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Senate

(Legislative day of Tuesday, January 10, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be led by our guest chaplain, Dr. Mark Dever, pastor of the Capitol Hill Baptist Church.

PRAYER

The guest chaplain, the Reverend Mark E. Dever, offered the following prayer:

Let us pray:

Great, all powerful God, we come to You this morning first in acknowledgment of Your greatness. We know that you have no need of us, that you are in no way dependent on our actions, that Your existence awaits no vote of this Chamber, nor our own personal assent.

We praise You that, being the One whom You are, out of Your love You have made us in Your image, as creatures who, like Yourself, want to know and be known.

Thank You for the way we see that in our personal lives and in our society. Thank You for those who have gone before who have taught us something of what it means to live together as one nation. We pray that You would today help this body in its deliberations. You know, Lord, the pressures of time and public expectation, the good motives, on both sides of the aisle, to help the people of this land.

We ask that in this Chamber of debate, You would help each one who speaks remember the account that she or he will give not only to their colleagues here and the voters, but to their own consciences and most of all, to You, Lord.

We know that the secrets of our hearts are entirely discovered to You, and we praise You that You do not allow us to hide ourselves completely from You.

We ask that You would give a measure of Your wisdom to these gathered

here today. Help them to pass laws that ennoble rather than enervate the people. Give them wisdom to speak today with the liberty of knowing that they are about purposes, that are not only great, but that are also good.

For those who are discouraged, finding only emptiness amid all the success which the world tells them they have, show them Yourself.

For those who are swollen with pride, in Your love, break them that You might bind them up; wound them, that You might heal them again.

Thank You for the freedom of speech which we enjoy in this land. Help these Senators today to use that freedom realizing the privilege that it is, for our good and for Your glory.

In Christ's name we ask it. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

REGISTRATION OF MASS MAILINGS

The filing date for 1994 fourth quarter mass mailings is January 25, 1995. If a Senator's office did no mass mailings during this period, please submit a form that states "none."

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510-7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office on (202) 224-0322.

1994 YEAR END REPORT

The mailing and filing date of the 1994 year end report required by the Federal Election Campaign Act, as amended, is Tuesday, January 31, 1995. Principal campaign committees supporting Senate candidates file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510-7116.

The Public Records office will be open from 8 a.m. to 7 p.m. on the filing date to accept these filings. In general, reports will be available the day after receipt. For further information, please contact the Public Records office on (202) 224-0322.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. GREGG. Mr. President, I will note that at 9:30, after morning business, which the Chair has just noted, we will resume consideration of S. 1, the unfunded mandates bill.

Also, I note that the Senate will recess from the hours of 12:30 p.m. to 2:15 p.m., in order for the weekly party luncheons to occur.

For the information of all Senators, the majority leader has indicated that rollcall votes may occur prior to the 12:30 p.m. recess today.

Mr. President, I suggest the absence of a quorum.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

USDA REPORT ON THE PERSONAL RESPONSIBILITY ACT

Mr. LEAHY. Mr. President, today the USDA issued a report analyzing the effects of the House Republican Personal Responsibility Act (H.R. 4), which is part of the Contract With America. All States including Vermont are big losers. I suggest that all Senators read this report which I am inserting into the RECORD.

My home State of Vermont alone will lose \$10 million in Federal nutrition aid in 1996 according to the USDA report.

H.R. 4 will increase malnutrition among children and the elderly. This Contract With America bill is antichild, antifamily, and it is false advertising. It promises block grants, but delivers not even a penny.

The report also concludes that this bill could reduce retail food sales by as much as \$10 billion, reduce gross farm income by as much as \$4 billion, and cost the economy as many as 138,000 jobs.

It could reduce the income of the average dairy farmer in Vermont by as much as \$2,000 per year and could also double the cost of the dairy program nationwide.

This is a double whammy—it will force dairy farmers to apply for food assistance just when that assistance is slashed.

Nutrition funding nationwide will be cut by almost \$31 billion over the next 5 years.

It eliminates the Meals on Wheels Program which provides food to the homebound elderly.

