion about whether we should sign or veto, but each side recognized the power of the arguments on the other side. And 100 percent of them, just like 100 percent of the Congress, recognized that we needed to change fundamentally the framework within which welfare operates in this country. The only question was whether the problems in the non-welfare reform provisions were so great that they would justify a veto and giving up what might be what I'm convinced is our last best chance to fundamentally change the system.

Q. Mr. President, even in spite of all the details of this, you as a Democrat are actually helping to dismantle something that was put in place by Democrats 60 years ago. Did that give you pause, that overarching question?

The PRESIDENT. No. No, because it was put in place 60 years ago when the poverty population of America was fundamentally different than it is now. As Senator Moynihan—you know, Senator Moynihan strongly disagrees with me on this—but as he has pointed out repeatedly, when welfare was created the typical welfare recipient was a miner's widow with no education, small children, husband dies in the mine, no expectation that there was a job for the widow to do or that she ever could do it, very few out-of-wedlock pregnancies and births. The whole dynamics were different then.

So I have always thought that the Democratic party should be on the side of creating opportunity and promoting empowerment and responsibility for people, and a system that was in place 60 years ago that worked for the poverty population then is not the one we need now. But that's why I have worked so hard too to veto previous bills. That does not mean I think we can walk away from the guarantee that our party gave on Medicaid, the guarantee our party gave on nutrition, the guarantee our party gave in school lunches, because that has not changed. But the nature of the poverty population is so different now that I am convinced we have got to be willing to experiment, to try to work to find ways to break the cycle of dependency that keeps dragging folks down.

And I think the states are going to find out pretty quickly that they're going to have to be willing to invest something in these people to make sure that they can go to work in the ways that I suggested.

Yes, one last question.

Q. Mr. President, you have mentioned Senator Moynihan. Have you spoken to him or other congressional leaders, especially congressional Democrats? And what was the conversation and reaction to your indication?

The PRESIDENT. Well, I talked to him as recently, I think, as about a week ago. When we went up to meet with the TWA families, we talked about it again. And, you know, I have an enormous amount of respect for him. And he has been a powerful and cogent critic of this whole move. I'll just have to hope that in this one case I'm right and he's wrong—because I have an enormous regard for him. And I've spoken to a number of other Democrats, and some think I'm right and some don't.

This is a case where, you know, I have been working with this issue for such a long time—a long time before it became—to go back to Mr. Hume's question—a long time before it became a cause celeb in Washington or anyone tried to make it a partisan political issue. It wasn't much of a political hot potato when I first started working on it. I just was concerned that the system didn't

seem to be working. And I was most concerned about those who were trapped on it and their children and the prospect that their children would be trapped on it.

I think we all have to admit here—we all need a certain level of humility today. We are trying to continue a process that I've been pushing for three and a half years. We're trying to get the legal changes we need in federal law that will work to move these folks to a position of independence where they can support their children and their lives as workers and in families will be stronger.

But if this were an easy question, we wouldn't have had the two and a half hour discussion with my advisers today and we'd all have a lot more answers than we do. But I'm convinced that we're moving in the right direction. I'm convinced it's an opportunity we should seize. I'm convinced that we have to change the two problems in this bill that are not related to welfare reform, that were just sort of put under the big shade of the tree here, that are part of this budget strategy with which I disagree. And I'm convinced when we bring those things out into the light of day we will be able to do it. And I think some Republicans will agree with us and we'll be able to get what we need to do to change it.

Thank you.

The PRESS. Thank you.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I understand Senator SPECTER is next, and I might ask, will the Senator yield me 1 minute without losing his right?

Mr. SPECTER. I do.

Mr. DOMENICI. Mr. President, if I was representing President Clinton, as my good friend from Nebraska has, I would be trying to divert attention to what Senator Dole might do. I would be diverting attention away from Senator Dole who might cut taxes for the American people because, speaking of a dismal record, the President seeks to hide behind a statistic that says we have had great economic growth. But the big fairy tale, to borrow a word from my friend from Nebraska, is that we have had the second lowest productivity growth in 50 years; real-wage growth is the lowest in 32 years; stagnant family incomes like we have never seen; tax burdens have risen sharply, almost 1 whole percent more of tax burden on the American people.

That is why they do not think we are doing very well. That is why they say: What is happening to our salaries and our wages?

Now, having said that, clearly if I had that record, I would be worried and trying to set up a smokescreen as to what Bob Dole might do when they do not even have the slightest idea what Bob Dole is going to do; he has not told anyone. We anxiously await a plan which will dramatically improve these kinds of economic facts. That is what we hope for.

I thank the Senator for yielding time to me.

Mr. SPECTER addressed the Chair.

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

Mr. DOMENICI. I have already yielded to him in sequence. I stated it, but I did not state how much time.

Mr. SPECTER. I may be able to do it in less than the 20 minutes I request. I will try to.

Mr. DOMENICI. I hope the Senator will try. The Senator is yielded up to 20 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I support the welfare reform bill with substantial reservations. I support the welfare reform bill because I think it is our best chance to break a pattern which has existed for decades where people rely upon welfare and find themselves dependent upon welfare and have no way to break out of the welfare cycle, the welfare chain to find jobs. I believe this legislation, while far from perfect—it does not contain many amendments that I voted for—is the best chance to do it at this time.

This legislation has advanced to this stage with substantial bipartisan support; 23 of 46 Democrats voted for this bill. The President of the United States has stated his intention to sign the bill when it reaches his desk if the conference report is passed. It seems to be a very high probability.

One of my colleagues on the Republican side has voted against the bill because it is not tough enough, not strong enough in limiting welfare benefits. Those are some of the indicators that this bill perhaps is, if not balanced, about as good a job as we could do given the problems of our society and given the problems of a campaign year.

I think it does not advance our cause at all to talk about Bob Dole and Willy Loman or to talk about a Republican majority coming to its wits, but, instead, to try in a bipartisan way to fashion welfare reform which will serve the American people, which will help take those on welfare off welfare, because I think it is certainly true that people on welfare would much rather have a job and not be on welfare, and to try to take away the burden of this entitlement on our society.

The issue of welfare reform is something which this Senator has been concerned about for a long time. In the 99th Congress, I cosponsored S. 2578 and S. 2579 with Senator MOYNIHAN, those bills being directed toward improving the welfare system. In the 100th Congress, I introduced similar legislation on a bipartisan basis with Senator DODD, and then worked closely with Senator MOYNIHAN on the legislation that first became comprehensive welfare reform on the 1988 Family Welfare Reform Act, which was signed by President Reagan.

This year, after welfare reform had faded from the picture, after the President's vetoes, I joined my colleague from Delaware, Senator BIDEN, on June 12 in introducing bipartisan legislation captioned S. 1867, which was an identical bill to a bipartisan bill introduced by Congressman CASTLE and Congressman TANNER in the House.

The Biden-Specter bill was not successful, nor was the Chafee-Breaux pro-

posal successful, both of which would have eased the problems for children and eased the problems for immigrants, and I think made for a more orderly transition on welfare reform.

I regret very much that Senator BREAUX's amendment did not pass, Senator BREAUX's amendment being directed to provide vouchers for children beyond the 5 years. Senator FORD's amendment did not pass. It was a narrow vote. I supported it. It would have provided noncash benefits after 5 years.

We have crafted a bill here which takes out a good bit of the inflexibility which was presented in the legislation by the House of Representatives and comes somewhat close to the bill which passed the Senate last year by a lopsided vote of 87 to 12.

Mr. President, this bill does provide an opportunity for those who are on welfare to take a job which they would have never taken before because there are many jobs which pay less than their welfare benefits. Why would someone take a job which pays less than their welfare benefits? They stay on welfare.

This legislation, going to a core issue, will provide an opportunity for someone to take a job which pays less than welfare, which that individual would not now take since welfare pays more, because there will be flexibility to add a supplement, so that there will be a supplement from welfare funds, which means the welfare payment is less and the individual will be getting more with his lower wage in the private sector and the welfare supplement, and will have the benefit of Medicaid where the employer does not pay health benefits. So there is an opportunity to move from the welfare roll to the payroll.

This legislation provides that able-bodied individuals will be limited as to how long they can be on welfare, receiving 2 years of assistance if they are not working; lifetime benefits are limited to a maximum of 5 years, but the States do have flexibility to provide a hardship exemption up to 20 percent of the State's caseload if those requirements are not met. This, I think, is realistically calculated to encourage able-bodied men to work.

With respect to finding jobs, there is job training provided and flexibility to the States, and the States are given substantial incentive to take individuals off the welfare rolls.

This legislation also moves to a core problem of teenage mothers who are on welfare with the requirement that they live at home unless there is some showing that there is brutality at home or something which is incompatible with living at home. But the teenage mothers are required to live at home. They are required either to be in school or on jobs or in job training, and there is a very substantial amount of funding in this bill for child care so that mothers can realistically do that.

There are some provisions in this legislation which I think should have been

corrected. I think the amendments offered to leave noncitizens on the welfare rolls and apply the limitations only to the future would have been more sensible so people who come into the United States would have notice that they are not going to have the benefits. I think the moratorium which was suggested on Medicaid benefits would have been sensible.

This bill provides for tough enforcement measures for child support, so parents have an obligation to support their children.

When you take a look at this legislation in its totality, it is a step in the right direction. It has been crafted in a contentious political year where there are deep political divisions in the Congress, so there is a substantial block of Democratic support—23 Democrat Senators having voted for it; an equal number on the other side. The President, a Democrat, has stated his intention to sign the conference report. There is very substantial support on the Republican side, with one Republican Senator having voted against it because it gives too much to welfare recipients. But there is a real need to move ahead, to try to give people an opportunity to have jobs.

During my tenure as district attorney of Philadelphia, I saw many people in that big city trapped in the welfare cycle. I think, when they have an opportunity to take a job which is a low-paying job, they are not going to take it today if they lose medical benefits under Medicaid and they get less on the low-paying job than they have on welfare. But, when you have flexibility with the States—and there are many examples where the States have moved ahead on a flexible system, Wisconsin, illustratively, Michigan, illustratively, and other States. Governor Thompson is ending welfare, not just talking about it but ending welfare in 1997—this welfare bill goes a substantial distance.

I know it is going to result in some holes in the safety net. But we will have an opportunity to revisit those issues. But taken as a whole, my view is it is a significant step forward, and that is why I am supporting it.

I yield the remainder of my time and yield the floor.

The PRESIDING OFFICER. Who yields time to the Senator from Illinois? The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. Mr. President, I understand the Senator from Nebraska is not on the floor as yet.

The PRESIDING OFFICER. The Senator may yield herself time.

Ms. MOSELEY-BRAUN. I will do so.

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

Ms. MOSELEY-BRAUN. I yield to the Senator from Nebraska for a question.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank my colleague for yielding. Before she starts in on her speech, which I assume

is on her objection to the welfare bill, but she may be talking about economics because she has been very much involved in things that we need to do to shape up America, I want to ask her a question. Did the Senator hear when the Senator from New Mexico made quite a point in answer to my dissertation on supply-side economics and skyrocketing deficits that have been corrected and turned around by President Clinton? He was complaining about the productivity of America.

If we want to look at the productivity of America, I think we ought to put that in terms that people can understand: not productivity, but job growth. The percentage of change on an annual basis during the Reagan/Bush years—and I think it is consistent because I talked about the Reagan/Bush years and the skyrocketing deficits that were created then—all during those Reagan/Bush years, the private sector job growth was 1.6 percent. Under President Clinton it is 2.9 percent. That says something about productivity, does it not?

Does that not say also something about jobs and job creation, which is what the economy is all about?

Ms. MOSELEY-BRAUN. It certainly does.

Mr. EXON. I thank my friend from Illinois.

Ms. MOSELEY-BRAUN. Mr. President, I say to my colleague from Nebraska, my colleague referenced the fact that I am kind of an armchair economist. I like these issues. But I must tell you, I find it more than a little ironic on a day on which we are talking about how well the American economy is doing, we are declaring defeat and failure on our response to poverty and throwing in the towel on poor children in America.

I point out, in the first instance, I have heard a lot of discussion about the numbers pertaining to this welfare "reform" debate, about how much money is being spent. For the general public, it sounds like an awful lot of money because that is what we do here. We talk about a budget that is almost \$2 trillion. So the numbers associated with welfare, which impacts very dramatically on the lives of the most vulnerable people in our society, sound like an awful lot of money. Still, all told, those numbers relate to about—well, actually less than 1 percent of the Federal budget. It is 1 percent of the Federal budget, but that has an impact on Americans, particularly American children who are poor, greater than the other 99 percent that we spend. I just want to put that in context.

Mr. President, the French have an expression, if I may in my broken French, "plus ca change, plus c'est la meme chose," and it means essentially the more things change the more they remain the same. The fact of the matter is, this bill no more warrants the title "reform" than any of its predecessors. This bill is still an abomination, which is what I called the pre-

vious bill, and I intend to vote against it for precisely that reason—and I keep coming back to the question, and no one has answered the question: What about the children? What happens to them when all is said and done, with all the cuts and the changes that we are making in this legislation?

When I talk about the children, I talk about them in the context that, again, welfare is simply a response to poverty. The system is broken. It needs to be reformed and fixed. The problem, however, is that, that is not what this bill does. Welfare reform should not be about pushing people, and pushing children particularly, into poverty.

The Urban Institute has concluded that 1.1 million children will be thrown into poverty by this bill. Estimates for previous welfare bills passed by the Congress were 1.5 million children thrown into poverty. Now 1.1 million is less than 1.5 million, but it is still too many. The earlier Senate bill would have cut off 170,000 children in my home State of Illinois because their families had reached the time limits. That is about 28 percent of the children presently receiving the AFDC subsidy in my State.

I want to talk about AFDC again, the misconceptions and the welfare mythology, because there has been a whole lot of conversation about how this system is broken, let us turn it over to the States, let us let them do it. That is where I come back to the notion that we have "been there, done that." This is called "back to the future."

I have to mention that the Presiding Officer and I worked together, when we first got here, on the whole question of unfunded mandates and the relationship between State and Federal Government. But it is precisely that relationship that is at the base of the debate going on here. For those who do not know the history, I want to refer my colleagues to the history of what happened before we had a national safety net for poor children in this country.

I have referenced previously this issue, I am looking at the spring 1995 issue of Chicago History magazine. I want to read the title of the article, "Friendless Foundlings and Homeless Half-Orphans." I never read the first line, which I think I will share with my colleagues. It says:

In 19th century Chicago, the debate over the care of needy children raised issues of Government versus private control and institutional versus family care.

Mr. President, that is exactly the argument I have heard all day long on this welfare debate in this Senate today. So we are facing some of the same issues and some of the same questions that came up in our country 100 years ago.

Let me show you what State flexibility got us last time, Mr. President. The last time we had State flexibility, we had children sleeping in the streets, which was the first poster.

Here is another one. This is another part of the experiment, again, the history that people maybe have forgotten. The fact is, they were scooping children up from the alleys in New York, shipping them to Rockford, IL, and auctioning them off. This is what happened with poor children.

This is the "Asylum Children":

A company of children, mostly boys, from the New York juvenile asylum will arrive in Rockford, IL, and remain until evening. * * * they are from 7 to 15 years of age. * * * Homes are wanted for these children with farmers. * * *

This is the response States came up with before we had a national safety net.

I have another poster which another response by states called the orphan trains. To be candid, maybe Speaker GINGRICH really had studied the history when he talked about we will just have to put these kids in orphanages. That is what happened at the turn of century. They took children from the alleys of New York, put them on trains and took them out West to give them homes. Some are still living and can give testimony to what happened before we had a national safety net for poor children in this country, and getting rid of that safety net is what this so-called welfare reform is all about. We are rending that safety net apart just because it has not worked.

Mr. President, I submit to you, it may not have worked, but we can do better by way of reforming it. This is not reform. Real welfare reform would mean we give people jobs, we give them some way to work, we give them some way to take care of themselves, we give them some way to take care of their children. That would be real welfare reform. That is not what this legislation does.

Mr. DOMENICI. I wonder if the Senator will yield for a question.

Ms. MOSELEY-BRAUN. Only if it will not take from my 20 minutes.

Mr. DOMENICI. I ask it be on my time.

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

Mr. DOMENICI. In all those cases you described, 1900 in Chicago, 19th century, do you have any idea how much the States and the National Government was spending on these kinds of poor people then?

Ms. MOSELEY-BRAUN. It depended on the State. In fact, I commend the article to my colleague. What they say here is depending on the State—some States had better programs for handling poor children than others—in fact, one of the tragic things about it, and I was kind of ashamed, my State of Illinois did not do well with poor children.

Mr. DOMENICI. I was wondering if you knew how much we were going to be spending on these programs, including food stamps, which is an entitlement. One-hundred thirty billion dollars.

Ms. MOSELEY-BRAUN. I say to my colleague, I am prepared to debate this

with you, but, in the first place, again, that is less than 1 percent of the budget. We spend that much in an afternoon on some other programs that I know my esteemed colleague supports. But I also point out to my colleague that this bill cuts \$54 billion from these programs over the next 6 years in the name of welfare reform, with most of the cuts coming out of food stamps and coming out of help for legal immigrants.

The real problem, Mr. President, is that this bill is not designed to move people from welfare to work. There is not an adequate investment in child care, in job training or in job creation, factors which are critical to moving people into the work force.

Instead, this bill is arguably about saving money. The \$54 billion cut simply represents, and I again go back to unfunded mandates, a shift in funding from the Federal to the State and the local governments. Poor people are not going to go away the day this legislation goes into effect, and in light of the fact we have failed to provide for any employment, we have failed to create any jobs, we have failed to provide adequate child care funding, we have failed to address the fundamental causes of poverty, the fundamental reasons they are poor to begin with, e.g., they do not have a job to take care of themselves. And, we are talking about the able-bodied people. Unfortunately, the fine print of this bill also has an effect on non-able-bodied people as well.

Nonetheless, the fact is, with regard to able-bodied, anybody who can work should work, and anybody who can work ought to take care of their own children. But this bill makes no provision for that, and that is the fundamental problem. On October 1, the effective date of this legislation, there still will be areas in this country with excessive poverty and excessive unemployment. Those people, Mr. President, are not going to go away.

I point out that the Congressional Budget Office has said that most States will not and cannot meet the work requirements in this bill. That alone should tell us that something is wrong with this picture. If the work requirements are not met, and that means the people do not have jobs and families then get cut off because of the time limits in the bill, then what happens? What do these people do with their children?

Do we put them on trains and send them out West? Do we scoop them out of alleys and auction them off? What are we going to do with the children? That is the essential question that has not been answered: What happens to the children once the time limits are reached, once the assistance is cut off?

There is no provision for them. Even assuming for a moment the 20-percent cushion that is given in here, the kind of hardship exemption that States can use or the title XX funding, the entire program along with the title XX fund-

ing are cut about 15 percent in this bill. This entire thing is predicated on cutting money. So you are talking about less money for a problem that is going to result in the great unanswerable about what it is we do with children.

Are we going to have the State and local governments pick up the costs associated with the children of the jobless poor? Or are we going to then say, "Well, private charities can pick it up"? What do we do about these children?

And then, Mr. President, and this is where we get to Speaker GINGRICH's remark about orphanages, what do you do when you have someone who has reached the time limit, has children, still does not have a job and cannot feed those children? Do we then start child custody cases in the State courts of this Nation? Do we then put them in orphanages, as the Speaker suggested? No one has answered that question.

Mr. President, I have a friend who is a juvenile court judge back in Illinois, and she tells me that she already is seeing cases that come in as child neglect cases which really are a reflection of people who do not have enough money to take care of their children. She is seeing that happen already.

