Mr. SHELBY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MANDATORY APPROPRIATION FOR THE SOCIAL SECURITY ADMINISTRATION

Mr. DOMENICI. Mr. President, section 2211(e)(5) of this bill provides a $300 million mandatory appropriation to the Social Security Administration.

The bill requires SSA to review the eligibility of hundreds of thousands of beneficiaries who may no longer be eligible for supplemental security income [SSI] benefits.

This mandatory appropriation is important because it is intended to give SSA the resources it needs to do this job right.

But I am concerned about the precedent of creating new entitlement spending for Federal agencies, and I understand that the House has dropped this provision from its bill because of this concern.

Last year, in the Social Security earnings test bill, we created a special process to allow the Appropriations Committee to provide additional funding for SSA to conduct continuing disability reviews—or CDR's—without forcing cuts in other discretionary spending.

For the years 1996 through 2002, this process will accommodate an additional $2.7 billion for CFR's, and all signs indicate that it is working.

Although I do not plan to strike this mandatory appropriation here on the floor, I hope that, in conference, instead of creating a new entitlement for SSA, we can build upon the CDR funding process—and give the Appropriations Committee an additional allowance to fund the work SSA must do under this bill.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2 p.m. this afternoon.

Thereupon, the Senate, at 12:35 p.m., recessed until 2:01 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SMITH).

AMENDMENT NO. 4936

The PRESIDING OFFICER. Under the previous order, the question now occurs on amendment No. 4936 offered by the Senator from Florida [Mr. GRAHAM]. The yeas and nays have been ordered. However, the vote will be preceded by 2 minutes of debate evenly divided in the usual manner.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, this amendment speaks to fundamental fairness by providing that a poor child will be treated the same by their Federal Government wherever they happen to live and that each State will receive the same amount of money based on the number of poor children within that State. That is not only fairness; it also, in my opinion, is fundamentally required if this bill is to achieve its objective of providing States a reasonable amount of resources in which to provide for the transition from welfare to work.

I yield the remainder of my time to my colleague, Senator BUMPERS.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, the Senator from Florida is actually the architect of this amendment, and he has done an outstanding job. Thirty-eight States are going to be penalized under this bill because what we are using is the 1991 and 1994 figures. If your State made a monumental effort during those years, you may be rewarded under this bill. If you did not because you could not, you would be punished for the next 6 years. West Virginia has a $13.34 per case administrative cost, New York has $106. So because West Virginia has been provident, they are going to get punished. Because New York has been improvident, they get rewarded. That is not equitable.

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

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I am going to ask our Members to come together and do what is right for America and welfare reform. Right now we have a fair funding formula. A nongrowth State never loses from its 1994 base or its 1995 base, whichever base it chooses. The growth States are able to grow because that is essential, and we know it is fair. There are no losers in the underlying bill. The Graham-Bumpers amendment creates winners and losers. It says to California, Michigan, Minnesota, and New York, ''You are going to have to go below and actually cut the welfare in your State below the 1994 and 1995 limits.'' Mr. President, that is wrong. We came together and we made a very, very fair proposal, and it was accepted because there are no losers.

Now, Mr. President, we must keep that fairness. If we really want welfare reform, we must have fairness for all States. That is what the underlying bill is.

Please vote against the Graham-Bumpers amendment.

Mr. MCCAIN. Mr. President, the Personal Responsibility, Work Opportunity, and Medicaid Restructuring Act of 1996 (S. 1956) replaces the current AFDC Program with a new temporary assistance for needy families [TANF] block grant. The TANF block grant will distribute Federal funds to the States according to a formula which is based on recent Federal expenditures under the programs which are to be consolidated into the TANF, with supplemental funds based on population growth and low Federal expenditures per poor person in the States. By emphasizing historical funding for welfare benefits, this formula recognizes that the cost of living differs from State to State, and that certain States have historically supported generous welfare benefits through the expenditure of their own funds.

My colleagues, Senators GRAHAM and BUMPERS, have offered an amendment to S. 1956 which would significantly change the formula for the TANF block grants. Because the Graham-Bumpers formula would dramatically decrease TANF allotments in certain States and would arbitrarily and unfairly force the elimination or reduction of existing welfare benefits, I am unable to support this amendment. This vote does, however, raise the important issue of the disparities in TANF block grant allotments which the formula will create. While I recognize that differences in the cost of living and other factors necessitate some disparity in allotments, I encourage the conference committee to explore appropriate alternatives which address these disparities, further assisting States which have low Federal expenditures per poor person under the formula and which experience population growth.

The PRESIDING OFFICER. The question now occurs on agreeing to amendment No. 4936 offered by the Senator from Florida [Mr. GRAHAM]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Minnesota [Mr. GRAMS] is necessarily absent.

I also announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from Illinois [Ms. MOSELEY-BRAUN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 37, nays 60, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—37

Akaka	Faircloth	Mack
Baucus	Ford	McConnell
Biden	Frahm	Nunn
Bingaman	Graham	Pell
Breaux	Heflin	Pressler
Bryan	Helms	Pryor
Bumpers	Hollings	Reid
Byrd	Inouye	Robb
Coats	Jeffords	Rockefeller
Conrad	Johnston	Simon
Daschle	Kerrey	Warner
Dorgan	Leahy	
Exon	Lugar	

NAYS—60

Abraham	DeWine	Inhofe
Ashcroft	Dodd	Kempthorne
Bennett	Domenici	Kennedy
Bond	Feingold	Kerry
Boxer	Feinstein	Kohl
Bradley	Frist	Kyl
Brown	Glenn	Lautenberg
Burns	Gorton	Levin
Campbell	Gramm	Lieberman
Chafee	Grassley	Lott
Cochran	Gregg	McCain
Cohen	Harkin	Mikulski
Coverdell	Hatch	Moynihan
Craig	Hatfield	Murkowski
D'Amato	Hutchison	Murray

Nickles	Simpson	Thomas
Roth	Smith	Thompson
Santorum	Snowe	Thurmond
Sarbanes	Specter	Wellstone
Shelby	Stevens	Wyden

NOT VOTING—3

Grams	Kassebaum	Moseley-Braun

The amendment (No. 4963) was rejected.

AMENDMENT NO. 4940

The PRESIDING OFFICER. Under the previous order, the Senate will now consider amendment No. 4940, offered by the Senator from Kentucky, [Mr. FORD]. Under that same previous order, 2 minutes of debate will be evenly divided in the usual manner.

Mr. FORD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will come to order.

Mr. FORD. Mr. President, this amendment gives States the option of providing noncash assistance to children once their adult parents have reached the 5-year limit. It does not affect the ban on cash assistance after 5 years. It would allow States to use their block grants to provide clothing, school supplies, medicine, and other things for the poorest children.

This amendment makes this bill identical to H.R. 4, the welfare bill passed last December. It provides State flexibility. It adds no new costs.

Mr. SANTORUM. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senator is correct. The Senator will suspend. The Senate will be in order.

Mr. FORD. Mr. President, this bill adds no new costs or no new bureaucracy. It is supported by the National Governors' Association. I remind my colleagues on the other side, there are 31 Republican Governors. It is supported by the U.S. Catholic Conference, the National Conference of State Legislatures, the American Public Welfare Association.

To say we can use funds from title XX, title XX is money for homebound elderly. It has not been increased since 1991. This makes the Governors make a choice between homebound elderly and the poorest of our children. It is just bad policy.

Mr. President, let us give the Governors the flexibility they have asked for, they worked hard for. We give them responsibility. Let us not tell them how to operate.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I strongly oppose the Ford amendment as it would seriously undermine the real 5-year time limit on welfare assistance. One of the most important features of welfare reform is that recipients must understand that public assistance is temporary, not a way of life. Let us be straight about this. These benefits would go to the entire family under the Ford amendment. If you are going to give vouchers for housing, the whole family benefits. If you are giving any type of assistance, it benefits the whole family. There is no distinction between the child and the rest of the family.

Under the bill, even after the 5-year time limit, families and children would still be eligible for food stamps, Medicaid, housing assistance, WIC, and dozens more means-tested programs.

Over 5 years, a typical welfare family receives more than $50,000 in tax-free benefits. Five years is enough time to finish a high school degree or learn a skill through vocational training. It is enough for a welfare family to change course.

The PRESIDING OFFICER. The time of the Senator has expired. All time for debate on the amendment has expired.

Mr. FORD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 48, nays 51, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—48

Akaka	Feinstein	McConnell
Baucus	Glenn	Mikulski
Biden	Graham	Moseley-Braun
Bingaman	Harkin	Moynihan
Boxer	Heflin	Murray
Bradley	Hollings	Nunn
Breaux	Inouye	Pell
Bryan	Johnston	Pryor
Bumpers	Kennedy	Reid
Byrd	Kerrey	Robb
Conrad	Kerry	Rockefeller
Daschle	Kohl	Sarbanes
Dodd	Lautenberg	Simon
Dorgan	Leahy	Specter
Exon	Levin	Wellstone
Feingold	Lieberman	Wyden

NAYS—51

Abraham	Ford	Lugar
Ashcroft	Frahm	Mack
Bennett	Frist	McCain
Bond	Gorton	Murkowski
Brown	Gramm	Nickles
Burns	Grams	Pressler
Campbell	Grassley	Roth
Chafee	Gregg	Santorum
Coats	Hatch	Shelby
Cochran	Hatfield	Simpson
Cohen	Helms	Smith
Coverdell	Hutchison	Snowe
Craig	Inhofe	Stevens
D'Amato	Jeffords	Thomas
DeWine	Kempthorne	Thompson
Domenici	Kyl	Thurmond
Faircloth	Lott	Warner

NOT VOTING—1

Kassebaum

The amendment (No. 4940) was rejected.

Mr. FORD. Mr. President, I move to reconsider the vote, and I ask for the yeas and nays.

Mr. LOTT. I move to table the motion to reconsider, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the Ford amendment No. 4940.

The yeas and nays have been ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—50

Abraham	Frahm	Mack
Ashcroft	Frist	McCain
Bennett	Gorton	Murkowski
Bond	Gramm	Nickles
Brown	Grams	Pressler
Burns	Grassley	Roth
Campbell	Gregg	Santorum
Chafee	Hatch	Shelby
Coats	Hatfield	Simpson
Cochran	Helms	Smith
Cohen	Hutchison	Snowe
Coverdell	Inhofe	Stevens
Craig	Jeffords	Thomas
D'Amato	Kempthorne	Thompson
DeWine	Kyl	Thurmond
Domenici	Lott	Warner
Faircloth	Lugar	

NAYS—49

Akaka	Ford	Mikulski
Baucus	Glenn	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Harkin	Murray
Boxer	Heflin	Nunn
Bradley	Hollings	Pell
Breaux	Inouye	Pryor
Bryan	Johnston	Reid
Bumpers	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Simon
Dodd	Lautenberg	Specter
Dorgan	Leahy	Wellstone
Exon	Levin	Wyden
Feingold	Lieberman	
Feinstein	McConnell	

NOT VOTING—1

Kassebaum

The motion to lay on the table the motion to reconsider was agreed to.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, in an effort to try to save time I would like to suggest that we consider—since we have four Ashcroft amendments, I wish that we would, if the Senator from Missouri would agree—that we could voice vote through the next two amendments and then have the real contest on the third of the Ashcroft amendments. I think that would save some time. I would like to ask if the Senator from Missouri would consider such a move in order to move things along.

Mr. ASHCROFT. Mr. President, I am happy to have the time reduced to 4 minutes on the amendment. But I think it is important that we have the votes.

The PRESIDING OFFICER. The Senate will be in order so the Chair can hear the comments of the Senator. Senators will please take their conversations out of Senate and to the cloakroom.

Mr. DOMENICI. We cannot reduce it 4 minutes. We tried it before. The closest they can come is somewhere between 7 and 8. The Senator is entitled to his votes. They have asked him to reduce them in number. If he does not care to, let us proceed with his amendments. He is absolutely entitled to do that.

Mr. ASHCROFT. I would be happy to reduce the time. But I would prefer to have the votes, and I would object to the unanimous-consent request.

Mr. EXON. Mr. President, I withdraw my kind offer.

[Laughter.]

AMENDMENT NO. 4944 TO AMENDMENT NO. 4941

The PRESIDING OFFICER. Under the previous order, the Senate will now consider amendment No. 4944 offered by the Senator from Missouri [Mr. ASHCROFT], to his amendment No. 4941. The debate will be limited to 2 minutes equally divided.

The Senator from Missouri is recognized.

Mr. ASHCROFT. Mr. President, this amendment highlights the value which is at the very heart of our culture and our nature—the importance of education and learning. This amendment really says that if you are on welfare——

The PRESIDING OFFICER. Will the Senator suspend? The Senate will be in order so the Senate may hear the Senator from Missouri on his amendment.

The Senator from Missouri.

Mr. ASHCROFT. Mr. President, it is the thrust of this amendment that if you are on welfare and you have not completed your high school diploma the best way to get a job and keep a job is to achieve a level of education that our society expects of all adults, and that is a high school education.

So this amendment would allow States to require individuals to get a high school education or its equivalent. This amendment is permissive, and it states that if you are a 20- to 50-year-old welfare recipient who does not have a high school diploma, you must begin working toward attaining a high school diploma or a GED as a condition of receiving benefits. An exception is made for people who are not capable.

Job training will not equip welfare recipients to work if they have not achieved the basic and fundamental proficiency in education skills. How can we expect to train someone to work as a cashier if they cannot add, subtract, multiply, or divide?

The facts are indisputable. A person over 18 without a high school diploma averages $12,800 in earnings; with a high school diploma, averages $18,700 in earnings. Mr. President, $6,000 is the difference between dependence and independence; between welfare and work.

This is permissive to the States.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Nebraska.

Mr. EXON. Mr. President, there is no opposition to this amendment that I know of. I recommend that all Senators vote in favor of the amendment.

I would simply point out that the amendment does nothing more than what the States can already do.

I will vote for this amendment, and the one that follows. I will strongly oppose the third amendment by the Senator from Missouri.

Mr. ASHCROFT. Mr. President, in that event I would be pleased to accept a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment (No. 4944) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4943 TO AMENDMENT NO. 4941

The PRESIDING OFFICER. The question is now on amendment No. 4943 to amendment No. 4941 offered by the Senator from Missouri.

The Senator from Missouri.

Mr. ASHCROFT. Thank you, Mr. President.

As I mentioned earlier, education is the key to breaking the intergenerational cycle of welfare dependency. This amendment would allow States to require that parents on welfare be responsible for ensuring that their minor children are in school.

It would be this simple. If you are on welfare, your children should be in school. If we care about breaking the vicious intergenerational cycle of welfare we should care about making sure that individuals who are on welfare accept the responsibility of sending their children to school. We must look to the long-term in reforming welfare. We must look at what we can do to save the future of our children. Every child in America can attend school. Every child can earn a high school diploma. It costs nothing but commitment. Too often education is ignored and trashed because it is devalued by our welfare culture. Teen dropout rates soar. They skip classes. We should not pay parents to encourage lifestyles of dependency on and off welfare and in and out of minimum-wage jobs. States should be able to give children on welfare a fighting chance.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I know of no one on this side of the aisle or on the other side of the aisle that opposes this amendment by the Senator from Missouri. I would simply state what I said on the last amendment. If the Senator insists on a rollcall vote, I recommend that all Senators vote in favor of the amendment as, like the preceding amendment, it does nothing more than what the States can already do. I hope that we could move things along, and I would point out that I will strongly oppose the next amendment offered by the Senator from Missouri.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment (No. 4943) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4942 TO AMENDMENT NO. 4941

The PRESIDING OFFICER. Under the previous order, the question occurs on amendment No. 4942 offered by the Senator from Missouri [Mr. ASHCROFT], to his amendment No. 4941.

The Senator from Missouri.

Mr. ASHCROFT. Mr. President, we need to change welfare from a condition in which people live to a transition from which people go; a transition from dependency to independence.

Under this bill we allow most people to spend 5 straight years on the welfare rolls. Without really going to work in 5 years, think what can happen in terms of building habits, self-esteem, skills, and motivation. If you do not use a muscle for 5 weeks, it gets weak. If you do not use it for 5 months, it atrophies. If you do not use it for 5 years, it disappears. It is forever useless.

This amendment says that 2 years in a row—24 months—is long along enough for able-bodied recipients without infants or children to be able to receive welfare without starting down a path of work. We need to change the character of welfare from the condition of welfare to a transition toward independence and work. Mr. President, 5 straight years on welfare only reinforces a dependent lifestyle that we are trying to change.

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

Mr. ASHCROFT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Thank you, Mr. President.

Mr. President, the amendment offered by the Senator from Missouri provides that a family may not receive welfare assistance for more than 24 months consecutively, unless the adult is working, or the State has an exemption of the adult for hardship. I would support this amendment if the Senator would require States to offer work to parents. There may be many parents who are willing to work and who want

to work but cannot find a job, or perhaps they cannot find child care for their children so that they can be at work.

The underlying bill says that a mother should not be penalized if she has a child under 11, or if she cannot afford to find child care. This amendment would be inconsistent with the underlying bill. It aims right at the mother. But it hits the child.

I urge my colleagues to defeat this amendment. It goes too far.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The result was announced—yeas 37, nays 62, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—37

Abraham	Gramm	McCain
Ashcroft	Grams	McConnell
Bond	Grassley	Murkowski
Brown	Hatch	Nickles
Burns	Hatfield	Pressler
Coats	Helms	Roth
Cochran	Hollings	Santorum
Coverdell	Hutchison	Shelby
Craig	Inhofe	Smith
D'Amato	Kempthorne	Thompson
Faircloth	Kyl	Thurmond
Frahm	Lott	
Frist	Lugar	

NAYS—62

Akaka	Feingold	Mikulski
Baucus	Feinstein	Moseley-Braun
Bennett	Ford	Moynihan
Biden	Glenn	Murray
Bingaman	Gorton	Nunn
Boxer	Graham	Pell
Bradley	Gregg	Pryor
Breaux	Harkin	Reid
Bryan	Heflin	Robb
Bumpers	Inouye	Rockefeller
Byrd	Jeffords	Sarbanes
Campbell	Johnston	Simon
Chafee	Kennedy	Simpson
Cohen	Kerrey	Snowe
Conrad	Kerry	Specter
Daschle	Kohl	Stevens
DeWine	Lautenberg	Thomas
Dodd	Leahy	Warner
Domenici	Levin	Wellstone
Dorgan	Lieberman	Wyden
Exon	Mack	

NOT VOTING—1

Kassebaum

The amendment (No. 4942) was rejected.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. ASHCROFT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 4941, AS AMENDED

Mr. EXON. Mr. President, because the substitute has failed, what remains is—and I believe the Senator from Missouri agrees—what remains is the underlying amendment, as amended by the amendments that we adopted by voice vote.

Consequently, I suggest we now simply adopt the underlying amendment as amended by voice vote as well.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. ASHCROFT. Mr. President, that is consistent with my understanding of where we are. I am pleased to agree with the ranking member.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

The amendment (No. 4941), as amended, was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4950

Mr. EXON. Mr. President, Senator MURRAY is now scheduled for recognition, I believe. Is that correct? The Senator from Washington should be recognized, I suggest.

The PRESIDING OFFICER. The question now occurs on amendment No. 4950. The Senator from Washington is recognized for up to 1 minute.

Mrs. MURRAY. Mr. President, the amendment before us strikes the provision in the bill that cuts the reimbursement rate on the Summer Food Program dramatically. The bill proposes to cut 23 cents from every school lunch provided in this critical summer program. This will have a dramatic effect, especially in our rural areas.

I think we have had the debate on this floor. Everyone understands the need to have good, strong nutrition for our children in order for them to learn. The Summer Food Program is especially critical. Children are not bears. They do not hibernate. They need to eat in the summer as much as they do in the school year.

I urge my colleagues to vote for this amendment and put back in effect the important Summer Food Program. I understand the majority is willing, perhaps, to accept this on a voice vote. If that is the case, I am more than happy to oblige.

Mr. EXON. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will come to order so we may proceed.

Mr. EXON. Mr. President, the Senate may not have heard the closing remarks by the Senator from Washington. I believe she suggested the amendment has been cleared on both sides and she will accept a voice vote.

Mr. SANTORUM. That is our understanding. The amendment has been cleared on this side. We are willing to accept the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 4950) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4952

The PRESIDING OFFICER. The question now occurs on amendment No. 4952, offered by the Senator from Florida [Mr. GRAHAM].

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, the amendment I offer strikes an amendment which was adopted in the Senate Finance Committee. The current bill as it was submitted to the committee contains a sanction against the States in the hands of the Secretary of HHS.

The Secretary, at the Secretary's discretion, can levy up to a 5-percent withholding of a State's welfare funds if the State fails to meet the work requirements. The amendment offered in the committee provides that if a State fails to meet that standard for 2 straight years, then it shall be penalized, without discretion in the hands of the Secretary, by a mandatory 5 percent. And although there is some confusion, it is assumed that this is a cumulative 5 percent, up to a total of 25 percent of the State's welfare payments.

This is strongly opposed by the State and local organizations, from the National Governors' Association, the National Conference of State Legislators, the National Association of Counties, all of whom feel it denies to the Secretary the necessary discretion.

This also will severely penalize those low-benefit States which are the most likely to be unable to meet the work requirements.

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

The Senator from Texas.

Mr. GRAMM. Mr. President, if there is a hallmark of this bill, it is work. If there is one thing that every Democrat and every Republican boasts about in this bill, it is that it requires able-bodied men and women to work.

Last year's bill simply had a one-time penalty for not meeting the work requirements. Members of the Finance Committee were concerned that a State, or the District of Columbia, would simply take the 5-percent penalty each year rather than make a good-faith effort to meet the work requirements in this bill—even with the ability to exempt 20 percent of welfare recipients. Without this compounding provision, we have no real ability to produce a good-faith effort on the part of the States.

We have had meetings between the House and the Senate on this issue. We met with the Governors. We worked out what we believe is a compromise. I hope my colleagues will stay with this provision. If you want a work requirement, you have to enforce it.

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

Mr. SANTORUM. Mr. President, I move to table the Graham amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 4952. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 226 Leg.]

YEAS—56

Abraham	Ford	Mack
Ashcroft	Frahm	McCain
Bennett	Frist	McConnell
Bond	Gorton	Murkowski
Bradley	Gramm	Nickles
Brown	Grams	Pressler
Burns	Grassley	Roth
Campbell	Gregg	Santorum
Chafee	Hatch	Shelby
Coats	Hatfield	Simpson
Cochran	Helms	Smith
Cohen	Hollings	Snowe
Coverdell	Hutchison	Specter
Craig	Inhofe	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kohl	Thompson
Domenici	Kyl	Thurmond
Faircloth	Lott	Warner
Feingold	Lugar	

NAYS—43

Akaka	Glenn	Moseley-Braun
Baucus	Graham	Moynihan
Biden	Harkin	Murray
Bingaman	Heflin	Nunn
Boxer	Inouye	Pell
Breaux	Jeffords	Pryor
Bryan	Johnston	Reid
Bumpers	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Lautenberg	Simon
Dodd	Leahy	Wellstone
Dorgan	Levin	Wyden
Exon	Lieberman	
Feinstein	Mikulski	

NOT VOTING—1

Kassebaum

The motion to lay on the table the amendment (No. 4952) was agreed to.

MOTION TO WAIVE THE BUDGET ACT—AMENDMENT NO. 4955

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4955 offered by the Senator from Massachusetts [Mr. KENNEDY].

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for up to 1 minute.

Mr. KENNEDY. Mr. President, this amendment is about children. It is about the children of legal immigrants. It is also about deeming. What we are saying is, under this program, legal immigrant children are not going to be excluded from the range of benefits. We are saying you are deemed to the person that is going to sponsor you. If that person that sponsors you runs into hard times, we will not deny the children the benefits they would otherwise receive. That is half the legal immigrants' children.

The other half have no sponsor—no sponsor—have no one to deem to because they are the children of those who come here under the work permit. We should not exclude those individuals. They will become Americans, one; and two, more frequently than not, they are with divided households where brothers and sisters would be eligible. The cost will be $1 billion in 6 years, affecting 450,000 children that at one time or another might take advantage of the system.

