There are no easy answers. No silver bullets. Just steps on a journey which we should take together because we all have a vital interest in finding the answers.

The cultures of politics . . . and of science . . . and of enterprise, must work together if we are to match and master the challenges we all face.

I started by talking about the end of history. Of course it hasn't ended. It's moved on.

Francis Fukuyama who coined that phrase describes the future in terms of the need for a social order—a network of interdependence which goes beyond the contractual. An order driven by the sense of common human interest. Where that exists, societies thrive.

Nowhere is the need for that sort of social order—at the global level—more important than in this area.

The achievement of that has to be our common goal.

Thank you very much.

WORK OPPORTUNITY TAX CREDIT RENEWAL AND MODIFICATION

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1997

Mr. HOUGHTON. Mr. Speaker, today I am joined by my colleague, Mr. RANGEL, in introducing legislation to renew the Work Opportunity Tax Credit [WOTC]. This program was first enacted last year after extensive consultations between the Congress and administration. It replaces the old targeted jobs tax credit and is designed to address the major criticism raised against that program by requiring employers to prescreen for eligibility based predominantly upon participation in means tested public assistance programs. The WOTC helps provide transitional assistance for those going from welfare to work by giving businesses incentives to offset the added costs of hiring them.

Unfortunately, the participation and outreach by employers has not reached the level we anticipated, and falls far short of what is needed if we are to achieve the goal of moving millions of Americans from welfare dependency to self-sufficiency. Many companies are fast concluding that the hiring and training costs are too high, and the risks of working with those on public assistance too great, to justify their participation in WOTC.

After nearly 6 months the business community has told us that there is good news and bad news. The good news is that under WOTC nearly two-thirds of those hired come from welfare—under TJTC nearly 60 percent were youth and only 20 percent were from the welfare rolls. The bad news is that the new rules we adopted last year are too restrictive and need to be modified if WOTC is to be effective in achieving the goals of welfare to work. The legislation we are introducing today addresses these concerns.

Many people want to know why we need to pay companies to do their part for welfare reform. To answer that question, we have only to look at the challenges faced by employers who hire public assistance recipients. These individuals often lack a work ethic and basic job skills; they cost more to train; and, because of low self-esteem, they see failure in the work place as a viable and even likely option. Additionally, businesses that hire public assistance recipients have to assume indirect costs such as accommodation of complex work schedules, child care, transportation needs, and contact with multiple social service agencies. Any business, especially one that is willing to assume the additional costs of hiring and training welfare recipients, must remain profitable if they are to play a role in welfare reform.

To respond to the real world concerns expressed to us, Mr. RANGEL and I propose the following modifications to WOTC which will improve its effectiveness and viability.

First, our bill would modify the minimum number of hours of work required for WOTC eligibility. Currently, those eligible for WOTC must complete 400 hours of work in order for the employer to receive any tax credit. However, since many entry level workers tend to switch jobs voluntarily as they seek their place in the work force, they do not meet the 400-hour requirement. In those cases, employers never see a tax credit to offset the costs that they incurred in hiring and training these workers. A more equitable sharing of the costs must be developed, or the pool of employers willing to take this risk will continue to decline.

The current tax credit provided to employers for hiring those eligible is 35 percent of the first $6,000 in wages, but only when the employee completes 400 hours of work. Those who qualify include persons on AFDC for 9 consecutive months out of the previous 18 months; 18- to 24-year-olds who live in empowerment zones [EZ] or enterprise community [EC]; 18- to 24-year-olds who are members of families on food stamps for the last 6 months; veterans on food stamps; vocational rehabilitation referrals; low-income felons; and 16- and 17-year-olds in EZ's and EC's are eligible for summer employment.

We propose to create a two-tiered credit: 25 percent of the wages earned from the date of hire for those who work between 120 hours and 399 hours, and 40 percent of wages earned from the date of hire for those who work at least 400 hours. This would result in a more equitable distribution of the risk due to the fact quite often entry level employees use the training and experience by their first employer to advance into jobs that are better paying, provide longer hours, or which are more conveniently located.

The second change to WOTC that this legislation provides would be to redefine the period during which a person must be receiving public assistance in order to qualify. The current interpretation requires an employee to have spent 9 consecutive months out of the last 18 months on welfare in order for a business to receive the hiring tax credit. We propose to change that requirement to any 9 of the previous 18 months. Such a change would allow for the short periods of time off welfare or food stamps which often results from a failure to comply with regulations such as filing updated paperwork or appearing for an interview. It makes no sense to deny employers willing to hire those on public assistance a tax incentive merely because the job applicant was off welfare for a short period of time.

The third and final change we propose is a 3-year extension of the WOTC Program. This will provide employers with the continuity they need to justify the investment of time and resources necessary to have a successful welfare to work WOTC Program.

These changes, taken together, should help to level the playing field which is currently so tilted against those on welfare that most employers are unwilling even to consider hiring them because of the extra costs and difficulties involved. Without a strong public-private partnership built on an improved WOTC Program, employers will be inclined to stand on the sidelines and leave the welfare to work challenge to others.

TRIBUTE TO SILVIO CONTE

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1997

Mr. LIVINGSTON. Mr. Speaker, I rise today to pay tribute to the memory of our former colleague, the late Representative Silvio Conte of Massachusetts, in the hope that his spirit of fellowship will serve as a lesson to us all. In that spirit I would like to submit this article, which appeared in the April 4, 1997, edition of Roll Call into the RECORD. In this day of partisan rancor and personality bashing, I suggest that we all could learn something about civility from the career of Sil Conte.

It is said that no Member of the House, perhaps in this century, brought as much enthusiasm and joy to this job than Sil Conte.

While Sil Conte was a fierce partisan on the floor, that's where it began and ended. Sil Conte did not look at his political opponents as enemies. He simply viewed them as people of good will with different ideas. And he viewed them as friends.

Sil Conte loved his job. He loved debating issues and ideas. He liked to joke and he took everything with a grain of salt. He had fun. Most of all, he loved the institution of Congress.

To quote the article:

Maybe the answer is for Members not to take themselves so seriously. Silvio Conte never did. And he actually liked his job. He didn't revile serving in Congress, and he certainly didn't detest members on the other side of the aisle because their party designation was different from his.

So, Mr. Speaker, I submit this article into the RECORD in the hopes that it will promote among the Members not just an air of civility, but that it will foster a love of this greatest of democratic institutions, this people's House, this Congress. Maybe then, we will feel Sil Conte's joy of politics.

[From the Roll Call, Apr. 14, 1997]

JOY IN MUDVILLE

In honor of the late, great Rep. Silvio Conte (R.–Mass), they call it the ''joy of politics'' award. Conte was a man who relished a good joke, who loved to win but never bashed his opponents in the face to do so, and who cherished the institution of Congress above all. And you can see from the photographs on page three of today's Roll Call that Members of Congress from both parties last week were having a blast at the fun—and eminently civil—event celebrating Conte's legacy. Civility doesn't mean boring, and it also doesn't mean an end to the partisan clashes that liven up the otherwise humdrum Congressional business of passing the nation's laws and overseeing their implementation.

But instead of joy, there is much rancor these days on the House floor—as a very unConte-like event last week demonstrated