Mr. President, this legislation that we are calling by the misnomer of "reform" is going to exacerbate that problem. This bill does not provide enough money for people to go to work. It does not provide any job training, it does not provide any jobs, it does not provide any education, it does not provide adequate child care, and we are going to see an increase in costs passed along to State and local governments.

On the child care question, are we now going to also see an increase in latchkey kids and "home alone" children, because the bill requires for those who do get employed that they go to work. So if you are able-bodied and can find a job, you must, under this legislation, come off welfare, you have reached the limit, you have to go to work. What if you have a 3-year old child? Where does that child go? There is inadequate money, as the Presiding Officer, I know, is well aware, inadequate money to pay for child care.

The Governors and the mayors will discover that this bill, which in the beginning looked like it offered them something significant, is really a Trojan horse. We are going to deliver to the Governors and the mayors the responsibility for masses of poor children that we, as national legislators, do not want to face.

I ask unanimous consent to have printed in the RECORD a letter from the National Association of Counties urging us to vote against this welfare bill because, and I quote, "counties will bear the brunt of the cost shift and will be left with only two options: to cut essential services, such as law enforcement and fire protection, or to raise local taxes."

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

NATIONAL ASSOCIATION OF COUNTIES,

Washington, DC, July 30, 1996.

DEAR SENATOR: The National Association of Counties (NACo) urges you to vote against the conference agreement on welfare reform (H.R. 3747). If this bill is enacted, counties will bear the brunt of the cost shift and will be left with only two options: to cut essential services, such as law enforcement and fire protection, or raise local taxes. Counties are already developing more efficient welfare programs, but there is no way we can absorb the federal government's costs all at once.

NACo has long standing policy supporting the entitlement nature of Aid to Families with Dependent Children (AFDC) and opposing funding caps including those in the legislation. Ending the entitlement for AFDC essentially dismantles the federal safety net for children.

We also oppose the denial of benefits to legal immigrants. NACo has consistently opposed denying Supplemental Security Income and Food Stamps to this population. These provisions will disproportionately affect counties in states with large immigrant populations. The California State Association of Counties estimates that the legal immigrant exclusions will cost California counties more than \$10 billion over six years.

Counties are also deeply concerned about the legislation's work requirements. Because of the funding cap, the bill lacks the sufficient funds to meet these requirements and operate welfare to work programs efficiently and could result in substantial unfunded mandates. Minnesota counties alone said that they would need to spend about \$44 million to meet the work requirements for FY 1997. Since the participation rates increase every year, this cost will increase as well. Able-bodied individuals should be expected to work, but effective programs require substantial initial investments and counties cannot be expected to pick up the full costs.

The bill will ultimately shift costs and liabilities, create new unfunded mandates upon local governments, and penalize low income families. NACo therefore urges you to vote against the conference agreement.

Sincerely,

MICHAEL HIGHTOWER,

President.

Ms. MOSELEY-BRAUN. Mr. President, no one is here to argue that the current welfare system is a wonderful and perfect response to poverty. It is not. We do want to encourage independence. We do want to encourage family structure. We want to discourage illegitimacy, give people an opportunity to come together, create families, raise their children and take care of them themselves.

We want to inspire hope in our people. We want to lift Americans out of poverty. Poverty should be something we have conquered in this great Nation with such a healthy economy as we heard tell about today. But we have not gotten there.

As we tinker with this situation, as we try to work this situation, we cannot just say we are going to slash the money, cut the money, send it to the States and try to do reform on the cheap, which is what this bill does. Governor Thompson—and it has been talked about as the great welfare experiment out of Wisconsin—Governor Thompson acknowledges that welfare reform has to encompass jobs, child care, and creation of real opportunity for people. That costs money. You can-

not do it on the cheap. And that is not what is in this legislation.

Believe it or not, Mr. President, I actually pray that this approach is going to work. I mean, it is hard to say. I pray it will because, quite frankly, I do not want to see the harm that this history suggests that we are about to visit again. I do not want to see this happen to anybody, particularly poor children in a country as great as ours.

But I have to tell you something. I believe that it is a fundamentally flawed premise that if you simply stop giving people assistance, if you stop helping them with their subsistence, they will go to work and stop having babies. If this bill cures illegitimacy, dependency, joblessness and hopelessness, I will congratulate my colleagues who support this legislation. However, Mr. President, I tell you it is not likely to happen.

For all of the rhetoric about reforming the welfare system and helping the poor take care of themselves, this bill provides nothing—nothing—to help them get there. Cutting the income of the poorest Americans will not reduce the number of poor babies. It will not. It is not likely that we will cure the problem of dependency by just cutting people off and telling them their children's needs can just fall off the edge of the Earth. That is why the legislation is so flawed.

Mr. President, I also question whether or not the savings in this bill coming from food stamps and the elimination of benefits for illegal aliens is going to help move people from dependency to independency. I doubt this legislation is going to do anything about providing protections for children after all title XX, the social services block grants, are cut in this legislation by some 15 percent.

So we are doing, I think, great harm to children. There are some, Mr. President, who suggest that this bill is not perfect, that we can fix the flaws later. I do not think, Mr. President, that it is appropriate for us to play games and to be so generous with the suffering of the poor, with the potential and the effect on their lives this legislation suggests. We do not have the luxury of guessing in this area and making policy based on mythology and not on fact. This system may be broken, but the fact is that it affects the lives of real people.

We have been talking in this Chamber about the States and their interests, about the system and how it operates or does not operate. The fact is, they are real people, real lives and real faces and real feelings and children who deserve a chance in this, the greatest country on the planet.

We are not giving them this chance, Mr. President, with this legislation. That is why I do not believe that we can call this reform in good conscience. I believe that, unfortunately, this is again back to the future, to the politics of 100 years ago, where we saw this happen before in history. They were not any more or less compassionate than we are today.

This Senate does not hold a monopoly on vision or compassion or political will. The fact of the matter is, we are responding, this legislation is a response to the same political will that existed at the time.

We have met the challenge of poverty, and we have declared failure, and we have declared retreat. I think that is a real ironic situation for us to face in light of the good economic news that was given today.

In closing, Mr. President, I say to you this. I hope that the political calculation that says that we can experiment like this based on the vulnerability and the lack of political clout of people who do not vote or who cannot vote, I believe that that is political expediency. It does a disgrace to the well intentions of the Members of this body.

I know this bill is going to pass. It has the votes. And this is my third time giving a speech on this subject. But I can tell you, Mr. President, we are going back to the future. This is history repeating itself. And all we can do is pray that the harm to the children does not become what everything tells us it is likely to be. I yield to the Senator from Washington.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. Based on a previous agreement, the next Senator to be recognized would be the Senator from North Carolina. The Senator from Washington, as the floor manager, is recognized.

Mr. GORTON. Mr. President, that is correct. I think we do have an agreement to go back and forth. And just simply for—

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Except, I say to my colleague from Washington, I believe, Mr. President, I had 20 minutes allocated to me. I do not believe I have used up the 20 minutes.

The PRESIDING OFFICER. All time has expired.

Ms. MOSELEY-BRAUN. All time has expired? All right. Thank you.

Mr. GORTON. Mr. President, just for Republican purposes, the next four Republicans listed in order are Senators FAIRCLOTH, GRASSLEY, CHAFEE and GREGG in that order. But, as I understand, we go back and forth. So after Senator FAIRCLOTH, the Democrat will be—is that Senator BRADLEY or Senator BOXER? Senator BRADLEY.

I yield 10 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Chair may clarify. The Democratic order would be the Senator from New Jersey, then the Senator from North Dakota, the junior Senator from the State of Washington, and then the Senator from Montana.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, it is my understanding that after I speak,

then it would be the Senator from California. I know the Senator from New Jersey speaks after the Senator from North Carolina. The Senator from North Carolina shall speak, and then I will speak.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 10 minutes.

Mr. FAIRCLOTH. Mr. President, I had asked for 15 minutes. I see I was allocated 10. I think that will probably handle it. But I had been granted 15.

Mr. GORTON. If the Senator would yield, we are beginning to run out of time. The next three Republicans are even going to get 10 minutes. So we hope the Senator can do it in that.

Mr. FAIRCLOTH. I hope I run out of speech before I run out of time.

Mr. President, I said many times, and many times over, that in this welfare debate we have not addressed the root cause of welfare, and that is illegitimacy. The root cause of welfare dependency is illegitimacy. Until we address that, we will not have addressed the root cause of welfare. And my belief has only been strengthened by what I have seen during this year of welfare debate.

Some of the weaker points in the welfare bill have been strengthened by the conference. The conference report contains a provision for work for welfare recipients, a concept known as pay for performance. If you have ever heard of anything ludicrous, it would be being paid not to perform work. Only in the Federal Government, only in the welfare system could anybody conceive of not having to work to get paid, where that would be an unusual concept that you had to require pay for performance. It is incomprehensible to me that anybody would be paid that did not perform.

To truly reform welfare, we have to reverse the current welfare policies which subsidize and promote self-destructive behavior and illegitimacy. These policies are and have destroyed the family.

This conference report will serve as a good starting point for changing welfare in a culture that is based entirely on a system of personal responsibility. That is where we need to return to—a system based on personal responsibility.

I have heard several times here today that we could correct the mistakes in this bill at a later date. I think by correcting mistakes, they meant make it a softer, weaker bill. I hope we will correct the mistakes by making it a stronger, better bill and put more emphasis on personal responsibility.

I had hoped this bill would contain, like a previous conference report, a provision known as the family cap. In plain language, the family cap says that if you are a welfare recipient drawing AFDC and have more children, you do not get more money for having more children.

We did not put that in this bill. We absolutely should have. It is one of the

glaring weaknesses of it, that you can continue to have children and continue to be paid by the taxpayers. The middle class American family that wants to have children has to prepare, to plan, to save, to accept, to take on the responsibility of having children. At the same time, we are taking their tax money to support these people who are not accepting personal responsibility and having children, on and on and on. We are taxing the working people that plan to have children. We are taking their money to pay for this irresponsible behavior.

Today, more than one in every third child is born out of wedlock, and in many communities it can go up to 85 percent. Children born out of wedlock are three times more likely to be on welfare when they become adults, and children raised in single-parent homes are six times more likely to be poor and twice as likely to commit crimes.

It is clear that the cost of this has become an extreme burden on the American people. Each year, half a million children are born to teenage mothers. Over 75 percent of these occur out of wedlock. The estimated cost to the American people, our taxpayers, are \$29 billion to care for society's part in child-bearing adolescents under 18. That is the stated cost to the American people.

I commend the conferees who were able to restore an important provision of the bill. This is the funding for the abstinence education program which I initially offered as an amendment to our first Senate bill. Abstinence education has worked in those counties, cities, and States that have put it in. It has done as much or more to break the cycle of out-of-wedlock pregnancies and teenage welfare recipients as anything we have done. I plan to continue to promote this program and to introduce it again in later bills.

After 30 years of the so-called Great Society, we are on the verge of passing legislation that will return welfare to what it was supposed to have been 50 or 60 years ago. Actually, when it was first began, it was temporary help for responsible individuals who had fallen on hard times. It is no longer that. We have converted it to a way of life in which generation after generation after generation receive welfare. It is not temporary help for those people who have had a hard time. No, we have taxed these people; we have spent \$5.2 trillion to create the worst system that was ever made. Nobody likes it. It is long since time that we change what we have been doing. It is not designed for people on hard times. It is designed as a way of life for people who choose not to work.

With the \$5.2 trillion we put into it—\$5.2 trillion is very close to the exact amount of our national debt—we have more poverty than we had when we started. When we started this program of AFDC about 33 or 34 years ago, less than 7 percent of the children were born out of wedlock. By subsidizing il-

legitimacy, we now have it to over 37 percent of the children, and it is rapidly rising. It is even agreed by the President that it will soon exceed 50 percent of the children in this country.

It is long since time that we do something about it. This bill makes a start. This bill makes a start. We are going to see the States that fully implement the work requirements, that fully implement the requirements that people work for their welfare, they are going to see such a great response and reduction in their welfare rolls until they will be applauded, and the other States will attempt to emulate and copy what they are doing.

I hope most of the States will take advantage of the opportunity given them to cut their welfare rolls, and they will see a dramatic reduction and the other States will attempt to emulate.

The real test ahead will be changing the lives of today's welfare recipients by helping them become self-sufficient and ensuring that fewer and fewer people will come to need welfare. That is the real purpose of what we are trying to do, bring people to accept personal responsibility. I believe this bill will do it. I intend to support it.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from New Jersey.

How much time does the Senator yield himself?

Mr. BRADLEY. I yield myself 9 minutes.

Mr. President, this conference report on welfare reform is a politician's dream, a poor person's nightmare, and a continuing source of anger and frustration for the taxpaying public that wants real welfare reform.

First, what about the politician's dream? Welfare, AFDC, \$15 billion out of a \$1.5 trillion budget has been a political football in this country for generations; in some cases, a racialized political football, as politician after politician created in the mind of the public the idea that black women had children so they could collect \$64 per month for that third child in New Jersey. This bill allows those politicians, those Federal politicians, to end welfare and claim they will end poverty and illegitimacy and mind-numbing bureaucracy with one stroke. You can send a signal to multiple constituencies under this welfare reform bill.

Mr. President, this bill is a poor person's nightmare. The Urban Institute says, as a result of this bill, there will be 2.6 million more people in America living in poverty, 1.1 million more children living in poverty, and they will be living 20 percent deeper in poverty. The gap between their income and the poverty level will be 20 percent lower.

We say to send it back to the States and they can take care of it. Mr. President, you have an economic downturn in the States, and they have a fixed amount of this money in a block grant. There is nothing that prevents them from cutting this poor person's grant

more, cutting benefits, saying you cannot go beyond 3 years, 2 years, 1 year. There are no requirements that we put in this bill. It is a poor person's nightmare.

Mr. President, it is a continuing source of anger and frustration for our taxpaying public that wants real welfare reform. When the public hears "end welfare as we know it," they think "end welfare." When people hear that people are going to have to work for welfare, they believe what politicians say—beware. If you believe what politicians say in this bill, that you have to work for welfare, imagine how surprised those individuals who have believed the politicians' rhetoric about work and welfare, imagine how surprised they are going to be when they find out that States can pay about a \$50 bounty per person instead of putting money up to put people to work.

The nonpartisan Congressional Budget Office says that most States will simply ignore the request to put people to work and instead pay the 5 percent, \$50 penalty for the failure to meet the work requirements. It will pay them to do that.

Just taking one example, the biggest city, New York City, which operates the largest work program in this country. Only 32,000 welfare recipients are in it out of 850,000 New Yorkers on welfare. The reason? Not because they do not want to do it—lack of money to create jobs.

The mayor of New York City said that to meet the work requirements in the bill, the city would need \$100 million more than it will receive in this block grant. It can't do it, and so it will pay less, pay the \$50 bounty per person, to get out from under that work requirement. The politicians who claim the bill will put people to work will suddenly discover a lot of people are not working.

Imagine, there are those who think this bill will promote marriage. This bill will not promote marriage at all. This bill will not promote two-parent families. This bill will not promote reward for marriage. This bill will not promote reward for work or penalties for additional children. This bill will not change the face of the bureaucrat that sits in his or her State office listening coldly to whatever is said, responding in a way that is at least insensitive and often demeaning. This bill will not change that.

Imagine you are a taxpaying citizen in a State that has tough economic times. The State will have a lot more people on welfare, and their block grant may not cover them. The only way you are going to get more is by raising taxes. Imagine how you would feel when a State three or four States over from you is in good times and it gets its block grant and only has to deploy 80 percent to welfare and can use the rest to give its citizens tax cuts. That is why you need a national program, not a program of block grants.

For those who believe in this remarkable federalism, anybody who thinks

the State legislatures in Trenton, Albany, Sacramento, or wherever, are going to be more sensitive to issues related to people who are poor or to children who are poor than national legislators, I have a bridge I would like to sell you shortly after I finish speaking.

Mr. President, why is this bill such a mistake, in addition to the points that I have made? Well, when I left a small town on the banks of the Mississippi in Missouri, outside St. Louis, and went to college in New Jersey—a decision that changed my life—in St. Louis, 13 percent of the kids born that year were born to single parents. In 1994, 63 percent were born to single parents, and 85 percent of the black children were born to single parents. If we were honest about this, Mr. President, we would admit that no one knows what will change this around. No one knows what combination of incentives and penalties and values will begin to change this. That is why what we need is a Federal commitment and State experimentation, with a lot of different kinds of combinations of programs. Then maybe we can get the mix that will break this rising number of children in this country born into single-parent homes.

But what this bill creates is State chaos, not State experimentation. What this bill does is simply pass the buck from Federal politicians to State politicians; one group of politicians take the pot of money and give it to another group. Let us have a baseline. What is the illegitimacy rate in cities in this country? What is the poverty rate? What is the unemployment rate? What is the violence or crime rate? In 5 years, let us see whether this bill has miraculously changed all those statistics for the better because, deep down, that is the claim of this kind of legislation, built on generations of using this issue as a code word for a lot of other things in American politics.

Mr. President, welfare was not the cause of these rising illegitimacy rates, and so-called welfare reform in this bill will not be the solution. The silver lining—if there is a silver lining in this bill—is the child support enforcement provisions. They are the provisions that say that if you father a child, you have an obligation to support that child. I strongly support those parts of this bill. But, Mr. President, I regret to say that the rest of this bill is sorely lacking. I admit that it is a politician's dream, a message to multiple constituencies. But it is a poor person's nightmare, and it is a source of continuing anger and frustration for the taxpaying public that wants real welfare reform and will not get it in this bill.

Mr. GORTON. Mr. President, I yield 10 minutes to the senior Senator from Iowa.

Mrs. BOXER. Will the Senator yield for a unanimous consent request?

Mr. GRASSLEY. If it doesn't come off my time.

Mrs. BOXER. I ask unanimous consent that following Senator GRASSLEY,

I be allowed to address the Senate for 9 minutes on another subject.

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

Mr. COATS. Mr. President, are we following an order of going back and forth?

Mrs. BOXER. I am on the Democratic list.

Mr. GORTON. Yes.

The PRESIDING OFFICER. There is a suggested list, but it is not formally agreed to.

Mr. GRASSLEY. First of all, Mr. President, we all should thank President Clinton for keeping his campaign promise of 1992 to end welfare as we know it. He announced yesterday that he would sign our legislation. After two vetoes of very similar welfare reform legislation that we passed last year, we were beginning to wonder whether or not he was serious about that campaign promise of 1992. We are glad now to know, after 4 years of talk, that he is serious about ending welfare as we know it and that he won't be stonewalling anymore and that he will be doing what he, as a Governor, said ought to be done—return more authority over to the States. So we thank him.

We also know that Congress has made a very serious effort to reform welfare. The last was in 1988. Such welfare reform was supposed to move people from welfare to work, to save the taxpayers money, to reduce those on the rolls, to move people to self-sufficiency. All of those things were proclaimed in that 1988 legislation that passed 96 to 1.

Now, 8 years later, we see 3 million more people on the welfare rolls. We see billions of dollars more being spent, and we also conclude that reform of the system, regardless of our good intentions and the reform that we were wanting to enact, did not happen.

The current welfare system has failed. The programs were well-intended, but they proved to be inefficient, they proved to be unfair and, most importantly, they proved to damage those they were meant to help. We are concerned about the children. Our present welfare program was passed decades ago out of concern for children. But after six decades, we find that our children are the POW's of the war on poverty.

This has not helped our children. It has not strengthened our families. And we are insistent, in this legislation, upon making up for those wrongs of the past. In other words, to help our children.