The PRESIDING OFFICER. The Senator from Delaware has 1 minute.

Mr. ROTH. Mr. President, I oppose the Kennedy amendment. It would seriously erode fundamental welfare reform as it relates to noncitizens. The amendment does not just apply to children who are already here. The exemption applies to those who will come to the United States in the future, as well.

The bill provides for a 5-year ban on Federal means-tested benefits, including cash, medical assistance, housing, food assistance, and social services. The Kennedy amendment creates a new exception to all these benefits to aliens under age 18. It is the taxpayer, not the families and sponsors of the children, who will assume the responsibility for their needs. This is the wrong signal to send to those who would come here for opportunity, not a handout, and for the families here who pay for those benefits.

The Kennedy amendment would result in a loss of substantial savings in the bill. I urge my colleagues to vote against the Kennedy amendment and uphold the budget point of order against it.

The PRESIDING OFFICER. The question is on the motion to waive the Budget Act.

The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 51, nays 48, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—51

Akaka	Feingold	Levin
Baucus	Feinstein	Lieberman
Biden	Ford	Mikulski
Bingaman	Glenn	Moseley-Braun
Boxer	Graham	Moynihan
Bradley	Harkin	Murray
Breaux	Hatfield	Nunn
Bryan	Hollings	Pell
Bumpers	Inouye	Pryor
Campbell	Jeffords	Reid
Chafee	Johnston	Robb
Cohen	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
Daschle	Kerry	Simon
Dodd	Kohl	Specter
Dorgan	Lautenberg	Wellstone
Exon	Leahy	Wyden

NAYS—48

Abraham	Craig	Grassley
Ashcroft	D'Amato	Gregg
Bennett	DeWine	Hatch
Bond	Domenici	Heflin
Brown	Faircloth	Helms
Burns	Frahm	Hutchison
Byrd	Frist	Inhofe
Coats	Gorton	Kempthorne
Cochran	Gramm	Kyl
Coverdell	Grams	Lott
Lugar	Pressler	Snowe
Mack	Roth	Stevens
McCain	Santorum	Thomas
McConnell	Shelby	Thompson
Murkowski	Simpson	Thurmond
Nickles	Smith	Warner

NOT VOTING—1

Kassebaum

The PRESIDING OFFICER. On this vote, the yeas are 51, and the nays are 48. Three-fifths of the Senators duly chosen and sworn, not having voted in the affirmative, the motion is rejected, and the amendment falls.

Mr. KENNEDY addressed the Chair.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

MOTION TO WAIVE THE BUDGET ACT—AMENDMENT NO. 4956

Mr. KENNEDY. Mr. President, I believe that it is in order now for the consideration of my other amendment. Am I correct that the time allocated is 1 minute and 1 minute in opposition? Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Mr. President, this amendment is a very simple and fundamental amendment, but it is one that is desperately important to county hospitals and to rural hospitals around the country.

The effect of this amendment would be to defer the Medicaid prohibitions of the welfare provisions for legal immigrants for 2 years so that the local hospitals are able to accommodate the provisions of this legislation. Under the provisions of the legislation, all immigrants would be prohibited from the day that they enter the United States, and all of those who are in this country, any State could knock them out in January of next year.

Probably the most important health facilities that we have in this country in many respects are not the teaching hospitals but the county hospitals that provide emergency assistance. If we put this enormous burden—and it estimated to be $287 million over the period of the next 2 years; that is the cost of it—it is going to have an impact on Americans because the county hospitals are going to deteriorate in quality; they are going to be inundated with additional kinds of cases that they are not going to be compensated for; and they are not going to be able to treat Americans fairly or equitably.

All we are asking for is a 2-year period.

This is endorsed by the American Hospital Association, the National Association of Public Health Hospitals, the National Associations of Children's Hospitals, community health centers, and the Catholic Health Association.

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

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Delaware.

Mr. ROTH. Mr. President, the Kennedy amendment would delay Medicaid restrictions on noncitizens for 2 years. In effect, the Kennedy amendment says we need welfare reform but not quite yet. That is not good enough for those who bear the cost of these programs.

Let us not lose sight of this debate. These welfare programs were not designed to serve noncitizens. The restrictions that we have placed on noncitizens have broad bipartisan support. This is no time to turn our backs on reform. The Kennedy amendment would result in a loss of substantial savings in the bill.

So I, therefore, urge my colleagues to vote against the Kennedy amendment and uphold the budget point of order against it.

The PRESIDING OFFICER. The question is on the motion to waive the Budget Act. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 35, nays 64, as follows:

[Rollcall Vote No. 228 Leg.]

YEAS—35

Akaka	Graham	Mikulski
Biden	Hatfield	Moseley-Braun
Bingaman	Hollings	Moynihan
Boxer	Inouye	Murray
Chafee	Jeffords	Pell
Conrad	Johnston	Robb
Daschle	Kennedy	Sarbanes
Dodd	Kerry	Simon
Exon	Kohl	Specter
Feingold	Lautenberg	Wellstone
Feinstein	Leahy	Wyden
Glenn	Levin	

NAYS—64

Abraham	Faircloth	McCain
Ashcroft	Ford	McConnell
Baucus	Frahm	Murkowski
Bennett	Frist	Nickles
Bond	Gorton	Nunn
Bradley	Gramm	Pressler
Breaux	Grams	Pryor
Brown	Grassley	Reid
Bryan	Gregg	Rockefeller
Bumpers	Harkin	Roth
Burns	Hatch	Santorum
Byrd	Heflin	Shelby
Campbell	Helms	Simpson
Coats	Hutchison	Smith
Cochran	Inhofe	Snowe
Cohen	Kempthorne	Stevens
Coverdell	Kerrey	Thomas
Craig	Kyl	Thompson
D'Amato	Lieberman	Thurmond
DeWine	Lott	Warner
Domenici	Lugar	
Dorgan	Mack	

NOT VOTING—1

Kassebaum

The PRESIDING OFFICER. On this vote, the yeas are 35, the nays are 64. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected and the amendment falls.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I believe this finishes the amendments that were on our list as of Thursday night. Those who wanted votes have had their votes. Those have been disposed of.

Yesterday, Senator EXON raised an omnibus Byrd rule point of order against a number of provisions contained in the bill. In order to preserve our rights, I moved to waive the Budget Act with respect to each point of order individually.

At this time, I now withdraw my motions to waive with respect to all but the following three provisions: No. 1, section 408(a)(2), which is known as the family cap; No. 2, section 2104, which deals with services provided by charitable organizations; and, No. 3, section 2909, which deals with abstinence education.

It is our intention to have a separate vote on each of these three. Therefore, I ask unanimous consent that it be in order for me to request the yeas and nays on the three at this point.

I ask for the yeas and nays.

Mr. EXON. Reserving right to object, I would simply say to my friend and colleague from New Mexico, I appreciate the fact he has expedited things a great deal by, I think, eliminating 22 of the 25 points of order that we raised.

Mr. DOMENICI. Correct.

Mr. EXON. I simply remind all that, for any or all of these three to be agreed to, it would require 60 votes. Is that correct?

Mr. DOMENICI. That is correct.

Mr. EXON. In view of that, and in view of the fact that time is running on, and I think we all recognize we are going to be on this bill—with closing statements from the managers and the two leaders and then final passage—it looks to me like we are going to run up toward 6 o'clock if we do not expedite things.

I am just wondering—I make the suggestion to expedite things—rather than have three separate votes, could we package these three into one vote? I remind all, the chance of these motions being agreed to, with the 60-vote point of order, is not very likely. But if there is strong feeling in the Senate on these, then the 60 votes would be there.

Will the Senator consider packaging the three into one vote?

Mr. DOMENICI. First, I thank Senator EXON for all the cooperation he has exhibited and the efforts he made to expedite matters. But we have, on our own, taken 22 of your 25 points of order and said they are well taken. So, in that respect, we have already eliminated an awful lot of votes that could have taken place.

Frankly, this is done without anybody whimpering about them on this side of the aisle. They have all agreed with my analysis and said that is good, save the three.

Conferring with the chairmen of the Finance Committee and the Agriculture Committee, I arrived at that conclusion; 22 are gone. We would like just three votes on those three waivers. I would like to do them quickly. We will only ask for 2 minutes on a side to debate the issues, since none of them have been before the Senate as a substantive matter. That is the best I can do. I hope the Senator will agree with that, I ask Senator EXON.

Mr. EXON. What you are saying is three is the minimum?

Mr. DOMENICI. Three is the minimum, but obviously we sure got rid of plenty of them.

Mr. EXON. I withdraw my objection.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that there be 4 minutes equally divided on each of these points of order—two for those in opposition and two for those who support it.

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

MOTION TO WAIVE THE BUDGET ACT—SECTION 408(A)(2)

Mr. DOMENICI. Mr. President, the first of our waivers will be the family cap. I have already moved to waive it in the previous motion, and I now yield the time to argue in favor of the waiver to Senator GRAMM of Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, first of all, only a tortured view of the Byrd rule would say that our language on the family cap does not save money. But what I want to focus on here is that this is not a controversial provision of the bill but is an integral part of the overall welfare reform measure.

As I am sure colleagues on both sides of the aisle will remember, we have had serious debate over this issue. We have gone back and forth. There have been differences. There are some people who believe—I am one of those people—that we should have a family cap and that we ought not to give people more and more money in return for having more and more children while on welfare. There are other people who believe that we should have no family cap and that the current incentives built into the system should continue.

What we have in this bill is a crafted compromise that was adopted in committee with broad support. We allow States, at their option, through their action, to opt out of the family cap if they choose. This is a broad-based compromise. It has been supported on a bipartisan basis, and for that reason, I feel very strongly that to preserve common sense in this bill in a way that is coherent and can work, we need to preserve this compromise language.

So I ask Members on both sides of the aisle to vote to waive the Byrd rule and keep this provision in place. This provision simply says the family cap exists unless the State opts out. If States decides that they want to continue to give additional cash payments

to those who have more and more children while on welfare, the States can do that.

The PRESIDING OFFICER. The Senator's 2 minutes has expired.

Mr. GRAMM. This is compromise language. I hope on a bipartisan basis that we will preserve this compromise.

Mr. EXON addressed the Chair.

Mr. EXON. Mr. President, I yield our time to the Senator from Louisiana.

Mr. BREAUX. Mr. President, I will say, in response to the Senator from Texas, that there is bipartisan agreement, and the bipartisan agreement is that this is a bad idea: The National Governors' Association, the NGA, headed by Gov. Tommy Thompson, who I think is a leading Republican, opposes this measure. The NGA, in their letter to all Members of the Congress, say very clearly:

The NGA supports a family cap as an option rather than as a mandate to prohibit benefits to additional children born or conceived while the parent is on welfare.

What this amendment does is to require that the States affirmatively pass legislation to get out from under this mandate that people in Washington are sending down to the States. That is why the bipartisan NGA strongly opposes the provisions in the bill as it is written.

They would like the option to do that if they want to, but they certainly do not want Washington to mandate that they cannot have assistance to children of a family who are born while they are on welfare, simply because they do not want to penalize the children.

Be as tough as we want to be on the mothers and the parents, but not on the children. In addition to that, the Catholic Bishops' Conference, which has been very active, along with a number of other groups, feels very strongly this legislation should not have the mandate the bill currently has. They say very clearly that this provision would result in more poverty, hunger and illness for poor children. This is something that gets me. They say, ''We urge the Senate to reject this measure which would encourage abortions and hurt children.''

I am not sure everybody comes down on these, but I think when you have the Catholic Bishops' Conference saying, if a mother is faced with that choice, abortion becomes a real option, they think they should not be encouraged and, therefore, they do not support Washington mandating that States have to take a certain action. Let them have the option.

If we strike this provision, the State has the option to deny additional benefits to additional children if they want to, but we should not be dictating to the States on a block grant welfare program how they have to handle this situation.

I strongly urge that we not move to waive the Byrd rule.

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

The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. DEWINE). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 42, nays 57, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—42

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Pressler
Brown	Gregg	Roth
Burns	Helms	Santorum
Coats	Hutchison	Shelby
Cochran	Inhofe	Simpson
Coverdell	Kempthorne	Smith
Craig	Kyl	Stevens
D'Amato	Lieberman	Thomas
Faircloth	Lott	Thompson
Frahm	Mack	Thurmond
Frist	McCain	Warner

NAYS—57

Akaka	Exon	Leahy
Baucus	Feingold	Levin
Biden	Feinstein	Lugar
Bingaman	Ford	Mikulski
Boxer	Glenn	Moseley-Braun
Bradley	Graham	Moynihan
Breaux	Harkin	Murray
Bryan	Hatch	Nunn
Bumpers	Hatfield	Pell
Byrd	Heflin	Pryor
Campbell	Hollings	Reid
Chafee	Inouye	Robb
Cohen	Jeffords	Rockefeller
Conrad	Johnston	Sarbanes
Daschle	Kennedy	Simon
DeWine	Kerrey	Snowe
Dodd	Kerry	Specter
Domenici	Kohl	Wellstone
Dorgan	Lautenberg	Wyden

NOT VOTING—1

Kassebaum

The PRESIDING OFFICER. On this question, the yeas are 42, the nays are 57. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected, and the point of order is sustained.

Mr. DOMENICI. I move to reconsider the vote.

Mr. LOTT. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I ask unanimous consent that immediately following the third reading of H.R. 3734, the following Senators be recognized for up to 5 minutes each for closing remarks: Senator MOYNIHAN, Senator ROTH, Senator EXON, Senator DOMENICI; I further ask that following the conclusion of these remarks, the floor managers be recognized, Senator DASCHLE to be followed by Senator LOTT, for closing remarks utilizing their leader time.

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

Mr. LOTT. I further ask immediately following passage of H.R. 3734, the Senate request——

The PRESIDING OFFICER. If the majority leader will suspend.

Mr. EXON. My apologies. We thought things were cleared. They are not. We will have to object, pending a few moments. Could the Senator hold off for 5 minutes for a chance to work this out?

Mr. LOTT. Mr. President, I am willing to do that, but I thought we had an agreement whereby we could get an understanding of how much time—after all the days and hours that have gone into this bill—and we could have closing statements.

That is fine, to have final statements as to the position of the various Senators on what is in this legislation; it was with the understanding that we would also go ahead and get the agreement and go to conference.

Mr. EXON. We also thought that we had an agreement, but I am sure you have had exceptions on your side, as we have, and in the best of times they do not always work out.

I do not think it is a lengthy delay. I simply say we will try and give the Senator an answer in 5 minutes.

Mr. LOTT. Can we proceed with the next vote?

I yield the floor.

MOTION TO WAIVE THE BUDGET ACT—SECTION 2104

The PRESIDING OFFICER (Mr. THOMPSON). The question is on the motion to waive the point of order, section 2104. The yeas and nays have been ordered.

Mr. ASHCROFT. In moving to waive the Budget Act, the point of order regarding the charitable organizations, I yield 30 seconds to my colleague from Indiana.

Mr. COATS. I thank the Senator. I urge my colleagues to support the Ashcroft provision, which allows for delivery of social services through religious charities. I urge this for two compelling reasons.

First, it is much more cost effective than the current Federal bureaucratic system. Utilization of facilities that are already there, that are neighborhood based and utilizating volunteers makes delivery of those services far more efficient than the Government can do.

Second, they get better results. Survey after survey, in hearing after hearing that we have conducted in the Children and Families Subcommittee on Labor and Human Resources has proven the effectiveness in doing this. I urge my colleagues to support the Ashcroft amendment.

I yield back the balance of my time.

Mr. ASHCROFT. Mr. President, there is a real reason to employ the services of nongovernmental charitable organizations in delivering the needs of individuals who require the welfare state. Despite our good intentions, our welfare program and delivery system have been a miserable failure. Yet, America's faith-based charities and nongovernmental organizations, from the Salvation Army to the Boys and Girls Clubs of the United States have been very successful in moving people from welfare dependency to the independence of work and the dignity of self-reliance.

The legislation that we are considering is a provision that was in the Senate welfare bill that passed last year. It passed the Senate by an 87 to 12 margin. President Clinton's veto of that bill last year was not related to this measure. I spoke to the President about it personally. In his State of the Union Address, just a few weeks later, he indicated the need to enlist the help of charitable and religious organizations to provide social services to our poor and needy citizens.

Based upon the record of this Senate, which voted 87–12 in favor of such a concept last year after a thorough debate and consideration, based upon the support of the Executive, based upon the record of welfare as a failure and the need to employ and tap the resource of nongovernmental, charitable, religious, and other organizations, I urge the Senate to pass this motion to waive the Budget Act.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I speak in opposition to the amendment. I simply point out to all that, in my opinion, this is a direct violation of the church-and-state relationship.

I yield the remainder of my time to my colleague from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I think we have to look at this very carefully. It provides that States can contract for welfare delivery with charitable, religious, or private organizations. I have no objection to charitable or private organizations, but we have been very careful in this church-and-state area.

My father happened to be a Lutheran minister. I believe in the effectiveness of religion not only in our personal lives, but in giving stability to our Nation. We have been careful. For example, we permit religious schools to have some school lunch money. We permit some title I funds. We permit, under certain circumstances, assistance for disabled people that can be provided to religious organizations. But, under this, what we do is we not only say that religious organizations do not need to alter their form of internal governance—I have no objection to that—or remove icons, Scripture, or other symbols—I personally have no objection to that, though I know some who do—we permit churches and religious organizations to propagate people before they can get assistance. I think that clearly crosses the line in church/state relations. I think a hungry person should not have to be subjected to a religious lecture from a Lutheran, a Catholic, a Jew, or a Muslim before they get assistance. What if someone objects? If someone objects——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SIMON. I will close by saying, within a reasonable period, you appeal to the State, and the State eventually makes a decision. I think we should not waive this.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The PRESIDING OFFICER (Mr. ABRAHAM). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 67, nays 32, as follows:

[Rollcall Vote No. 230 Leg.]

YEAS—67

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Baucus	Gramm	Mikulski
Bennett	Grams	Moynihan
Biden	Grassley	Murkowski
Bingaman	Gregg	Nickles
Bond	Hatch	Nunn
Bradley	Hatfield	Pressler
Breaux	Heflin	Roth
Brown	Helms	Santorum
Burns	Hutchison	Sarbanes
Campbell	Inhofe	Shelby
Coats	Inouye	Simpson
Cochran	Johnston	Smith
Cohen	Kempthorne	Snowe
Coverdell	Kerrey	Stevens
Craig	Kerry	Thomas
D'Amato	Kohl	Thompson
DeWine	Kyl	Thurmond
Dodd	Lieberman	Warner
Domenici	Lott	Wellstone
Faircloth	Lugar	
Frahm	Mack	

NAYS—32

Akaka	Feinstein	Moseley-Braun
Boxer	Ford	Murray
Bryan	Glenn	Pell
Bumpers	Graham	Pryor
Byrd	Harkin	Reid
Chafee	Hollings	Robb
Conrad	Jeffords	Rockefeller
Daschle	Kennedy	Simon
Dorgan	Lautenberg	Specter
Exon	Leahy	Wyden
Feingold	Levin	

NOT VOTING—1

Kassebaum

The PRESIDING OFFICER. On this vote the yeas are 67, the nays are 32. Three-fifths of the Senate duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. Mr. President, I opposed the motion to waive the Byrd rule point of order against the language of section 2104 which would provide a specific authorization for States to contract with charitable, private, or religious organizations to provide services under this act. States, without this provision, are able to enter into such contracts provided that they are consistent with the establishment clause of the Constitution and the State constitution and statutes of the State involved. Therefore, I believe this provision is unnecessary.

I also voted against the language because it could inadvertently actually create a headache for religious organizations that currently deliver social services under Federal contract. Religious organizations currently contract to deliver social services for the Federal Government. They do so separate from their religious activities, keeping separate accounts, for instance.

Under the bill's language, neither the Federal Government nor a State may refuse to contract with an organization based on the religious character of the organization, but if a recipient of those benefits objects to the religious character of an organization from which that individual would receive assistance, the State must provide that individual with assistance from an alternative provider that is ''accessible'' to the individual. So if a religious organization is currently delivering services in a way that is consistent with the Constitution but an individual objects to that institution having the contract, that individual could precipitate an expensive bureaucratic second track for the delivery of services for that one individual. While this may not be the intent of the bill's language, it could easily lead to that.

It is ultimately the Constitution which determines under what conditions religious organizations can be contracted with by the Federal or State governments for the delivery of publicly funded social services. The statute cannot amend the Constitution. Indeed, this bill's language purports to require, in section 2104c, that programs be implemented consistent with the establishment clause of the U.S. Constitution. What the bill's language therefore unwittingly does is confuse rather than expand.

MOTION TO WAIVE THE BUDGET ACT—SECTION 2909

The PRESIDING OFFICER. The question is now on agreeing to the motion to waive section 2909. There are 4 minutes equally divided. The Senate will come to order.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I believe the regular order would be Senator FAIRCLOTH, and he has 2 minutes. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Regular order, please, Mr. President.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. FAIRCLOTH. Mr. President, in 1994, when President Clinton sent his first welfare reform bill to Congress, he said that preventing teenage pregnancy and out-of-wedlock births was a critical part of welfare reform. I hope we all could agree with the President on that point and also agree to waive the point of order against the funding for abstinence education programs.

Abstinence education programs across the country have shown very promising results in reducing teenage pregnancies and reducing the teenage pregnancy rate, and it deserves to be expanded with Federal assistance. This provision does not take funds from existing programs and will be a critical

help in meeting the bill's goal of reducing out-of-wedlock births.

Mr. President, our colleagues on the other side have asked us repeatedly to consider the children. Abstinence education is an effective means to help children avoid the trap of teenage pregnancy. I urge my colleagues to vote to waive the Budget Act on this provision.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I yield our time to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

The Senate will come to order, please.

Mrs. MURRAY. I thank the Chair.

Mr. President, the bill before us takes $75 million from the Maternal and Child Health Block Grant Program to fund the abstinence program. I am sure that everyone here can agree abstinence is important. However, I strongly urge my colleagues not to allow us to rob the Maternal and Child Health Block Grant Program to fund this abstinence program.

The maternal and child health block grant provides critical dollars for prenatal care, newborn screening, and care for children with disabilities. It provides for vital resources like parent education, health screenings and immunization, children preventive dental visits, and sudden infant death syndrome counseling.

I am sure my colleagues will agree we should not reduce these vital resources by 13 percent. I have a chart here showing how much that will reduce each State's allocation if you are interested.

Let me read quickly to you from the Association of State and Territorial Health Officials, who say:

> State health officers object to the new set-aside on the grounds that states, not the federal government, are better able to decide what programs are necessary and effective for their communities. State health officials share the laudable goals of reducing unintended pregnancies and exposure to sexually transmitted diseases. In fact, abstinence education is an integral component of most maternal and child health programs. Ironically, due to the new administrative costs states will incur and the reduction of overall block grant funds, this set-aside will actually do harm to states' overall abstinence promotion efforts.

Mr. President, if we agree that abstinence——

Mr. EXON. Mr. President, the Senate is not in order. I can hardly hear the Senator.

The PRESIDING OFFICER. The Senate will please come to order.

The Senator from Washington is recognized.

Mrs. MURRAY. I thank the Chair.

Mr. President, if we agree abstinence programs are vital, fine; let us pay for them. But let us not steal from the critical maternal and child health programs that are so important to so many parents across this country. I urge my colleagues to vote no on the motion to waive the Budget Act.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, Senator FAIRCLOTH has yielded me his remaining 30 seconds.

Mr. President and fellow Senators, Senator FAIRCLOTH is suggesting something here that I believe we ought to try. What he is saying is we have tried so many things with reference to teenage pregnancy, why not try a program that says to our young people: We would like to give you the advantages of abstinence.

Now, you do not have to believe in that; you do not have to be an advocate of it, but you ought to give it a try.

We have tried all kinds of things under the rubric of Planned Parenthood and yet anybody that tries to suggest and receive funding for a program that does this cannot be funded. I believe it ought to be funded, and I think we ought to waive the Budget Act. I commend the Senator for this suggestion.

I yield the remainder of my time.

The PRESIDING OFFICER. The question is now on agreeing to waive the Budget Act.

Mr. DOMENICI. Mr. President, I am sorry; I should have gotten your attention sooner. On behalf of the majority leader, we are now prepared to enter into an agreement.

The PRESIDING OFFICER. The Senate will please come to order.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. I ask unanimous consent that immediately following the third reading of H.R. 3734, the following Senators be recognized for up to 5 minutes for closing remarks: Senators MOYNIHAN, ROTH, EXON, and DOMENICI. Further, I ask that following the conclusion of the remarks of the four managers, Senator DASCHLE be recognized to be followed by Senator LOTT for closing remarks utilizing leaders' time.

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

Mr. DOMENICI. I ask unanimous consent that immediately following the passage of H.R. 3734, the Senate insist on its amendments, request a conference with the House on the disagreeing votes thereon, and the Chair be authorized to appoint conferees on the part of the Senate, all without further action or debate.

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

VOTE ON MOTION TO WAIVE THE BUDGET ACT—SECTION 2909

The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from Hawaii [Mr. INOUYE] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 52, nays 46, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—52

Abraham	Frist	McConnell
Ashcroft	Gorton	Murkowski
Bennett	Gramm	Nickles
Biden	Grams	Nunn
Bond	Grassley	Pressler
Brown	Gregg	Roth
Burns	Hatch	Santorum
Campbell	Hatfield	Shelby
Coats	Heflin	Simpson
Cochran	Helms	Smith
Coverdell	Hutchison	Specter
Craig	Inhofe	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Domenici	Lott	Thurmond
Exon	Lugar	Warner
Faircloth	Mack	
Frahm	McCain	

NAYS—46

Akaka	Feinstein	Mikulski
Baucus	Ford	Moseley-Braun
Bingaman	Glenn	Moynihan
Boxer	Graham	Murray
Bradley	Harkin	Pell
Breaux	Hollings	Pryor
Bryan	Jeffords	Reid
Bumpers	Johnston	Robb
Byrd	Kennedy	Rockefeller
Chafee	Kerrey	Sarbanes
Cohen	Kerry	Simon
Conrad	Kohl	Snowe
Daschle	Lautenberg	Wellstone
Dodd	Leahy	Wyden
Dorgan	Levin	
Feingold	Lieberman	

NOT VOTING—2

Inouye	Kassebaum

The PRESIDING OFFICER. On this vote, the yeas are 52, the nays 46. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected, and the point of order is sustained.

Mrs. MURRAY. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

POINTS OF ORDER

The PRESIDING OFFICER. The Chair informs the Senate that there are 22 points of order remaining. The Chair sustains all but the 15th point of order raised against section 409(a)(7)(C).

Mr. KEMPTHORNE. Mr. President, yet again during the 104th Congress we find ourselves debating welfare reform on the floor of the Senate. It is regrettable that we even have to take the time to debate this issue. We have already twice passed solid welfare reform plans which would give States the necessary flexibility to truly provide for the unique needs of the less fortunate in their States. Unfortunately, the President's vetoes of the two previous welfare reform proposals has left us with no real reform and has left States floundering.

Just over 10 months ago, I stood here on the Senate floor and said that welfare reform was long overdue. It still is. We all know the welfare system in

this Nation is seriously flawed. Maintaining the status quo is not only not an option, I believe it is morally wrong. We must break the cycle of poverty which our current system has perpetuated. As Franklin Delano Roosevelt once said, ''The lessons of history 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.'' If we are to restore that spirit, we must give those on welfare a fighting chance—a chance I believe they want—to once again become contributing members of our society.

After debating this issue for months, I believe it is safe to say that a majority of Members of Congress recognize that the only true way to reform the welfare system is to turn it over to the States. True reform, innovative reform, will come from the States, and we should give them the opportunity to prove that they are capable of making the changes the system needs. Turning these programs over to the States will provide them with the opportunity to shape poverty-assistance programs to meet local needs. It will provide States and local officials with the change to use their own creativity and their own intimate knowledge of the people's needs to address their problems. And we do not make them go through a series of bureaucratic hoops in order to get a waiver to do so.

Mr. President, my home State of Idaho is currently in the process of applying for just such a waiver. In order to get to this point, the Governor appointed a Welfare Reform Advisory Council which met with people in communities around the State to solicit suggestions on how the current system could be reformed. From those meetings came 44 specific proposals for making welfare work. These recommendations fall into four categories: Making welfare a two-way agreement and limiting availability; mandatory work requirements and improvements to the child care system which will allow recipients with young children to work; new eligibility standards which focus on maintaining the integrity of the family structure; and improving child support enforcement.

The people of Idaho have spoken on the directions in which they wish to go with welfare reform. Unfortunately, the requirement to attain waivers is preventing these reforms from being enacted. To make matters worse, not only is the system not being reformed, but limited, vital resources are being used to apply for the waivers instead of for helping the needy. The current process is slow, time consuming, and inefficient. This is why block grants are so necessary. The people of Idaho want a system which helps the truly needy, and they have worked diligently to plan just such a system. Instead, they are given additional bureaucracy. It is time we let the States, like Idaho, implement reforms, rather than just write about them.

Idaho's concerns are not unique. Many of the States see the same problems with the current welfare system. At the same time, the best manner in which to address these concerns varies considerably across the Nation. A cookie-cutter, one-size-fits-all approach simple does not fit in a diverse nation. That is why we must finally let go of Federal control.

I believe the welfare reform debate is about one word—freedom. It is the freedom of State and local governments to decide how best to provide assistance to the needy. It is the freedom of the various levels of government to create innovative ways to meet the unique needs of the downtrodden in their city, county or State. It is the freedom to follow local customs and values rather than Federal mandates. I have said for some time that when the Government tries to establish a one-size-fits-all, cookie-cutter approach to address a perceived need, it ignores the unique circumstances which are so important in developing the best way to address that need.

I do not want anyone in this country who is struggling to make something of themselves, regardless of the State in which they reside, to be hampered in their efforts because of rules and regulations which ignore the fact that this Nation is not uniform—that people in all areas of the country have unique circumstances which simply cannot be addressed in one prescriptive Federal package. What I hope to do, what I believe this legislation does, is give current and future welfare recipients the freedom to break out of poverty.

Mr. President, this bill is also about freedom for those who are already on welfare, or who are at risk of entering the welfare rolls. Under the current system, generations have grown up without knowing the satisfaction of work and personal improvement. The value of family has been ignored, aiding the increasing rate of illegitimacy. And possibly worst of all, children have been raised without hope in a system that does more to continue poverty than to break the welfare cycle. For far too many, the system offers no incentives and no promise of a better future.

For more than 30 years, we have tried to dictate to the States how best to take care of their needy. After 30 years, it is time to accept that the experiment is a failure. And thus, it is time we let the States take control and develop their own solutions to the problem of poverty in this Nation.

Mr. HATCH. Mr. President, three times in the last year we have stood on this floor to debate welfare reform. The first time, the bill passed the Senate by a large bipartisan majority, 87 to 12.

Yet, the President has vetoed it. He has since vetoed welfare reform legislation twice more.

Today, we are standing here again. We have yet again passed legislation to reform a failed and broken welfare system, a system which has dragged the most vulnerable of our population into a pit of dependency.

We must stop this cycle. We must give these families the hope and help they deserve. This legislation would do just that.

This legislation reforms the old system into a new one. This legislation will take a system of degrading, esteem depleting handouts and transform it into a transitional system of support that helps families gain work experience, training, and self-sufficiency. This bill creates a system that gives beneficiaries a leg up and not a shove down.

In watching the Olympic long-distance cycling event a few nights ago, my heart went out to those athletes who had trained so hard, but who had hit ''the wall,'' that point in an endurance contest when the goal seems overwhelming and when it seems impossible to take another step or pedal another foot.

Mr. President, many of our welfare recipients under our current system have faced the wall. Our current system is one that simply encourages dependence; an individual's self-esteem is shattered; when a better life seems beyond reach; and it becomes easier to quit and accept the help of others.

This legislation will help American families climb over the wall of poverty. It will build self-confidence and hope for the future on a foundation of work and accomplishment.

Yet, Mr. President, welfare recipients are not the only ones who have hit the proverbial wall with our welfare system. The taxpayers have hit it too. Frankly, while they are a compassionate people, while they want to help those who are less fortunate, they also want to see personal responsibility and individual effort restored as a quid pro quo to receiving help.

Americans have become frustrated that the increasing billions of dollars we spend on the war on poverty is not reducing poverty. It is not building strong families. It is just not working.

Mr. President, the legislation before us today would create a transitional system. One that stresses temporary assistance and not a permanent handout. It requires that beneficiaries go to work and get the training and educational skills they need to get and keep a job. No longer will beneficiaries be able to get something for nothing. This system will give them the help they need to get into a job and move into self-sufficiency.

Mr. President, this bill gives the States the flexibility they need to design the best systems they can to address their unique mix of economic climate, beneficiary characteristics, and resources available. The Federal Government cannot be responsive to local conditions but the States can.

This bill moves the decisionmaking and system design authority to the States where it belongs. It doesn't simply leave Federal funds on the stump

as some have suggested. States are required to submit their plans and live up to them. They must serve their needy populations and provide them the resources necessary to move them into jobs and self-sufficiency.

This legislation is the fourth time the Senate has passed welfare reform legislation. This is yet another chance for the President to honor his pledge to ''reform welfare as we know it.'' It is another chance for all of us to throw over a system that provides no real hope, no real help, no real progress. American low-income families deserve more and so do the American taxpayers.

Mr. LEVIN. Mr. President, the present welfare system does not serve the Nation well. It does not serve families and children well. It does not serve the American taxpayer well.

This bill contains several provisions which I hope can be moderated in the conference between the House and the Senate and in discussion with the President.

Meaningful reform should protect children and establish the principle that able-bodied people work. It should tighten child support enforcement laws and be more effective in getting absent fathers to support their children. The bill before us represents a constructive effort. It is an improvement over the bill the President vetoed last year because it provides more support for child care, requires a greater maintenance of effort from the States, and does not block grant food stamp assistance. And, the Senate has improved the bill which the Finance Committee reported by passing amendments which maintain current standards for Medicaid and which eliminate excessive limits on food stamp assistance.

The funding levels in this bill are aimed at assuring that adequate child care resources will be available for children as single parents make the transition into work. Those levels are significantly improved. This strengthens the work requirement because it better assures that States can effectively move people into job training, private sector employment, and community service jobs.

I am particularly pleased that the Senate approved my amendment, offered with Senator D'AMATO, which greatly strengthens the work requirement in the bill. The original legislation required recipients to work within 2 years of receipt of benefits. My amendment adds a provision which requires that unless an able-bodied person is in a private sector job, school or job training, the State must offer, and the recipient must accept community service employment within 2 months of receipt of benefits.

I would prefer a bill which did not end the Federal safety net for children, a bill like the Daschle work first legislation which failed in the Senate narrowly and which I cosponsored. I would prefer a bill which permitted noncash voucher assistance targetted to the children of families where the adult parent is no longer eligible for assistance. I would prefer a bill which protects legal immigrants who have become disabled.

So the decision is a difficult and a close one. On balance, however, I believe that it is so critical that we reform the broken welfare system which currently serves the American taxpayer and America's children poorly, that it is necessary to move this legislation forward to the next stage.

I believe that it is particularly important that partisanship not dominate the conference between the House and Senate. I am hopeful that the congressional leadership work with the President to forge a final bipartisan welfare reform bill behind which we can all close ranks.

Mr. GLENN. Mr. President, I rise today to oppose what is called welfare reform but is really radical change and a surrender of the Nation's responsibility to our children. This measure ends our 60-year national guarantee of aid to the poor and the disadvantaged. Make no mistake, the poor and the disadvantaged to whom we refer are our children. Today one in five children live in poverty and I am not convinced that this bill will improve our problem and I fear that it will only make it worse.

I want our welfare system reformed and I voted for an alternative Democratic welfare reform plan, the Work First Act of 1996, which was based upon last year's Democratic welfare proposal. Work First promotes work while protecting children. It requires parents to take responsibility to find a job, guarantees child-care assistance and requires both parents to contribute to the support of their children. When this alternative failed, I supported many of the amendments to improve the bill and guarantee assistance to poor children.

I am concerned that there are already far too many poor children in this country. I believe that this bill will cause many more children to live in poverty. It is estimated that 130,185 children in Ohio will be denied aid in 2005 because of a mandated 5-year time limit; 52,422 babies in Ohio will be denied cash aid in 2000 because they were born to families already on welfare; 79,594 children in Ohio will be denied benefits in 2000 should assistance levels be frozen at 1994 levels. In total, at least 262,000 children in Ohio would be denied benefits when these welfare provisions are fully implemented.

Last year's Senate-passed bill would have pushed an additional 1.2 million children into poverty. In Ohio alone, 43,500 children will be pushed into poverty by the bill now before us. Mr. President, I cannot support legislation that would cause this kind of unacceptable harm.

I have been concerned from the start that simply washing our hands of the Federal responsibility for welfare and turning it over to States is no guarantee of success. This is very risky policy and we will no longer have a mechanism for guaranteeing a national safety net for our poorest families.

Perhaps if we were more concerned with moving people from welfare to work rather than just moving people off welfare we would be making a real start. However, I am not convinced that merely putting a time limit on benefits will lead to employment. I am not convinced that this legislation ends welfare as we know it, it just ends welfare.

In the end Mr. President, the changes we contemplate today will take away from those least able to afford it and will have a devastating impact on children's health, education, nutrition, and safety. Providing adequate assistance for our children will save money in the long run and be cost effective. I oppose this bill.

Mr. WELLSTONE. Mr. President, the people of Minnesota and of the Nation have made it clear that they want a welfare system that helps people make a successful transition from welfare dependency to work. I support that goal. That is why I voted for a workfare proposal with a tough, 5-year time limit on welfare benefits. That workfare proposal would move recipients quickly into jobs, requiring all able-bodied recipients to work and turning welfare offices into employment offices. It would provide adequate resources for child care, recognizing that families can't realistically transition to the workplace unless their kids are being looked after. The bill was called work first because it provided the tools needed to get welfare recipients into jobs and to keep them in the workplace.

Unfortunately, work first, the workfare proposal I voted for, did not prevail in the Senate. Instead, we in the Senate are faced with a bill that would punish innocent children. By sending an underfunded block grant to States, this bill would obliterate the already frayed safety net for children. Last year during this debate, the Office of Management and Budget estimated that 1.2 to 1.5 million children would be pushed into poverty by such a welfare reform proposal. About the same number would suffer under this year's plan. The deep cuts in food stamps in this bill would mean that many thousands of children would go hungry. I will not sit back and vote for consigning 1 million children to poverty. I will not be party to actions that mean that there will be more hungry and homeless children in the most prosperous Nation on Earth.

Unfortunately, the majority in the Senate did not agree to crucial improvements to the legislation. When I asked that we look at the effect of this legislation on poor children and revisit this legislation after 2 years if we find out that it is pushing more children into poverty, my colleagues turned me down. That was a clear signal to me that the suffering of children is not being taken as seriously as it should be

by this Congress. When several Democratic Senators tried to allow States to use their grants to provide vouchers for children's necessities like disperse and clothes after their parents reached the time limits for aid, we were turned down by the majority. When several Democratic Senators tried to place more humane limits on the aid legal immigrants could receive, we were again turned down by the majority. And although we were successful in ensuring that food stamps are not block granted, I continue to have serious concerns about a bill that cuts $28 billion from food stamps, which provide the most basic necessities.

In addition, I am very concerned that this bill will drop or deny SSI benefits to over 300,000 children during the next 6 years. This was also a concern I had with the work first bill I supported earlier. While I admit that there are some problems in the SSI Program, we can certainly address the problems through more targeted reforms and regulatory changes.

I have voted for workfare. Indeed, I voted for an amendment to strengthen the work requirements in this bill by requiring able-bodies welfare recipients to participate in community service jobs within 2 months of receiving aid. I support moving families from welfare to work. I believe we can accomplish that in a just and humane way. I do not believe, however, that the bill we have before us today is just and humane, and I will not vote to punish innocent children.

Mr. KERREY. Mr. President, I rise today to state my opposition to final passage of the Republican welfare reform legislation. I will vote against this legislation simply because although it portends welfare reform, it is about neither welfare nor reform.

Let me be clear—I am certainly not against reforming our welfare system. Indeed, I have voted for welfare reform in the past because I agree that the current system is clearly broke and in dire need of repair. But if we are going to have reform it should be meaningful and not reform for reform's sake.

For me, meaningful welfare reform means concentrating on preparing individuals to enter the work force. And by preparing individuals to enter the work force we must prepare them for all the challenges that lie ahead. It is important to note that the No. 1 reason people enroll for AFDC benefits is divorce or separation.

No doubt, the American taxpayers who pay for this system and those who are recipients of welfare programs want and deserve a better system. However, reform without the thought of consequence will do more harm than good.

Already 20 percent of our Nations children live in poverty, and undoubtedly this bill will add to that total—by the millions. And while AFDC caseload has decreased in Nebraska, child poverty continues to rise. Last year 3 percent of children in Nebraska were on AFDC, yet 11 percent of children lived in poverty.

My friend, colleague and noted expert Senator MOYNIHAN took to the floor last week to report that more than one million children will be thrown off the welfare roles should this legislation become law. He said, ''It is as if we are going to live only for this moment, and let the future be lost,'' Mr. President, surely what is before us is not true welfare reform. It is merely a way to cut the deficit on the backs of the neediest under the guise of welfare reform.

Indeed, this legislation does have its work provisions. I offered an amendment accepted by both the Republican and Democratic leadership that would allow states to contract—on a demonstration basis—with community steering committees [CSC's] to develop innovative approaches to help welfare recipients move in to the workforce. The CSC's, created by the amendment, would be locally based and include educators, business representatives, social service providers and community leaders. The main charge of the CSC's would be to identify and develop job opportunities for welfare recipients, help recipients prepare for work through job training, and to help identify existing education and training resources within the community. As well, CSC's would focus on the needs of the entire family rather than just on the needs of adult recipients.

This is the type of work provision that works—and I support—because it encourages individuals on welfare to move into the work force. It provides much needed resources so that once these individuals get into the work force, it works to ensure they stay in the work force. But this measure alone is not enough.

To keep a job, individuals—especially parents—need other things. We need to make certain that every person who is moving into the ranks of the employed has high-quality, affordable child care; otherwise, they are not going to be able to be successful in the workplace. We need a system that gives individuals the opportunity to earn reasonable wage, and to have access to health care, education and training. These are the elements of a system that works and this is the kind of system we should be working toward.

As a nation we need to focus our efforts on job creation, education and personal savings, as well as on meaningful reform to our entitlement programs. These elements, more than anything else, will help to ensure a brighter future for all working Americans.

Mr. President, the legislation before us today endeavors to move welfare mothers into the work force, but it removes valuable resources that would help the individuals achieve the goal of employment because it lessens their access to child care and health insurance.

There is a tremendous differential between the relative cost of child care for somebody who is in the ranks of the poor and people who are not poor. Above poverty, American families spend about 9 percent of their income for child care. Below poverty, it is almost 25 percent of their income. As well, as of 1993, 38 percent of working households under the poverty line are uninsured. While health care reform legislation that passed the Senate unanimously languishes, this legislation, regrettably, makes health care pressures even harder to bare.

My Democratic colleagues offered an amendment that would have converted funding formulas to help States—like Nebraska—with larger proportions of children on poverty. This provision would have provided aid to States and individuals truly in need. The Senate voted this measure down, showing the true failings of this legislation—it denies aid to those who are truly in need.

Other amendments designed to help children, but which failed, included an amendment that would have ensured health care and food stamps for children of legal immigrants, and an amendment that would have provided vouchers for children whose families have hit the 5-year term limit so that they may care for the children. But these important measures—which would have made the reform legislation more humane—failed on party-line votes.

Mr. President, the people of the state of Nebraska—indeed most Americans—are strongly in favor of welfare rules that give work a greater priority than benefits. But much of this legislation is being driven solely by the need to reduce the deficit and it has an ideological bent to it that says it has to be one way or the other. The impetus of this reform is not driven by a desire to say that the system is going to work better—it is sadly about matters of political expediency.

By pushing mothers and an alarming amount of children off the welfare roles and further onto the fringe of society, this legislation will do more harm than good. From a taxpayer standpoint, a beneficiary standpoint, and a provider standpoint, we need a welfare system that operates in a more efficient, effective and hopefully humanitarian fashion. Unfortunately, this legislation does not offer the necessary reforms to bring us that system.

I yield the floor.

Mr. KYL. Mr. President, since President Johnson declared his War on Poverty, the Federal Government, under federally designed programs, has spent more than $5 trillion on welfare programs. But, during this time, the poverty rate has increased from 14.7 to 15.3 percent.

After trillions of dollars spent on welfare over the past 30 years, we are still dealing with a system that hurts children, rather than helps them. The current system discourages work, penalizes marriage, and destroys personal responsibility and, oftentimes, self-worth.

According to the Public Agenda Foundation, 64 percent of welfare recipients agree that ''welfare encourages teenagers to have children out of wedlock,'' and 62 percent agree that it ''undermines the work ethic.''

And, there are serious negative consequences when a child is born out-of-wedlock. Children born out-of-wedlock have a substantially higher risk of being born at a very low or moderately low birth weight. Children born out of wedlock are more likely to experience low verbal cognitive attainment, as well as more child abuse, and neglect. Children born out of wedlock are more likely to have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves. Children born out of wedlock are three times more likely to be on welfare when they grow up.

Who would not be full of despair and without hope for the future when presented with such a scenario?

S. 1956 seeks to change this by allowing States to design programs that counter these trends, and to change general welfare policy so that it promotes work and marriage.

STATE BLOCK GRANTS

S. 1956 replaces the current AFDC and related child care programs with a general block grant and a child care block grant.

Limited success in reforming welfare has occurred when States and localities have been given the opportunity to go their own way. In Wisconsin, for example—and we all know that Wisconsin is waiting for approval of a waiver to continue to reform its welfare system—a successful program there diverts individuals from ever getting on welfare. Under a local initiative in the city of Riverside, CA, individuals on welfare are staying in jobs permanently. In both Wisconsin and Riverside, welfare rolls have been reduced.

Arizona is a good example of why reform is still needed. Arizona applied in July 1994 to implement a new State welfare program, EMPOWER, based on work, responsibility, and accountability. It took the U.S. Department of Health and Human Services bureaucracy a full year to approve the waiver.

A shift to block grants to States make sense. By allowing States to design their own programs, decisions will be more localized, and the costs of the Federal bureaucracy will be reduced.

NONWORK AND ILLEGITIMACY

It must be emphasized over and over that there are two fundamental driving forces behind welfare dependency that must be addressed in any welfare reform bill: nonwork and nonmarriage.

Nonwork and illegitimacy are key underlying causes of our welfare crisis and, even with the effective elimination of the Federal welfare bureaucracy, they will remain as its legacy if we choose not to address them. People will never get out of the dependency cycle if federal funds reinforce destructive behavior.

NONWORK

Let us deal with the facts: To escape poverty and get off welfare, able-bodied individuals must enter and stay in the workforce. As Teddy Roosevelt said, ''The first requisite of a good citizen in this Republic of ours is that he shall be able and willing to pull his own weight.''

Another fact: The JOBS program that passed as a part of the Family Support Act of 1988 moves a far too small number of welfare recipients into employment. Less than 10 percent of welfare recipients now participate in the JOBS program.

In order to receive all of their block grant funding, under S. 1956, States will be required to move toward what should be their primary goal: self-sufficiency among all their citizens.

S. 1956 requires that 50 percent of a caseload be engaged in work by the year 2002. There are work components of this bill that could be strengthened but it provides a good beginning toward these goals. In addition, under S. 1956 welfare recipients must be engaged in work no later than 2 years after receiving their first welfare payment. States must also lower welfare benefits on a pro rata basis for individuals who fail to show up for required work.

ILLEGITIMACY

Our Nation's illegitimacy rate has increased from 10.7 percent in 1970 to nearly 30 percent in 1991. Eighty-nine percent of children receiving AFDC benefits now live in homes in which no father is present.

It must be reemphasized what role the breakdown of the family has played in our societal and cultural decline. This is not really even a debatable point. The facts support a devastating reality. According to a 1995 U.S. Census Bureau report, the one-parent family is six times more likely to live in poverty than the two-parent family.