I said that the last time Congress tried reform we failed. We built upon what we had been doing for 60 years—to have everything run from Washington; to micromanage everything from Washington. But now, as we change the approach for the first time in 6 decades, it is not as, Senator BRADLEY tried to imply, just some casual effort to send it back to the States to solve all of our problems. No. We send it

back to the States because we have seen the States succeed where we have failed. I said that we wanted to move people from welfare to work. We wanted to save the taxpayers' money. We wanted to make people self-sufficient. We have failed.

But we have seen States succeed.

My own State of Iowa in 3 years of reforms has 12 percent less people on welfare; that is 4,000 less people on welfare. The monthly checks have gone down from \$371 to \$335, not because we want to spend less to help families, but because there are more families working and earning income. And as a State we have seen the highest percentage of welfare recipients in the Nation in the work force at over 33 percent. Under the waiver Iowa received, we have a control group which is still under the old program. And in that control group under the old program, only 19 percent of the people have moved from welfare to work. Of those in the new program, over 33 percent of the people have moved from welfare to work.

So my State, Wisconsin, Michigan, and many other States, have a track record of succeeding on welfare reform where the Congress in our last attempt in 1988 has failed.

These local and State solutions can be—and are—more innovative and targeted. They promote new opportunities. I think they are doing what every welfare reform intends to accomplish—moving people from dependency to self-sufficiency, building self-esteem, moving people from welfare to work, saving the taxpayer dollars, and, most importantly, ending the hopelessness that welfare recipients have experienced.

In the process of passing this legislation—we are saving the taxpayers' over \$55 billion. We are limiting the amount of time that people can be on welfare to a 5-year lifetime limit. We are helping recipients find jobs because they have to do this within 2 years of joining the program.

States can do better if they want to. We are turning over the management of these programs to the States because they do a better job. We do it by block grants to give the States more freedom to use their money. We are still going to have food stamp programs and child nutrition programs. But these programs as well are going to be reformed.

Most importantly, individual people have a responsibility, other than the taxpayers, to take first and primary care of their own families. Absentee dads are required to do better in providing for their kids. This in the end will do a better job than our giving government aid to the children in need.

We are going to get more for our money. Yet, we also provide for growth in this program at 4.3 percent annually. What we are hoping for here is to make sure that we provide hope for the future. Families that want self-esteem but do not have it will have the opportunity to restore it again as they work off a system that is a dead end.

Part of the hope of the future is not only that we pass this welfare reform and do good for people who are on welfare, but we hope that we are able to energize this economy so that there are more jobs not only for those who are leaving welfare for work but for people who have never been on welfare. We need to create jobs and good paying jobs at that.

We have seen during this administration a 2.4-percent growth, the slowest growth of any administration since World War II except the administration of President Nixon. If we had been experiencing the growth on average that other Presidencies have had, we would have had many more jobs created. And we would not have the situation where productivity growth has averaged a meager six-tenths of a percent per year under President Clinton's tenure compared to the 1 and one-tenth percent average pace that we have had since 1973. That productivity per worker is going to mean more wages, more job opportunities, and more take-home pay.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Thank you, Mr. President.

First, I ask unanimous consent to have printed in the RECORD a number of editorials from newspapers in my home State of California in opposition to this welfare reform bill.

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

[From the Fresno Bee, July 27, 1996]

BACKWARD WELFARE REFORM

Bills passed by Congress go too far; the president should use his veto pen and demand a better legislative effort.

Once again, Congress has passed welfare bills that are more about saving dollars and winning votes than reshaping lives. As much as Americans may want to reform welfare, they don't want a system that goes from a hand-out to the back of the hand.

The House bill passed last week and a similar bill passed Tuesday by the Senate would end the 60-year-old federal guarantee of assistance to poor children. In its place, the bills substitute block grants to the states, which would have wide power to set eligibility rules for assistance, but would be required to cut off recipients after two years if they did not find work. Aid over a lifetime would be limited to five years.

There's a wide consensus that welfare needs to be converted to a jobs-oriented system. But moving welfare recipients, many of whom lack a high school diploma or marketable skills is a complex and expensive business. The most serious of the state workfare reforms, put forward by Republican governors in Michigan and Wisconsin, recognize that reform must make upfront investments—in things like job training, child care and transportation—if long-term welfare recipients or teen-age mothers are going to move into jobs and achieve self-sufficiency.

But the bills passed by Congress are more punitive than supportive. The House bill aims to save \$60 billion over the next six years. That means many states will not receive adequate federal funds to move welfare recipients into work or to provide expanded

assistance in times of recession, when job losses push more families into need.

Welfare reform doesn't require shredding the safety net for children and workers; the House bill attacks it with a cleaver. It cuts food stamp dollars and removes eligibility for adults after three months if they aren't working. That means people who worked a lifetime would be left in hunger after three months if severe unemployment, such as California has recently endured, prevented them from finding jobs. The bill would also deny food stamps to legal immigrants, regardless how hard they work.

Moderate Republicans and Democrats tried to add protections for children and working families with amendments that provide vouchers for services to children whose parents can't find work after the time limits. But the GOP majority defeated them.

Now the last line of defense for decency is once again President Clinton's veto pen. Having twice vetoed bad welfare bills, the president's political advisers are pushing him to sign any welfare bill that looks like it will redeem his 1992 pledge to reform welfare. But Clinton has already proved his welfare reform credentials by approving federal waivers for state reforms. He's already ushered in a new era in social policy around the country.

It isn't necessary to sign a bad bill to "end welfare as we know it"; Clinton should demand a bill that replaces welfare with something more promising than a stingy plan that would put a million more kids in poverty, strap local governments and take the safety net away from millions of working families.

[From the Los Angeles Times, Aug. 1, 1996]

IT'S WELFARE REFORM AT CALIFORNIA'S EXPENSE

When President Clinton signs the compromise welfare bill, as he says he will, the financial brunt will fall on California, home to more immigrants than any other state. This is unfair to California taxpayers. Immigration is a national issue and its effects should be shouldered evenly. But that's not what's going to happen.

At least 40% of all legal immigrants live in this state, and half of those in California reside in Los Angeles County. When needy non-citizens lose their federal benefits under the welfare reform most of them obviously will turn to the counties and the state for assistance. They cannot legally be denied. But how to pay for it?

State and county governments are required to provide aid to all needy legal residents. Expect lines of elderly, blind or disabled immigrants at relief agencies, for they will no longer be eligible for federal benefits. Needy noncitizens will also lose access to federal food stamps. All this adds up to general relief at local expense.

Immigrants have been popular scapegoats in Congress and were especially so in negotiations on welfare reform. Though the immigrant poor account for a mere 5% of federal social spending, cuts in their benefits are expected to produce 60% of the planned welfare savings. For California, that load off the federal budget could stick state taxpayers with more than \$1 billion in new bills.

The punishing elements of this welfare reform distract from the positive provisions of the bill, such as greater flexibility for states in designing their own programs to put welfare recipients to work, a major theme of the national reform.

Another key compromise allows states to provide non-cash vouchers for diapers and other child-care items to welfare mothers who have exhausted the five-year limit on cash benefits under the bill.

American children, however, will no longer be entitled to federal subsistence aid simply because their families are poor. The national safety net established by President Franklin D. Roosevelt in the 1930s is, in essence, evaporating. The changes could plunge an estimated 1.1 million children deeper into poverty. Poor parents will be able to receive benefits for two years. A time limit is certainly appropriate, but should recipients be cut off if they are responsibly looking for work?

Some of these changes are shameful, but it is the political will of a Congress determined to decentralize the system, partly in response to the pressure of a presidential election year.

The threat to legal immigrants, people working and living in the United States under a green card or other protection, is the most obvious fault of the legislation. President Clinton says he believes, as do most Americans, that welfare should be a second chance, not a way of life. But legal immigrants won't get even temporary federal aid, even if they had paid taxes for years before losing a job, losing a limb or losing the income provided by spouse.

By signing the welfare reform legislation, Clinton will be able to say he fulfilled a key campaign promise to "end welfare as we know it." But he won't be able to say that he lived up to his more recent assertion that children "need to come out ahead."

[From the Sacramento Bee, July 30, 1996]

CLINTON'S WELFARE TEST

Bill Clinton, the man from Hope, ran for president as the candidate who would do something for children and the forgotten working families who played by the rules but found themselves falling behind in the economic race. But that promise won't mean much if he does not veto the misshapen welfare reform bill headed for his desk.

No American leader has spoken more passionately than has Clinton about how the declining wages of workers in the bottom half of the job market have dragged millions of full-time workers and their families into poverty and raised child poverty rates to levels unseen anywhere else in the industrialized world. Yet instead of offering hope and assistance to those struggling families, Congress' pending welfare reform bill delivers them a cruel body blow.

Lost in the attention lavished on the bill's overhaul of Aid to Families with Dependent Children, the grant program that goes primarily to single, nonworking mothers of poor children, are the totally unnecessary cuts the legislation would make in food stamps, the key safety net program for low-income working people. According to the Congressional Budget Office, nearly half the \$61 billion the bill cuts would come from nutrition programs.

Those cuts spell more suffering for families and children. An analysis by the Urban Institute projects that the changes would push 2.6 million more people below the poverty level, 1.1 million of them children. Altogether more than 5 million working families would lose an average of \$1,000 a year in income if the bill becomes law.

There's a widespread consensus that welfare must be reformed to reduce long-term dependency and encourage work and personal responsibility. But the current bill, underfunded and overly punitive, ignores everything we have learned over the last decade about moving welfare recipients into the job market.

More than half of welfare recipients lack a high school education at a time when labor markets put a premium on education and skills. Two-thirds live in central cities,

places from which employers have fled. At their most successful, past efforts to move welfare recipients into jobs, such as the GAIN program in Riverside County, have reduced welfare rolls by only 10 percent and incomes of welfare recipients by a few hundred dollars a month.

Yet the welfare bill requires states to move half of all recipients into jobs, even though, according to Congress' own experts, the bill falls \$12 billion shy of full funding for the work program. Even if one heroically assumes that two-thirds of welfare families would find permanent employment, the bill's five-year lifetime limit on benefits would leave 1 million families—adults and children alike—without any source of income.

The president knows welfare reform doesn't require the sacrifice of millions of young lives. If Clinton doesn't have the gumption and leadership skills to stand up and explain to the country the difference between real welfare reform and Congress' act of callousness, what differentiates him from his Republican opponents?

[From the Fresno Bee, Aug. 1, 1996]

CLINTON'S WELFARE SURRENDER

President's reasoning for acquiescing on reform bill, despite "serious flaws," is barely credible and clearly a political calculation.

President Clinton eloquently explained Wednesday the flaws in Congress' welfare reform bill. It will punish hundreds of thousands of low-income working families by cutting back their food stamps, he said. It will take away the federal safety net from legal resident workers who have paid their taxes and played by the rules. It will leave vulnerable poor children whose parents can't find jobs within the bill's five-year time limits.

And after explaining all the reasons why this bill is wrong, Clinton announced he would sign it. It was the least principled act of a presidency in which principle has often run a poor second.

Clinton's rationale for signing the bill, despite its "serious flaws," is barely credible.

No one doubts that the welfare reform core of the bill, which turns welfare from a federal entitlement into a block grant for state-designed programs to assist needy families and move them into the workplace, could be passed again by this or subsequent Congresses. There's widespread consensus that the current welfare system is broken.

But if Clinton truly believes he can fix the flaws in this bill, he belongs to a very small church. In an era of sound bites and attack ads, what Congress, Democratic or Republican, will soon dare to restore federal safety net programs for legal immigrants, no matter how needy or deserving? At a time of growing budget stringency, what are the chances that Congress, once having slashed food stamp spending, will reverse course and come to the aid of the working poor?

No matter how hard he tries to decorate his action with policy arguments, Clinton's decision to sign this bill came down to a brutal political calculation born of a failure of leadership on this issue.

Had Clinton made welfare reform a top priority in 1993, he could have shaped the national debate and produced a new system that protected children even as it enforced our values about work and personal responsibility. Instead, he left the issues to be defined by a GOP Congress more intent on budget savings than shaping a humane and workable welfare alternative. He thus put himself in a political position where opposing a bad bill could be made to look like opposition to reform.

And now, for his failure of leadership and political nerve, children and the working poor will pay.

[From the San Francisco Chronicle, July 22, 1996]

WELFARE BILL TOO HARSH

Members of the U.S. Senate had a chance Friday to maintain a valid 60-year federal commitment to help the truly needy while still moving toward a work-oriented welfare program. They didn't take it, and unless the lawmakers significantly change direction this week, President Clinton has an obligation to veto the third welfare reform bill that comes before him.

Clearly, Clinton wants desperately to sign an election-year bill that will allow him to say he made good on his 1992 campaign promise to "end welfare as we know it."

And the American public is squarely on the side of both the president and the many members of Congress who want welfare to become a work program and not remain in never-ending handout.

But the Republican bill as currently constituted goes way too far in taking away the federal government's duty to see that children do not go hungry or homeless.

History shows that states do not always take care of the neediest among us, even when they make the best possible effort to find work. The federal government should maintain authority over welfare programs, a responsibility that would be taken away with the Republican plan to give states welfare money in block grants.

On Friday, the Senate turned down Democratic amendments that would have altered the Republican plan to ensure that children could continue to receive federal help even after their parents were cut off.

For that reason alone, the bill should be rejected. While the culture of welfare as entitlement clearly must change, wholesale abandonment of the most helpless is not acceptable.

The Clinton administration has been liberal in its granting of federal waivers to allow states to try their own get-tough welfare-to-work programs, and the president has said he would continue to allow creative state initiatives.

Democrats are going to try again this week to amend the GOP bill. But so far, administrative directives, not legislation, offer the best hope for welfare reform.

[From the San Francisco Examiner, July 24, 1996]

PUNISHING THE POOR

The Dictionary defines "reform" as "to make better" and "welfare" as "the state of being or doing well." It's a pity that corruption of the language hasn't been added to the federal Penal Code. Otherwise, members of the 104th Congress would be sentenced to an afternoon in the stocks, splattered with rotten vegetables.

Bad enough that they have produced a package of kick-the-poor legislation that is callous, cruel, marble-hearted and mean spirited. Worse, this vote-pandering measure has been given a supremely cynical label, "welfare reform."

The richest nation on Earth, with a military budget of \$260 billion, is led these days by politicians who assert with a straight face that federal funds for public assistance and support services are causes, not symptoms, of what's wrong with our society.

In its latest version, the welfare bill would shop federal funds to each of the 50 states in the hopeful expectation that their governors and legislators can come up with effective programs that will end poverty as we know it. This is not a joke.

Conservatives say they want to end the propensity on liberals to throw money at the poor without doing much to break cycles of dependency. And yet, given the punitive

rhetoric by well-fed politicians of both parties, we're not surprised that the expulsion of families from welfare is not accompanied by funds or mandates for training, schooling or child-care programs.

Sure, let's get able-bodied men and women off the dole. But let's remember that 9 million children are among the 14 million people who now get monthly survival checks under the federal-state programs called AFDC, or Aid of Families With Dependent Children. Most AFDC parents are single moms, few with job skills or work experience. Perhaps their problems will go away if state bureaucrats replace federal bureaucrats, but we doubt it.

It's one thing to want to fix the enormous disappointments and dilemmas of the nation's 60-year-old programs of federal aid to the poor, but it's another for Congress to dump the responsibilities on the states in the name of "reform." This is particularly galling for California, because "welfare reform" proposals included a cutoff of social and health services for the state's legal immigrants. And we'll have to make up the difference.

"Reform" is supposed to make things better, not worse. It doesn't make sense from any viewpoint, including the cry for governmental thrift, to create a terrible situation where children will be forced into orphanages or jails at many times the expense of AFDC. Sen Daniel Moynihan, D-N.Y. says the "reform" amounts to "legislative child abuse."

[From the Los Angeles Times, July 18, 1996]

PASSING THE BUCK ON WELFARE

Tucked into the Republicans' welfare reform package in Congress is a wrongheaded proposal to cut benefits and social services to most immigrants who are legally in the United States but who have not yet become citizens. Under the proposal, Washington, which is seeking ways to finance federal welfare reform, would shift billions of dollars in costs to states and counties. The provision should be rejected.

Sen. Bob Graham, a Florida Democrat, plans to offer an amendment to the bill to strike out restrictions on public benefits to legal immigrants, a host of eligibility issues ranging from student aid to Medicaid for legal immigrants already is part of a separate immigration bill now in conference committee. There is no logic in including those matters in a welfare bill. The two issues should be handled separately.

The welfare bill now proposes to help finance the costs of reform by cutting \$23 billion over six years in benefits to legal immigrants, including children and the elderly. This would be an unfair and punitive move against legal immigrants who have played by the rules.

The bill would make most legal immigrants now in the country ineligible for Supplemental Security Income (SSI) and food stamps. Future legal immigrants (except for refugees and asylum seekers) would be ineligible for most other federal means-tested benefits (including AFDC and nonemergency Medicaid services) during their first five years in the country.

The cutbacks would disproportionately hit California, Florida, New York and Texas, the states with the biggest immigrant populations. California alone could lose \$10 billion, or about 40% of the proposed \$23 billion in benefit reductions. Those ineligible for such benefits would have to turn elsewhere for aid. In Los Angeles County, for example, if all affected SSI recipients sought general assistance relief instead it would cost the county \$236 million annually. The cost shifting could have potentially disastrous results for the already fiscally strapped county.

The immigration bill now under consideration already includes \$5.6 billion in savings from tightening eligibility requirements for legal immigrants on a variety of federal programs, including Medicaid. The attempt to use welfare reform to slip through further curbs on public assistance to legal immigrants should be called what it is—a deplorable money grab by Washington that can only hurt California.

Mrs. BOXER. Mr. President, thank you.

Mr. President, I am putting in the RECORD a number of editorials.

From the Fresno Bee in the conservative heartland of my State that says:

Once again, Congress has passed welfare bills that are more about saving dollars and winning votes than reshaping lives.

The Los Angeles Times wrote:

The financial brunt will fall on California, home to more immigrants than any other State. This is unfair to California taxpayers. Immigration is a national issue and its effects should be shouldered evenly.

In another L.A. Times editorial:

Passing the Buck on Welfare. U.S. provision affecting immigrants would hit States and counties.

The one from the San Francisco Examiner:

Punishing the poor.

San Francisco Chronicle:

Welfare Bill Too Harsh. Wholesale desertion of the most helpless is not acceptable.

And they go on.

So, today I stand here for welfare reform but against this bill. I am voting no, because I am not for punishing kids, and I am not for punishing California or other States that have most of our legal immigrants.

Saying that I am for welfare reform but against this bill is not inconsistent. My desire for reform was expressed by my vote for the Senate welfare bill last year in the two Democratic leadership welfare reform proposals. Mr. President, those bills were tough on work, compassionate to children, and cracked down on parents who were irresponsible.

It was interesting to note the Senator from Iowa talking about how this bill goes after deadbeat dads. Well, I want to note that my deadbeat parent amendment which unanimously passed in the Senate bill last year is gone from this bill. My amendment would have cut off benefits to deadbeat parents who refuse to pay their overdue child support. I think the proponents of this bill seem to be more interested in getting tough with the kids than their deadbeat parents.

The provisions to cut assistance to legal immigrants will cost California an estimated \$9 to \$10 billion over the 6 years of the bill. Of all the legal immigrants in the United States on supplemental security income, which is help to the aged, blind, and disabled, and of those on AFDC, which is help for families with children, 52 percent live in my home State of California. Among those who would be cut off are elderly immigrants who are too disabled to naturalize and young legal immigrant children.