S. 1956 provides measures to combat illegitimacy, including providing an incentive fund for states to reduce illegitimacy rates.

In addition, Federal funds under the block grants, unless a State opts out, may not be used to provide additional assistance for mothers having additional children while on welfare. If the rules of welfare are stated clearly to a mother in the beginning, and if allowances are made for noncash essentials like diapers and other items, then such an approach is fair. If such a rule reduces out-of-wedlock births, it may turn out to be more fair than most other aspects of welfare.

Mr. President, the Congress has passed welfare reform two other times, and twice the President has vetoed the legislation. There is an urgency to the task at hand. Children's lives are being compromised—it is time to work toward a system that is recognized for the number of children that never need to be on welfare, rather than the number of children who are brought into the failed welfare state. The Senate should pass S. 1956.

Mr. COATS. Mr. President, in 1962, President Kennedy, in his budget message to Congress, noted:

> The goals of our public welfare program must be positive and constructive. It must contribute to the attack on dependency, juvenile delinquency, family breakdown, illegitimacy, ill health, and disability. It must replace the incidence of these problems, prevent their occurrence and recurrence, and strengthen and protect the vulnerable in a highly competitive world.

This statement presents the strong, initial common ground that we share: that Government has a legitimate role in supporting our most helpless and desperate families with dependent children.

Certainly, our second ground of agreement is that an appropriate welfare policy should do nothing to harm the family being supported. Families are the foundation of our Nation's values. They teach us the principles of economics, the value of relationships, and the importance of moral truths. They define our view of work, responsibility, and authority. They teach us the meaning of trust, the value of honesty, and are the wellspring of every individual's strength against alienation, failure, and despair.

During countless eras when no other organized unit of society even functioned, the family was the institution that made survival of the cultural, political, economic, and social order possible.

We should agree on what a welfare policy should protect—the family—and what it should protect against—dependence on the State. We should also agree that this Nation's current welfare policy has diverged greatly from President Kennedy's vision.

The Government has attempted to end poverty by establishing an engorged bureaucracy and writing checks, all told pouring over $5 trillion into the war on poverty. At the same time, individual dependence on the Government has increased, individual dignity has declined, and the family has been dealt a near fatal blow.

Today, there are more people living in poverty than ever before—and the only thing the Government welfare state has succeeded at doing is spawning generations of people who will be born, live, and die without ever having held a steady job, owned a home, or known the strength of a two parent family.

Individual dependence on the State has increased with every Government intervention. Indeed, the population receiving welfare payments receives checks for extraordinarily long periods of time. Under current law, 25 percent of women can expect to receive those payments for more than 8 years. The typical recipient receives payments for almost 4 years. Forty percent of recipients return to the welfare rolls at least once.

Government intervention has distorted the economic incentive system that, at least in part, motivates a person to give of his labor. Government

intervention eliminates the need to work to support oneself and one's family by providing money regardless of whether one works. Dependence on such a system is all but inevitable.

Given time, a cash payment that is not tied to a requirement to work will undermine the second motivation to work; namely, the desire to produce some benefit, whether tangible or intangible, for oneself or for society. Who can doubt that a person experiencing such a disconnection for any protracted period of time will eventually suffer a loss of individual dignity as the welfare system undermines the moral and personal responsibility of the recipient?

Today however, we are turning to the issue of solutions. Whatever the proposed solution, we must gauge its effectiveness and desirability in terms of the three common grounds discussed throughout this debate. Does our policy foster dependence on the Government or promote independent action by the individual? Does it promote the dignity of the human person or undermine it? Does it destroy the family or build it up?

I am convinced that we will only achieve successful welfare reform when we begin to emphasize personal responsibility. Unfortunately, for far too long welfare programs supported by the Federal Government have failed to acknowledge and promote personal responsibility, and many other core American values.

I would argue that the key goal of welfare reform must be to promote self-sufficiency. A beginning step toward self-sufficiency is to change people's expectations about welfare. A recent GAO study noted that a key challenge for States is to learn how to break the entitlement mentality—the view that public assistance is a guaranteed benefit. States had to start helping individuals understand that a job was in their best interests.

One successful approach to encourage greater responsibility which is being experimented with by several States is the use of personal responsibility agreements. I am proud to say that Indiana has been at the forefront of helping individuals and families achieve long-term stability and self-sufficiency through the use of personal responsibility agreements. With personal responsibility agreements, Indiana's welfare reform plan moves families away from dependence and toward work. More than 39,000 individuals and families in Indiana have signed personal responsibility agreements as of April 1996.

Indiana's agreements require that families who receive AFDC understand that welfare is temporary assistance, and not a way of life. They must develop a self-sufficiency plan and go to work as quickly as possible, recognizing sanctions will be imposed for quitting a job, refusing to accept a job or dropping out of the job program. Families must also take responsibility for their children's timely immunizations and regular school attendance. Furthermore, their AFDC benefits will be limited to the number of children in the family within the first 10 months of qualifying for AFDC. Teenage recipients must live with parents or other adults. And finally, families are limited to a 2-year period of AFDC assistance a job placement track.

The amendment proposed by Senator HARKIN and myself last Thursday makes it clear that States must develop these personal responsibility agreements, such as those required of families in both Indiana and Iowa. This amendment is necessary because under current law States who wish to enter into this agreement with their residents, must first apply to Washington for a waiver of current welfare laws. This requirement to get permission from Washington for such common sense reforms not only steals valuable time from a State's reform efforts, but also represents a completely unnecessary Government intrusion. This amendment frees States from the extended negotiations that are now necessary to receive a Federal waiver, and enables States to move forward from failed, dependence-ridden, welfare programs to programs which promote independence, self-sufficiency, and long-term economic stability.

Senator HARKIN has been a real leader in the area of personal responsibility agreements, having recognized early their success in the State of Iowa. He introduced a very similar amendment to H.R. 4 last year which was ultimately dropped in conference. This year, personal responsibility agreements are found in both the House welfare reform package, H.R. 3507, and in the President's welfare bill. The amendment adopted here last Thursday requires States to adopt this common sense reform measure which ensures that everyone who receives assistance understands from day one that the assistance is a temporary measure intended to help the family achieve self-sufficiency and independence through employment.

Personal responsibility agreements help raise people's expectations while at the same time, giving them a clear goal and positive vision for their future.

The time has come for us to reform our Nation's welfare system. A year ago we passed legislation that is nearly identical to the bill before us today. We have adjusted the bill in many ways in an effort to find the magic formula that would satisfy the opponents of real reform. We have produced a solid package that is best described as a good first step. And we are told that President Clinton may—just may—actually sign this bill.

This welfare bill makes several important changes to the existing system. It ends the Federal entitlement and places strict time limits and work requirements on welfare recipients. Most importantly, this bill turns the task of redesigning public welfare systems over to the States. We will no longer be treated to the spectacle of Governors coming to the Department of Health and Human Services to ask permission for common-sense welfare reform measures.

The lesson for this protracted political exercise is that President Clinton has abdicated leadership on welfare. In 1992, he promised to end welfare as we know it. In 1995 and 1996 he fought to preserve the status quo at every turn. Now, when pollsters and consultants tell him that signing a welfare reform bill might help his reelection campaign, the President has begun to edge his way toward the Rose Garden for a signing ceremony—a ceremony that should have been held a year ago.

Welfare reform is simply too important for this kind of gamesmanship. If President Clinton had signed this bill a year ago, we could have begun the difficult task of changing a culture of dependence and despair into a culture of self-sufficiency and hope. A year later our path has gotten longer and steeper and rockier. For tens of thousands the habit of dependence has grown stronger while hope and will to change have grown fainter. The burden of this failure falls not on Congress—we have done our job not once, not twice, but three times. The burden of failure falls squarely on the shoulders of the President. The very least he can do now is sign this bill.

Mr. KOHL. Mr. President, I want to say that I believe the chairman and ranking member of the Subcommittee have done an excellent job in putting together this bill under very difficult budgetary circumstances. They have done an exceptional job of protecting core programs that are of utmost importance to the Nation's farmers, consumers, and communities.

There is one provision in this bill that I think is of great importance and deserves special mention, and that is the language with regard to cost containment for the WIC program.

I think it's fair to say that every Member of the Senate supports the WIC program. The long-term benefits accruing to society from ensuring adequate pre-natal and neo-natal nutrition have been well documented and uncontested.

A large portion of the cost of the WIC program is associated with the purchase of infant formula for WIC recipients. Fortunately, in recent years competition between formula manufacturers bidding for WIC contracts has led to significant savings in the program, with companies offering rebates on infant formula in order to win WIC contracts. Unfortunately, the competition that led to these rebates has been greatly diminished by the recent withdrawal by one of the competitors, Wyeth Laboratories, from the WIC infant formula market. Fortunately, another formula manufacturer, Carnation, has recently entered the WIC formula market, which could help ensure competition and therefore help contain

the costs of the program. However, in many States, the price of Carnation formula is significantly cheaper than other brands of infant formula, which makes it difficult for Carnation to offer rebates as high as their competitors. However, Carnation may still be able to offer the lowest bid, if measured on a lowest net price basis.

Unfortunately, some States are awarding WIC formula contracts simply on the basis of which company offers the highest rebate, as opposed to the lowest net price bid. The detriments of this simplistic approach are two-fold. First, by focusing on highest rebate instead of lowest net price, States are spending more for infant formula than they should. Second, by biasing the WIC formula bid process toward the companies offering the highest rebate, States are effectively excluding additional competitors, such as Carnation, from the WIC formula market, and thus jeopardizing future cost containment efforts.

To address this problem, the Senate Agriculture appropriations bill includes language that requires States to award infant formula contracts to the bidder offering the lowest net price, unless the State can adequately demonstrate that the retail price of different brands of infant formula within the State are essentially the same.

I commend the managers of the bill for including this common-sense language, which I believe will help secure the long-term viability of the WIC program. It is my hope that this provision will be maintained in conference.

Mr. WARNER. Mr. President, I am pleased to rise in support of S. 1956, the Senate's latest attempt to reform the Nation's welfare system. On two occasions in the last year, the Congress has sent welfare reform legislation to the White House, and on both occasions, our efforts have only been met with the veto pen. I sincerely hope that, as the saying goes, the third time will be the charm.

S. 1956 is in many respects identical to H.R. 4, the welfare reform bill approved in the Senate with my support by a vote of 87 to 12 on September 19, 1995. Again we are proposing to block grant the AFDC [Aid to Families with Dependent Children] program, giving over the responsibility of day-to-day administration to the Nation's Governors, while requiring strict work requirements for able-bodied AFDC recipients, 5 year maximum eligibility, limitations on non-citizens, and home residency and school attendance requirements for unmarried teenage mothers.

I am proud to report that these actions are in keeping with the important steps the Commonwealth of Virginia has already taken to reform our own State welfare system. What we in Virginia have accomplished under Governor George Allen through a laborious process of gaining Federal waiver authority, the Senate is now poised to approve for the entire Nation.

In Virginia we call our welfare reform plan the Virginia Independence Program, and we have successfully been in the implementation stage since July 1, 1995. Our goals are simple and to the point: To strengthen disadvantaged families, encourage personal responsibility, and to achieve self-sufficiency.

On a quarterly basis, and as resources become available in different State locales, we are requiring all able-bodied AFDC recipients to work in exchange for their benefits. Increased income of up to 100 percent of the poverty level is allowed while working toward self-sufficiency. Those unable to find jobs immediately will participate in intensive community work experience and job training programs.

To ease the transition from dependence to self-sufficiency, we are also making available an additional 12 months of medical and child care assistance. We understand that these benefits must be provided if single parents, in particular, are going to be able to fully participate in job training and new work opportunities.

Mr. President, let me sum up by saying that the Federal Government has been fighting President Lyndon Johnson's War on Poverty for 30 years. Aggregate Government spending on welfare programs during this period has surpassed $5.4 trillion in constant 1993 dollars. Despite this enormous spending our national poverty rate remains at about the same level as 1965.

Mr. President, the welfare system we have today is badly broken and we must fix it.

I'd like to add a personal note to this debate. Yesterday, I had the good fortune to visit a true laboratory of welfare reform in Norfolk, VA. This laboratory is entitled the ''Norfolk Education and Employment Training Center'', otherwise known as NEET.

Mr. President, my visit with Norfolk city officials and the NEET employees and students truly strengthened my belief that States and local communities—not the Federal bureaucrats in Washington—are best equipped to help individuals break out of welfare.

The city of Norfolk has done a superb job overseeing the NEET Program. There is real cooperation between the city and the contracting private entity that is running the job training center. There was a genuine pride in the faces of the city workers, NEET employees, and the NEET graduates and students.

I commend the city employees who work with the NEET Center, and in particular, Ms. Suzanne Puryear, the director of the Norfolk Department of Human Services. I would also like to commend Ms. Sylvia Powell and the other fine employees at the NEET Center. There is outstanding talent in these two operations, and I believe the business community in Norfolk recognizes this.

Without getting into all of the details, I would like to note that individuals referred to the center are given opportunities to develop a number of job skills, including computer work, and if necessary, the students are assisted with studying for and earning a GED. They are also provided help with job interview preparation as well as actual job search and post-employment support.

Mr. President, there is tremendous talent among the NEET students and graduates. Arlene Wright came to NEET as a welfare recipient. Today, after some 7 months of training and a loan from NEET, Ms. Wright is the proud owner and director of the Tender Kinder Care day care center.

I also spoke with some of the students. One of the most poignant comments came from Ray Rogers. In her words, Mr. President, Ms. Rogers said that NEET is the kind of program that ''helps you pick yourself up. You learn that you can take the things that you know and apply them to a job.''

Pick yourself up. These are very powerful words. It is time that more Americans are helped to pick themselves up and not just be another statistic waiting for another Government check. If we provide opportunity and instruction at the State and local level, there will be more Ms. Wrights and Ms. Rogers and Nicole Steversons and others whom I met yesterday in Norfolk.

Mr. FEINGOLD. Mr. President, I intend to vote in favor of the pending welfare reform bill.

Last September, I voted for the Senate-passed welfare reform bill.

I did so then with substantial reservations about many of the provisions in that bill. I do so today with many of the same kinds of reservations.

I am voting for this measure for two principal reasons.

First, I believe that the current welfare system is badly broken, and we must find an alternative to the status quo. No one likes the current system, least of all the families trapped in an endless cycle of dependency, poverty, and despair. The current system is plagued by perverse incentives that discourage work. Reforming such a complex system requires taking some risks, and this bill, any welfare reform measure, entails some risks. However, some assumption of risk is necessary to change the status quo.

Second, I am concerned that continuation of a system dominated by detailed prescriptions from Federal officials in Washington may stifle the innovative approaches from State and local governments that can help change the status quo.

The basic premise behind this bill, and much of the reform movement today, is that the current system has failed and that we ought to allow the States the opportunity to try to do a better job and give them the flexibility to try new approaches to these seemingly intractable problems. This approach places a great deal of faith in the good will of State governments to implement programs designed to help, not punish, needy citizens.

Under the framework provided by this legislation, States like Wisconsin would have the opportunity to implement programs like the Wisconsin W–2 program without the necessity of securing numerous waivers from the requirements of current law. Indeed, passage of this measure will render moot much of the need for the current voluminous waiver application filed by the State of Wisconsin earlier this year which has caused much controversy. Although some aspects of the W–2 program, particularly those dealing with Medicaid services, may still require review by HHS, the block grant authority provided for under this legislation is designed to allow the broad flexibility and State control needed to implement State initiated welfare reform programs.

As a former State legislator myself, I have a good deal of respect for the desire of State and local officials to reform this system and help break the cycle of poverty for low-income families. I believe that there need to be certain underlying protections that are national in scope. For example, I believe civil rights protections must be uniform throughout our Nation to assure that the guarantees of our Federal Constitution are extended to all citizens, regardless of their place of residence. I also believe that where Federal funds are being expended, the Federal Government has an obligation to impose certain requirements that should be universal. But States should have sufficient flexibility to design how services are actually provided to allow them the opportunity to try out new ideas and approaches.

For these reasons, I voted last September for the Senate-passed welfare reform bill; at that time, however, I indicated that if the bill returned from conference with punitive, inequitable provisions, I would withdraw my support. Unfortunately, the conference returned a bill which incorporated provisions that were simply unacceptable. The bipartisan welfare reform measure that the Senate had crafted was discarded in favor of a measure based upon the House-passed bill, which was punitive in nature rather than focused upon helping families move from welfare to the workforce. I therefore voted against that measure.

I am pleased to say that the Senate, over the course of this debate, has crafted a measure which will make fundamental changes in the Federal role in the welfare area and at the same time has rejected various provisions which would be harmful to those most in need. The Senate has addressed several important issues and corrected some of the flaws in the legislation.

First, in the area of child care, the Senate bill provides more resources for child care services than contained in the bill we passed last fall. Specifically, the bill increases funding for child care services by almost $6 billion to $13.8 billion from $8 billion contained in last year's bill. The Senate also adopted Senator DODD's amendment by a vote of 96 to 0 which reinstated critical health and safety standards for licensed child care facilities.

Second, by adopting the Chafee-Breaux amendment relating to Medicaid coverage for needy children, the Senate provided a critical safety net. As we endeavor to reform cash grant programs, it is important that access to medical care is not inadvertently sacrificed. The Chafee-Breaux amendment reestablished these protections. Had Chafee-Breaux not been adopted, I would not have been able to accept this bill.

Third, the Senate bill retains a State maintenance of effort requirement at 80 percent of the 1994 contribution. That is the provision the Senate adopted last fall which was unfortunately diluted in the conference version. Restoration of this provision was also key for me. Without such a maintenance of effort requirement, Federal dollars would simply replace State contributions and States like Wisconsin which make substantial contributions to investing in welfare programs would have simply seen their dollars shifted to States which fail to make these kinds of commitments from their State treasuries.

I am also pleased that the Senate struck the language providing for imposition of a family cap which would prohibit States from providing assistance for children born while a family is on welfare. This is another example of where the conference report that the President vetoed contained language that had been rejected by the Senate. Moreover, the bill that was presented to the Senate last week contained this unfortunate language. However, this family cap language was struck by a Byrd point of order.

The Senate also wisely adopted the Conrad amendment that struck provisions that would have allowed block granting of foods stamps. Food stamps have been the mainstay of many families who have been thrown into dire circumstances because of a sudden job loss, an unexpected illness that has sidelined the family breadwinner, or other family misfortunes. Although the bill provides strong work incentives to make sure that individuals receiving these benefits are working toward self-sufficiency, it no longer allows this safety net program to be withdrawn entirely from needy families.

Mr. President, although the Senate rejected many onerous amendments and provisions, there remain provisions in the bill that I don't support.

This is not a reform bill that I would have drafted if I had been the author.

I believe the immigration provisions are too harsh and fail to provide the kind of balanced response that we strived to achieve in the immigration reform legislation now pending in conference. While I support the concept of deeming, the kind of absolute ban on assistance for many legal immigrants which is contained in this bill is not carefully tailored to preserve scarce resources while still providing humane, essential services to those individuals who have come to this country legally.

I am concerned that the Senate narrowly rejected the Ford amendment which would have allowed States to provide noncash vouchers to provide services for children when their families reached the 5-year time limit of eligibility for cash assistance. I have repeatedly voted to support allowing vouchers in such circumstances. I think it is a reasonable response to make sure that young children are not denied basic support when their parents fail to make the transition into the work force within the designated time period. I recognize that the bill allows a State to exempt 20 percent of their caseloads from the time-limit provisions, but I do not believe that this is adequate protection for the children involved.

I also fear that the level of cuts in food stamp funds may be too deep, and will hurt needy families. These cuts may need to be revisited, either in conference or in other legislation.

I remain uncertain about ultimate wisdom of terminating our 60-year Federal commitment of a guaranteed Federal safety net for young children. The Senator from New York [Mr. MOYNIHAN] has been an eloquent leader in articulating the dangers of eliminating this entitlement protection for needy children and replacing it with a patchwork quilt of State programs. Clearly, there will be States that will fail to use this opportunity to enact real welfare reform measures and instead, pursue punitive measures designed to stigmatize those who seek welfare assistance in times of need. Children in these States will be harmed by not having the Federal safety net that exists today in the AFDC program. On the other hand, if a number of the States use this opportunity to help devise effective ways to help families move out of welfare and into the work force, many children will benefit from the higher incomes and better opportunities they will have.

We are faced with a difficult choice, Mr. President. On the one hand, children are hurt by the current system; yet, many may be hurt by the loss of this Federal safety net. The bill does contain assessment provisions that will allow Congress to make changes, if necessary, if eliminating the entitlement under Federal law causes undue hardships. I think those of us who vote for this experiment need to watch carefully how it is implemented and be prepared to take action if the results fall short of what we hope will occur.

Mr. President, as I said at the outset, I am voting for this bill because we cannot continue the current system. I am hopeful that the States will seize this opportunity to develop approaches that will help welfare recipients and their families become economically self-sufficient, rather than punishing those who fall through the system. I

believe that the problems of welfare policy are so complex and difficult that it is a mistake to believe that there is only one approach that will work. This bill is intended to encourage State experimentation with approaches that will work.

In the final analysis, Mr. President, this vote challenges us to decide whether or not we want to perpetuate the status quo. In my view, the status quo is unacceptable. Therefore, I will support this legislation and the effort to bring about fundamental welfare reforms.

SOUTH DAKOTA'S WORKFARE WORKS

Mr. PRESSLER. Mr. President, as the Senate once again nears final action on a workfare bill, I am reminded of an old commonsense saying, ''Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime''. This sums up the clear, fundamental difference between today's failed liberal welfare system and the commonsense reform bill before us. The current welfare system has failed. We all know it. Instead of assisting needy Americans, the current system holds Americans down, perpetuates a cycle of dependency, increases moral decay, and cripples self-respect. Welfare was meant to be a safety net, not a way of life. The bill before us would change the system and the lives of many Americans for the better. This bill would restore the values of personal responsibility and self-sufficiency by making work, not Government benefits, the centerpiece of welfare. I am proud to be a part of the team that has brought this historic legislation to the floor.

Why does the current system not work? Generations of able-bodied families have stayed on the dole rather than work. The rationale is simple: Welfare recipients today can sit at home and make more each week than individuals working full time on the minimum wage. This disincentive to work is an insult to hardworking Americans. In essence, we have a Government program that challenges the American work ethic. South Dakotans demonstrate that a hard work ethic provides for themselves and their families. Many work long hours, seek overtime, or have two, even three jobs to make ends meet. Imagine how they must feel when their tax dollars are used to support Americans who need not work. I can tell you how they feel—upset. If we work for our wages, welfare recipients should work for benefits. That is why we need workfare.

I am pleased Chairman ROTH included my workfare amendments during the Finance Committee's markup consideration of welfare reform. These amendments would ensure that welfare recipients put in a full work week, just as other Americans do, in order to receive benefits. These entitlements would increase the number of welfare recipients who must work and avoid a liberal loophole to avoid real work.

Workfare is not a new idea. Fifteen years ago, South Dakotans wanted to address their own special needs and develop real solutions for their welfare system. South Dakota wanted workfare, not welfare. The problem is, Federal law makes it difficult to experiment with workfare, especially since the current administration has sought to protect the current, failed system. For example, in August 1993, South Dakota sought a Federal waiver to operate a workfare program. That waiver took nearly a year to approve. Today, South Dakota has a system that requires recipients to sign a social contract and imposes a tough 2-year time limit on benefits. This approach has worked. South Dakota has successfully decreased its welfare caseload by 17 percent since January 1993 and saved more than $5.6 million. South Dakota's experience is proof that workfare works.

Just as important are the success stories behind the statistics—the South Dakotans who have moved from welfare to work. Let me share two such stories about two very special ladies with unique circumstances: Marilou Manguson of Rapid City and Belinda Mayer of Sioux Falls. They deserve our praise. Marilou and her 10-year-old son were receiving AFDC and food stamps. When she applied for welfare, she was informed she would have to get a job. For 4 months, Marilou attended computer and accounting courses, and prepared every day for interviews with the South Dakota Job Service Job Club. Two weeks later she found a full time job with a government sales agency. In contrast, 20 years ago, when Marilou was on welfare, she says all one needed to do is show up to get a check. Marilou now knows the old system didn't help her. She said, ''You can't just sit at home and do nothing. You have to get out and do something for yourself.'' She's absolutely right. Today, Marilou is not receiving any welfare assistance.

When Belinda Mayer's ex-husband quit paying child support, she was left to care for a child, but was only earning $6 per hour. Belinda applied for welfare benefits so she could obtain a 2-year accounting degree from Western Dakota Technical Institute [WDTI] and, hopefully, find a better job. She continued to receive benefits while she went to school and was able to obtain child support. This May, Belinda graduated and found a job right away as a commercial service specialist with Norwest Bank in Sioux Falls. For Belinda, welfare reform is a very important issue. As she says, help should be there, ''but it should not become a crutch'' for people. Both of these women can look forward to a very stable, solid future for themselves and their families. I am very proud of their hard work and applaud their efforts.

Their success is South Dakota's success. South Dakota has reached out to enable those in times of difficulty to regain control of their lives.

These examples demonstrate that workfare is achieving success at the local level. South Dakota was fortunate to get its waiver approved to run a workfare program. Other States are still waiting for waiver approval. This waiver process reflects a basic problem: a one-size-fits-all system run by Federal bureaucrats. Welfare cannot be solved one waiver at a time. Federal bureaucrats have worked to preserve the current, failed system by being slow to approve State waivers. That must change. States should be given the flexibility to seek solutions and alternatives to welfare problems. I have more faith in South Dakotans' dedication to welfare reform than I do in Washington bureaucrats.

Clearly, we need greater State flexibility also because there is not a grand, ''one-size'' solution to ending welfare dependency. Welfare reform programs in Oglala, Fort Thompson, or Rapid City, SD may not necessarily work in Los Angeles or New Orleans. South Dakota's welfare problems are unique, and even differ greatly from our nearest neighbors. My State has three of the five poorest counties in the country. We have some of the lowest wages in the country. We also have the highest percentage of welfare recipients who are Native Americans. In some reservation areas, unemployment runs higher than 80 percent. Long distances between towns and a lack of public transportation and quality child care are further barriers to gainful employment.

To promote greater State flexibility, the bill before us would provide welfare assistance in the form of block grants to the States. Block grants would give States the freedom to craft solutions that best serve local needs. It has been proven time and again that Washington bureaucrats cannot understand unique local needs from thousands of miles away. The distance, both literally and figuratively, that separates Washington from our cities and towns prevents the most appropriate solutions from being tailored to our problems.

Workfare is not just about restoring responsibility at the individual and State level, it is about protecting children in need. The workfare bill before us would ensure that children have quality food and shelter. This bill would increase our investment in child care by $4.5 billion and increase child protection and neglect funds by $200 million over current law. What this bill eliminates is cumbersome bureaucracy and needless regulations.

The bill also would strengthen child support enforcement and give States new tools to crack down on deadbeat parents. These reforms represent the toughest child support laws ever passed by Congress. One woman in South Dakota has informed me that her ex-husband owes her thousands of dollars in overdue child support. For her and many other parents in the same difficult situation, this bill would help. The current system fosters illegitimacy and discourages marriage and

parental responsibility. Real welfare reform should promote the basic family unit, and crack down on those who deliberately walk away from meeting the needs of their children. The disincentives to a sound family structure also must be changed. More and more children are growing up without the moral guidance and financial support of parents, especially fathers. This is a tragedy of our time.

We also no longer can tolerate the blatant abuses of the system. Last year, I was shocked to learn the extent to which prisoners are able to continue to receiving welfare benefits. The workfare bill we passed last year included my amendment to crack down on prisoner welfare fraud. I am pleased this provision is in the current bill. It would put an end to cash payments to alcohol and drug addicts, which only subsidizes their habits.

Several years ago, President Clinton promised America he would change welfare as we know it. Two years ago, Congress made the same promise. Last year Congress delivered on that promise and passed workfare. Unfortunately, President Clinton vetoed that workfare bill. I hope the President will do the right thing this time and support our workfare legislation.

Again, I am proud to be part of this effort to enact workfare legislation. The workfare bill before us would end welfare dependency by requiring work and placing a time limit on benefits. We can change the welfare system and encourage people to become self-sufficient and productive members of society, once again. We can provide more protection for children. I hope my colleagues on both sides of the aisle will show the same support for workfare that we demonstrated last year. Americans deserve more than a handout for today, they deserve the hope and happiness that come through personal financial independence and the self-realization of work.

Mr. GRAMS. Mr. President, I rise today in support of the legislation before us to reform our failed welfare system. I commend the majority leader for getting this legislation to the floor—I know it has taken a concentrated effort to bring us to this point.

Since the beginning of the 104th Congress, we have been debating the state of this Nation's welfare system. Everyone understands that the system is broken. It encourages illegitimacy. It fails to recognize the importance of marriage and family. It offers no hope or opportunity for those Americans who are trapped within its layers of bureaucracy.

Of course, it was not supposed to be this way.

After signing the 1964 Welfare Act, President Lyndon Johnson proclaimed, ''We are not content to accept the endless growth of relief rolls or welfare rolls,'' and he promised the American people that ''the days of the dole in our country are numbered.'' The New York Times predicted the legislation would lead to the restoration of individual dignity and the longrun reduction of the need for Government help.

In 1964, America's taxpayers invested $947 million to support welfare recipients—an investment which President Johnson declared would eventually, quote, ''result in savings to the country and especially to the local taxpayers'' through reductions in welfare caseloads, health care costs, and the crime rate. Yet, 30 years later, none of those predictions have materialized, and the failure of the welfare system continues to devastate millions of Americans every day—both the families who receive welfare benefits and the taxpayers who subsidize them.

Despite a $5.4 trillion investment in welfare programs since 1964, at an average annual cost that had risen to $3,357 per taxpaying household by 1993:

One in three children in the United States today is born out of wedlock.

One child in seven is being raised on welfare through the Aid to Families with Dependant Children Program.

And our crime rate has increased 280 percent.

Mr. President, those are the kinds of devastating statistics which until the 104th Congress were ignored by the bureaucratic establishment in Washington. Those are the statistics this legislation will finally address. By rewriting Federal policies and working in close partnership with the States, we can create a welfare system which will effectively respond to the needs of those who depend upon it, at the same time it protects the taxpayers.

Our legislation sets in place the framework for meeting those needs by offering opportunity, self-respect, and most importantly, the ability for those who are down on their luck to take control of their own lives.

And yes, we are asking something of them in return.

The most significant change in our welfare system is that we will require able-bodied individuals to work in exchange for the assistance they receive from the American taxpayers.

Mr. President, my colleagues and I have come to the floor repeatedly this session to suggest that our present welfare system promotes dependency by discouraging recipients from working. In fact, the Government routinely makes it so easy for a welfare recipient to skip the work and continue collecting a Federal check that there's absolutely no incentive to ever get out of the house and find work. And if someone actually takes the initiative to get a job, they risk forfeiting their welfare benefits entirely.

Last year, during Senate consideration of the ''Work Opportunity Act,'' Senator SHELBY and I joined forces to ensure that welfare recipients receive benefits only after they work. After all, American taxpayers are putting in at least 40 hours on the job each week, and are sometimes forced to take an additional job or work overtime hours just to make ends meet. I believe welfare recipients should be held to the same standards, the same work ethic, to which the taxpayers are held. Those beliefs are reflected in this legislation.

Under our pay-for-performance provisions, welfare recipients will be required to work in exchange for their benefits. If an adult is not employed within 2 years, the benefits will stop. Is that enough of a push to make a difference? Yes, according to the Congressional Budget Office. It released a report this month which estimates these tough work requirements will put 1.7 million people who are currently on welfare into the work force. That is almost four times the number of welfare recipients who are working today.

To ease their transition into the job market and help single parents find accessible and affordable child care, we fold seven major Federal child-care programs into a child care and development grant, with total funding of $22 billion over 7 years.

In addition, Mr. President, our bill recognizes that locally elected officials—our State legislators and Governors—are more capable than their unelected counterparts in far-off Washington to administer effective programs on the State and local level. And so this welfare reform legislation will give States like Minnesota the flexibility to make their own rules and develop their own innovative programs, and in doing so assist those who need our help most.

But despite all the good this legislation will accomplish, I must temper my enthusiasm with my disappointment that the only way to move this bill forward was to strip away its Medicaid reform provisions. Mr. President, the administration cannot hope to resolve the problems with the Medicaid system by turning its back and pretending these problems do not exist. At some point, they will be forced to deal with a system that is too unwieldy and unable to fully serve the needy. By demanding, by threat of veto, that we tackle Medicaid another day, the administration has ensured that political gamesmanship has won out over political will.

The sensible Medicaid reforms outlined in the original reconciliation package would strengthen the system by increasing Medicaid spending from $96.1 billion in 1996 to $137.6 billion in 2002. That is an average annual rate of growth of 6.2 percent. States would be given additional flexibility in delivering care, while Federal protections would be maintained to ensure that those who need Medicaid's assistance will not be denied.

Unfortunately, those reforms will now have to wait. But I can assure you that they will be revisited—if not by this Congress and this administration, then certainly by the next.

Mr. President, the legislation before us today to overhaul our failed welfare programs is a positive step away from a system which has held nearly three

generations hostage with little hope of escape. Only through its enactment can we offer these Americans a way out, and a way up.

As Americans, we need to look within ourselves rather than continuing to look to Washington for solutions. Does anybody really believe the Federal Government embodies compassion, that it has a heart? Of course not—those are qualities found only outside Washington, in America's communities.

Mr. President, there is no one I can think of who better exemplifies heart and compassion than Corla Wilson-Hawkins, and I was fortunate to have had the opportunity to meet her. She was one of 21 recipients of the 1995 National Caring Awards for her outstanding volunteer service to her community.

Corla is known as Mama Hawk because, more than anything else, she has become a second mother to hundreds of schoolchildren in her West Side Chicago community, children who, without her guidance, might go without meals, or homes, or a loving hug.

Mama Hawk gives them all that and more, and she and the many caring Americans like her represent the good we can accomplish when ordinary folks look inward, not to the Government—and follow their hearts, not the trail of tax dollars to Washington.

Mama Hawk tells a story that illustrates how the present welfare system has permeated our culture and become as ingrained as the very problems it was originally created to solve.

These are her words:

> When I first started teaching, I asked my kids, what did they want to be when they grew up? What kind of job they wanted. Most of them said they wanted to be on public aid. I was a little stunned. I said, ''Public aid—I did not realize that was a form of employment.'' They said, ''Well, our mom's on public aid. They make a lot of money and, if you have a baby, they get a raise.''

Mr. President, that is the perception—maybe even the reality—we are fighting to change through the Personal Responsibility and Work Opportunity Act of 1996. While there is more to accomplish, this bill is a good first step toward fulfilling a promise to truly end welfare as we know it.

● Mrs. KASSEBAUM. Senator ROTH, the budget reconciliation bill (S. 1795) includes a proposal that is in the jurisdiction of the Senate Committee on Labor and Human Resources. As you know, last year during debate on the welfare bill, the Child Care and Development Block Grant Amendments Act of 1995 (S. 850), which was approved unanimously by the Labor Committee on May 26, 1995, was incorporated into H.R. 4. And H.R. 4 was then included in last year's budget reconciliation bill. During the conference on last year's budget reconciliation bill, conferees from the Labor Committee and the Finance Committee reached agreement on a unified system for all Federal child care assistance, including child care assistance for low-income working families as well as for welfare families and for families at risk of becoming dependent on welfare. This consolidation and unified system for child care is a major improvement over current law.

I would also like to bring to your attention a proposal contained in the House reconciliation bill that falls within the jurisdiction of the Labor Committee. The House bill incorporates the Child Abuse Prevention and Treatment Act Amendments of 1995 (S. 919), which was unanimously approved by the Labor Committee on July 18, 1995. Although this proposal was not included in S. 1795, it will be considered during the budget reconciliation conference.

Because of the unique procedures that apply to budget reconciliation bills, the Labor Committee was not given the opportunity to mark up the child care proposal in S. 1795 and the child abuse authorizations in the House bill. I am concerned that members of the Finance Committee will be negotiating changes in these Labor Committee programs during the budget reconciliation conference without any input from the committee of jurisdiction.

Senator ROTH. Let me assure the distinguished chairman of the Senate Committee on Labor and Human Resources that I recognize that the child care and development block grant is within the jurisdiction of the Labor Committee, with the Finance Committee retaining jurisdiction over the entitlement funds for child care that flow through this program. As you know, the Finance Committee's entitlement funds must be used to provide child care services to families receiving assistance under the new TANF block grant, families transitioning from welfare to work, and families at risk of becoming dependent upon welfare. I also recognize that the Labor Committee has jurisdiction over the Child Abuse Prevention and Treatment Act.

Mrs. KASSEBAUM. I thank the distinguished Chairman of the Finance Committee. Mr. President, I request that a copy of a letter sent to Chairman ROTH by myself, Senator KENNEDY, Senator COATS, and Senator DODD and a copy of S. 850, the Child Care and Development Block Grant Amendments Act of 1995, as approved by the Senate Committee on Labor and Human Resources, be made a part of the RECORD. The text of S. 919, the Child Abuse Prevention and Treatment Act Amendments, as approved by the Senate appears in the CONGRESSIONAL RECORD of Friday, July 19, 1996.

The material follows:

U.S. SENATE, COMMITTEE ON
LABOR AND HUMAN RESOURCES,
Washington, DC, June 24, 1996.

Hon. WILLIAM V. ROTH, JR.,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR BILL: It is our understanding that the Committee on Finance intends to mark-up reconciliation language based on S. 1795, the ''Personal Responsibility and Work Opportunity Act of 1996.'' We presume that the Committee on Finance intends to include provisions in Title VIII on child care and provisions in Title VII on child abuse and neglect that were part of last year's conference agreement on welfare reform. Because this language will be reported by the Finance Committee to the Senate Committee on the Budget as part of budget reconciliation, it will have special status during floor consideration of the legislation. One of the conditions of that special status is that extraneous provisions are not in order. Section 313(b)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974, as amended by the ''Byrd Rule,'' creates a point of order against extraneous provisions that are ''. . . not in the jurisdiction of the Committee with jurisdiction over said title or provision.''

We are making recommendations to the Committee on Finance in an effort to facilitate the reconciliation process. However, we strongly believe that it must be made clear that the budget procedures in no way alter existing jurisdiction over child care and child abuse/neglect. In order to make this clear, we expect to engage in a colloquy when the reconciliation bill comes to the floor, rather than using the Byrd rule to preserve the committee's jurisdiction.

Titles VII and VIII of S. 1795 include extraneous provisions in the form of changes in authorizations under the jurisdiction of the Senate Committee on Labor and Human Resources. Last year, during the development and consideration of the welfare provisions in the Balanced Budget Act of 1996 and the welfare reform bill, members of the Labor Committee were active participants. The child care and child abuse and neglect provisions in the Senate-passed welfare reform bill were, in fact, Labor Committee-passed bills and were included in the conference negotiations for both the Balanced Budget Act of 1996 and the welfare reform legislation. Both of these Labor Committee bills were passed with strong bipartisan support. To meet the requirements of the Congressional Budget and Impoundment Control Act, the Labor Committee's child abuse and neglect provisions were dropped from the conference report for the Balanced Budget Act of 1996, but were included in the welfare reform legislation.

Members of the Senate Committee on Labor and Human Resources were conferees on the Balanced Budget Act of 1996, due to the inclusion of the child care provisions and House inclusion of the child abuse and neglect provisions. If this bill were going through the normal legislative process for changes in authorization bills, the Committee on Labor and Human Resources would be entitled to make modifications to the provisions under its jurisdiction. However, because the Finance Committee has included changes in Labor Committee programs in the Medicaid-welfare reconciliation bill, the Committee on Labor and Human Resources will be precluded from the opportunity to make changes in the bill.

Under these circumstances, we recognize that the only way that revisions can be made to programs under the jurisdiction of the Labor Committee is to have these changes made during Finance Committee consideration of the Medicaid-welfare reconciliation bill. In anticipation of the mark-up of the legislation by the Finance Committee, we would like to recommend several modifications to the Labor Committee provisions in the bill.

In ''Title VIII—Child Care:''

1. Maintain the health and safety standards in current law;

2. Increase the set-aside for activities to improve the quality of child care from 3 percent to 4 percent;

3. Increase the age from under six (6) to under eleven (11) when a single custodial parent could not be sanctioned for failing to meet the work requirements if adequate, affordable child care is not available; and

4. Require the states to maintain 100 percent of 1995 child care funding to be eligible for additional child care funds.

All of the recommended modifications to Title VIII were passed by the House Committee on Economic and Educational Opportunities.

In ''Title VII—Child Protection Block Grant Programs and Foster Care, Adoption Assistance and Independent Living Programs'' of the Finance Committee bill, a number of authorizations that are in the jurisdiction of the Committee on Labor and Human Resources are rewritten to be consolidated into block grants. These changes have never been formally considered, or debated by the full Labor Committee. In addition, the Medicaid-welfare reconciliation bill even strikes several important provisions that were included in the last year's reconciliation conference report and reported out by the relevant House committees in this year's reconciliation bill. Specifically, those provisions concern the prompt expungement of child abuse records on unsubstantiated or false cases; the appointment of guardian ad litems; and the inclusion of material in support of the state's certification concerning the reporting of medical neglect of disabled infants.

We look forward to working with the members of the Finance Committee on this legislation and being formally included in the conference negotiations on provisions under the jurisdiction of the Committee on Labor and Human Resources.

Sincerely,

NANCY LANDON KASSEBAUM,
Chairman, Committee on Labor and Human Resources.

DAN COATS,
Chairman, Subcommittee on Children and Families.

EDWARD M. KENNEDY,
Ranking Member, Committee on Labor and Human Resources.

CHRISTOPHER DODD,
Ranking Member, Subcommittee on Children and Families.

S. 850

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Child Care and Development Block Grant Amendments Act of 1995''.

SEC. 2. AMENDMENTS TO THE CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 658B of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858) is amended to read as follows:

''SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this subchapter $1,000,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 2000.''.

(b) LEAD AGENCY.—Section 658D(b) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858b(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''State'' and inserting ''governmental or nongovernmental''; and

(B) in subparagraph (C), by inserting ''with sufficient time and Statewide distribution of the notice of such hearing,'' after ''hearing in the State''; and

(2) in paragraph (2), by striking the second sentence.

(c) APPLICATION AND PLAN.—Section 658E of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c) is amended—

(1) in subsection (b), by striking ''implemented—'' and all that follows through ''plans.'' and inserting ''implemented during a 2-year period.'';

(2) in subsection (c)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (iii) by striking the semicolon and inserting a period; and

(II) by striking ''except'' and all that follows through ''1992.''; and

(ii) in subparagraph (E)—

(I) by striking clause (ii) and inserting the following new clause:

''(ii) the State will implement mechanisms to ensure that appropriate payment mechanisms exist so that proper payments under this subchapter will be made to providers within the State and to permit the State to furnish information to such providers.''; and

(II) by adding at the end thereof the following new sentence: ''In lieu of any licensing and regulatory requirements applicable under State and local law, the Secretary, in consultation with Indian tribes and tribal organizations, shall develop minimum child care standards (that appropriately reflect tribal needs and available resources) that shall be applicable to Indian tribes and tribal organization receiving assistance under this subchapter.''; and

(iii) by striking subparagraphs (H) and (I); and

(B) in paragraph (3)—

(i) in subparagraph (C)—

(I) in the subparagraph heading, by striking ''AND TO INCREASE'' and all that follows through ''CARE SERVICES'';

(II) by striking ''25 percent'' and inserting ''15 percent''; and

(III) by striking ''and to provide before-'' and all that follows through ''658H)''; and

(ii) by adding at the end thereof the following new subparagraph:

''(D) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the aggregate amount of payments received under this subchapter by a State in each fiscal year may be expended for administrative costs incurred by such State to carry out all its functions and duties under this subchapter.''.

(d) SLIDING FEE SCALE.—

(1) IN GENERAL.—Section 658E(c)(5) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(c)(5)) is amended by inserting before the period the following: ''and that ensures a representative distribution of funding among the working poor and recipients of Federal welfare assistance''.

(2) ELIGIBILITY.—Section 658P(4)(B) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n(4)(B)) is amended by striking ''75 percent'' and inserting ''100 percent''.

(e) QUALITY.—Section 658G of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858e) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking ''A State'' and inserting ''(a) IN GENERAL.—A State'';

(B) by striking ''not less than 20 percent of''; and

(C) by striking ''one or more of the following'' and inserting ''carrying out the resource and referral activities described in subsection (b), and for one or more of the activities described in subsection (c).'';

(2) in paragraph (1), by inserting before the period the following: '', including providing comprehensive consumer education to parents and the public, referrals that honor parental choice, and activities designed to improve the quality and availability of child care'';

(3) by striking ''(1) RESOURCE AND REFERRAL PROGRAMS.—Operating'' and inserting the following:

''(b) RESOURCE AND REFERRAL PROGRAMS.—The activities described in this subsection are operating'';

(4) by redesignating paragraphs (2) through (5) as paragraphs (1) through (4), respectively;

(5) by inserting before paragraph (1) (as so redesignated) the following:

''(c) OTHER ACTIVITIES.—The activities described in this section are the following:''; and

(6) by adding at the end thereof the following:

''(5) BEFORE- AND AFTER-SCHOOL ACTIVITIES.—Increasing the availability of before- and after-school care.

''(6) INFANT CARE.—Increasing the availability of child care for infants under the age of 18 months.

''(7) NONTRADITIONAL WORK HOURS.—Increasing the availability of child care between the hours of 5:00 p.m. and 8:00 a.m.

''(d) NONDISCRIMINATION.—With respect to child care providers that comply with applicable State law but which are otherwise not required to be licensed by the State, the State, in carrying out this section, may not discriminate against such a provider if such provider desires to participate in resource and referral activities carried out under subsection (b).''.

(f) REPEAL.—Section 658H of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858f) is repealed.

(g) ENFORCEMENT.—Section 658I(b)(2) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858g(b)(2)) is amended—

(1) in the matter following clause (ii) of subparagraph (A), by striking ''finding and that'' and all that follows through the period and inserting ''finding and may impose additional program requirements on the State, including a requirement that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is less than or equal to any improperly expended funds, or a combination of such options.''; and

(2) by striking subparagraphs (B) and (C).

(h) REPORTS.—Section 658K of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858i) is amended—

(1) in the section heading, by striking ''ANNUAL REPORT'' and inserting ''REPORTS''; and

(2) in subsection (a)—

(A) in the subsection heading, by striking ''ANNUAL REPORT'' and inserting ''REPORTS'';

(B) by striking ''December 31, 1992, and annually thereafter'' and inserting ''December 31, 1996, and every 2 years thereafter'';

(C) in paragraph (2)—

(i) in subparagraph (A), by inserting before the semicolon ''and the types of child care programs under which such assistance is provided'';

(ii) by striking subparagraph (B); and

(iii) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively;

(D) by striking paragraph (4);

(E) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively;

(F) in paragraph (4), as so redesignated, by striking ''and'' at the end thereof;

(G) in paragraph (5), as so redesignated, by adding ''and'' at the end thereof; and

(H) by inserting after paragraph (5), as so redesignated, the following new paragraph:

''(6) describing the extent and manner to which the resource and referral activities are being carried out by the State;''.

(i) REPORT BY SECRETARY.—Section 658L of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858j) is amended—

(1) by striking ''1993'' and inserting ''1997'';

(2) by striking ''annually'' and inserting ''bi-annually''; and

(3) by striking ''Education and Labor'' and inserting ''Economic and Educational Opportunities''.

(j) ALLOTMENTS.—Section 658O of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m) is amended—

(1) in subsection (c), by adding at the end thereof the following new paragraph:

''(6) CONSTRUCTION OR RENOVATION OF FACILITIES.—

''(A) REQUEST FOR USE OF FUNDS.—An Indian tribe or tribal organization may submit to the Secretary a request to use amounts provided under this subsection for construction or renovation purposes.