Let us face it. For every move we make, there is a counter move. For every action we take, there is a reaction. And speaking as a former county supervisor from the County of Marin, I can tell you at the bottom line it will be California's counties that will feel the brunt. When your county supervisors come in to see you to tell you about the increase in homelessness and helplessness, I hope then at least you will be ready to take some action.

In Los Angeles County, the effects will be staggering. Senator FEINSTEIN and I have been contacted by their elected officials. In Los Angeles, 190,000 legal residents could be cut off of AFDC; 93,000 legal residents will lose SSI, which is assistance for the aged, the blind, and the disabled; 250,000 legal residents will lose their food stamps; and 240,000 legal residents could lose their Medicaid.

Los Angeles County could be faced with a cost shift of \$236 million per year under this bill. And if the State of California opts to bar Medicaid coverage to legal immigrants, it could shift an additional \$100 million per year to the County of Los Angeles.

The conference report will place California at serious risk of a huge negative impact on health services. Again, for every action there is a reaction. Our public hospitals and our children's hospitals that got reimbursed for these medical costs will no doubt have to downsize, shut down, cut back, and shift costs. And the bottom line is, if legal immigrants cannot receive Medicaid, all Californians and all Americans will be placed at greater risk of communicable diseases because these people will not be treated.

Senator FEINSTEIN and I worked hard on an amendment which said this very simply. This is a massive change of law. Let us phase in the changes to our legal immigrants. Many of these legal immigrants came here escaping persecution. Many of them do not have sponsors to pick up the tab. They have no one else to turn to. If we are going to change the rules, Senator FEINSTEIN and I said, make it prospective. Unfortunately, the conference report did not move in that direction.

It really amazes me to think about the message we are sending to an asylee or a refugee who risked their life to get to this country. Many of them are working. Many of them are paying taxes, and doing well. If they fall on hard times, they are out. They are out of luck. And the costs will be shifted to the counties.

Many of these legal immigrants are children. We profess to care about children. Look in the eyes of a child before you cast this vote, because this bill will subject even more children to poverty.

I have to tell you, the Urban Institute says more than 1 million children will be thrust into poverty under this bill. I hope that we can move quickly after this bill passes and is signed—and we know that is going to happen—to soften the blow on children.

I could not believe when this Senate turned down the Breaux-Chafee amendment. The Breaux-Chafee amendment did not get the 60 votes it needed. Do you know what it said? That if little children are cut off because for some reason their parents cannot find work within the mandated time period, children cannot get any help to get diapers; they cannot get any help to get special medicine, school supplies, or other necessary items.

This is the United States of America. We know that a nation is judged by how it treats its most vulnerable people. And I do not think it asks very much of very healthy U.S. Senators with big fat paychecks, big fat paychecks, to provide for vouchers for a baby who is unfortunate enough to be in a family with a mom who, even if she tries every day, cannot land a job. That was it for me.

I thank my colleagues very much for bearing with me. This bill is not fair to my State. That is clear. That is why nearly every major newspaper in California has said it is wrong. This bill is not fair to innocent children. For that reason, I stand here for welfare reform and against this bill which will bring harm to children and which will bring harm to my State. I hope we can mitigate its ill effects.

I thank the Chair. I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I yield 10 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I would appreciate it if I could be notified when I have 1 minute remaining.

I am pleased today to speak in behalf of the welfare proposal which came from conference. It is a good bill, and while there are areas which still could be improved, overall I think it is a positive first step toward real welfare reform. Indeed, it does represent a compromise. The administration had some thoughts they contributed. Obviously, the House did, and clearly, of course, the Senate did.

We can no longer continue the current welfare system. I think that is clear. This system has encouraged long-term dependency, and that has been addressed several times this afternoon and this morning. There is one thing we all know, that the surest prescription for a life of poverty is to be born to young, to unmarried, and to poor parents. It is time to give the States a chance to improve the lives of all these poor families.

This bill does that. It turns the AFDC Program over to the States and allows them, the States, to create programs suited to the needs of the residents of those States. We are doing this with very few restrictions on the States. Indeed, we can practically rattle off the restrictions. The States will be required to impose time limits on benefits. The States will have to meet

tough work participation rates. But how they achieve these goals is left almost entirely to the State and to the local government.

I would like to see more Federal oversight of the program. I was on the conference. I presented my views but did not prevail in that particular area.

The Governors insist that they will do the right thing and we ought to have confidence in them. I am hopeful, indeed optimistic, that they will, but I certainly will be keeping a close eye on the progress in this area.

While we are giving the States maximum flexibility, there are several important protections in this bill. First, we have ensured that families who lose cash benefits because of changes in the State's cash assistance program, those families will still be entitled to receive Medicaid. If the State goes down, lowers the level at which an individual can qualify for cash assistance, the families still receive Medicaid based on the old formula. This is the critical provision for the success of welfare reform.

In the last 2 years, in the Finance Committee welfare reform hearings, one thing we heard over and over is that we cannot pull the rug out from beneath these poor families. In order to be able to support themselves, they must have Medicaid coverage. I am very pleased that this bill includes the amendment Senator BREAUX and I sponsored to continue Medicaid coverage for these individuals.

Earlier versions of welfare reform included block grants in several child welfare and foster care programs. I have long believed that despite the name "child welfare"—that is a misnomer, Mr. President. Child welfare is not a cash or an in-kind assistance to poor families. Child welfare programs deal with abused children. It deals with neglected children regardless of their income. It does not have anything to do with a poor child. Child welfare programs deal with neglected and abused children regardless of income.

So, child welfare has no place in a welfare reform bill, and I am pleased we were able to have those block grants removed. We stay with the present entitlement system in the child welfare program.

The present welfare bill has also made more cuts to the children's SSI program than I would have liked to have seen. That is the way it started off, with rather severe cuts. This bill is much less damaging in that area. It does tighten the eligibility for participation in children's SSI programs, but retains cash assistance for those children who remain eligible. This is the right thing to do. These families are under enormous strains, families with SSI children, and they need the benefits, the cash assistance that comes so they can care for those children. I want to pay special tribute to Senator CONRAD, who worked with me and others to achieve this compromise.

Welfare, as we know, has always been a shared responsibility between the

States and the Federal Government. That will continue under this bill. It is true that States ought to have a financial incentive to reduce the welfare caseloads. We all agree with that. However, when they are reducing these caseloads, they should benefit from it, but also the Federal Government ought to benefit from it, too. That is why we provide that, if the States reduce their spending below a percentage mark, Federal dollars will be reduced likewise. In other words, the Federal Government will share in the savings.

There is one thing that does bother me about this bill, and that is the denial of benefits to legal immigrants. I think the bill is harsh in that area. We made some improvements, in other words we made it less harsh, because we allow States to decide whether to extend Medicaid coverage to legal immigrants. In other words, the States still have the option to extend Medicaid coverage to legal immigrants.

I had hoped during the legislative process, consideration here and the conference, we might have mitigated some of the harsher provisions, especially those affecting currently elderly and currently disabled recipients. I think it is very tough to take away some of the benefits of those individuals that they are currently enjoying.

In closing, I congratulate those who worked so hard to reach this agreement. Former Senator Dole deserves a lot of credit for laying the groundwork for this bill. Senator ROTH picked up after Senator Dole left and helped steer this bill through the Senate. On the other side of the aisle, my colleague from the centrist coalition, my colleague Senator BREAUX, did splendid work to forge a compromise between the two parties.

On the other side of the Capitol, Congressman Shaw and Congressman Archer were dedicated to this cause for some time and deserve a lot of credit. So my congratulations to each and all, and to all here who worked hard to make this bill a success, the success I believe it can be. It is not perfect. We all recognize that. But there are a lot of very fine provisions in this bill.

I yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. Mr. President, the time is on the other side now.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise today to indicate that I will support this welfare reform legislation. I do it with some reservations. I think anybody who has been deeply involved in this process understands that there are weaknesses in this legislation and that there are risks. But, make no mistake, there are risks in sticking with the status quo. The status quo cannot be defended. The current system does not work and is unlikely to work in the future.

I have visited with literally dozens of welfare recipients and with people who

work in the current welfare system. I cannot find anyone who believes the current system is a good one. I cannot find taxpayers who support it, who believe in it. I cannot find welfare recipients who believe in it. I cannot find the people who work to deliver the services who believe in it. Without exception they say to me, "There has to be a better way." I do not know if we found the best way in this welfare reform legislation, but I do know it is time to try something different.

I have concluded from my conversations with welfare recipients that there is very little question that the current system is encouraging children to have children. I do not know how one can conclude otherwise. When we set up a system in which we say to a young woman, in many cases a child, that if you leave home, we will see that you have an apartment, that you get assistance, the precondition is that you have a child, what kind of system have we set up here? I talked to one of my colleagues who met with a number of welfare mothers in the last several weeks. He asked them the direct question, "Did the fact that there is a welfare system that you knew would support you and provide an apartment to you encourage you to have a child?" About half of them denied that it contributed to their decision, but about half of them said, "Yes, Senator, it did contribute to my making the decision to have a child, because I knew I could get an apartment, I could get assistance, and that I could move away from a family situation." In many cases that family situation is not a very pleasant one.

That does not make sense for our society, to have structured a system that encourages children to have children. That is a disaster. I say to my colleagues who have talked about their concern for children, and in every case I believe they are well motivated and feel deeply that we need to protect children, I share in that belief. The question is, how we do it? It is not in children's interests to be born to children. That is a disaster. We know what happens in those circumstances. In case after case it leads to more poverty, more crime, more abuse. Children are not prepared to have children. We need to take away the incentive that is in the current system for that to occur.

There are many parts of this bill that concern me. I believe the percentage that is allowed for hardship cases, and therefore exempt from the time limits, is unrealistic. I think that is going to have to be revisited in the future. I personally believe there are marginal people in our society, people who, either because of mental disability or physical disability, simply are unable to hold full-time employment. A 20-percent hardship exemption is not sufficient to cope with the percentage of our population that simply will never be fully employable. I think we are going to have to revisit that issue.

But there has been much done to improve this legislation from where it

started. I was very pleased my amendment to maintain a Federal safety net in the food assistance programs was adopted here on the Senate floor and was kept in conference. I think that is critically important. That provides the food safety net for millions of Americans, one that adjusts automatically for natural disasters or severe economic downturns.

I also think the provisions that were adopted that were offered by Senator CHAFEE and Senator BREAUX to maintain the Medicaid coverage was critically important to this legislation.

I salute my colleagues, Senator CHAFEE and Senator BREAUX, for their amendment. That was maintained largely intact in conference and was critically important.

So, Mr. President, there are defects here. I think we all recognize that. I think we all understand that this is going to have to be revisited. But we have also heard from the Nation's Governors. They have told us, "You can trust us, we are going to be responsible with this charge."

I say to them, we will be watching, we will be watching very carefully what you do, and we urge you to step forward and shoulder this responsibility with great seriousness.

They have insisted there is not the flexibility and the resources to address the problems of poverty and welfare without these changes. They have assured Congress and the American people they care as much about the well-being of children and other vulnerable populations as Federal representatives and that they are in a better situation to target these resources. We take them at their word. They have pledged to protect these populations, and Congress is going to hold them to their word.

While this bill gives States flexibility they insist they need to end the problems associated with welfare, I want to be clear. Congress maintains the right and the duty to intervene in the future if States, in fact, do not live up to their word and run their programs in an arbitrary or capricious manner.

We are counting on the States to live up to this responsibility. I take them at their word, and I have confidence that in each of the States, the Governor and the State legislature will step forward to shoulder these obligations in a serious and responsible way.

I am confident that in my home State of North Dakota that will be the case. I conclude by saying to my colleagues, in looking at the risk associated with any change, clearly there is a cause for concern, but the status quo cannot be defended. It is time for a change. The time is now. We will have other opportunities to address shortcomings in this legislation. I intend to support this bill.

I thank the Chair and yield back any time I have remaining.

Mr. GORTON. Mr. President, I yield 10 minutes to the junior Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, with the passage of this welfare reform legislation, I think we can confidently state that the New Deal is old news. As we all know, this legislation will end the Federal Government's entitlement to welfare, an entitlement created 6 decades ago during the New Deal. Yet, the reason that it must be overturned is found in the reasoning of Franklin Roosevelt himself who said, "When any man or woman goes on the dole, something happens to them mentally, and the quicker they're taken off the dole the better it is for them the rest of their lives."

He added: "We must preserve not only the bodies of the unemployed from destitution, but also their self-respect, their self-reliance, and courage and determination."

The welfare reforms that we will pass today are designed not just to save money and reduce waste, although those are important goals, but they are also designed to help restore certain basic values: self-respect and self-reliance.

Some critics have claimed that these welfare reforms will lead to catastrophe. Mr. President, I suggest the catastrophe has already arrived. It is obvious in an exploding population of fatherless children, rising violence in our cities and streets, suburbs and rural towns, endless dependence and fractured families. No one can honestly defend the current system as compassionate. No one can be proud of the results of the last 30 years. We are tired of good intentions and dismal results. We need to take another path.

This legislation that we are proposing is not experimental nor it is not untested. It is rooted in proven principles of American tradition. It transfers powers to the States where that power should have belonged all along. It emphasizes the dignity of work. It shows compassion, but it also expects individual responsibility, and it begins to encourage private and religious institutions as partners in social renewal.

Mr. President, I am pleased that the personal responsibility agreements that I authored, along with Senator HARKIN, are part of this final welfare package. States like Indiana and Iowa have used these agreements as effective tools, moving thousands of citizens from welfare to work. The welfare bill we are passing today gives States the options to include those personal responsibility agreements in their welfare programs, and I hope they will follow the examples of Indiana and Iowa.

I have argued in the past, Mr. President, that devolution of power to the State governments is necessary but not complete. Such devolution encourages innovation, but State government is still government, prone to the same problems of ineffective bureaucracy and red tape that we see in Washington, and that is why I am glad this legislation gives States the opportunity

and the option to contract with faith-based organizations without forcing those institutions to compromise their spiritual identity. This, I believe, is the beginning of an important idea.

It is also important to remember that the reforms that we are passing today directly affect human lives. That is the only measure of our achievement. I am convinced on the evidence of 3 decades that people need independence, work, responsibility and hope far more than they need endless checks from the Federal Government.

Our current system treats the disadvantaged as merely material, to be fed and forgotten. We need to be treating them as human beings with high hopes and high potential. When you expect nothing of an individual, you belittle them. We must stop belittling the able-bodied poor in America with low expectations.

Mr. President, I argue that there is a next step to welfare reform, a step that this Congress and this President, or whoever occupies the Presidency, needs to address in the next Congress. We need to go beyond Government. We need to begin to encourage and strengthen, nurture and expand those mediating institutions of family, community, volunteer associations of charity, of church, faith-based charities—those institutions that offer real solutions and real hope.

We need to begin to look at transforming our society by transforming lives one at a time inside out. For the most part, this is work that cannot be done by institutions of government. Government can feed the body and help train the mind, but it cannot nurture the soul or renew the spirit. This is the work of institutions outside of government.

This shift of authority in resources can be accomplished in many ways, but we need to recognize tradition and the time-honored practice of reaching out to the poor in effective ways, giving them renewed hope, renewed spirit, a renewed place in American society. It has not been accomplished in an effective way by institutions of government but can be effective by institutions outside of government.

How do we make this transition? Because it will be a transition, and normally the problem is such that it will require a significant increase in the involvement of these institutions. But it is important because they are the institutions that bring about the real solutions and bring about real hope.

I propose the charity tax credit as a means of beginning this process, a way in which the taxpayer can designate on a joint basis up to \$1,000 of taxes otherwise due the Government as charitable contributions to institutions that have dedicated themselves to the proposition of alleviating or preventing poverty.

Who wouldn't rather give \$1,000 of their hard-earned money to institutions like Habitat for Humanity, rather than Housing and Urban Develop-

ment, if you really care about providing decent, affordable housing to low-income individuals?

For those concerned about fatherless children, who wouldn't believe that \$1,000 of their money would be better served through Boys and Girls Clubs or Big Brothers and Big Sisters or other mentoring organizations, rather than giving it to "Big Brother" in Washington?

For those concerned about the homeless on our streets, who wouldn't rather support the gospel missions and church feeding programs, Catholic Charities and other organizations that reach out to those in our local communities, rather than turning the money over to HHS, where, by some estimates, over two-thirds of the money fueled by the Federal social welfare system never goes to the poor? It goes to those above the poverty line; it gets eaten up in bureaucracy, administration, fraud, and abuse. It has created a compassion fatigue in this country where people have no faith that their tax dollars, sometimes generously given and well-intended to help those most in need, ever reach those most in need.

This is a stark alternative that can be provided to the individual without the constraints of the first amendment. They can give it to secular or nonsecular institutions, faith-based institutions which have proven and demonstrated their capability of providing services to the poor far more effectively, with far better results, at a fraction of the cost of Government.

These are the institutions that we need to strengthen. And this, I hope, will be the agenda of the next Congress as we move to the next step of welfare reform, to defining compassion in an effective way, the spirit of the American people, which has always been generous, which has always reached out to help those in need, which responds to emergencies time and time again, which provides and allows grain farmers from the Midwest to ship grain down to famine areas and drought areas of other areas of our country, which cause people to jump on planes and trains and buses and go to the latest hurricane area or ravaged area to pitch in, on a volunteer basis, to help their fellows Americans.

We are a country of generous spirit, yet a country that has lost confidence in the ability of Government to effectively deliver compassion to those in need. So let us energize, renew and strengthen and nourish and encourage those institutions in our own communities that are making a difference in people's lives.

Community activist Robert Woodson makes the point that,

... every social problem [in America], no matter how severe, is currently being defeated somewhere, by some religious or community group. This is one of America's great, untold stories. No alternative approach to our cultural crisis holds such promise, because these institutions have re-

sources denied to government at every level—[the resources of] love, spiritual vitality, and true compassion. It is time to publicly, creatively, and actively take their side in the struggle to recivilize American society.

Mr. President, I yield the floor.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, it is clear that most Americans agree we need to change welfare as we know it. Our current system does not work, not for those on public assistance and not for those who pay for it.

The American people feel strongly that personal responsibility has to be a part of this country's welfare system. I could not agree more.

Mr. President, for nearly 4 years I have spent countless hours examining the current welfare structure, talking to participants and listening to the frustrations of both reformers and people on public assistance.

This Senate has debated many ideas for welfare reform. I have worked with my colleagues to do everything possible to help create a welfare bill that will move able-bodied adults off welfare and into work. The transition from welfare to work is the core of this policy debate. But my concern is this. We are creating a system in which people will not get a welfare check, but they will not be able to get a paycheck either.

If people leave welfare, but are not qualified or cannot find work, they are faced with one fundamental problem: The grocery bill is still there, and there is no way to feed their kids.

My vote on this final welfare bill is one of the most difficult I have had to cast. There are no easy answers. I want welfare to be reformed. I hear from those recipients who complain that the current system does not work. There is too little job training. There is too little child care. And the programs try to fit every single welfare recipient into one single mold.

As this bill worked its way through the Senate and House, I have sponsored and cosponsored numerous amendments to protect the well-being of children, from preventive and emergency health care, nutritious meals, safe child care, illiteracy, issues that are important because they affect the ability of parents to move successfully from welfare to work while they are still taking care of their own kids.

I agree with President Clinton that this welfare reform bill makes significant strides toward ending welfare as we know it. It will help put some people back to work and end the cycle of dependency that this system is accused of breeding. It will give more flexibility to the States and allow for more local decisionmaking authority.

But I also agree with President Clinton that this bill has serious flaws.

Nine million children will be cut off from services. Legal immigrant children will be ineligible for almost all Federal and State services, other than in an emergency, leaving them hungry, uneducated and desperate on our streets.

One-half of the \$60 billion cut in spending will come from nutrition programs. It will have a dramatic impact on the very individuals who need the most help today in this country, and that is our children.

It has been clear for quite some time that this bill is going to be passed by an overwhelming majority and signed by the President, but I realize that I cannot in good conscience support a bill that will put so many of our children in jeopardy.

Mr. President, I am the only former preschool teacher to serve in the U.S. Senate. I have looked into the faces of 2- and 3- and 4-year-olds who are hungry every single day. I have worked as a parent education instructor with adults who have lost their jobs. Food stamps provided the only chance they had to feed their children while they desperately were looking for work. I knew immediately when a child in my class was unable to learn and felt frightened because of tough financial times at home, and I saw the effects those kids had on all the other kids in my classroom.

Many times I have sat and listened to young women whose lives have been devastated. They have been left alone to care for young children. They have no job skills and no ability to go to work because their full-time job was being a mom.

For me, the bottom line in the welfare reform discussion is, what will happen to our Nation's children? What will happen to those children I held in my lap in my preschool? For me, it is a risk that I am not willing to take.

It is vital that parents return to work. But we have to help ensure that our children receive adequate health care, nutrition, and are not left home alone or, worse, to wander on our streets.

When this welfare reform proposal passes, we have to ask, what is next? This bill only tells people what the Federal Government will not do anymore. In its place will come 50 different experiments in 50 different States. It may help some people, and it most certainly will hurt others. But whether it works or not, from this day forward I believe that we have to begin a national commitment to our children and to give them a fair chance, every one of them, at succeeding in life.

We all want a country where every child is secure, where every person can be a contributing member of our society and our economy, and where the world around us is a healthy and safe place to live. No one disagrees with that. To make sure it happens, we have to start a discussion in every single community and neighborhood and every single dinner table in this Na-

tion. We have to ask, what is important to us as Americans? Are we going to be a compassionate Nation? When push comes to shove, are we going to help our neighbors when they need it? And if, as I suspect, the answer is yes, we are going to have to say how. In the aftermath of this welfare reform bill, these are the questions that every one of us as adults in this country will have to answer.

I am not going to dwell on changes brought about in this welfare reform. Instead, I am going to aggressively seek answers to the questions I have raised, and I will reaffirm my own commitment to children. I will work for constructive solutions to problems that arise in the future.

I have already formed a bipartisan working group within the Senate to help develop and create ideas to help adults find more time to spend with our young children. And I formed an advisory group at home in Washington on youth involvement to help support this effort. Hopefully, the people of this country will ultimately work to create the kind of communities that we can all be proud of.

But, Mr. President, one good thing will come out of this for sure that will happen as a result of us passing welfare reform. Finally, we will no longer, either here on the floor of the Senate or in living rooms across this country, be able to blame welfare as the cause of our Nation's problems. After today, instead, perhaps, we can all sit down and work to agree on what we can do to keep our young children in this country healthy and secure and educated and growing up in a country that we are all proud of.

I yield the floor.

Mr. GORTON. Mr. President, I yield 10 minutes to the Senator from New Hampshire.

Mr. GREGG. I wish to rise in support of this welfare proposal, and I congratulate the Members of the Senate who have worked so hard.

I want to mention three reasons why I think this is an appropriate action to take. First, this is one of the five major programs which is weighing down the Federal budget and which is causing us to careen towards bankruptcy as a Nation in the beginning of the next century if we do not address the Federal spending patterns. The other four are the farm programs, the Medicare and Medicaid Programs, and Social Security.

We have addressed the farm programs. Now we are addressing the welfare programs. That is two out of the five major entitlement programs that will be addressed as a result of this bill by this Congress. That is a major step forward. If this were a game of *Myst*—which it is not, but it is as complicated as a game of *Myst*—we would have gotten through two levels. We have three levels to go and, hopefully, we will continue to pursue those aggressively.

The bill involves returning to the States significant flexibility over man-

aging the welfare accounts. This means better services for our citizens. It is that simple. There is a certain arrogance in this town, a certain elitism in this town that tends to believe all the ideas, all the feelings of goodness, all the compassion is confined within the corridors of Washington. Well, it is not true. The fact is, in our States at our State legislative level and in our cities and at our county level, there is not only great compassion but there is an extraordinary knowledge. That knowledge and compassion would be brought to bear on the welfare programs of this country as a result of this bill.

I know, for example, that in New Hampshire we will get a lot more services for actually less dollars, and our people will be better taken care of as a result of this flexibility being returned to the States.

Third, there is the cultural issue. This represents a significant cultural change in the way we address the issue of welfare in this country. We are no longer creating this atmosphere of dependency. We are no longer undermining generation after generation of individuals relative to their own self-worth. We are saying to people: "You are important, you do have self-worth, you should have self-respect, you should be working and taking care of yourself and your families and obtaining the personal respect and confidence that comes from undertaking that approach." It is a cultural shift.

Obviously, it will not impact the entire culture. Obviously, there are a lot of people on welfare who deserve to be there. For some percentage, and it will not be a dramatic percentage, I admit to that, they will be moving off the welfare rolls because they will have to go to work, something they have not done before. That will be very positive, I think, for them and for this society generally.

So I believe this is a very good bill and something that takes us in the right direction in the area of fiscal solvency, in the area of managing government policy through flexibility at the State level, and in the area of how we approach the cultural issue of caring for people who are less fortunate or in hard times.

I also want to address today just briefly, because it is a topic that I am intimately involved with as chairman of the Commerce, State, and Justice Committee, the issue of terrorism—one minor area, a secondary point to what is going on here today, but I want to raise this point at this time.

We just reported out of the full Appropriations Committee a bill, the Commerce, State, Justice bill, which had a major initiative in the area of terrorism, countering terrorism, trying to get some comprehensive planning into the issue of how we approach it as a Federal Government, and beefing up those projects that are going on in those agencies, such as the FBI, that are trying to counter especially international terrorism. It is a major step

forward. We have actually been working on this for months. It is ironic it came to fruition today, so soon after the Atlanta bombing, but it is a very important step.

Second, we cannot do all this at the Federal level. The issue of countering terrorism cannot entirely be accomplished by the Government. There has to be a change of attitude within our population as to how we approach the terrorists.

I made a proposal today which I think moves along that issue a little bit—not dramatically, but a little bit—but it is important. We see on the Internet today a massive amount of information about how to make weapons, how to make bombs, how to use instruments of death. Now, the Internet is a Wild West of information. I have no interest in regulating it. I think that would be a mistake. There are, today, developing a whole series of industries that develop the information and information access in the area of Internet, people like America Online, Comp USA, Yahoo, Netscape, Magellan—the list goes on and on.

What I have done today is write a letter to the CEO's of these various organizations and asked them to exercise a little common sense and a little community value and to expunge from their database access capability of items which are clearly directed at creating bombs. I had my staff quickly run the Internet. I wanted to do it quickly, so I had my staff do it. They came up with, on their first test under the question of "explosive," they came up with an identification of how to make a bomb, which was followed by "leaving your bomb in your favorite airport and Government building."

That is the type of information that should not be accessed easily through some sort of accessing agency. So I have asked the leaders of these various industries to think about it, to think about putting into their processes some sort of self-voluntary block that eliminates the ability to easily access this type of information which is so patently inappropriate. I hope they will take such action.

I yield the floor.

Mr. DODD. Will the Senator yield?

Mr. GREGG. I am happy to yield to the Senator.

Mr. DODD. I commend my colleague from New Hampshire. I hope everyone listens to his last remarks on this subject matter and that people will heed his advice. This is a serious matter.

Our colleague from Arkansas, Senator BUMPERS, yesterday I think, made similar comments and brought to the floor the documentation that came off computers on this information. I think his advice is extremely worthwhile.

Mr. GREGG. I can show the Senator a copy of the letter and have him be a cosponsor, as well as any other Senators.

Mr. BAUCUS. I yield myself 5 minutes.

I first want to very much thank my colleague from California, Senator

FEINSTEIN, and Senator DODD of Connecticut for very generously and graciously yielding me their time and allowing me to proceed ahead of them. I thank the Senators.

Mr. President, I rise today in strong support of welfare reform. The welfare reform debate is emotional, we all know that. It is complex, that is clear. But I must say I find almost universal agreement that today's Federal welfare program does not do what we would expect of a welfare system.

It does not help people get back on their feet and back to work. It does not promote worth or promote personal responsibility or self-sufficiency. Most of us envisioned a different system, a welfare system that encourages personal responsibility, one that encourages work and self-sufficiency, one that lets States like Montana create their own systems that make sense to their State's own unique problems, one that protects children, helps keep families together, prevents communities from deteriorating, and is fair to taxpayers.

The Nation's welfare problems took a long time to develop, and they will take some time to solve. Our solutions will not come overnight. We have to work on them. I believe this proposal is a clean break with the past and a good start for the future. It is based on two essential elements that encourage work and self-sufficiency.

First, there will be a time limit on welfare assistance to make sure that people have an incentive to leave welfare and move to work; second, we will remove some obstacles that now deter people on welfare from moving to work. They will have more help available for child care, and Medicaid will still be there to provide basic health care.

I might add, Mr. President, that the imminent passage of the increase in minimum wage will be a big boom, will be a big part of the solution to welfare reform.

On the whole, I believe this effort reflects the views and values of Montanans and of Americans. Undoubtedly, it is not perfect, and we can learn from experience. We can and will improve it as time goes by. However, it is a good start and a step we have to take.

Finally, I am glad that the President has chosen to sign it. It was not an easy decision. But it is time that the system reflects the consensus now existing in America for welfare reform. I believe this bill is a good start. It is not perfect. Nothing is perfect. But we cannot let perfection be the envy of the good. It is a good start, and I believe we will have many opportunities to improve upon it as days, months, and years go by.

I yield the floor.

Mrs. HUTCHISON. I yield myself up to 10 minutes.

Mr. President, this is landmark legislation, and it is a pivotal point in our Nation's history and future. What it does, this bill before the Senate, it does, indeed, change welfare as we know it.

This is what the hard-working American people have been asking Congress to do for years. It limits welfare to 2 years for able-bodied individuals, and there will be a 5-year lifetime on welfare for any individual in our country.

Mr. President, this sends a message to the working people of our country that, yes, we understand how hard it is to make ends meet. All Americans work hard. Welfare recipients should not be an exception. If we have uniform requirements for work, we will then say that this Nation is a Nation that has a work ethic and values people who are trying to be productive citizens.

This bill requires all able-bodied welfare recipients to work within 2 years, or lose their benefits. States will be required to have 50 percent of their welfare recipients working by 2002. And to ensure that child care is available for a single parent, this bill provides an additional \$4.5 billion more than current law for child care. So we are making sure that there is a safety net, while at the same time we are going to save the taxpayers of our country \$58 billion.

Now, I want to put this in perspective just to show what the American people are seeing in our welfare system as it is today. In many States, welfare systems provide the most perverse incentives. In 40 States, welfare pays more than an \$8 per hour job. In 17 States, it pays more than a \$10 per hour job. In six States, and in the District of Columbia, welfare pays more than a \$12 per hour job—more than two times the minimum wage. In nine States, welfare pays more than the average first-year salary of a teacher. In 29 States, it pays more than the average starting salary for a secretary. In the six most generous States in this Nation, benefits exceed the entry-level salary for a computer programmer.

Mr. President, no wonder our welfare system is broken. No wonder the American people are saying that we must have relief from a system that would pay more to people who do not work than a teacher, a computer programmer, or a person making \$12 an hour that is getting up every morning, putting their lunch together, and walking out the door to make a living for his or her family.

Mr. President, what we are doing here tonight is saying that those people have a value in our society. And people who can work, but won't, will not be any better off than the person who gets up, puts his or her lunch in a box, goes to work, and is a productive citizen of this country.

This is indeed landmark reform. It is fair. It will stop a system that has become a cancer on our society. It will give self-worth to the people who will now have to work for any benefits they receive. And it will say to hard-working Americans that are struggling to make ends meet, "You have a value and we appreciate you in this country, and you will not have to work to support someone who can work, but chooses not to."

Thank you, Mr. President. I yield the remainder of my time.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, will the Senator from Nebraska yield me up to 15 minutes?

Mr. EXON. Yes, I yield the Senator 15 minutes.

Mr. DODD. Mr. President, let me begin by saying that I respect those who support this legislation, and I respect the President for making the decision he did. But may I also begin by saying that I respectfully disagree with their decisions.

Mr. President, I have served now in this body for almost 18 years. I served in the Congress for 22 years. I have dedicated a good part of my service in the U.S. Senate, as many of my colleagues know, to issues affecting children. In fact, one of the first things I ever did as a part of the Senate was form the first children's caucus, along with Senator SPECTER from Pennsylvania, DAN COATS of Indiana and I were the authors of the family and medical leave legislation. It took 7 years to adopt that. It went through two vetoes before being signed into law by President Clinton in the early days of his administration in 1993. Senator ORRIN HATCH and I were the authors of the child care block grant, which is a subject of much discussion here today.

I note, with some irony, that when I offered amendments a year ago to increase the child care funding in the early welfare reform proposals, only two Members of the majority party supported the increase for child care funding. Nonetheless, I am delighted to hear such strong, ringing endorsements for the child care block grant, considering it took us so many years to bring it the support it has now. There are numerous other pieces of legislation over the years that I am proud to have been associated with that affect children.

While there are certainly significant deficiencies, in my view, in this legislation, affecting legal immigrants, affecting working adults, I want to focus my remarks, if I can, Mr. President, on children. I say that because the overwhelming majority of the people who will be affected by this legislation are children. We are a Nation of some 275 million people in the United States—a very diverse and rich people. Of the total population of this country, it is worthwhile, I think, to note that we are talking about 13 million Americans out of 270 million Americans who receive some form of aid to families with dependent children from the U.S. Government. There are local welfare programs. And there are State programs. But the Federal Government's commitment to welfare affects 13 million Americans. Of the 13 million Americans, almost 9 million are children under the age of 18, and 4 million are adults. Of the 9 million who are children, 80 percent of the 9 million are under the age of 12, and 50 percent of the 9 million are under the age of 6.

So we are talking about 4 million adults and 4 to 5 million infants and young children, in effect, who will be affected by this legislation. We also know that roughly 2 million of the 4 million adults are unemployable under any situation. They are either seriously ill, or disabled, and will not be affected by this legislation because they cannot work.

So our goal is to put 1 to 2 million of the 4 million adults on AFDC, who are able-bodied and can work, to work. This is 1 to 2 million people out of a nation of 270 million people. My concern is that, in our efforts to do that, we are placing in jeopardy, and at significant risk, for the first time in a half-century, the 9 million children in this country who are also the recipients of public assistance.

So it is with a great deal of sadness, Mr. President, that I rise today, knowing that in less than 2 or 3 hours from now, America's national legislature will vote overwhelmingly to sever completely its more than one-half century of support for the most vulnerable of our people—our children.

For over 60 years, Mr. President, through 10 Presidents, hundreds of U.S. Congressmen and Congresswomen, Senators, Democrats, Republicans, liberals, moderates, and conservatives, we have tried to improve the opportunities for all Americans. Certain issues were always in conflict, and I suspect they always will be. But with regard to one constituency, one group of Americans, there was never any serious division. We in America take care of our children.

There is a national interest, I argue, and there has been for decades, to protect the most innocent and defenseless in our society. Whether you were a child from Eastport, ME, or San Diego, CA, if all else failed, your National Government, your country, would not let you go hungry, would not let you be denied medical care, and would not deny you basic shelter. No matter how irresponsible your parents may have been, no matter how neglectful your community or State, your country, America, would absolutely guarantee, as a last resort, a safety net of basic care.

In less than a few hours, Mr. President, we will end, after half a century, that basic fundamental guarantee to these children.

Am I opposed to reforming welfare? Absolutely not. But let us put this issue in perspective. We are talking about 9 million children—many of whom have no other protection at all because of the circumstances in which they are raised—who count on their Government as a last resort to be of help.

Let me be starkly clear about what this legislation does. Under this bill, States can cut off benefits. They cannot provide work opportunities. There is no requirement for them to do so. They can set shorter and shorter time limits, if they so desire. They can cut

off families completely without making any accommodation for their children. And no matter how draconian these measures may be, this National Government will stand by and do nothing.

It is worth noting that virtually all religious groups in this country and their leaders oppose this piece of legislation. Let me share with you the views of Bishop Anthony Pilla on behalf of the Catholic Bishops:

The test of welfare reform is whether it will enhance the lives and dignity of poor children and their families. The moral measure of our society is how we treat the least amongst us. This legislation fails these tests and fails our Nation.

What is more, we are considering this legislation with the benefit of data showing that the bill will push at least 1.1 million children into poverty in this country and worsen the situation of children already in poverty by 20 percent.

Let us consider, if you will, for just one moment that instead of dealing with welfare reform here, we were dealing with a piece of legislation affecting American businesses. And assume for 1 minute, if you will, that we were provided data by credible sources that said as a result of this bill, if it were to become law, 1 million business people would fail as a result of your actions.

I would just inquire: How long would that legislation last on the floor of the U.S. Senate? We would not be told that it is a "minor inconvenience" and somehow "we may fix that later." We would not spend 1 minute considering a piece of legislation that would cause 1 million business people to fail. And, yet, when 1 million children may fail and already poor children will be pushed into even more difficult circumstances, we are told over and over again that somehow we will fix that down the road.

I cannot support a piece of legislation that would take 1 million innocent children and push them into poverty with a vague hope that some day we may do something to correct that situation.

These numbers should make all of us take pause and seriously consider the dire implications of our actions. I know many people argue that the current welfare system does not serve our children well. I do not disagree. But replacing a system in need of reform with a worse system is no solution at all. In fact, it is irresponsible. There is no justification, in my view, to try something different at any cost; namely, abandoning a national commitment to children for the sake of change.

Again, I applaud the improvements that were made in this bill, and they have been recited by others. It, certainly, is better than what was considered a year ago in a number of aspects. But despite those improvements, there are still elements in this legislation which make it fundamentally flawed.

The Congressional Budget Office estimates that between 2.5 and 3.5 million

children would be affected by the 5-year cutoff of benefits in this bill. I have no objection to setting time limits on adults. In my State, it is 2 years. Experiments like that make sense, to see if they work. What I do not understand is that no matter how difficult you want to be on the parent, how do you look into the face of a 6-year-old child who, through no fault of their own, are born into difficult circumstances and say that regardless of the flaws of their parents, the irresponsibility of their parents, they must pay the price? I do not understand that logic or that thinking.

It seems to me that if we know this welfare bill will increase the number of poor children, we should, at the very least, make some provisions for children whose parents have reached the time limit and are cut off from assistance. But this bill prohibits—and I emphasize this—this bill prohibits even providing vouchers to children whose parents have hit the 5-year time limit. In fact, it does not even grant the State the option to provide noncash aid to infants and toddlers.

This is not only a step backward, but, in my view, it is an unconscionable retreat from a 60-year-old commitment that Republicans and Democrats, 10 American Presidents, and Congresses have made on behalf of America's children.

Some will argue that the conference agreement says that States can use the title XX social services block grant to provide vouchers for these families and children. But I ask my colleagues to look at the provisions of the bill that cut this block grant by 15 percent. We are reducing the very block grants we are now telling States they can use to provide for these benefits.

I truly believe that if we were serious about ensuring the safety net for children in this bill, we would do it outright and not come up with fancy accounting methods that provide no guarantees for children whatsoever.

This legislation does not provide enough funds, quite frankly, to meet the work requirements of the bill. This bill has the goal of putting welfare recipients to work. I applaud that. Yet, it fails to provide adequate funds to reach that very growth.