''(B) DETERMINATION.—With respect to a request submitted under subparagraph (A), and except as provided in subparagraph (C), upon a determination by the Secretary that adequate facilities are not otherwise available to an Indian tribe or tribal organization to enable such tribe or organization to carry out child care programs in accordance with this subchapter, and that the lack of such facilities will inhibit the operation of such programs in the future, the Secretary may permit the tribe or organization to use assistance provided under this subsection to make payments for the construction or renovation of facilities that will be used to carry out such programs.

''(C) LIMITATION.—The Secretary may not permit an Indian tribe or tribal organization to use amounts provided under this subsection for construction or renovation if such use will result in a decrease in the level of child care services provided by the tribe or organization as compared to the level of such services provided by the tribe or organization in the fiscal year preceding the year for which the determination under subparagraph (A) is being made.

''(D) UNIFORM PROCEDURES.—The Secretary shall develop and implement uniform procedures for the solicitation and consideration of requests under this paragraph.''; and

(2) in subsection (e)—

(A) in paragraph (1), by striking ''Any'' and inserting ''Except as provided in paragraph (4), any''; and

(B) by adding at the end thereof the following new paragraph:

''(4) INDIAN TRIBES OR TRIBAL ORGANIZATIONS.—Any portion of a grant or contract made to an Indian tribe or tribal organization under subsection (c) that the Secretary determines is not being used in a manner consistent with the provision of this subchapter in the period for with the grant or contract is made available, shall be reallocated by the Secretary to other tribes or organization that have submitted applications under subsection (c) in proportion to the original allocations to such tribes or organization.''.

(k) DEFINITIONS.—Section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n) is amended—

(1) in paragraph (2), in the first sentence by inserting ''or as a deposit for child care services if such a deposit is required of other children being cared for by the provider'' after ''child care services''; and

(2) in paragraph (5)(B)—

(A) by inserting ''great grandchild, sibling (if the provider lives in a separate residence),'' after ''grandchild,'';

(B) by striking ''is registered and''; and

(C) by striking ''State'' and inserting ''applicable''.

(l) APPLICATION OF SUBCHAPTER.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) is amended by adding at the end thereof the following new section:

''SEC. 658T. APPLICATION TO OTHER PROGRAMS.

''Notwithstanding any other provision of law, a State that uses funding for child care services under any Federal program shall ensure that activities carried out using such funds meet the requirements, standards, and criteria of this subchapter and the regulations promulgated under this subchapter. Such sums shall be administered through a uniform State plan. To the maximum extent practicable, amounts provided to a State under such programs shall be transferred to the lead agency and integrated into the program established under this subchapter by the State.''.

SEC. 3. SENSE OF THE SENATE.

(a) FINDINGS.—The Senate finds that—

(1) the availability and accessibility of quality child care will be critical to any welfare reform effort;

(2) as parents move from welfare into the workforce or into job preparation and education, child care must be affordable and safe;

(3) whether parents are pursuing job training, transitioning off welfare, or are already in the work force and attempting to remain employed, no parent can be expected to leave his or her child in a dangerous situation;

(4) affordable and accessible child care is a prerequisite for job training and for entering the workforce; and

(5) studies have shown that the lack of quality child care is the most frequently cited barrier to employment and self-sufficiency.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Federal Government has a responsibility to provide funding and leadership with respect to child care.

SEC. 4. REPEALS AND TECHNICAL AND CONFORMING AMENDMENTS.

(a) STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT.—The State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.) is repealed.

(b) CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985.—The Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10901 et seq.) is repealed.

(c) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of the Congress and the Director of the Office of Management and Budget, the Secretary of Health and Human Services shall prepare and submit to the Congress a legislative proposal in the form of an implementing bill containing technical and conforming amendments to reflect the amendments and repeals made by this Act.

(2) SUBMISSION TO CONGRESS.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services shall submit the implementing bill referred to under paragraph (1).●

Mr. WELLSTONE. Mr. President, I ask the chairman if it is his understanding that this bill should not undermine or contradict the violence against women act?

Mr. ROTH. Yes, that is my understanding.

RECONCILIATION, THE DEFICIT AND SENATE PROCEDURE

Mr. DOMENICI. Mr. President, on the Democrat side of the aisle, the charge has been made that we are abusing reconciliation in a way that has never been done before. Reconciliation is a process that is designed to allow expedited consideration of the budget. The budget has become an extremely controversial issue and efforts to include extraneous matter in reconciliation has led to abuse in the past by both Republicans and Democrats.

We adopted in the Byrd rule in 1985 to prohibit the inclusion of extraneous matter in reconciliation. Making determinations on whether something is extraneous falls on the shoulders of the Parliamentarians. This is a small office, comprising just three Parliamentarians, that must make judgments on very controversial and complicated issues in a very short period of time. I think they do their best to apply a very ambiguous standard against very complicated and lengthy reconciliation legislation.

With Republicans in control of the Senate and the House, we have heard from Democrats that reconciliation is being abused. Just for the record, let me read a couple of statements made by Senators CHAFEE and Danforth during consideration of the 1993 omnibus reconciliation bill, a reconciliation bill that was considered when the Democrats were in control of the Senate.

The conference report on the 1993 reconciliation bill comprised President Clinton's controversial budget package. This legislation included provisions that had nothing to do with deficit reduction regarding bovine growth hormones and a national vaccination program. Senator Danforth raised a point of order and the Chair ruled against him. Senator Danforth then appealed the ruling of the Chair.

During the debate on the appeal, Senator CHAFEE effectively stated that the Chair's ruling made a ''complete joke out of the Byrd rule'' and Senator Danforth implied that the Byrd rule was being applied on a ''whimsical basis'' and that ''anything goes'' under the standard that was being used for the Byrd rule's enforcement in 1993.

Mr. President, during consideration of the budget resolution, the distinguished minority leader raised a point of order against the budget resolution because it ''creates a budget reconciliation bill devoted solely to worsening the deficit''. The Presiding Officer did not sustain that point of order and the Senate upheld the Chair's ruling on an appeal. I do not want the Senate to be left with the impression that the budget act allows Congress to use reconciliation to generate an unlimited number of bills that would increase the deficit under reconciliation procedures. Such a use of reconciliation would be clearly abusive.

We had no intention of using reconciliation to increase the deficit. In

fact, the budget resolution we adopted and the reconciliation instructions it includes will not only reduce the deficit, it will balance the budget. Even if an effort was made to use reconciliation solely to increase the deficit, the budget rules would have prohibited it.

The budget act grants special status in the Senate to reconciliation legislation and any effort to abuse this process represents an abuse of the Senate. While I do not think we have abused reconciliation, I was troubled by the minority leader's point of order and I want to review with the Senate what has occurred since the minority leader made his point of order and inquiries of the Chair. I think this is particularly important as we proceed with reconciliation legislation.

The minority leader's chief concern was that reconciliation should not be used to increase the deficit. The Senate-reported budget resolution included three sets of reconciliation instructions to generate three individual reconciliation bills. The first bill would reduce outlays by $124.8 billion and the second by $214.8 billion. The two bills combined would reduce the deficit by $339.6 billion. If, and only if, these two bills were enacted, then a third reconciliation instruction would be triggered to reduce revenues by not more than $116.1 billion. In addition, under the Senate's pay-as-you-go point of order legislation cannot cause an increase in the deficit unless it is offset by previously enacted legislation. Even undue the Senate-reported resolution, reconciliation could not increase the deficit. In fact, reconciliation had to result in an overall reduction in the deficit.

Mr. President, the minority leader's concern focused on the third instruction in the resolution that called for a reconciliation bill that would reduce revenues by not more than $116.1 billion and would reduce outlays by $11.5 billion. The minority leader was correct that third reconciliation bill viewed alone would increase the deficit; however, we would never have gotten to that third bill without first having done the first two bills.

In conference, we modified the reconciliation instructions to permit a reduction in revenues in the first instruction. Since the outlay reductions in this first instruction exceeded the revenue reduction, this first bill could not increase the deficit. Therefore, reconciliation could not be used in this first bill to increase the deficit. The resolution also provides a revenue reduction instruction for the third reconciliation bill if the revenue reductions are not included in the first bill.

As the minority leader pointed out during consideration of the budget resolution, under one of the Byrd rule points of order—section 313(b)(1)(E) of the Budget Act—a provision of a reconciliation bill is subject to the Byrd rule if it would cause an increase in the deficit in a year after the period covered by the reconciliation instructions and it is not offset by other provisions in the bill. In addition, the pay-as-you-go point of order prohibits consideration of legislation that would increase the deficit unless it was offset by the enactment of other legislation that reduced the deficit. The Parliamentarian made it clear to us that the budget resolution could not and the fiscal year 1997 budget resolution does not include provisions to exempt reconciliation from any Senate rule, the Byrd rule, budget act rules, or even the pay-as-you-go rule.

While this first instruction called for a reduction in revenues, both the House of Representatives and the Senate have chosen not to include revenue reductions in their first reconciliation bills. While the Senate did agree to an amendment that would cause a reduction in revenues from an adoption tax credit, this amendment was only adopted after the Senate voted 78 to 21 to waive a budget act point of order against this amendment.

This first reconciliation bill will reduce spending and the deficit by over $50 billion. We have spend almost a week on this legislation and considered over 50 amendments. In addition, the minority has exercised its rights under the Byrd rule and the presiding officer has sustained points of order against 23 provisions in the bill.

Mr. President, the resolution calls for two more reconciliation bills. I do not know if we will complete action on these two subsequent reconciliation bills. If we do, these subsequent bills must comply with the Byrd rule, budget act guidelines, and the pay-as-you-go point of order. Therefore, our resolution never allowed and Senate rules would not have permitted using reconciliation to increase the deficit.

ABANDONING OUR CHILDREN

Mr. LAUTENBERG. Mr. President, this is a historic and unfortunate time for the U.S. Senate. This body is on the verge of ending a 60 year guarantee that poor children in this country would not starve.

For 60 years, we could rest easier at night knowing children across the country had a minimal safety net. The bill before us will take away this peace of mind and throw up to 1.5 million children into poverty.

Mr. President, I agree that the welfare system is in need of repair. I believe that it needs to help promote work and self sufficiency. I think it should also protect children. Unfortunately, the Republican welfare bill does none of this.

First, the Republican bill does not promote work. The bill calls for work requirements for welfare recipients, but it does not provide the resources to put people to work. In fact, the CBO said that ''Most states would be unlikely to satisfy this [work] requirement for several reasons.''

One major reason is that this bill cuts funding for work programs by combining all welfare programs into a capped block grant.

Second, the Republican bill hurts children. It would make deep cuts in the Food Stamp Program which millions of children rely on for their nutritional needs. It would also end the guarantee that children will always have a safety net.

Under the Republican bill, a State could adopt a 60-day time limit and after that the children would be cut off from the safety net entirely. The State would not even be required to provide a child with a voucher for food, clothing, or medical care.

When you take all of these policies together, this bill will throw approximately 1.5 million children into poverty.

And this is a conservative estimate. It could be much higher.

Mr. President, my conscience will not let me vote for a bill that would plunge children into poverty. I cannot vote to leave our children unprotected. I was 1 of only 11 Democrats to vote against the original Senate welfare bill that would have put 1.2 million children into poverty.

I voted against the conference report on this bill that would have doomed 1.5 million children to the same fate. And I will vote against this bill for the same reason. We must not abandon our children.

Mr. President, I hold a different vision of what the safety net in this country should be. I am afraid that this bill will leave children hungry and homeless.

I am afraid that the streets of our Nation's cities might some day look like the streets of the cities of Brazil. If you walk around Brazilian cities, you will see hungry children begging for money, begging for food, and even engaging in prostitution. I am not talking about 18 year olds, I am talking about 9 year olds.

Tragically, this is what happens to societies that abandon their children.

When we don't protect our children, they will resort to anything to survive.

I don't want to see this happen in our country.

I want to see this country invest in its children. I think we should invest more in child care, health and nutrition so that our children can become independent, productive citizens. I want to give them the opportunity to live the American dream like I had to good fortune to do.

If we don't, we will create a permanent underclass in this country. We will have millions of children with no protection. We will doom them to poverty and failure.

Mr. President, as a member of the Budget Committee, I also want to comment on the priorities that are reflected in this reconciliation bill. Despite the fact that this bill is only limited to safety net programs, it is still considered a reconciliation bill. This bill receives the same protections as a budget balancing bill but there is no balanced budget in it.

This reconciliation bill seeks to cut the deficit only by attacking safety net

programs for poor children. There are no cuts in corporate loopholes or tax breaks. Despite the fact that tax expenditures cost the Federal Treasury over $400 billion per year, there are no such savings in this bill.

There are no grazing fee increases or mining royalty increases. There are no savings in the military budget or in NASA's budget.

The only cuts in this bill come from women and children. This reconciliation bill gives new meaning to putting women and children first.

Mr. President, I urge my colleagues to vote against this bill. I urge all Senators to stand for the 1.5 million children and reject this bill.

I yield the floor.

Mr. ROCKEFELLER. Mr. President, I believe our welfare system desperately needs reform, and most Americans agree. It is obvious that there is a strong consensus that parents seeking public assistance must be required to work or prepare for work. I wish it were more obvious that innocent children should be protected, and I have worked hard to make this case over the years as welfare reform has been debated.

As Governor of West Virginia in 1982, I started one of the first workfare programs of the country because I believe in work, and I am proud that West Virginia continues to use this community work program today. I have met parents who are proud to do community service and who have used their experience to gain skills that ultimately got them a paying job. This is what we should do. Moving from welfare dependency to work is hard, but it is the best path for families and their future.

While the debate about welfare reform is full of slogans and simplistic claims, it is far from easy to achieve the fundamental goals of promoting work and protecting children. The details of welfare reform do count, and that's why the Congress has consumed so much time and energy on this topic.

I regret that the Senate found itself acting on welfare reform under the rules of budget reconciliation legislation, which has strictly limited our debate to just 20 hours and has drastically constrained our ability to consider amendments to modify the proposal. Using reconciliation procedures, the majority has taken advantage of a special way to prevent its notion of welfare reform from being subject to true debate and alterations.

Last year, when the Senate worked on a bipartisan welfare reform bill, we spent 8 days debating welfare reform and held 43 rollcall votes. In an important signal of bipartisanship, an additional 62 amendments were accepted. While Democrats did not prevail with all of our amendments, we did have the chance to present our ideas and arguments for a genuine test of the Senate's will. It is unfortunate that the Republican leadership was not willing to take up welfare reform this year in the same fair, open process.

But even under the rules and constraints of reconciliation, some bipartisan progress has been made on the Senate floor. We have restored the Federal health and safety standards for child care by a rollcall vote of 96 to 0. We agreed to another amendment to invest more money to enhance the quality and availability of child care. Child care is the key to helping parents work, and parents need to have confidence in the care that their child is receiving.

I was also proud to cosponsor the Chafee-Breaux amendment to ensure continued Medicaid coverage to poor women and their children. Welfare reform should not be about reducing health care to needy families, and thanks to the bipartisan vote of 97 to 2, we know that health care coverage will be available for families with parents who are making the struggle to go from welfare to work—now and into the future.

We eliminated the optional food stamps block grant which had the potential to unravel this country's commitment to ensuring decent nutrition for all poor children, needy families, and dependent senior citizens, no matter what State they reside in. An optional block grant of food stamps could have weakened the country's nutrition programs. One of my greatest fears is that States that choose the block grant would be forced to reduce benefits in times of recession or other times of need, like national disasters. With our agricultural resources, America should not go backward and become a nation where some of its people and children go hungry.

And, I cosponsored the Breaux voucher amendment which assured basic support for innocent children for at least 5 years, and then gave States the option to provide non-cash assistance to children after a family reached the 5 year time limit. This amendment got 51 votes, but the rules of reconciliation demanded 60—so it fell.

An alternative amendment was offered by Senator FORD, but it also failed by a a single vote. Because both of the voucher amendments failed, States are prohibited from using block grant funding to provide vouchers for children, and this is disturbing. Previous welfare bills from last year offered greater flexibility to States on vouchers.

But some of the amendments that passed are important bipartisan efforts to improve the bill. There is more we should do to protect innocent children, and I can only hope that our colleagues will understand this in conference or in the near future.

But time has run out under the rules of reconciliation, and we now are faced with a final vote on this legislation.

In my view, this welfare reform bill poses a huge experiment—and something that must be watched and evaluated carefully.

Proponents express full confidence that this new, bold welfare reform bill will change the system and put parents to work, quickly allowing children to benefit as their parents move from dependency to self-sufficiency.

Opponents of the legislation charge that millions of children may be cast into poverty, and potentially end up on streets.

Because people end up on welfare for such different reasons and in different circumstances, it is not clear what the results will be. This legislation charts a new course for welfare, but it is untested.

I hope that proponents are right, and that this legislation has the right incentives. My hope is that the new pressure of a time limit will effectively and efficiently move parents into work, and families will benefit.

To help ensure this, I fought hard throughout this Congress to secure the proper funding for child care, which is essential for single parents to go to work. Thanks to the effort of many dedicated Members, this legislation invests $13 billion in child care—more money than we are now spending, and this is a major accomplishment.

The legislation we are now considering has a larger contingency fund than the previously passed Senate bill to offer help to States in times of economic downturns and recessions, which is especially needed for States like West Virginia that are vulnerable to economic ups and downs.

Under the new block grant, States will have enormous flexibility—and strict requirements—to move families from welfare to work.

Will the combination of more child care money and the incentive of time limits be the right mix? Will our economy continue to grow, and unemployment rates stay low so welfare recipients truly have a real chance to compete and get jobs?

We will never know the answers, unless we try.

Because the American people want and expect welfare reform, I will vote to try this new approach—and hope that Congress does its part to push for the desired results.

But I also believe that this effort must be watched carefully and closely to ensure that the innocent children, who represent two-thirds of the people who depend on welfare, are not hurt.

This is why I fought so hard with others last year to secure $15 million for research and evaluation. Every Member who votes for this legislation has an obligation to work with their State to ensure that this new system works, and to monitor the national progress as well.

Throughout this debate, I have tried to focus my attention on the needs of children. As usual in today's political environment, areas of bipartisan agreement do not attract attention, but they are still important.

In key areas for children, progress has been made. The Senate bill retains current law on foster care and programs to protect abused and neglected

children. Such children are the most vulnerable group in our country, and I was active in a bipartisan group dedicated to retaining the foster care entitlement and prevention programs for abused and neglected children.

The child support enforcement provisions in the legislation are another example of positive, bipartisan efforts. And because it was bipartisan, little attention has been given to these accomplishments. But these provisions include bold action to crack down on deadbeat parents who shirk their obiligation to pay child support. Currently, over $20 billion is uncollected in child support payments and arrearages. Strengthening child support enforcement will truly help children of all income levels, and this is meaningful action to underscore the importance of families, and support children.

There has been a sincere effort to improve this bill, and the positive changes are the result of untold hours of hard work and dedication.

The key point is that the current system does not have public support or confidence, and this is not healthy for the country. The cynicism and frustration we see among Americans toward Government stems partly from their anger about welfare. Even families dependent on our existing system admit that they are frustrated and that the system can trap families into a cycle of dependency. We need to make the leap with real changes, tougher rules, and more common sense. We have an opportunity to help families and build more support for the protections that should stay in place, if the job is done right. A great deal has been promised by the architects of this bill and others such as many Governors, and I hope we will see the hard work, skill, and compassion required to bring about the right kind of results.

Today, I cast my vote for change.

Mrs. BOXER. Mr. President, today I am forced to vote against a welfare reform measure that I believe is bad for children and bad for the State of California, costing my State billions of dollars.

This is a difficult vote for me because I stand in favor of welfare reform. I want to get people off welfare and put them to work. I voted in favor of the Senate welfare reform bill last year because I support this principle.

I also continue to support giving States additional flexibility to run their welfare programs, cracking down on deadbeat parents and reducing teen pregnancy.

COSTS TO CALIFORNIA

In California today, we have approximately 4 million legal immigrants residing in our State—40 percent of the Nation's legal immigrants. Thus, the proposed cuts in benefits to legal immigrants will have a dramatic and disproportionate impact on California, which Senator FEINSTEIN and I have quantified as best we can.

This bill saves nearly $60 billion over 6 years. Where do these savings come from? More than one-third of the savings will come from restricting benefits to legal immigrants. Of this amount, California will have to shoulder 40 percent of the losses. This is simply unfair to California.

It has been estimated that California's loss of Federal funds under this bill could be up to $9 billion over 6 years due to the restrictions on benefits to legal immigrants.

This will mean a massive cost shift to California's 58 counties. For example, over half of the immigrants on Supplemental Security Income [SSI] and Aid to Families with Dependent Children [AFDC] live in California. According to the California State Senate Office of Research, over 230,000 aged, blind and disabled legal immigrants could lose their SSI benefits almost immediately. The Congressional Budget Office estimates that 1 million poor legal immigrants would be denied Food Stamps under the bill, with many of them living in California.

If legal immigrants are made ineligible for Federal and State programs, California's counties will be responsible for providing social services and medical care to them. Under California law, counties are legally and fiscally responsible to provide a safety net to indigent persons.

The safety net is already overburdened in many counties. Some of the counties most heavily impacted by legal immigrants have already faced issues of bankruptcy. This welfare bill will only further threaten the financial viability of these counties.

The largest county in the Nation, Los Angeles County, will be severely impacted by these provisions. Los Angeles County estimates that under this bill, 93,000 legal immigrants would lose their SSI benefits in their county alone. If these legal immigrants applied for county general assistance, it would cost Los Angeles County $236 million.

California counties further fear damage to their health system if the State exercises its option to deny all Medicaid coverage, including emergency care, to most legal immigrants.

That is why I cosponsored an amendment with my distinguished colleague from California, Senator FEINSTEIN, to mitigate some of the impact of the legal immigrant provisions on California. The Feinstein-Boxer amendment would have applied legal immigrant provisions of the bill prospectively. This would allow us to make changes for immigrants who have yet to enter the country, but keep the rules of the game unchanged for those legal immigrants already present.

I think it is important to note who some of these legal immigrants are. Many of them are children. Many of them are disabled and unable to work. Many of them are refugees, with no sponsor to fall back on if they are cut off from the assistance they desperately need. According to the California State Senate Office of Research, approximately 60 percent of legal immigrants receiving AFDC in California are refugees.

The Feinstein-Boxer amendment would have decreased the outflow of Federal dollars from California, while maintaining what I believe is a fair approach for legal immigrants already in our country. Unfortunately, our amendment failed.

VOUCHERS FOR CHILDREN

A second reason why I cannot support this bill is the prohibition on providing vouchers for noncash items to children if their family's time limit for assistance has expired. Vouchers could be used to pay for items such as school supplies, diapers, food, clothing and other necessary items for children. An amendment to require States to give vouchers to children whose families exceed time limits shorter than 5 years did not pass in the Senate. An amendment to give States the option to do this failed as well with only two Republicans voting in favor.

I believe the bill's language goes too far to penalize children for their parents' inability to find work. What kind of country are we when we deny such necessities to innocent children?

FOOD STAMPS

In addition, the bill would make major cuts in funding to the existing Food Stamp Program. Reductions in the bill for food stamps amount to approximately $27.5 billion over 6 years—nearly half of the bill's savings. By the year 2002, food stamp spending would be reduced by nearly 20 percent. The poorest households would be affected since nearly half of the cuts in food stamps would come from households with incomes below half of the poverty line.

CONCLUSION

The drafters of this latest welfare reform bill wisely improved certain provisions of the bill to increase child care funding, retain the Federal guarantee to school lunch programs—although funding for school lunch has been unwisely cut, and maintain child protective services for abused and neglected children.

In addition, key amendments to maintain Medicaid coverage for current welfare recipients, strike the optional food stamp block grant, and ensure Federal health and safety standards for child care successfully passed the Senate.

I wholeheartedly support all of these improvements to the underlying legislation.

However, for the reasons I have stated above, I cannot support this welfare reform bill that shifts major costs to the State of California and shreds the safety net for poor children. I hope that in conference my concerns will be addressed. One State should not be unfairly penalized as California is, and no child should suffer as a result of our work.

Mr. DORGAN. Mr. President, I will vote for the welfare reform bill before

us today because I believe the welfare system in this country is broken and needs to be fixed.

The welfare system serves no one well—not recipients and not taxpayers. We need to preserve a safety net for those who truly need help, but that safety net should be one that encourages work, facilitates self-reliance, and doesn't punish innocent kids.

The legislation before us is not perfect, and I have concerns about many aspects of the bill.

Despite my reservations, this bill permits us to move the welfare reform process forward. This bill requires recipients to work after receiving welfare for 2 years, and set a 5–year limit on total assistance. It permits recipients to use some of their time on assistance to get the education and training they need to find and keep a job. It provides child care for welfare recipients who want to work. It places a priority on preventing teen pregnancies. And it requires absent fathers to help pay for the costs of raising their children.

And we have made some important improvements since this bill was introduced. We increased the requirement that States continue to make their own contributions to maintaining a strong safety net. We strengthened provisions to guarantee that the Food Stamp Program will provide assistance when people need it most. And we restored money for the summer food program for kids.

I will support this legislation despite my reservations, and advance the bill to conference with the hope that it will be further improved in conference. If the final bill does not maintain a strong safety net for children, I will not support it.

Ms. MIKULSKI. Mr. President, I was ready to vote for a welfare reform bill today. I believe we need welfare reform. I have fought for a tough welfare reform bill, and I have voted for welfare reform.

It is deeply disappointing to me that I must vote against final passage of this bill.

I voted for the bill which the Senate passed last year. I hoped at that time that the conference on that bill would make even further improvements in the bill, and that we would be able to send a good bill to the President for his signature.

I was disappointed when the conferees last year took an acceptable bill and turned it into an unacceptable and punitive one. Welfare reform was within our grasp last year. But we let it slip away by placing political considerations ahead of sound policy decisions. I hope we will not make the same mistake this year.

I have not only voted for welfare reform, but I am one of the coauthors of the work first bill, which would have ended welfare as we know it. Along with my coauthors, the Democratic leader, Senator DASCHLE and Senator BREAUX, I am proud that we crafted a plan that is tough on work but not tough on children.

Our plan called for a time-limited and conditional entitlement. It would have required all able-bodied adults to go to work. Our plan provided people with the tools to move from welfare to work; tools like job training, job search assistance, and most importantly, child care.

We recognized that the No. 1 barrier to work is the lack of affordable child care. So our bill provided sufficient funds to ensure that child care would be available to families as parents moved into the work force.

The work first bill also protected children. We made sure that our reform was targeted at adults not at children. We included provisions to ensure that no child would go hungry or go without needed health care because a parent had failed to find and keep a job.

So let me be clear. I support welfare reform. Throughout this Congress, I have fought for welfare reform. I have coauthored not one, but two, major welfare initiatives. And I had hoped to be able to vote for a welfare reform bill today.

Unfortunately, I cannot vote for this bill. This bill does not provide adequate protection for children. What will happen to children once their parents reach the time limit for benefits? Without vouchers to ensure that the basic subsistence needs of children are met, we know that children will suffer if their parents have not found jobs. We simply cannot punish children for the shortcomings of their parents.

Although we adopted a good amendment today to prevent the Food Stamp Program from becoming a block grant, this bill still contains deep cuts in food stamps. Families who depend on the Food Stamp Program to meet their basic nutritional needs will suffer from the cuts in this bill. Even families with full-time workers sometimes need food stamps because their full-time jobs don't provide enough money to feed their families. This bill will hurt them too.

This bill does not provide enough money for child care. In fact, it is likely that States will be unable to meet the work requirements of the bill because of the inadequate level of child care funding. Parents who are ready to work and who want to work will not be able to work if there is not child care which is both affordable and available.

These holes in the safety net for children are of deep concern to me. If protecting children is a priority for this Congress, how can we take a chance on a bill which is sure to hurt innocent children. We cannot.

Mr. President, I have not given up on welfare reform. While I cannot vote ''yes'' for this bill today, I hope that the conference on the bill will continue to build on the progress we have made on this issue. Unlike last year's conference, which took an adequate bill and made it unacceptable, I hope that this year's conference will make a good, strong bill out of this unacceptable bill.

I urge the conferees on the bill to continue to work with the White House and with the best minds from both parties to reach agreement on a plan we can all support, and that the President will sign. We can do it. We can have a plan that saves lives, saves tax dollars, creates opportunities for work, and protects children.

I hope the conferees will negotiate in good faith to achieve a plan that is tough on work and protects kids. I would be proud to vote for that plan.

PROTECT CHILDREN

Mr. KERRY. Mr. President, there is nothing more important to this debate today than constantly reminding ourselves that our focus ought to be this Nation's children and their well-being. That was the focus when, under Franklin Roosevelt's leadership over 60 years ago, title IV–A of the Social Security Act was originally enacted. As we proceed in this debate about children—and it is a debate about children because over two-thirds of current welfare recipients indeed are children—their interests should be uppermost in our minds.

There is no disagreement that I can find in this Chamber, and very, very little across the Nation, that our welfare system needs reform. Despite what on the part of many who have been involved in legislating, implementing, and administering the existing welfare program is good faith and intentions, that welfare system has been buffeted by the forces of society and culture; for far too many it offers little real help or incentives for movement toward self-sufficiency. Instead, for far too many, it has become at best an indifferent means of providing a bare subsistence income.

In many ways, our world and our Nation are very different places than when the original Federal welfare program was established in the thirties. The objective, Mr. President, ought to be the same. But the means must be adjusted. The objective is to prevent human misery, to give Americans, especially children, a helping hand when they otherwise face destitution and poverty. A handout may once have functioned with considerable effectiveness to help those in poverty toward that objective. Now we understand the importance of child care, training, work search assistance, health care, and other ingredients if families are to move toward self-sufficiency.

We know that 15.3 million children in this Nation live in poverty. This means that 21.8 percent of our children—over one in five children—are impoverished. In Massachusetts, there are more than 176,000 in this category. Despite the stereotypes, Mr. President, the majority of America's poor children are white—9.3 million—and live in rural or suburban areas—8.4 million—rather than in central cities where 6.9 million of them reside.

The other point on which we can agree, because it is a fact rather than an opinion, is that the child poverty

rate in this Nation is currently dramatically higher than the rate in other major industrialized nations. According to an excellent, comprehensive recent report by an international research group called the Luxembourg Income Study, the child poverty rate in the United Kingdom is less than half our rate—9.9 percent, the rate in France is less than one-third our rate—6.5 percent, and the rate in Denmark—3.3 percent—is about one-sixth our rate.

We know that poverty is bad for children. This for many would qualify as a truism, but perhaps others require to be shown. Nobel Prize-winning economist Robert Solow and the Children's Defense Fund recently conducted the first-ever study of the long-term impact of child poverty. They found that their lowest estimate was that the future cost to society of a single year of poverty for the 15 million poor children in the United States is $36 billion in lost output per worker. When they included lost work hours, lower skills, and other labor market disadvantages related to poverty, they found that the future cost to society was $177 billion.

Mr. President, the way in which the Republicans who control both the Senate and the House of Representatives repeatedly have attempted to reform welfare is not what I believe this Nation wants or believes is the proper way, the best way, or the moral way to address poverty and millions of families that are not self-sufficient in our late 20th century society. A number of the components of Republican co-called welfare reform proposals, even charitably, can best be described as punitive, or budget driven. I simply recoiled as I reviewed proposals, for example, to eliminate the access of children to health care. I shook my head in disbelief as I read provisions that would deny food stamps—and very probably a minimally nutritious diet—to children whose parents in some cases have made unacceptable choices, no matter how misguided and unacceptable they are.

But we are faced here, in the institution that has been elected by the people of the United States to make the Nation's major policy decisions and to design its major government interactions with those people, with the necessity to work together to produce change. Either we struggle successfully to reach some kind of middle ground which a majority can accept, or we do nothing at all.

Surely, in welfare as in all other areas, there are those who so fear change—for any of a host of reasons—that they prefer the status quo. I do not believe the status quo best serves this Nation and its people. I do not believe the status quo best serves this Nation's future. And I do not believe the status quo best serves those who are the unfortunate, the impoverished, the destitute, the left out in our Nation.

Democrats have labored mightily to turn a punitive bill into one that will work, one that would be desirable for the country. I was personally involved in that effort. Last week, I offered an amendment that the Senate approved by voice vote which makes what I believe to be an important change. In keeping with my belief that we must keep our eye on the ball as we legislate—and that objective in this case is to reduce poverty and increase the self-sufficiency of America's poor families—my amendment provides that if a State's child poverty rate increase by 5 percent, then the State must file a corrective action plan with the Secretary of Health and Human Services. If States can—as they and the Republican authors of this bill fervently maintain they can—achieve economies of scale never realized when the program was overseen by the Federal Government, and successfully refocus the program on moving the family heads in welfare families and other impoverished families toward self-sufficiency, then child poverty should decrease. More children, and more families, will be better off if this new approach works. But if that is not the outcome—if child poverty increases, then my amendment will require States to confront that reality and to adjust in an attempt to meet the program's objectives. I and many others will be watching extremely closely to see how the program works, and to see how this adjustment mechanism I authored functions.

And if neither the program nor the adjustment mechanism functions acceptably, I will be the first to fight to devise a new approach. Ultimately, if we are sending Federal money to the States to combat poverty, we must demand that poverty recede.

When I came to the Senate floor this morning, I was gravely concerned that the democratic process, as it often will, had produced an unacceptable product. Despite the addition of my amendment and some amendments by others, this bill still tore huge holes in the safety net.

Today, repair stitches were made in two of the most distressing of these holes. The Senate voted to maintain the current eligibility standards for Medicaid, ensuring that those who now qualify for medical assistance, including those who do so by virtue of their eligibility for the welfare program the legislation would abolish, will continue to qualify for medical assistance. The repair made by the Chafee-Breaux amendment was of great importance.

The Senate also voted to preserve the Food Stamp Program as a Federal assistance program that will be available to all Americans on the basis of the same income and assets limits that now apply. That means the Food Stamp Program will continue to operate as a safety net on a national basis, ensuring that, at the very least, Americans can eat—and that the assistance will fluctuate as it must based on economic conditions across the Nation. The Department of Agriculture had estimated that, if the block grant originally proposed in this legislation had been in place during the last national recession, 8.3 million fewer children would have been served by the program. Under this bill, not only would they not have had food stamps, many of them would have had no welfare either. Where would they have been, Mr. President? Fortunately, we stitched up this hole today.

When I cast my vote for final passage, I will be very mindful of these critical changes today. I also will be mindful of the fact that this bill was in several ways better than the welfare reform legislation that the Senate passed last fall. This bill includes nearly $4 billion more for day care for the children of parents required to find and hold jobs. It includes a $2 billion contingency fund to help States as they try to help what inevitably will be a growing number of impoverished people when recessions hit, as they unquestionably will.

I also will be acutely mindful, Mr. President, of the limits to which I am willing to go with this experiment called for by President Clinton during the 1992 Presidential campaign and endorsed by the Republican Party in the 1994 congressional elections. Ideally, this bill will be improved and strengthened in conference committee. That is certainly possible if the President, who has been very quiet when asked how he believes this bill must be augmented, will clearly enunciate what he believes to be essential ingredients if he is to sign welfare reform legislation into law. I maintain hope that we can provide vouchers that will continue to provide basic human necessities for children whose parents hit the lifetime assistance limit imposed by this bill. I also hope that the cutoff of legal immigrants will be rethought and at the very least made less severe. The President can and I hope will lead the way in both these matters and others.

At the very least, Mr. President, there must not be reversion or erosion in this legislation. We must not see retrenchment with regard to those few hard-won improvements that make this bill a marginally acceptable risk. It is time for an experiment that we hope will improve the lives and opportunities of millions of families and their children. It is not time to take frightful risks with those lives, based on a groundless faith that harsh discipline will remedy all social ills. I must serve notice that if the legislation that returns for final Senate approval increases those risks, I will oppose it.

If this bill becomes law, Mr. President, no one should prepare to relax. We have much, much more to do and this is only the opening chapter. As this new picture unfolds, I will be watching intently—and I will not be alone—to be certain that our efforts and resources have a positive effect on children and families, and that they have real opportunities to realize their potential as human beings. That is the

objective we seek, and it is on reaching that objective that we must insist.

Mrs. FEINSTEIN. Mr. President, I had truly hoped that I could support legislation that could deliver meaningful and historic reform of our Nation's welfare system, but this bill forces California to bear far more than our fair share of the burden.

Last year I voted for the Senate bill and against the conference bill because California's concerns were not met. This year, I would hope that some of these items could be fixed in conference committee, so that we are able to vote for a bill at the end of this process.

Nearly one-third of the net reductions contained in this bill fall on just one State: California. California is being asked to shoulder $17 billion in cuts—one-third of the entire savings. The question is, what is the State able and willing to provide to fill in the gap? An examination of Governor Wilson's budget indicates that dollars budgeted for food stamps, AFDC, and benefits for legal immigrants drop from an estimated $1.9 billion in the current fiscal year to just over $1.5 billion in 1997—therefore, counties cannot expect a large bailout from the State.

Consequently, for those who deserve special help, whether they be aged, blind, developmentally disabled or mentally ill, an increased burden will most certainly fall on the counties.

NO SAFETY NET FOR CHILDREN

S. 1795 ends the Federal guarantee of cash assistance for poor children and families, and provides no safety net for children whose parents reached the 5-year time limit on benefits. There are approximately 2.7 million AFDC recipients in California, of which 68 percent are children. Under the time limit, 3.3 million children nationwide and 514,000 children in California would lose all assistance after 5 years.

The Children's Defense Fund estimates that under this bill, 1.2 million more children would fall into poverty. California's child poverty rate was 27 percent for 1992–94, substantially above the national average of 21 percent. Under this bill, even more children in California would be living in poverty.

FOOD STAMPS DRASTICALLY REDUCED

California will lose $4.2 billion in cuts to the Food Stamp Program, reducing benefits for 1.2 million households. Nearly 2 million children in California receive food stamp benefits. Children of legal immigrants would be eliminated from food stamp benefits immediately.

CHILD CARE FUNDING INADEQUATE

Currently in California, paid child care is not available to 80 percent of eligible AFDC children. The Senate welfare reform bill awards child care block grants to States based on their current utilization of Federal child care funds. But California's current utilization rate is low, so California would be institutionally disadvantaged under this bill.

NO HEALTH COVERAGE FOR CHILDREN

The Senate bill ends the Federal guarantee of health insurance or Medicaid for women on AFDC and their children. In California, 290,000 children and 750,000 parents would lose coverage, according to the Children's Defense Fund. California has the third highest uninsured rate in the Nation at 22 percent of the population.

DENIAL OF BENEFITS TO LEGAL IMMIGRANTS

The Senate welfare reform bill would deny SSI and flood stamps to most legal immigrants, including those already residing in California. In 1994, 15.4 percent, or 390,000, of AFDC recipients in California were noncitizens.

Fifty-two percent of all legal immigrants in the United States who are on SSI and AFDC reside in California. Los Angeles County estimates that 234,000 aged, blind, and disabled legal immigrants would lose SSI benefits, 150,000 people would lose AFDC, and 93,000 SSI recipients would lose benefits under this bill. The county estimates that the loss of SSI funds could result in a cost shift to the county of more than $236 million annually. Loss of Medicaid coverage for legal immigrants would shift an additional $100 million per year.

With this in mind, I cannot support this bill, because I believe it unfairly disadvantages California. It would be my hope that as the conference process continues, this can be taken into consideration and the bill that emerges can be fair across the board and not single out any one State for one-third of the burden of the cuts.

It is especially important that individual counties in California take a close look at the impact this legislation will have on their jurisdiction. For example, Los Angeles County continues to be the most devastated county in the Nation under this bill with almost $500 million in added costs each year. California counties must help us press our case with the House-Senate conferees on the impact of this bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 3734.

The assistant legislative clerk read as follows:

A bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, all after the enacting clause of H.R. 3734 is stricken and the text of S. 1956, as amended, is inserted in lieu thereof.

The question is on the third reading of the bill.

The bill (H.R. 3734), as amended, was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the Senator from New York is recognized for 5 minutes.

Mr. MOYNIHAN. Mr. President, I have the honor to yield 2 minutes to my distinguished friend from New Jersey, Senator BRADLEY.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I do not think we have really even started to talk about the consequences of this act on the lives of people who actually live in American cities. If this bill passes and we look ahead 5 years into the future, city streets will not be safer, urban families will not be more stable, new jobs will not be created and schools will not be better. None of these things will happen. Instead, this bill will simply punish those in cities least able to cope.

With the repeal of title IV of the Social Security Act, the Federal Government would have broken its promise to children who are poor. It will have washed its hands of any responsibility for them. It will have passed the buck.

What we need to do to change the broken welfare system is not block grants. What we need is not transferring pots of money from one group of politicians to another group of politicians without regard to need, rules or accountability.

In fact, with the block grant, we will even be paying for people who have been shifted off the State welfare rolls onto the Federal SSI rolls. In 22 States that have cut welfare rolls, 247,000 adults went off AFDC and 206,000 went on to SSI.

Because Governors are good at gaming Federal funding systems, we will be paying for these 206,000 people through the block grant at the same time we are paying for them through SSI. What we need is a steady Federal commitment and State experimentation so that we can change welfare in a way that will encourage marriage, get people off welfare rolls and into jobs for the long term. Sadly, this bill will produce the opposite result.

Mr. MOYNIHAN. Mr. President, I have the honor to yield 2 minutes to my distinguished friend from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. Mr. President, I thank very much the Senator from New York.

Mr. President, I believe that the Senate will rue the day that we pass this legislation. This day, this bill opens up the floor under poor children which in our lifetimes no child has ever had to fall no matter how poor, how irresponsible its parents might be. This day, in the name of reform, this Senate will do actual violence to poor children, putting millions of them into poverty who were not in poverty before.

No one in the debate on this legislation has fully or adequately answered the question: What happens to the children? They are, after all, the greatest number of people affected by this legislation.

Mr. President, 67 percent of the people who are receiving welfare today are children, and 60 percent of those children are under the age of 6 years old. This bill makes a policy assault on nonworking parents, but it uses the children as the missiles and as the weapons of that assault.

I believe that this bill does not—does not—move in the direction of reform. Reform would mean that we give people the ability to work, to take care of their own children. It would have a commitment to job creation, to adequate child care, to job training, to job placement. But this legislation, Mr. President, does none of those things.

This legislation does not give able-bodied people a chance to work and support their own children. It simply is election-year politics and rhetoric raised to the level of policy. I believe this bill cannot be fixed—not in conference committee, not on anybody's desk—and I believe that this bill is a shame on this U.S. Senate.

The PRESIDING OFFICER. The Senator from New York has 30 seconds remaining.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent for an additional 20 seconds.

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

Mr. MOYNIHAN. Mr. President, Senators such as I, such as Senator PAUL WELLSTONE, cannot conceive that the party of Social Security and of civil rights could support this legislation which commences to repeal, to undermine both. Our colleagues in the House did not, nor should we.

The Washington Post concluded this morning's editorial, I quote:

> This vote will likely end up in the history books, and the right vote on this bill is no.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware is now recognized for up to 5 minutes.

Mr. ROTH. Mr. President, S. 1956 is a good package, and just as this Congress has begun to reverse 30 years of liberal-spending policies, this welfare reform proposal reverses 30 years of social policy.

Mr. President, 30 years of welfare policy has demonstrated that Government cannot promote policies that divide families and expect healthy children; Government cannot centralize power and expect strong communities; Government cannot challenge and undermine religion and then expect an abundance of faith, hope, and charity.

This reform initiative is largely based on the proposals made by our Nation's Governors, and it mirrors the Personal Responsibility and Work Opportunity Act of 1995. Remember, Mr. President, that act was reported out of the Finance Committee and passed the Senate by a vote of 87 to 12 before being vetoed by Bill Clinton.

This legislation is much the same. While it doesn't have everything it should—while it does not, for example, contain any provision to reform Medicaid—it represents a good start. There have been compromises, Mr. President. Welfare reform is so important to the American people that they have let us know that there should be compromise, if that's what it takes.

This legislation, I believe, represents a good compromise. It contains real work requirements. It contains real time limits. It cancels welfare benefits for felons and noncitizens. It returns the power to the States and communities, and it encourages personal responsibility toward combating illegitimacy.

Mr. President, this welfare reform proposal is the first step in a necessary effort to bring compassion and sensibility to a process that has gotten out of hand. It benefits children by breaking the back of Government dependency; it requires sincere effort on the part of their parents—effort that will restore respect, pride, and economic security within the home—effort that will lay a new foundation for future generations.

Our current failed system has not done this. Prof. Walter Williams shows how the money spent on poverty programs since the 1960's could have bought the entire assets of the Fortune 500 companies and virtually all U.S. farm land. Consider that again—all the assets of the Fortune 500 companies and virtually all U.S. farm land. With all this, where are we? Welfare rolls are at record highs, problems are mounting and the attendant consequences are worse than ever.

Our reform legislation ends this destructive cycle. It replaces the hopelessness of the current system that engenders dependency with the hope that comes from self-reliance. Thirty years is long enough. The safety net has become a snare. Freedom for the families trapped in dependency comes only through responsibility—through personal accountability—and that is the step we take today with this legislation.

I appreciate all who have worked on both sides of aisle to bring us to this point. We have established a reform proposal that the President should be able to sign. I ask him to make good on his promise. Mr. president, please take this first, important step toward ending welfare as we know it.

The PRESIDING OFFICER. Under the previous order, the Senator from Nebraska is now recognized for 5 minutes.

Mr. EXON. Mr. President, the welfare reform bill before us will win no beauty contests. It is not the fairest of them all—and I intend the double meaning.

With reservations, I voted in committee to send the measure to the floor. I wanted changes for fairer treatment of children and other stated concerns. We have made some improvements, but more are needed.

In the opinion of this Senator, we have already voted on the best welfare reform bill. That distinction belongs to the Democratic work first plan that regrettably, in my view, did not pass the Senate.

I believe, Mr. President, that the bill before us is maybe, just maybe, the framework for a welfare plan that can win the support of a majority in both Houses, and just as important, the approval of the President. It is near the best plan we can pass and bring to bear on a welfare system that cries out for change.

I will not strike my tent now because I did not get everything I wanted in this bill. I believe that it goes a long way to reforming much that is wrong with the welfare system. We cannot lose this opportunity to break welfare's bitter cycle of dependency.

It is my sincerest hope that the majority will work with those of us appointed as minority conferees and with the President during conference to improve this measure, and to push that process forward. I hope, as well, that the Senate will insist on its more moderate positions in the conference with the House.

Mr. President, in my 18 years in the Senate, this Senator has always sought the middle ground. I do so again today. I will vote for this bill today and reserve my final determination until the conference report returns to the Senate.

In closing, let me take a moment to thank the Democratic staff, and in particular, Bill Dauster, Joan Huffer, Jodi Grant, and Mary Peterson. They have provided invaluable service to this Senator and our caucus.

I yield the balance of my time to the Senator from California.

Mrs. FEINSTEIN. I thank the Senator.

Mr. President, how I wish I could vote for this bill. I voted for the last Senate bill and then voted against the conference committee report because I did not think the conference committee report was an improvement on the Senate bill.

Today I, and I believe my colleague from California, will vote against this bill in hopes that when the bill comes out of conference it is a bill that does not so severely disadvantage one State in this Union, and that State is California.

Mr. President, as I look at the savings of this bill, a net of about $55 billion, $17 billion of those savings come from the largest State in the Union and the State I believe most impacted by poor people. We know $9 billion comes from the cutoff of legal immigrants, including refugees and asylees who have no sponsor—the aged, the halt and the blind—$3.5 billion of AFDC, and $4.2 billion of food stamps, totaling about a $17 billion impact on the State of California.

Now, I ask the State legislature, the State of California, look at the budget. Are they prepared to pick up some of the difference? I ask the counties to let Senator BOXER and I know how this bill impacts your county, because I

suspect it is going to be a major transfer, particularly on counties like Los Angeles. I suspect Los Angeles County will be the county most impacted by the passage of this bill in the United States of America.