We are setting ourselves up for a failure. The Congressional Budget Office estimates that this bill is \$12 billion short of funds needed to meet the work requirements—\$2 billion more than the shortfall of the Senate bill which was passed last year. The same Congressional Budget Office says that most States will not succeed in meeting the work requirements. They will just accept the penalty of reduction in funds.

Do our friends here who support this legislation think that millions of jobs for welfare recipients will simply appear out of the air? Will millions of welfare recipients, most of whom want to work, I would argue, magically find jobs? Not unless they receive the assistance, the training, and the edu-

cational help which leads to job creation. In this bill, they will receive no such help at all.

While we see movement on child care—again, I applaud that—this conference agreement retreats on a critically important child care provision.

Let me emphasize this point. Both the House and Senate bills contain provisions that prohibit a State from sanctioning a family if the mother could not work because she could not obtain nor afford child care for children age 10 and under. The conference agreement, which we are about to vote on, moves that age threshold from 10 years of age to 5 years of age, at the request, I am told, of some Governors.

Currently, approximately 2.4 million children on AFDC are between the ages of 6 and 10. The families of these children could lose all of their benefits as a result of a work sanction because the parent could not find adequate child care for a 7-year-old, an 8-year-old, or a 9-year-old. This bill encourages parents to go to work and leave a child at home, without supervision, at a time when we are talking about family values and parents caring for their children. We put these parents in the catch-22 situation, either they lose benefits or leave their child—a 6-7- or 8-year old at home alone. I do not understand, again, the logic of that kind of thinking.

I know that the Governors have argued that the protection for children 10 and under would make it hard for them to meet the work requirements in the legislation. But that sort of argument points out flawed thinking in this bill. I think all of us understand the need for child care. Latchkey children are a serious problem in our society. I fail to understand how Governors who argue that a provision which protects kids who are 6-7- and 8-years old would impede their ability to meet work requirements. Governors, at the very least, should be able to guarantee to children age 10 and under that they will not be left at home without care.

Additionally, the food stamp cuts in the conference agreement are deeper than last year's vetoed welfare bill and deeper than last year's Senate-passed bill. The conference agreement would cut food stamps by about 20 percent. Families with children—not single adults—families with children will bear the greatest burden. Two-thirds of the cuts in food stamps will hit families with children.

Additionally, the bill limits food stamps to unemployed adults not raising children to just 3 months in a 3-year period with no hardship exemption whatsoever. If we were in a period of high unemployment in this country, with people being laid off from jobs through no fault of their own, how do you explain to someone who has worked for many, many years and finds himself without a job, that he will be cut off from some basic necessities to allow him to exist? And there's no exemption whatsoever to account for economic difficulties.

The Congressional Budget Office estimates that in an average month, under this provision, 1 million poor, unemployed individuals who are willing to work and have worked in many cases and would take a workfare slot, if one were available, would be denied food stamps because they cannot find work.

Finally, Mr. President, I want to mention the treatment of legal immigrants in this legislation, which I know is of great concern to our colleagues from California and Florida and New York and others.

This bill, in my view, is a repudiation of the legacy of immigration that has defined our country for more than 200 years. We are talking about legal immigrants now.

It is this influx of immigrants from diverse cultures and distant lands that has made this country a shining example to the entire world. That is why millions of people across the globe have come to our Nation.

To say to legal immigrants who pay taxes, who get drafted and serve in our military that we are going to deny them basic protections after we have invited them to come here in a legal status because they do not vote and they are an easy target I think is a mistake.

It was the promise of the American dream that brought my family to this country from Ireland. And it was the desire for a better life that brought millions of other immigrants to America, whether they came over on the *Mayflower* or if they came to our land in just the past few days.

The fact is, nearly every Senator in this body is a descendant of immigrants.

The attack, in this legislation, on legal immigrants is mean-spirited and punitive.

This bill is more interested in reducing the deficit than maintaining our commitment to legal immigration.

This bill bans legal immigrants—children and the disabled—from food stamps and SSI. When people lose SSI, they lose their health coverage under Medicaid.

I fear that we'll see people who have paid taxes wheeled out of nursing homes as a result of this bill.

The legal immigrant provisions of this bill will shift substantial costs on to local governments.

In the words of Mayor Guiliani of New York:

By restricting legal immigrants' access to most Federal programs, immigration, in effect, becomes a local responsibility. Welfare reform should not diminish Federal responsibility for immigration policy or shift cost to local governments.

But that's exactly what this bill does.

CONCLUSION

In closing, let me say, Mr. President, that welfare reform is by no means easy. If we are to change the cycle of dependency and encourage work among welfare recipients, we must make tough decisions.

But, in the end, those decisions must always be weighed against their effect on poor children. Our success will not be judged by how much we reduce the welfare rolls, but how we help those who are left behind.

This bill fails that test—on both accounts.

President Franklin Roosevelt once said that: "The test of our progress is not whether we add more to the abundance of those who have too much; it is whether we provide enough for those who have too little."

For those in our Nation who have too little, we are providing only crumbs.

If welfare recipients are to revel in the hopes and aspirations of the American dream then they must be provided with the tools and opportunities to make those dreams a reality.

This bill fails those Americans and it fails our commitment to the most vulnerable and poorest citizens in our Nation.

I know this is a futile effort, but I urge my colleagues in the remaining few hours to consider that we are about to sever the lifeline to 9 million children in this country for the sake of putting 1 to 2 million adults to work. This incredibly misguided policy is not in balance and ought to be defeated.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise in strong support of the conference report to the Personal Responsibility and Work Opportunity Act of 1996. The American people I believe have demanded welfare reform, and I am pleased that the Congress has not yielded in its commitment to pass much needed and long overdue comprehensive welfare reform. Our current welfare system is a death sentence. It is a death sentence to the human spirit, the family, and the hopes and dreams of millions of children in America. The welfare system today encourages dependency, facilitates the breakdown of the family, demoralizes the human spirit, and undermines the work ethic that built our Nation. For a third time this Congress has delivered legislation to address the failures of the welfare state and provide reforms that I believe will free the poor from being trapped in a cycle of dependency. This bill is the boldest statement we can make in the current political environment, and I am pleased that the President has finally pledged to keep his promise to end welfare as we know it.

Mr. President, the imperative for welfare reform is manifest. The American taxpayers have spent more than \$5.4 trillion since President Johnson declared a war on poverty. But after spending this massive sum, we are no closer to having a Great Society than if we had done nothing. In fact, the poverty rate in America has actually increased over the past 28 years. The reason for this is simple: Welfare has become a way of life. The modern welfare State is rife with financial incen-

tives for mothers to remain unmarried. Eighty percent of children in many low-income communities in America are born in homes without a father. It is virtually impossible for a young unwed mother with no work skills to escape the welfare trap as we know it today. This has done nothing to stop the ravaging of our cities and the skyrocketing of violent crime.

People have become dependent on welfare because it completely destroys the need to work and the natural incentive to become self-sufficient. For more than 30 years the message of the welfare state is that the Government will take care of you. It is a punitive form of assistance. It punishes those who want to work and want to succeed. It punishes those mothers who want to get married and have a husband to help raise the children.

Where is the compassion in this present welfare program? It is not there. Only the beltway establishment would dare suggest that providing monthly benefits is more compassionate than fostering the natural inclination in every human being to reach your full potential. However, with the enactment of this bill, Congress will require welfare recipients to work in exchange for benefits for the first time. By imposing a 5-year lifetime limit on welfare benefits, the message of the reformed welfare state is that we will provide temporary assistance to help during hardship as you return to self-sufficiency.

The bill we vote on today begins to repair a very badly broken welfare state in other ways. It puts healthy incentives in our welfare system. The generous package of welfare benefits available in America is a magnet for literally hundreds of thousands of legal and illegal immigrants. I do not believe this is just, and this bill properly denies welfare to noncitizens.

Also, the Government will no longer tell young women, "If you have children you are not able to support and you are willing to raise them without a father the Government will reward you and pick up the tab." That is the wrong message. This legislation allows States to end additional cash payments to unwed mothers who have additional children while collecting welfare. The bill also permits States to deny cash to unwed teenage mothers and instead provide them with other forms of assistance. It is good for children to see both their parents in the morning, and this bill provides the mechanisms that will make this the norm, not the exception.

This legislation represents real welfare reform. The monster that was created over the last 30 years will not change overnight, but we take a significant step today. This bill ensures that welfare finally will benefit, not harm, its beneficiaries. I urge all my colleagues to adopt this landmark legislation.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Thank you, Mr. President. I ask to be recognized for 13 minutes.

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

Mrs. FEINSTEIN. Mr. President, I would like to read you an excerpt from an editorial in yesterday's Sacramento Bee which, I believe, sums up the bill we are about to vote on

There is a widespread consensus that welfare must be reformed to reduce long-term dependency and encourage work and personal responsibility. But the current bill, underfunded and overly punitive, ignores everything we have learned over the last decade about moving welfare recipients into the job market.

More than half of the welfare recipients lack a high school education at a time when labor markets put a premium on education and skills. Two-thirds live in central cities, places from which employers have fled. At their most successful, past efforts to move welfare recipients into jobs, such as the GAIN program in Riverside have reduced welfare roles by only 10 percent and incomes of welfare recipients by a few hundred dollars a month.

Yet the welfare bill requires states to move half of all recipients into jobs, even though, according to Congress' own experts, the bill falls \$12 billion shy of funding for the work program. Even if one heroically assumes that two-thirds of welfare families would find permanent employment, the bill's five-year lifetime limit on benefits would leave 1 million families—adults and children alike—without any source of income.

Mr. President, I am very disappointed that I must oppose the welfare reform bill as presented to this body by the House-Senate conference committee. I had hoped that the bill that emerged from the conference committee would be one that California could live with, because, I think it is clear that, with 32 million people, no State in the Union has as much to gain or as much to lose from welfare reform.

Unfortunately, this bill remains one in which California loses, and loses big.

California is being asked to foot the bill for changing welfare as we know it—and that is wrong. One-third of the estimated \$55 billion savings in this bill comes from one State: California. California faces a loss of more than \$16 billion over the next 6 years as a result of this bill, more when you add reductions in State funds under the new rules and potentially much more if our welfare caseload continues to increase at the current pace.

The losses to California are staggering: Up to \$9 billion in cuts to Federal aid for legal immigrants, \$4.2 billion in cuts in food stamps, and as much as \$3 billion in AFDC funds over the next 6 years.

Not only is this bill unfair to California on its face, it is seriously flawed in a number of critically important areas.

The contingency funds provided in this bill—\$2 billion—are too little. California alone, I predict, can and will need the entire amount.

Work requirements are an impossible goal. The heart of this bill, moving

people from welfare to work, rests on the unknown and probably the impossible. No state, to my knowledge, in 6 years has been able to move 50 percent of its welfare caseload into jobs, as this bill requires. California will have an impossible hurdle to move the required 20 percent of its welfare caseload into jobs in 1 year, let alone 50 percent in 6 years. In order to meet the 20 percent work requirement in this bill, California would have to find jobs next year for more than 166,000 current adult welfare recipients. But, in the last 2 years, the State added an average of only 300,000 people total to payrolls in non-farm jobs. How do we possibly create enough jobs to increase employment by another 50 percent—especially for a work force that is largely unskilled and under educated? California is a State that has all but lost its production base and is now producing either high-skilled jobs or hamburger flippers at minimum wage.

In order to move people into work, there must be affordable child care for parents. This bill does not provide anywhere near enough funds. The child care block grant in this bill is awarded to States based on their current utilization of Federal child care funds. In California, there are approximately 1.8 million children on AFDC. California currently provides child care subsidies and/or slots to approximately 200,000 children. The Child Care Law Center estimates that under the welfare reform bill, as more parents are required to work, as many as 418,000 additional preschool children and 650,000 children aged 5 to 13 may need child care. This would be a 600 percent increase in need for child care slots.

This bill does not come near the amount of child care dollars that would be needed in California to do this job.

The conference bill is actually worse than the Senate bill in handling America's ultimate safety net: Food Stamps. The conference bill cuts food stamps by 20 percent. California loses \$4.2 billion.

Last year, an average of 1.2 million households—more than 3.2 million people—in California relied on food stamps each month. California's unemployment rate is still high at 7.2 percent—2 percentage points above the national rate of 5.3 percent. 1,117,000 people are out of work today—more than the entire populations of nine States. This bill would limit food stamps for an able-bodied adult with no children to a total of 3 months over a period of 3 years. If that person becomes unemployed, they would only be able to receive an additional 3 months of food stamps in that same 3-year period. This bill would also bar all legal immigrants from receiving food stamps—there is no exemption for elderly, disabled, or children.

The shelter deduction in this bill is a case in point which demonstrates that, however well intentioned this bill might be, it lacks a fundamental foothold in reality when it comes to California.

The shelter deduction allows families with children to deduct a maximum of \$247, with an increase to \$300 in the year 2001, from their income level when applying for aid—ostensibly to compensate for the cost of housing.

In the vast majority of the population centers in California, particularly in urban areas, you can not find a place to rent for that amount of money. In San Francisco, the average rent is between \$750 and \$1,000 per month.

So this deduction is so low that it is virtually useless in California.

California is not the only loser in this welfare bill. America's children lose as well. In a rush to deliver a welfare reform bill—any welfare bill—before the November elections, this bill is the moral equivalent of a dear John letter to our Nation's needy children.

Under this bill, 3.3 million children nationwide and 1.8 million children in California could lose AFDC after the 5-year limit. Children of undocumented immigrants would not even be allowed to buy federally subsidized school lunches. Recent studies by Children Now and the Urban Institute estimated that this welfare plan would thrust an additional 1.1 million children into poverty conditions in the United States. The Senate rejected moderate amendments sought by the White House as well as members of both parties to provide noncash assistance to children whose parents lose their benefits in the form of vouchers for food, clothing and other basic necessities.

The voucher language included in the conference report is an empty-handed gesture allowing states to rob Peter to pay Paul because it adds no new funds to provide basic necessities to children whose parents lose benefits.

The major cost shift to California comes from the elimination of Federal assistance for legal immigrants, most of whom are elderly, blind, and disabled—all of them poor—who came to this country under terms agreed to by the Federal Government. And yet, the Federal Government will not bear the cost of changing the terms of that deal—the cost of this policy shift will be forced onto States and counties.

Let me be clear: I am all for changing U.S. immigration policies to hold sponsors of legal immigrants legally bound to provide financial support to their sponsees. But to change this policy on those already in this country—retroactively—and thus summarily dropping hundreds of thousands of elderly and disabled immigrants from Federal support programs like SSI, food stamps, and AFDC onto already overburdened county assistance programs, is not only an abdication of Federal responsibility—to me it is unconscionable.

The impact of this cost shift to California counties could be catastrophic.

An estimated 722,939 legal immigrants in California—many of whom are aged, blind, and elderly—would lose SSI, AFDC, and food stamps under this bill.

Los Angeles County—the most impacted area nationwide—estimates that 93,000 noncitizen legal immigrants will lose SSI under this bill, at a potential cost of more than \$236 million each year in county general assistance funds.

Los Angeles also estimates that the restriction on future immigrants receiving nonemergency Medicaid services would result in \$100 million in additional costs—much higher unless the State comes up with the funds to provide coverage to noncitizens.

San Francisco County estimates that the cost of county funded general assistance could increase \$74 million under the legal immigrant provisions in this bill—an increase of more than 250 percent.

Other counties in California are studying the impact of this legislation and coming up with similar financial horror stories. Twelve of the top twenty metropolitan areas in the country that are impacted most severely by this bill are in California.

The State of California indicated by its budget that it has no ability or intention of stepping in to fill the funding gap this bill creates. Governor Wilson's State budget for fiscal year 1996–1997 assumes the immigrant provisions in this legislation will pass and legal immigrants will no longer be eligible for assistance.

California's legislative analyst's report indicates that Governor Wilson's budget:

... assumes enactment of federal legislation barring most legal immigrants from receiving SSI/SSP benefits starting January 1, 1997. The budget assume savings of \$91 million from this proposal.

That is from the "Legislative Analyst's Report, 1996–97 Budget."

While we in Washington sit in our ivory tower and pat ourselves on the back for changing welfare as we know it, the real impact of this bill will land on real people who are too old or too sick to care for themselves, and whose families—if they have one—have no ability to help them.

Let me put some faces and names on this welfare bill for you:

A 73-year-old woman who asked not to be named came to the United States as a refugee from Vietnam in 1981. She sold everything she owned to pay for her passage on a boat for her and her mother. Her mother died on the trip over. She moved to San Francisco in 1985 and fell ill with kidney disease. She currently depends on SSI and Medicaid to pay for dialysis and other medical care. Her only relative in the United States is a goddaughter who cannot afford to care for her. She has applied for citizenship, but may not pass the English proficiency exam.

Maria, who lives in Los Angeles, came to the United States in 1973 when she was 62 years old to live with her daughter. In 1984, her daughter had a stroke at work which resulted in two cerebral aneurysms. Following the stroke, her daughter was unable to

work and therefore unable to support Maria as she had done for the previous 11 years. Maria received both SSI and Medicaid. Neither Maria nor her daughter would be able to survive on her daughter's disability income alone.

Thank you, Mr. President. I yield back the remainder of my time.

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

Mr. WARNER. Mr. President, I yield 7 minutes to myself.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 7 minutes.

Mr. WARNER. Mr. President, like so many of my colleagues, I have had the opportunity to actually visit—this time Norfolk, VA a few days ago—a center which is providing job training for welfare recipients. The first thing I was impressed with was a collection of about 12 rooms. It was absolutely spotless. The staff of this nonprofit organization had many volunteers who came in to work with their welfare clients. In this instance I only saw welfare mothers, or some perhaps who did not have children, and largely minorities. All was neat and clean, and they showed up meticulously on time at this center with a spirit of “can do—we will overcome our handicaps if only you will reach out and give us a helping hand.”

That is what this bill does. It should be called the helping hand bill. Each of us in our lifetime has experienced periods when you had to reach out a helping hand. Most have the opportunity to do it regularly. I can remember at one point serving in the U.S. military with men, in this instance, who could not read and write, but they received a helping hand and quickly learned those military skills, that they could at that learning level, and became key members of fighting teams, in this instance, in the Navy. I will never forget that. All they asked for was a helping hand, and that is what this bill is designed to do and will do if we will just give it a fair chance.

I regret to hear, largely from the other side of the aisle, these cries that we have done a wrong. We have not done a wrong. We have listened to the American people. Sixty-five percent of the American people, or higher, agree that the system in Washington has not worked. It was given a fair chance. It was given an enormous sum of money. One piece of paper says we have spent, as a nation, more money on welfare than the cost of all military actions in this century. This is a substantial amount of money.

Yet, the casualties in terms of the families, particularly the children, have been very high. Why not give the States and the local communities the opportunity now to make this system work? We all know that there are persons less fortunate than ourselves, and all they want is a helping hand. Reach out, that is what we should do.

As this bill goes forth—the President has now indicated, for reasons of his

own, after two vetoes he will sign this one—let's send it forth in a spirit of can do, like the people I met in the welfare center in Norfolk. We do not want it to arrive on the doorstep in the several States, down in the small towns and villages of my State and your States with a message, “It isn't going to work.” But it is there, so let's send it in the spirit of give it the best shot.

I ask, are not the people in the communities, large and small, all across this Nation as well qualified as the innumerable army of bureaucrats here in the Nation's Capital who, for half a century, have worked with this? Are they not as well qualified? I say absolutely yes, and let's give them a chance to make it work.