A fair bill, OK, I vote for; but a bill that says, OK, we will take from the biggest State in the Union as much as we possibly can—and that is what this bill has done to date. I do not believe it is a fair-share bill. I do not believe we see communities across the Nation doing their share. Perhaps because we have the two largest metropolitan areas in the Nation is one of the reasons why this bill will fall very hard on poor people and cities, and particularly on cities that have large numbers of dispossessed.

Mrs. BOXER. Will the Senator yield?

Mrs. FEINSTEIN. I am happy to yield to the Senator.

The PRESIDING OFFICER. All time has expired.

Mrs. BOXER. I ask unanimous consent for 30 additional seconds, if I might.

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

Mrs. BOXER. In my 30 seconds, I want to underscore, first of all, what my senior Senator said, which is that we are very willing to make changes in welfare. We want to reform welfare. We both said that when we ran for the U.S. Senate. We have both supported our Democratic leader's bill, and we even voted for a Senate bill.

The fact of the matter is that this, essentially, is paid for by one State. I will tell you, that is unfair. Yes, we are the largest State, and we have a lot of the population, but not to the extent that we are hit.

Also, when this country cannot pay for diapers for its children and food and school supplies for its kids, I think we ought to relook at who we are.

Thank you.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized for 5 minutes 30 seconds.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, I yield 3 minutes of my leader time to the Senator from Pennsylvania [Mr. SANTORUM].

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. I thank the majority leader. Mr. President, I just want to say that this is welfare reform. This is the dramatic change in the system that the American public has been asking for for years and years and years. This is the real deal. This is the opportunity to change millions of people's lives. This is the opportunity that people who are poor in this country have been wanting and asking for for a long, long time—the opportunity to get education and training that is meaningful, the opportunity to go to work, and if you cannot find a job in the private sector, if you cannot get a job on your own, the State will assist you getting that job. If you cannot find a private-sector job, the State will assist you in getting a public-sector job. There are no more barriers because of labor unions to get that job in the public or private sector. This is the real deal when it comes to work, when it comes to education, training, and helping families get out of poverty. From now on, after this bill, we are no longer going to measure whether we are successful in poverty by how many people we have on the welfare rolls, but by how many we got off of the welfare rolls, because they have dynamic opportunities for education and training to make that happen. And, yes, they have requirements.

We have had lots of welfare reform pass in the U.S. Senate for years and years. But there has never been the requirement to have to work. I know some people say that is mean and tough. I can tell you that it is the only way that you move people who are having struggling times in their lives off of those welfare rolls. It is tough love—but the operative word is love. It is there and it is to help people.

I hear a lot of people say, ''Well, this is going to punish children, and we should not punish the children,'' as if the current system does not punish children, as if illegitimacy rates where over a third of all the children born in America are born to single moms does not punish children. That does not hurt kids not to have a father in the household? That does not hurt kids not to have the work values that are taught in the household where a mom gets up in the morning and a dad gets up in the morning and goes to work? That does not hurt kids? It does not hurt kids to have to go out and play in a playground and worry about stepping on a needle from a drug addict? Of course, it does. This system hurts kids. That is why we are here—because the system hurts kids.

The issue before us is whether it is more important to have a Federal safety net system that is there to provide for every aspect—and the majority leader will talk about this—of the 50 or more programs that are there to take care of every possible need a child in America has. Is that what we want? Do we want the Federal Government guaranteeing every aspect of everybody's life? Or do we want solid families, safe neighborhoods, good schools, the values of work, and an opportunity to pursue the American dream? I will trade guarantees of Government protection of every aspect of someone's life for a solid home, a solid community, and loving parents.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, first, I thank the majority leader for his backing on this bill and for his constantly pushing us to get this job done. I want to thank Senator Dole, who left the Senate to run for President, for his work before he left here. Without that work in leading us on the budget resolution that created it, we would not be here.

Now, Mr. President, I want to talk about history, because I heard a couple of speakers from the other side say that history would rue this day. I believe history will praise this day, because I believe a system that has failed in every single aspect will now be thrown away, and we will start over with a new system that has a chance of giving people an opportunity instead of a handout. They will have a chance to get trained and educated, go to work and feel responsible, instead of this law on the books for decades that is out of tune with our times, which makes people feel dependent, makes people feel neglected. It is time that it be changed.

Now, frankly, kids are us, and this bill is about our kids, because if anybody thinks the children that are under this welfare system are getting a good deal today, then, frankly, I do not know what could be a rotten deal, because they are getting the worst of America. We are perpetuating among their adult relatives and parents a system of dependency, a system that lets them think less of their children because they think less of themselves. We can go right down the line.

We intend to return responsibility to the States, with prescriptions that are set out by us that give them plenty of room to do a better job than we have been doing. That is what this approach is all about.

This is a bill that gives those who have been campaigning for years, saying, ''Let us get rid of welfare as we know it''—and I will not even cite who used that the most. Well, we are finally doing that today. When we come out of conference, we are going to send our President a bill. Our President is going to have before him a bill that says: Here, Mr. President, you can get rid of welfare as you know it. Just sign this endeavor.

Now, from my own standpoint, I have been part of trying to push reform and save money. Many times, the bullets that we vote on are not real bullets, but this is a real one. When you vote on this bill, you are going to change the law. When you voted on amendments, they were real amendments. I compliment the Senate for a tough job. There were many amendments. The bill that came out of it is a better bill than when it started. I believe some other Senators will cite the many aspects of this bill that protect our children. For myself, I believe there are 8 or 10 provisions. Food stamps remain an individual entitlement, current law Medicaid protection, child care subsidized, child development block grants—$5 billion more, for a total of $14 billion. So people can go to work and have somebody care for their children. This and many more provisions make this a bill that we can be proud of for our children.

Last but not least, let me conclude, if ever we had a chance to say to Americans, as America's economy grows, we want you to be part of it, profit from it, have a dream, and this is an opportunity for welfare recipients of the past to participate in a real future, and for us to never again have welfare people among us that we think we are helping when, in fact, we have been hurting them. Let them share in the dream, also. That is our hope, that is our wish, and that is what we believe history will say about this effort.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

Mr. DASCHLE. Mr. President, as I understand it now, both leaders have their leader time to be used for purposes of closing the debate. I will yield 2 minutes of my time to the distinguished Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I thank the leader for yielding. Is this bill perfect? Of course not. Nothing that we as humans do is ever perfect. But is it a bill that desires and needs and deserves our support at this time in order to send it to conference? The answer, I think, is clearly yes.

President Clinton said that the goal of welfare reform should be to be tough on work, but good for kids. This bill is tough on work. It sets time limits for how long someone can be on welfare. It sets out work requirements. It tells teen parents, for the first time, that they have to live with an adult or with their parents. It is a tough bill on work, but it is also a bill that is good for kids.

This bill has the same language on vouchers as a bill that passed this body 87 to 12.

I would have liked the Ford amendment to pass. But the language is exactly what we passed already 87 to 12 when it comes to taking care of families after this time limit on welfare is determined.

There are about 49 programs that will be available to families after the 5-year limit is reached; 49 separate programs that we in America say we are going to make available to families.

We have corrected the Food Stamp Program with the Conrad amendment. It is still an entitlement program.

We have preserved the Medicaid health protections for families and for children, and for pregnant mothers. It is still an entitlement program.

We have added $5 billion to what passed this Senate in terms of child care. We have current law on child welfare protections for foster care because of our amendments.

We have SSI cash payments for disabled children, social service programs for children under title XX, housing assistance, child nutrition assistance for children, the school lunch program, the school breakfast program, and the summer food program.

This bill is not perfect. But it is a major step in the right direction. It deserves our support and our vote to send it to conference and see if it can somehow be improved. It is not a perfect bill. But I would suggest it is a major improvement over the current system.

Mr. LOTT. Mr. President, I yield 3 minutes of my leader time to the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, first I would like to compliment Senator DOMENICI and Senator ROTH for their leadership on this bill; in addition, Senator LOTT and Senator Dole because they have worked hard to bring this about. This truly is a historic piece of legislation because we really are reforming welfare. And we should. The present welfare system is broke. It is a failure. It has not worked.

We have 334 federally defined welfare programs stacked on top of each other. They cost hundreds of billions of dollars. The cost of welfare in 1960 was $24 billion. The cost of welfare in 1995 was almost $400 billion. We have spent trillions of dollars in the last three decades. What do we have? We have more welfare dependency, more people dependent on the Federal Government, and more people addicted to welfare. In my opinion, it has hurt the beneficiaries in many cases more than it has helped them, and it certainly has hurt the taxpayers in the process.

We need to help taxpayers save some money. But, more importantly, we need to help the so-called beneficiaries to help them climb away from welfare into jobs; into more self-reliance; into more independence and away from more Government dependence.

This bill has time limits. This bill has real work requirements. This bill is real welfare reform.

President Clinton, as a candidate and also recently, has been saying that we need to end welfare as we know it. I have applauded that comment. But, unfortunately, his actions have not done that. He has vetoed real welfare reform twice. I hope he does not veto this bill.

A ''yes'' vote, in my opinion, is a vote for real welfare reform. A ''no'' vote is a vote for status quo; the continuation of a welfare cycle in a welfare system that unfortunately is a real failure.

I thank my leader.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, let me begin by congratulating the distinguished Senator from Nebraska for his admirable job in helping to manage this piece of legislation on the Senate floor. I also want to commend the distinguished Senator from Connecticut, Senator DODD, the Senator from Maryland, Senator MIKULSKI, Senator BREAUX, and so many others on our side who have worked so diligently now over the better part of 18 months in an effort to bring us to this point.

I think it is fair to say that everyone of us knows that reform is necessary. We also know after the experience we have had for the last 18 months that there is no easy solution.

Democrats offered the ''Work First'' bill that did three things: It required work for benefits. It provided flexibility for States, and it required protection for children. I am disappointed that not one Republican voted for that piece of legislation.

Every single Democrat supported welfare reform when it came to the Senate floor—not once, not twice, but on three different occasions.

In spite of our failure to convince our Republican colleagues to join us in passing a bill that represented meaningful welfare reform, Democrats have worked with Republicans to improve the pending bill.

There are, as a result of our amendments, more resources for child care. There is a greater requirement for States for maintenance of State effort. There is a requirement for access to Medicaid and food assistance, and protection for women from domestic violence.

So now at this hour at the end of this debate the question is very simple: Is this bill now good enough to pass? In my view, unfortunately, the answer is no. Too many kids will still be punished. Too many promises about work will remain unfulfilled. Too many opportunities to truly reform welfare will have been lost.

The Congressional Budget Office says that most States, even with the bill before us today at this moment, will fail to meet the work requirement. The Congressional Budget Office says there are insufficient funds in this legislation to make a meaningful difference. The bill is heavy on rhetoric, and we have heard a lot of it today and throughout this debate. But in my view, Mr. President, this bill is still too light on real reform. It is either a huge new unfunded mandate to the States, or an admission by Republicans that they really do not expect this bill to work in the first place.

But perhaps my biggest concern is the concern that many of us share for children. This bill says that it does not matter how bad things are, how destitute, how sick, or how poor kids may be. Kids of any age—6 months or 6 years—are going to have to fend for themselves. When it comes to kids, when it comes to their safety net, this bill is still too punitive.

And I have heard the discussion of a list of other Federal programs that may be provided. But, Mr. President, the emphasis is on ''may.'' We are talking for the most part about discretionary programs here that are in large measure underfunded today.

Eight million children in this country do not deserve to be punished. They need to be protected.

You can come up with a litany as long as you want of programs that technically are designed to provide assistance. But, if they do not have the resources, if we do not have the safety

net, if they do not have the opportunities to access those programs, then, Mr. President, they are meaningless.

Finally, the treatment of legal immigrants in this bill is far too harsh. We ought to require more responsibility of sponsors, and the ''Work First'' bill did that. But this bill even cuts off assistance to legal immigrants who are disabled. What kind of message does that send about what kind of people we are? We can do better than this. On a matter so important we have no choice but to do better.

This bill must be improved. This bill must protect kids. It must not force the States to solve these problems by themselves. It must provide some empathy for disabled citizens regardless of where they have come from.

We can improve it in conference, if the political will is there—since we are not doing it here. Or, we are not doing it this afternoon. But, because it is not done, the best vote on this bill, the best vote at this time, is to vote ''no.''

Mr. President, I ask unanimous consent that excerpts from the CBO report, to which I referred about the States' inability to meet the work rates under the pending bill, be printed in the RECORD.

I yield the floor.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

First, the bill requires that, in 1997, states have 25 percent of certain families receiving cash assistance in work activities. The participation rates rise by 5 percentage points a year through 2002. Participants would be required to work 20 hours a week through 1998, 25 hours in 1999, 30 hours in 2000 and 2001, and 35 hours in 2002 and after. Families with no adult recipient or with a recipient experiencing a sanction for non-participation (for up to 3 months) are not included in the participation calculation. Families in which the youngest child is less than one year old would be exempt at state option. A state could exempt a family for a maximum of one year.

States would have to show on a monthly basis that individuals in 50 percent of all non-exempt families are participating in work activities in 2002. CBO estimates that this would require participation of 1.7 million families. By contrast, program data for 1994 indicate that, in an average month, approximately 450,000 individuals participated in the JOBS program. (The bill limits the number of individuals in education and training programs that could be counted as participants, so many of these individuals would not qualify as participants under the new program). Most states would be unlikely to satisfy this requirement for several reasons. The costs of administering such a large scale work and training program would be high, and federal funding would be frozen at historic levels. Because the pay-off for such programs has been shown to be low in terms of reductions in the welfare caseload, states may be reluctant to commit their own funds to employment programs. Moreover, although states may succeed in reducing their caseloads through other measures, which would in turn free up federal funds for training, the requirements would still be difficult to meet because the remaining caseload would likely consist of individuals who would be the most difficult and expensive to train.

Second, while tracking the work requirement for all families, states simultaneously would track a separate guideline for the smaller number of non-exempt families with two parents participating in the AFDC-Unemployed Parent (AFDC–UP) program. By 2002, the bill would require that 90 percent of such families have an adult participate in work-related activities at least 35 hours per week. In addition, if the family used federal funds to pay for child care, the spouse would have to participate in work activities at least 20 hours per week. In 1994, states attempted to implement a requirement that 40 percent of AFDC–UP families participate, and roughly 40 states failed the requirement.

Finally, states would have to ensure that all parents who have received cash assistance for two years or more since the bill's effective date. The experience of the JOBS program to date suggests that such a requirement is well outside the states' abilities to implement.

In sum, each work requirement would represent a significant challenge to states. Given the costs and administrative complexities involved, CBO assumes that most states would simply accept penalties rather than implement the requirements. Although the bill would authorize penalties of up to 5 percent of the block grant amount, CBO assumes—consistent with current practice—that the Secretary of Health and Human Services would impose small penalties (less than one-half of one percent of the block grant) on non-complying states.

Mr. LOTT addressed the Chair.

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

Mr. LOTT. Mr. President, first I would like to thank the managers of the bill, the Senator from Delaware, Senator ROTH, the Senator from New Mexico, Senator DOMENICI, and the Senator from Nebraska, Senator EXON. I guess Senator EXON is managing his last reconciliation bill on the floor, and maybe he will get to take up a conference report. But I am sure this is a blessing in many ways for the Senator from Nebraska. He has always been very kind and approachable. We appreciate his cooperation—on both sides of the aisle. Senator BREAUX certainly has worked to try to make this a bipartisan bill. Senator HUTCHISON today showed real courage in saying we should keep the formula that has been worked out and has been agreed to.

It has been a very slow process. It has taken too long, in my opinion, to get to this point on this bill. But we are here.

But I am shocked to hear the Democratic leader say after 18 months, after all these efforts, after changes have been made, working across the aisle to get real welfare reform, that the answer will still be no.

I think this is a case of Senators who talk a lot about wanting welfare reform, but every time they have the opportunity to actually do something about it, they back away from it.

Now, we have had amendments accepted on both sides, some that obviously we did not agree with, some that you did not agree with, but it has been a bipartisan effort. So we are now in a position where we can take this positive step forward to go to conference and then send another welfare reform bill to the President.

The Senate stands on the brink of passing a welfare reform bill worthy of the name; not a hollow shell that we will send to the President and say we will give you real welfare reform and not do it.

We have done this before—twice, as a matter of fact—but in both cases, President Clinton vetoed what we sent him. I hope this will not be the case this time around.

After we pass this bill—and I'm certain it will pass—it should not take too long for our Senate and House conferees to work out their differences so we can send a bill to the White House.

I appeal to President Clinton to consider carefully its provisions. They have the broad support of the American people.

They emphasize work as the best way out of the welfare trap. That's why the bill significantly expands resources available to the States for child care. This bill will give States the flexibility they need to help welfare recipients into the mainstream of American life.

The bill also ends the entitlement status of welfare. That's an important step. It will not only help to control costs, but will let State and local governments speed the transition from welfare to productive participation in the economy.

It imposes time limits for welfare and discourages illegitimacy, which everyone now realizes is the single most important root cause of poverty in this country.

A lot of questions have been raised about programs for children. As a matter of fact, there are some 49 programs included in this bill. I ask unanimous consent that this list of selected programs which benefit children be included in the RECORD.

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

SELECTED PROGRAMS FOR WHICH FAMILIES ON WELFARE WOULD CONTINUE TO BE ELIGIBLE AFTER 5 YEARS

Supplemental Security Income.
Social Services Block Grant.
Medicaid.
Food Stamps.
Maternal and Child Health Services Block Grant Programs.
Community Health Center Services.
Family Planning Methods and Services.
Migrant Health Center Services.
Family nutrition block grant programs.
School-based nutrition block grant programs.
Rental assistance.
Public Housing.
Housing Loan Program.
Housing Interest Reduction Program.
Loans for Rental and Cooperative Housing.
Rental Assistance Payments.
Program of Assistance Payments on Behalf of Homeowners.
Rent Supplement Payments on Behalf of Qualified Tenants.
Loan and Grant Programs for Repair and Improvement of Rural Dwellings.
Loan and Assistance Programs for Housing Farm Labor.
Grants for Preservation and Rehabilitation of Housing.
Grants and Loans for Mutual and Self-Help Housing and Technical Assistance.

Site Loans Program.

Grants for Screening, Referrals, and Education Regarding Lead Poisoning in Infants and Children.

Child Protection Block Grant.

Title XIX–B subpart I and II Public Health Service Act.

Title III Older Americans Act Programs.

Title II–B Domestic Volunteer Service Act Programs.

Title II–C Domestic Volunteer Service Act Programs.

Low-Income Energy Assistance Act Program.

Weatherization Assistance Program.

Community Services Block Grant Act Programs.

Legal Assistance under Legal Services Corporation Act.

Emergency Food and Shelter Grants under McKinney Homeless Act.

Child Care and Development Block Grant Act Programs.

State Program for Providing Child Care (section 402(j) SSA)

Stafford student loan program.

Basic educational opportunity grants.

Federal work Study.

Federal Supplement education opportunity grants.

Federal Perkins loans.

Grants to States for state student incentives.

Grants and fellowships for graduate programs.

Special programs for students whose families are engaged in migrant and seasonal farmwork.

Loans and Scholarships for Education in the Health Professions.

Grants for Immunizations Against Vaccine-Preventable Diseases.

Job Corps.

Summer Youth Employment and Training.

Programs of Training for Disadvantaged Adults under Title II–A and for Disadvantaged Youth under Title II–C of the Job Training Partnership Act.

Earned Income Tax Credit (EITC).

Mr. LOTT. Mr. President, this list includes supplemental security income, social services block grants, Medicaid, food stamps, family nutrition block grants, school-based nutrition block grants, grants for screening, referral and education regarding lead poisoning, not to mention Medicare and housing assistance—a long list of programs that will help children.

So there are good programs here that will be preserved and, in many cases, improved. So if you really want welfare reform, this is it.

This may be the last opportunity to get genuine welfare reform. Vote yes. Send this bill to conference. We will get it out of conference next week, and we will send it to the President before the August recess.

I hope the President will not veto welfare reform for a third time in 18 months.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from Hawaii [Mr. INOUYE] is necessarily absent.

I further announce that, if present and voting, the Senator from Hawaii [Mr. INOUYE] would vote ''nay.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 74, nays 24, as follows:

[Rollcall Vote No. 232 Leg.]

YEAS—74

Abraham	Ford	Lugar
Ashcroft	Frahm	Mack
Baucus	Frist	McCain
Bennett	Gorton	McConnell
Biden	Gramm	Murkowski
Bond	Grams	Nickles
Breaux	Grassley	Nunn
Brown	Gregg	Pressler
Bryan	Harkin	Reid
Burns	Hatch	Robb
Byrd	Hatfield	Rockefeller
Campbell	Heflin	Roth
Chafee	Helms	Santorum
Coats	Hollings	Shelby
Cochran	Hutchison	Simpson
Cohen	Inhofe	Smith
Conrad	Jeffords	Snowe
Coverdell	Johnston	Specter
Craig	Kempthorne	Stevens
D'Amato	Kerry	Thomas
DeWine	Kohl	Thompson
Domenici	Kyl	Thurmond
Dorgan	Levin	Warner
Exon	Lieberman	Wyden
Feingold	Lott	

NAYS—24

Akaka	Feinstein	Moseley-Braun
Bingaman	Glenn	Moynihan
Boxer	Graham	Murray
Bradley	Kennedy	Pell
Bumpers	Kerrey	Pryor
Daschle	Lautenberg	Sarbanes
Dodd	Leahy	Simon
Faircloth	Mikulski	Wellstone

NOT VOTING—2

Inouye	Kassebaum

The bill (H.R. 3734), as amended, was passed.

(The text of the bill will be printed in a future edition of the RECORD.)

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendment, requests a conference with the House and appoints conferees on the part of the Senate.

The Presiding Officer (Mr. GORTON) appointed, from the Committee on the Budget, Mr. DOMENICI, Mr. NICKLES, Mr. GRAMM, Mr. EXON, and Mr. HOLLINGS; from the Committee on Agriculture, Nutrition and Forestry, Mr. LUGAR, Mr. HELMS, Mr. COCHRAN, Mr. SANTORUM, Mr. LEAHY, Mr. HEFLIN, and Mr. HARKIN; from the Committee on Finance, Mr. ROTH, Mr. CHAFEE, Mr. GRASSLEY, Mr. HATCH, Mr. SIMPSON, Mr. MOYNIHAN, Mr. BRADLEY, Mr. PRYOR, and Mr. ROCKEFELLER; from the Committee on Labor and Human Resources, Mrs. KASSEBAUM and Mr. DODD, conferees on the part of the Senate.

Mr. KENNEDY. Mr. President, the cosmetic improvements made in this bad bill cannot possibly justify its passage. It is no answer to say that this bill is less extreme than previous bills. Less extreme is still too extreme.

This bill condemns millions of innocent children to poverty in the name of welfare reform. But no welfare bill worthy of the name reform would lead to such an unconscionable result. This bill is not a welfare reform bill—it is a ''Let them eat cake'' bill.

In fact, welfare reform would have nothing to do with the tens of billions of dollars in this bill in harsh cuts that hurt children. Cuts of that obscene magnitude are totally unjustified. They are being inflicted for one reason only—to pay for the massive tax breaks for the wealthy that Bob Dole and the Republican majority in Congress still hope to pass. Today the Republican majority has succeeded in pushing extremism and calling it virtue. It is nothing of the sort. This bill will condemn millions of American children to poverty in order to proivde huge tax breaks for the rich.

These are the wrong priorities for America. If children could vote, this Republican plan to slash welfare would be as dead as their plan to slash Medicare. But children don't vote—and they will pay a high price in blighted lives and lost hope.

Perhaps the greatest irony of all is now on display, as America hosts the Olympic games. We justifiably take pride in being the best in many difficult events. We may well win a fistful of golds in Atlanta. But America is not winning any gold medals in caring for children.

The United States already has more children living in poverty—the United States already spend less of its wealth on its children—than 16 out of the 18 major industrial nations in the world. The United States has a larger gap between rich and poor children than any other industrial nation. Children in the United States are twice as likely to be poor than British children, and three times as likely to be poor than French or German children. And we call ourselves the leader of the free world? Shame on us. Shame on the Senate. Surely we can do better—and there is still time to do it.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1997

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 3603.

The legislative clerk read as follows:

A bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997.