I am not satisfied with every provision in this bill. I sided with the Senator from Louisiana, JOHN BREAUX, to give more funds and support to the children. I was concerned. I voted against a majority on my side of the aisle. There is not a person in this Chamber who is not concerned as to exactly what will happen to children. But let me tell you, in the communities in my State, and I say in the communities in your States, they are not going to let the children be injured, irrespective of however the law is written. They will find a way to make it work and protect those children far better than we can as bureaucrats in Washington. They will make it work.

If there are legislative changes needed, I assure you, the citizens of my great State will come to my doorstep very promptly and say, “Senator, we're trying to make this bill work, but we need a change here,” or a change there. And I am confident I will step forward, as will others on both sides of the aisle, and make those changes to make this piece of legislation work.

Families living side by side, one receiving welfare, one getting up and going to work—the friction between them, the discontent right in the same street in the same neighborhood—is intolerable. We have to stop that. We are providing a disincentive for those who are getting out of bed and trying to go to work. Within the welfare ranks, we may be taking a gamble, but I will bet that there are a substantial number on welfare who want to come forward and, with a helping hand, make this piece of legislation work.

It is incumbent on those welfare people to have a willingness to break out of the system. They may be shy, they may be reticent, and we will be patient, but they have to go to work. There are able-bodied people in all these communities—and I have seen them and you have seen them—who will step forward and gently but firmly and decisively extend that hand to make it work and to quickly come back if children or other aspects of this program are not working and inform the Members of Congress so we can fix it.

Mr. President, this is a great day for our country. We have come to the real-

ization that one of the major entitlement programs has not lived up to its expectations. It has created scenes in every town in America which are totally unacceptable in this day and time. Let's make this piece of legislation work. Let's send it out of here and praise the efforts that we have made in response to the direct plea of the American people to fix this system by sending it from Washington back to where it belongs—hometown USA.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Illinois.

Mr. SIMON. Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SIMON. Mr. President, let's face it, our choice is: hurting poor people and gaining some votes in the process, or appearing to stand for something that we all know needs change and losing votes but not hurting poor people.

My friend from Virginia, for whom I have great respect, says this is a helping-hand bill. The Urban Institute says we are going to put 2.6 million more Americans into poverty, 1.1 million more children. That is not the kind of helping hand we need. We already have 24 percent of our children living in poverty. No other Western industrialized nation is anywhere close to that, and we are compounding the evil.

I am supporting Bill Clinton for reelection. In many ways, he leaves a good legacy. But let no one make any mistake about it, he is marring his legacy by signing this bill. He may gain a few more votes on November 5, but he is hurting history's judgment of what he is doing as President.

This is not welfare reform. This is political public relations.

I heard one of my colleagues, for whom I have great respect, say we have to change the system of children having children. Of course we have to change the system of children having children. But this bill does not do one thing in that direction. And it should be added that the birthrate among people who have welfare is going down, and going down significantly.

Second, I say to you, Mr. President, we have about a million teenage pregnancies each year, about 400,000 of which end up in abortions, incidentally. What we know is those who are high school dropouts are much more likely to be involved in teenage pregnancies. You want to do something about that? Let us put some money into education, not this phony bill that is going to cause great harm.

Will Durant and his wife have written great histories: “Reformation,” “The Age of Napoleon,” and so forth. But Will Durant wrote a small book called “The Meaning of History.” In that small book, in “The Meaning of History,” he said: “This is the history of nations, that those who are more fortunate economically continue to pile up benefits, and they press down

those who are less fortunate until those who are less fortunate eventually revolt."

What are we doing here in this session of Congress? We are giving the Pentagon, this fiscal year, \$11 billion more than they requested. We are going to have some kind of tax cuts that particularly benefit those of us in this Chamber who are more fortunate economically. And with this bill, for the next 6 years, we will be cutting back \$9.2 billion a year from poor people.

I am for genuine welfare reform, but genuine welfare reform requires providing jobs for people of limited ability and providing day care. I have a bill in that says you cannot be on welfare more than 5 weeks—in some ways, tougher than this—but then the Federal Government has a WPA type of job available. We screen people as they come in, and if they cannot read and write, we get them into a program. If you have no marketable skill, you get them to a technical school or a community college. That would be genuine welfare reform.

But as Gov. Tommy Thompson has pointed out—a Republican, incidentally—if you are going to have welfare reform, you are going to have to put in more money upfront, not less money.

I like Senator FEINSTEIN's remark that this is the moral equivalent of a "Dear John" letter to the poor people of the Nation. She is, unfortunately, right.

In October—the Presiding Officer is someone who has a sense of history—in October, we have Roosevelt History Month because we thought at that point we would dedicate the Roosevelt memorial. It looks like now it will not be ready then. But we will celebrate, that month, when we had a great national leader who lifted the poor people of this Nation. Two months prior to that, we are going to celebrate by pushing down the poor people of this Nation.

Let us be very practical. A woman who lives in Robert Taylor homes in the south side of Chicago, desperately poor, lives in a public housing project, has three children, and with this bill—and she has very limited skills because she went to poor schools, probably can barely read and write—with this bill we are saying to her, you can at the most stay on welfare 5 years, maybe only 2, but we are not going to provide any job for you, we are not going to have any day care for your children.

What does that woman do if she wants to feed her children? Does she take to the streets in crime? Does she become a prostitute? I do not know, nor does anyone else in this Chamber.

Let me pay tribute to two people here, one who just spoke against this before, Senator CHRIS DODD, who is the Democratic national chairman and who is interested in votes. But despite being Democratic national chairman, despite the stand taken by President Clinton, CHRIS DODD stood here and said this is

bad for the children of America. And PAUL WELLSTONE, up for reelection, showing great, great courage.

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

Mr. SIMON. I yield myself 30 additional seconds.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SIMON. When my friend from Virginia, Senator WARNER, said the States will protect people, I think of the bill we finally passed when I was over in the House to protect children who wanted to go to school who had disabilities. The States said, "If you're in a wheelchair, if you're blind, if you're deaf, sorry, we're not going to force education for them." The majority of the mentally retarded were not being given any help by our public schools. The Federal Government came along and said, "You are entitled to this." The Federal Government protected people with disabilities, and the Federal Government should protect poor people in this Nation. We are not doing it with this legislation.

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield to the Senator from Ohio 8 minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Thank you, Mr. President.

This legislation that we will pass in the next 2 hours is truly historic. It recognizes, literally for the first time in 60 years, that when it comes to lifting people out of poverty, Washington does not have all the answers. In fact, I think most of us know Washington has really few answers in this area, because the true innovation, the true changes that we have seen in the last decade in regard to welfare reform has come from the States. That is what this bill will foster. That is what this bill will allow.

Mr. President, there has been a great deal of controversy about many parts of this bill, but I believe what unites just about everyone in this debate is a realization that the current system simply is not working, that the status quo is unacceptable. We disagree about what should replace that system.

That is why one chief merit of this bill is that it gives the States the flexibility to reinvent welfare, to find out what works, what does not work, and once we find out what works, to build on that. That experimentation has already started in the States. The only thing that is holding it back, frankly, is the Federal Government. And this bill allows for more experimentation, it allows for new ideas.

Mr. President, compared to the current system, a failed, top-down system that fosters the cycle of dependency that blights so many parts of America, this is a huge improvement. And there are other improvements, Mr. President, in this bill as well.

This bill reestablishes the connection between work and income, the time-

honored idea that people should work to get income. The current welfare system cut the nexus between working and making money. This was one of the great mistakes of our social welfare policy. People do need a hand up. They need help. And this welfare bill gives them a hand up.

I am also very pleased, Mr. President, the bill includes a "rainy day" contingency fund for the States. As a former Lieutenant Governor, I know how vulnerable a State's budget is to an economic downturn. Many States, such as my home State of Ohio, are required by law to balance their budget every single year, no matter how hard the economic times are. We need to make sure that the poorest Americans are taken care of when that contingency arises, thus the contingency fund in this bill.

That is why, Mr. President, I offered the amendment for the contingency fund last year. I applaud the conferees and the leadership for the decision to include that contingency fund in this package as well.

I also think this bill's crackdown on unpaid child support is a terrific idea and long overdue. As a former county prosecutor, I dealt with these child support cases all the time, and I can tell you that when child support goes up, the welfare rolls go down. It is as simple as that.

One provision in this bill that I am particularly proud of is one I proposed as an amendment to last year's welfare reform bill. It has been included in this bill as well. It would give States added tools in their efforts to track down the bank accounts of deadbeat parents.

Mr. President, in this bill, we are strengthening the States as they attempt to go after the delinquent and deadbeat parents. It is absolutely essential that we strengthen the ethic of personal responsibility in this way. We need to make it absolutely clear—America demands that parents be responsible for their children. Deadbeat parents cannot be allowed to walk away from their responsibilities. In this bill, we deal with that.

We also provide a strong safety net at the same time, a strong safety net for people who need help. The bill passed the House by a broad bipartisan vote, 328 to 101. I expect it will pass the Senate overwhelmingly later this evening. I applaud the President for his decision to sign this bill. My only regret is that we lost time. We lost a year. Last year, the President had welfare reform before him. He decided to veto the bill. This bill is no different, not significantly different in any way. I am pleased to see that the President has changed his mind and that he now intends to sign the bill.

Today, the American people can be proud of this legislative process. We are about to pass a bill in a couple of hours that offers the best hope in our lifetime for breaking the cycle of poverty. It is a bill that provides hope, hope for the people on welfare, and hope for the idea that we can change

welfare, change the system that clearly has not worked. It has been a system that has kept people down, a system that has promoted illegitimacy, a system that has not given people hope. Today we take a major step to change that.

Mr. President, let me conclude by stating that we have heard a lot of comments today on this floor about children. I think we should not fail to realize that the chief victim of the current welfare system, the chief victims, are the children. If anyone doubts that, talk to families who are on welfare. Talk to the children. I believe the chief benefit of this bill, quite frankly, is the hope it holds for these children.

I thank the Chair and I yield the floor.

Mr. ABRAHAM. In the absence of a speaker on the Democratic side, I yield myself up to 10 minutes to speak at this time.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, as we come to the conclusion of this debate, I think we should be proud of the efforts of the Senate and of the Congress. For the better part of 2 years we have now been working toward, I think, a very positive conclusion to the debate on how we assist those in our society who are the most needy.

It is clear from an examination of the past 25 to 30 years that the so-called war on poverty has been, at least up until now, won by poverty. Although trillions of dollars, over \$5 trillion, has been spent during this past 25 to 30 years to try to fight that war, we find today virtually the same percentage, if not a greater percentage, of Americans below the poverty line than was the case when the war began. We have spent, as I say, a lot of time debating in this Congress and in previous Congresses why that is the case.

It is quite clear, and I think acknowledged now by virtually everybody who has been involved in this debate, that the process, the welfare system in this country, is a principal reason why the war has not been won. Some would say, yes, there is a problem, but we have yet to come to the proper solution to that problem. However, I disagree.

Indeed, we have worked very hard for, as I say, almost 2 years in this Congress, building on work done in previous Congresses, to find the solution. I believe this legislation, although maybe not ideal from the perspective of any single Member, including the one from Michigan, is, nevertheless, a major step in the right direction.

I believe this approach will work, Mr. President. It will work for a variety of reasons. First, it will work because it vests far more flexibility and far more decisionmaking and far more authority in the 50 States. There may have been a time in this country when some States and communities did not step up to their obligations to assist those in need. That is certainly not the case today. I do not know of one person in

this Senate who has stood up here and said: "My State will fail; my State will not take care of people; my State cannot meet the challenge; my State is less compassionate than the National Government." I have not heard one Member say that. That is because not one Member could say that, Mr. President.

The States are as compassionate and as capable and more knowledgeable about the problems confronted by their citizens than bureaucrats in Washington. This legislation gives those States the chance to translate their compassion and their insight and their expertise into the action it will take to assist people in need to move out of poverty and on to the economic ladder.

This legislation works, also, Mr. President, because it changes the incentives. Yes, we place some tough standards in this legislation, incentives to people to get out of the welfare dependency role and on to and into the work force. We put time limits. We put the kind of tough standards that will cause people to understand that poverty is not the way of life, that welfare is not the way of life, and to seek the assistance of government at all levels to obtain the training and the assistance and the help it will take to move into productive work. It changes the incentives in the right direction.

The legislation is important, also, Mr. President, because for the first time it allows us to begin addressing one of the most important problems we confront in this country, the problem of the rising rate of illegitimacy, of out-of-wedlock births in America. We provide in the legislation incentives for States to find ways to solve the growing number of out-of-wedlock birth situations, incentives in the form of more dollars for the various problems if States can address effectively these issues and these problems, and do so without increasing the abortion rate at the same time.

Finally, this legislation makes sense, Mr. President, because it means less bureaucracy. In my State of Michigan, we think we have a pretty darn good formula for addressing the problems that confront our most needy citizens. Too often, however, Washington bureaucracy and red tape make it impossible to accomplish our objectives.

Just to put it in perspective, when we talk to people in our Family Independence Agency—it used to be called the Department of Social Services; we tried to change the title to change the philosophy as to our objectives in that agency—the front-line case workers, the people who are supposed to be out there at the front line assisting folks to get out of poverty and on to the economic ladder, two-thirds of their time is not spent helping people get off welfare. Two-thirds of their time is spent filling out paperwork, almost all of it coming from Washington. We believe in our State, for example, that we can take what is now a 30-page form that must be filled out by folks who are

going to go on to assistance programs and reduce it to about 5 pages, one-sixth the size of the form that currently is used. The time the case worker would have spent filling out the other 24 pages can now be spent helping the recipient figure out what training programs and what strategies will work to give them an opportunity to be productive and to get on the economic ladder. We think we should have the flexibility to get rid of the bureaucracy and to get rid of all that paperwork and concentrate on the true challenge that we have.

For these reasons, I think the program that we are about to pass tonight is a sensible approach. I think it will do two things. I think it will help the people who need help and give confidence to people who have lost it in our system, the people who pay the bills, the taxpayers, who are frustrated by what they see as a losing war on poverty, confidence we are moving in the right direction. I think that will translate, Mr. President, into more support for social agencies across our States and in our communities, for charitable organizations, for other types of approaches that will assist government in getting the job done.

Finally, let me conclude with a comment about one particular topic that has been discussed at great length during this debate. That is the issue of children. We all have different perspectives on this, of course. As I look back at the last 30 years, as I hear story after story from the people in our social service agencies about families in a cycle of dependency, about kids without hope, of rising crime rates among young people, of increased drug usage rates, of kids having kids, I can't help but think that what we have today has to be changed if we really care about helping kids. If we really want to help the children, we certainly should not, in any sense, continue this legacy, continue the system that has created so much unhappiness and so much hopelessness.

Let us replace the hopelessness with hope, Mr. President. Let us finally put all the words and all the rhetoric of many years of campaigns and Congresses into action. Let us do it tonight. Let us finish the job and move in a new direction. Let us solve the problem. Let us help our most needy citizens in the best way possible.

I yield the floor.

Mr. EXON. Mr. President, I yield 7 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I thank the Chair. Last year, I voted for the bill that the Senate passed 87-12 that went to conference committee. The conference committee moved significantly back, so much so that the President saw fit to veto it. I voted for the bill that came back. I voted for the bill that went to the conference committee this year. I listened very carefully to

the comments today of my colleagues about this bill that comes back from the conference committee.

This bill that returns to the floor contains a number of important improvements from the bill that was vetoed last year. The agreement before us assures that almost all categories of citizens who are willing to work who are now eligible for Medicaid will continue to be eligible for health care in the future. The bill increases child care funding levels by \$4 billion over that which was vetoed. It doesn't include the optional food stamp block grant, so our Nation will continue to have a national nutritional safety net that is below that which I think is necessary. The new bill also maintains the child care health and safety protections contained in the current law and reinstates a quality set-aside.

Additionally, whereas the vetoed bill block granted administration and child-placement services funding, this bill before us retains the current law on child protection entitlement programs and services. And, finally, compared to the vetoed bill, this new bill increases the contingency fund from \$1 billion to \$2 billion to provide States with more protection during an economic downturn.

Perhaps most important in the new bill is the child-support enforcement measures. These enormously significant changes will result in the most sweeping crackdown on deadbeat parents in history. As the President said yesterday, with this bill, we say to parents that if you don't pay the child support you owe, you are going to have your wages garnisheed, your driver's license taken away, and people will be chased across State lines and tracked, and, if necessary, people will have to work off what they owe. That is a monumental shift in attitude and culture; although, ultimately, I believe without equivocation, that we will have to go further toward a national system, because one-third of all child-support cases are interstate cases. The measures contained in this bill will dramatically improve the child-support system so children can get the support they need and deserve.

Notwithstanding these good advances, Mr. President, I have also listened carefully to my colleagues on the floor, those who oppose it. There is not one of them who has not expressed legitimate concerns, legitimate fears. I respect those concerns and those fears, and I do not believe that there is one of them who does not want welfare change in this Nation. But I do believe we are voting today on a fundamental decision about change and what we are going to try to do. The fact is that we are really codifying what 40 States are already involved in, because there are waivers all across this land. And we are codifying something for a period of 5 years, a 5-year experiment, during which time, the 5 years, the full amount of time that people have before they would be cut off, will not have yet

expired. We will be reconsidering it before that date comes.

I believe that my colleagues who have cited problems that still remain with this bill are correct. But there is no way to a certainty, Mr. President, to say what the interaction will be with those who will go to work, those who will benefit from the increased minimum wage, those families that will benefit by increased purchasing power from the combination of work and minimum wage, and therefore less need for food stamps. There is no way to say to an absolute certainty what the impact of a new culture will be on children or the relationship of family.

What we do know is that it will be new, and what we do know is that it carries risks. Mr. President, we also know some things to a certainty. I agree with the President and colleagues who come to the floor that, although we made great strides to maintain the fundamental nutritional safety net, we do cut deeper than necessary in this bill. And I am disappointed in the bill's provisions on legal immigrants. Legal immigrants are people who pay taxes, they can be drafted, and they are in this country completely legally. The harmful provisions that are in this bill have nothing to do with welfare reform. They are fundamentally a savings mechanism. I will do everything in my power, Mr. President, to see that we change those measures as rapidly as possible to adjust.

But as the President said yesterday, immigrant families with children who fall on hard times through no fault of their own should be eligible for medical and other help when they need it. If you are mugged on a street corner or are in an accident or you get cancer or the same thing happens to your children, we are a society that should provide some assistance. I will do everything in my power to fight for that.

Finally, I was also disappointed that we weren't able to have the vouchers for children as a matter of automatic. But, Mr. President, as I balance the equities of this bill, the need for change, against those things that we can remedy and against the experiment that is already taking place in this country, it is my belief that the bill before us will ultimately provide a leverage for change that will also change the dynamic of the debate in this country, and that is why, ultimately, I choose to vote for the change and choose to vote for this bill.

For years now, the poverty rate for children has already been going up in America. We have the highest poverty rate of any industrial nation in the world. But when we come to the floor of the U.S. Senate to try to do something for children, we are told, well, now, wait a minute, their parents don't want to work, or it is the welfare system that created the problem. In fact, the welfare debate that has been so adequately distorted in so many regards obscures the real debate about children and about how you put people to work.

Mr. President, I am convinced that by taking that off the table, we are, in fact, going to begin the real debate in this Nation today about how we adequately take care of those kids.

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

Mr. KERRY. I ask for 1 additional minute.

Mr. EXON. I have exactly 1 minute left. I yield that 1 minute only to the Senator from Massachusetts.

Mr. KERRY. Thank you. Mr. President, I believe that, by taking this away, providing we are vigilant and providing we all mean what we say, providing we are prepared to do what we ought to do in conscience, we will now begin to focus on the children of this country and we will begin to focus on the real work of how you put people to work. I believe that is the most important debate that the country can have and take away from it any demagoguery or artificiality that is placed in front of us about welfare or stereotypes with respect to it. I believe it is an important change.

Yes, people ought to work. Hard-working American citizens should not be required to carry people. But we also have to be honest about the difficulties of some of our population trying to actually find that work. We should not hurt children.

I want to spend every ounce of energy I have, Mr. President, on the floor of the Senate to stop the business of the Senate, if necessary, to guarantee that we fulfill that commitment as we judge how this works over the next months and years.

I thank the Chair.

Mr. EXON. Mr. President, I yield 5 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Thank you, Mr. President. I thank the distinguished floor manager from Nebraska.

Mr. President, let me say, first, that nobody knows better than I that our welfare system does not work very well. Everyone who is going to vote against this bill today said they do not like the system, that it is broke. There is a lot of truth in that.

There are a number of reasons I am going to vote against this bill. First, the bill is not going to address those deficiencies we all know exist in the system. Second, I am going to vote against it because it discriminates against my home State of Arkansas in a massive way. Children in my State will get \$390 a year. Children in Massachusetts will get \$4,200 a year; in Washington, DC, \$2,200 a year. You tell me why a child in Arkansas is worth \$390 a year and \$4,200 in Massachusetts. You expect me to vote for a formula like that, one that does not even take into consideration how many poor children are in your State?

Everybody hates welfare. I am not too crazy about it myself. But I will tell you one thing. I have seen it firsthand. I have been in the ghettos of my

State in the Delta. I can tell you it is not a pretty picture. Mr. President, I find it rather perverse that 535 men and women who make \$133,000 a year will be voting on whether children are going to eat or not, whether their mothers are going to eat or not.

Never has such an important piece of legislation been crafted in such a highly charged political environment. Everybody understands precisely what the politics of this whole thing are. The election is coming up. So we have to do it. I said the other day that there ought to be a rule in the Congress against considering bills like this during an election year. The American people detest welfare. I understand that. But there ought to be a rule against considering these kinds of bills that affect the very fiber of this Nation in an election year.

This is the first time in my lifetime we have deliberately and knowingly and with some elation turned our back on the children of this Nation. I still believe those Methodist Sunday school stories I heard about "blessed are the poor." I used to be one of them.

We are going to kick people off welfare and tell them to get a job. I would like to invite all of my colleagues to go to the Arkansas Delta. I will pick out a dozen communities for you to visit, and then you tell me after you have kicked these mothers off welfare where they are going to get a job; 50 percent of these mothers will be kicked off the welfare rolls after the first 2 years. There are no jobs.

We could not even find it in our hearts to provide vouchers for mothers so they could provide diapers, medicines, and other necessities for children. We wouldn't even give them a voucher to buy nonfood products for their children. I can't vote for this.

We have one out of every five children in this country in poverty. You think of it. One out of every five children in this country, 20 percent, now live in poverty. Every single study of this bill says there will be a minimum of 1 million to 2.5 million children added to those rolls within 5 years.

Oh, Mr. President, I could go on and on about why I am not going to vote for this bill. Simply, I just can't find it in my heart to vote for a bill that I consider to be punitive. Punitive toward whom? Not just some lethargic person on welfare, but innocent children. If you are a legal alien and the school district wants to take your child, that is their business. We are not going to pay for it. So if you are a legal alien, you have a right to be here, you work here, you pay taxes here, and you send your child down to the school. They may take your child, but they will not let him go to the lunchroom because the Federal Government pays that bill, and "We ain't paying." We are not going to pay it. I have heard it said that 47 members of our Olympic team are legal aliens, or children of legal aliens. Tonight, instead of honoring them during the Olympics, we are turning our backs on them.

So, Mr. President, I admit I am soft-hearted. I am very compassionate toward children and women. So I just simply cannot vote for this bill. I wish everybody well, and I hope it works. I do not believe it will.

I yield the floor.

Mr. SANTORUM. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Thank you, Mr. President.

Mr. President, I speak as someone who has worked on this issue for now 4 years. This is a very meaningful thing for me personally. But I think, as I look at this legislation and as I look at the process it has been through, I can't help but think what we are doing here is probably the most significant piece of social welfare legislation that we passed maybe since the mid-1960's, and I would even suggest possibly since the 1930's. So it is a very significant day. We are making monumental decisions here that are going to affect millions of people.

I understand that the passions run very high on both sides of the aisle on how desperately we need these changes, as some suggest, and how erroneous these decisions are by others who oppose the bill.

If I can for a moment, because I know there has been a lot of debate about why we need to make these changes and what the bill does or does not do, or should or should not do, let me talk for a minute as to how this bill got here.

I think, if you look back at the genesis of this proposal, you have to go back to the House of Representatives. A task force was put together by NEWT GINGRICH, a task force on welfare reform when we were in the minority over in the House back in 1993. He asked me, as the ranking member on the Ways and Means Subcommittee of Human Resources, to chair a task force of members of the subcommittee and other people, including the former Governor of Delaware, MICHAEL CASTLE, the Governor from Missouri, and a few others, to sit down and try to put together a bill that would follow through on ending welfare as we know it.

We got all sorts of testimony from people. We talked to literally hundreds of people all over the country about the problems in the welfare system and listened to all of the experts and pseudoexperts on the issue of welfare—frankly, not just from conservatives but from across the spectrum—as to the pitfalls that we might encounter.

Let me first state that this was an extraordinary thing to do. We actually took this very seriously. When you are in the minority, when you work on a major issue like this, most people do not pay much attention to what you do. "You are not going to pass this bill. It is not going to become law." So there is sometimes a feeling, "Well, let's just sort of put together what we can, sort of patch together some popu-

lar ideas, throw it out, and it will get a story for 1 day and no one will pay much attention to it after that."

I can tell you that myself, NANCY JOHNSON, CLAY SHAW, MICHAEL CASTLE, and a whole lot of other folks who were in the House last term took this as a real serious responsibility. We met literally for, I think, 6 or 7 months, every week, hours upon hours each week, just over every single item in the legislation.

It was a wonderful experience for me. But I think it was a great experience for all of us to see the real complexities of what we are dealing with. I think we got a real understanding of some of the concerns that Members have expressed here.

We came out with a bill in November of 1993. It addressed for the first time issues like the paternal establishments which are in this bill. The provisions we wrote in this bill almost 3 years ago are almost identical. In fact, I suggest they maybe are identical to the provisions that are in the bill today that we addressed—the issue, for the first time ever, of immigration and benefits to legal aliens. It was the first time the bill had come up and addressed that issue. And those provisions are in this bill today.

We addressed the issue of illegitimacy. Again, that was a word that, frankly, we were not supposed to use anymore. It was a politically incorrect word. You were supposed to use the word "out-of-wedlock birth." We addressed that issue for the first time and really brought the attention of the welfare debate on this scourge in our Nation.

I know it has been cited here before, but in 1965, the illegitimacy rate in this country was about 5 or 6 percent. Today a third of the children in this country are born out of wedlock. I am not saying that welfare is the sole cause of that. It certainly is not. But it certainly is a contributing factor, in my mind and, I think, in other people's minds. We were trying to come up with ideas, some of which were included, and, frankly, a lot were not. But we pushed the envelope for the first time. We put this in the forefront and made it an issue of debate. Yes; we had time limits on welfare. Yes; we had work requirements—real work requirements. And those time limits of 2 years without having to work and 5 years total on welfare are in this bill today.

If you go back and look at that original draft, I think you are going to see a lot of similarities in child support enforcement and a whole host of other areas that are in the bill today. And I think it is a remarkable compliment to the men and women who worked in that group that their hard work, seemingly fruitless at the time because we were a minority, had absolutely no hope that we would ever be in the majority but cared enough—I think that is the point I am trying to make—we cared enough about this system and the destruction that the system was

causing, we cared enough to spend hours and hours of time to put together a bill that we felt truly would change welfare and end the despair and the dependency that this system has created.

So I congratulate my friends in the House who made a tremendous contribution to the original bill, and I congratulate others for the successor bills, the bills that were introduced in the Senate by Senator Packwood and in the House subsequently by CLAY SHAW, who was a member of that original working group. They took the next logical step and moved the ball forward on a few issues, fell back a little bit on others, but that is how the legislative process works. We tried to meet the concerns of, frankly, both sides of the aisle. And I know when Senator Packwood, and then subsequently when Senator ROTH took over the Finance Committee, we actually crafted a bill here on the Senate floor last year that got 87 votes and then recrafted another bill, very similar to the bill that passed last year, and got 74 votes, and I suspect we will get maybe even a few more than that this time around. They did the same thing in the House and continued to get more bipartisan support as we worked through some of the difficult issues of welfare reform.

The core of those bills remains the same, and that is that we are going to do something about illegitimacy. There is an incentive now sponsored by Senator ABRAHAM, one of the improvements to the bill, for States to reduce their illegitimacy rates, and there is a cash bonus for States that are able to reduce that statistic, that cruel statistic to children. And I say cruel because go through all of the evaluation criteria: Children who are born to single-parent households are more likely to be poor, are more likely to be on welfare, more likely to do poorer in school, more likely to be victims of crime. You can go on down the list. We are doing no favors to children when fathers are told that they are expendable.

In the welfare system that we are creating here today, fathers are no longer expendable. Fathers are going to be required to be responsible for the children. Mothers are going to be required to cooperate with the Government in establishing paternity—two things that were in the original bill that we drafted 3 years ago that have stood the test of time and scrutiny in both Houses of Congress, because it is the right thing to do. We have stood up and said families are important under this bill. We have stood up and said communities are important.

Senator ASHCROFT, in another good addition to this bill, said that religious, civic, and nonprofit organizations in the local communities are going to be much more able to be part of the system of welfare, of support of the poor than they are today, are going to be eligible for more funds and more opportunities to help the poor, which they do much better, much more effi-

ciently, but, frankly, even if they did not do it more efficiently, they do it more compassionately. They do it with love for their neighbors and the people in their communities, not out of some sense of duty because it is their job.

We have changed welfare in this bill, and we have done it over a long process. Those who would suggest this is just something that was thrown together at the last minute before an election do not know the work, or either choose not to recognize the work that has been put into this bill, the time and the debate, the hours of the debate here on the floor and over in the House, in the conference committees, to try to come up with a carefully crafted bill that is truly compassionate and not compassionate in the sense that the Federal Government is going to go out and take care of every person's need who is poor.

I think we have shown that that system is truly not compassionate because when the Federal Government comes in and takes care of every aspect or every need that even a child has, then the Federal Government, in fact, becomes the replacement for the others whose responsibility it truly should be to take care of that child. We have said to the father, again, you are not necessary. We have said to mothers, you do not have to work; we will provide—some distant bureaucrat will send a check to provide for you.

That is not compassion. Compassion is having a system that builds families so there is an environment there for children to flourish. Compassion is a system that supports neighborhoods and civic organizations, mediating institutions that DAN COATS talks about so often that provide the values and community support for families that they need to help take care of children, to create the neighborhoods where children are no longer afraid to go out and play on the playground because they could step on some drug-infected needle.

No, this bill is all about creating a community, creating a support network and environment at the level most important to that child as opposed to that bureaucrat sitting behind the bulletproof window passing out the check every month, saying to that person on the other end receiving that check that you, because of your poverty, are unable to provide for yourself and your children and you need to be dependent upon us for your life.

The Senator from Arkansas said it is a tragedy that one in five children in this country are in poverty, and I agree it is a tragedy. And he said it is going to get worse. I suggest he is wrong. I suggest the tragedy is as bad as it is going to get, and there are plenty of organizations as a result of this bill that are going to get the opportunity to step forward, including the family.

I feel very good about what we are doing here, and I would say, as my friend and colleague in the House, CLAY SHAW, said many times, I am not sug-

gesting this bill is perfect. I grant you this bill is not perfect. No bill is perfect. But I can guarantee you that this is a dramatic step forward that this country has asked for and is getting from a Congress that is listening.

Yes, we will make mistakes. Unlike those who crafted the current system in the thirties and in the 1960's, we are going to be willing to come back here and look at those mistakes. We are going to be willing to come back and face those problems, because we understand, unlike those who crafted the last system, that we do not have all the answers here, that we do not have the omnipotence here to decide what is best for everyone.

This is a grand experiment, one that we must take if we are going to save children in this country and, more importantly, to save the fabric of America for the next and future generations.

Mr. President, I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I advise Senators on both sides of the aisle that we have 11 minutes remaining. I am about to yield 7 minutes to the Senator from Florida. There will be 2 minutes to Senator HEFLIN and 2 minutes to Senator FORD.

I yield 7 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, when we voted on this matter a few days ago, I voted "no." Today, I am going to vote for the conference report, and I wish to explain why I am taking that position.

As I assessed the conference report, it seemed to me that we had basically two options. One option was to wait until there was a better point at which to commence and continue our effort at welfare reform and be prepared to accept the status quo until that second opportunity presented itself. I felt that was likely to be a long time from tonight.

The second option is to accept a clearly less than perfect bill, I would say, accept a flawed bill, but one which represents a step in a multistep process leading toward a fundamental transition from a welfare system that has focused on providing for the needs of a dependent population to a welfare system that provides the ladder by which people can move from dependence to independence. I believe it is more appropriate to take that second road. I believe this is the time to take that leap of faith.

To use some statistics from my State of Florida, 3 years ago, in 1993, we had an unemployment rate of 7 percent. We had 254,000 persons who were on the AFDC caseload. That is 254,000 families that were on AFDC. Today, in 1996, we have a 200,000 AFDC caseload, a reduction of 54,000 in 3 years. That says that we are in a period of a strong economy, creating jobs, providing people with the opportunity within the current system to get off welfare and to get a job.

I think that is the ideal environment in which, now, to have this new system which will be giving to the 200,000 who are still on welfare the means by which they can get a job and end dependence. If we cannot make this transition work under the economic conditions that exist in my State and most of the States of America in the summer of 1996, then I doubt we will see a time in the foreseeable future when we could make this system work.

It is for that reason that our Governor has announced his support for this program. It is for that reason our legislature has passed its own version of welfare reform, building on important demonstration projects in our State which have tested out what is going to be required in order to make this new system achieve its objective.

I stated candidly that this is a bill which is far from perfect, and which has some flaws. That presents, as I believe the Senator from Pennsylvania just stated, the agenda for our action in the future. I suggest two areas in which I think that attention should be focused. One of those is on the basic financial arrangement between the Federal Government and the States. We start this in a period of prosperity. We know the business cycle has not yet been repealed. There will be times when we will return to the circumstances of the early 1990's, when we had unemployment rates ranging from 7.4 to 8.3 percent. We need to relook at our financial relationships to assure that we have the flexibility, the elasticity in order to protect States during those downturns.

We need to also look at the issue of fairness of allocation. I continue to be distressed at the fact that we are using the old method of allocating Federal funds, the formula that we developed for the system we are now rejecting as we move into the new system. I suggest that is inappropriate, an inappropriate bit of baggage we are carrying with us and it is going to be a heavy piece of baggage, in terms of achieving the objectives of moving people from welfare to work, particularly in States such as Arkansas, which start this process as very low beneficiary States and are therefore restricted in the amount of funds they will have available.

The second area in which I believe we need to focus our attention is on the issue of legal aliens. It confounds me as to why legal aliens were brought into this bill, which has, as its title, welfare reform. That has very little relationship with the severe cutbacks in benefits for legal aliens. These are our parents and grandparents of just a generation or two ago, who came to this country seeking the freedom of America. Now, those who have followed them in that 200-year quest for those values of America, we are now putting into a second-class status. There is no relationship to the goals we are trying to achieve in welfare reform. It has a lot to do with the fact this is a voiceless, vulnerable population, from which

we can seek some additional resources in order to meet our budgetary goals.

Let us be clear, this is a budget issue, not a welfare reform issue as we speak of legal aliens. And it is going to be a major budget issue for those communities which have sizable numbers of legal aliens who will now become an unpaid charge to the local public hospital. So that area will also require our attention.

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

Mr. GRAHAM. Mr. President, I conclude by saying it is with a leap of faith that we undertake this initiative. I think we are doing it at a time which gives us the greatest hope and expectation that faith will be justified.

Mr. DOMENICI. Mr. President, Senator SIMPSON is next. I believe he has asked us for 10 minutes? Up to 10 minutes.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank Senator DOMENICI, always, for his courtesy, his kindness and his generosity in what he does for all of us; and to recognize once again how hard he works. And, also, Senator EXON, who came here to this body when I did. I do not think anyone realizes the task of the chairman and ranking member of the Budget Committee and what they do. Through the years I have watched with awe, as they deal with every single issue that confronts us and do it with a steadiness and skill that is enviable. I do mean that.

I think we have a good measure here. It has certainly been through the grinder. We have all looked at it carefully. There is nothing new in it. I support it. I served on the Finance Committee. I listened to the hearings. I tried to add my own dimension of activity and support to it in its passage. So I commend those who have worked so hard on this issue. I commend the President who has indicated he will sign the bill.

There are some troubling things in there for me. One especially, because I did not have any real active participation in it, and that is with regard to the benefits to legal immigrants of the United States. There is a great difference between an illegal immigrant and a permanent resident alien. We should not be making distinctions on permanent resident aliens, in my mind, to the degree here. I did not participate in any aspect of that because I felt it would detract from what I was trying to do with legal and illegal immigration—which we have dealt with, and legal immigration, which we did not deal with.

Next year, when legal immigration goes up from 900,000 to 1 million people, the people of America will wonder what we did in this Congress. But I think we will deal with the issue of illegal immigration. We are not far from resolving that.

MENTAL HEALTH PARITY

Mr. SIMPSON. Mr. President, let me just say I am deeply troubled the conferees for the health insurance bill have apparently decided to not include any form of mental health parity on the final bill. In April, 68 Senators voted aye on an amendment by Senators DOMENICI and WELLSTONE that would prohibit health plans from discriminating against people who have mental illness. This amendment was not a sense-of-the-Senate proposal or some meaningless resolution. We do plenty of those in this place. They always come back to haunt us, but we do them all the time—sense-of-the-Senate this, sense-of-the-Senate that. That is not what this was. It was a real piece of legislation.

It was real legislation that expressly prohibited health plans from imposing treatment limits and financial requirements on services for mental illness that are not also imposed with respect to physical ailments. It was deeply gratifying to me personally to see so many Senators cast a rollcall vote, clearly "on the record," in bipartisan support of ending this terribly unfair discrimination.

It is discrimination, that is what it is. We talk about that all day in here. If there is ever a more blatant form of discrimination, I do not know what it is. To think we still carry such a stigma in society of mental illness is dark ages stuff.

So 3 months later, I am absolutely stunned that we are unable to gain support for the Domenici-Wellstone compromise which represents a very mere "slice,"—a minuscule slice—of the original amendment that received 68 votes.

All this compromise would require is that mental health "parity" be achieved with respect to annual payment limit caps and lifetime caps.

I think it is rather curious that the conferees rejected this compromise, held tough for so long and, at the same time they accepted another compromise on medical savings accounts which received only 46 votes on the Senate floor, and I am one of the 46 who voted for medical savings accounts.

I am pleased we were able to work out an agreement on that aspect of the bill, but I certainly must question why the same spirit of cooperation was nowhere to be found when the issue of mental health was considered.

I am especially troubled that some of the special interest groups—boy, have they been sharpening their fangs in this session of the legislature; I have felt a little of it—have been so aggressive in lobbying against this compromise. To say that this small measure of parity is too costly is absolutely utterly absurd. As Senator DOMENICI pointed out, this entire bill is a mandate. To single out this one lone lonely mental health provision and label it as a costly mandate when the whole thing