Seventy-five percent of the school children in Vermont will be thrown off the School Lunch Program. Nutrition standards for healthy school lunches are eliminated. And the cuts in child nutrition in Vermont exceed the total size of our School Breakfast Program and the Summer Food Service Program.

As bad as this is, I am worried that the USDA report issued today greatly understates the harm that will be caused by the Contract With America. The report in many respects assumes that the block grants will be fully funded. I believe that in a couple years, they will be only funded at a fraction of the full amount authorized.

America's Governors will be stunned when they read the fine print and realize they have to come to Washington each year and plead for money.

States will be forced to reduce the number of people served, cut benefits

or somehow make up for the loss with State funds.

The effect would be even worse during a recession. Under current law, programs such as school lunch, food stamps, and the Child Care Food Program, automatically give States more money to respond to increased needs during periods of higher unemployment.

This Contract With America bill changes all that and says to the States, "tough luck, next time don't have a recession."

According to the USDA report, if that bill had been in effect over the last 5 years, the block grant in 1994 would have been over \$12 billion less than the food assistance actually provided—a reduction of about one-third.

They are proposing a massive Federal experiment on America's children. If it works, I admit that Federal costs will be reduced.

If it doesn't, and funding is not provided, millions of children, the elderly, and pregnant women will go hungry. Medical costs will skyrocket as more and more children are born disabled, and more and more children become handicapped in their efforts to learn.

Before we have a wholesale dismantling of every major nutrition program under the guise of welfare reform, we ought to take a look at how this will affect hungry children.

This is not welfare reform. Do not be fooled by this bill. It implies that States will get block grants to fund food assistance programs. But as I said earlier, not one penny is provided to states or communities by the bill—separate legislation would have to pass each year to provide funding.

Let us not forget what happened in early 1981—hasty cuts were made in child nutrition programs. Those programs were cut by 28 percent. The cuts resulted in 3 million fewer children receiving school lunches.

I stand ready to work with responsible Members of both parties to encourage work, to cut costs, to punish abuse, but I will not sacrifice the nutrition of America's children for legislation by bumper sticker.

I ask unanimous consent that the USDA report be printed in the RECORD.

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

[From the U.S. Department of Agriculture, Jan. 17, 1995]

THE NUTRITION, HEALTH, AND ECONOMIC CONSEQUENCES OF BLOCK GRANTS FOR FEDERAL FOOD ASSISTANCE PROGRAMS—EXECUTIVE SUMMARY

The proposed Personal Responsibility Act, a key component of the Contract with America, would make sweeping changes that alter the very character of the existing food assistance programs. Specifically, the Personal Responsibility Act, if enacted, would:

Combine all USDA food and nutrition assistance programs into a single discretionary block grant to States;

Authorize an appropriation of \$35.6 billion in fiscal year 1996 for food and nutrition assistance;

Eliminate all uniform national standards;

Give States broad discretion to design food and nutrition assistance programs, provided only that no more than 5 percent of the grant support administration, at least 12 percent support food assistance and nutrition education for women, infants, and young children, and at least 20 percent support school-based and child-care meal programs; and

Eliminate USDA's authority to donate commodities; USDA could only sell bonus commodities to States.

The consequences of these changes on the safety net of food assistance programs, the nutrition and health of low-income Americans, the food and agriculture economies, and the level and distribution of Federal support to States for food assistance are significant.

The Personal Responsibility Act would significantly reduce federal support for food and nutrition assistance.

Federal funding for food and nutrition assistance would fall by more than \$5 billion in fiscal year 1996 and nearly \$31 billion over 5 years (Table 1).

All food and nutrition assistance would be forced to compete for limited discretionary funds. States' ability to deliver nutrition benefits would be subject to changing annual appropriation priorities.

Programs would be unable to respond to changing economic circumstances. During economic downturns, funding would not keep up with rising poverty and unemployment. The demand for assistance to help the poor would be greatest at precisely the time when state economies are in recession and tax bases are shrinking.

For example, if the Personal Responsibility Act had been in place over the last five years—a period marked by both economic recession and recovery—the block grant in 1994 would have been over \$12 billion less than the food assistance actually provided, a reduction of about one-third (Table 2).

States would be forced to reduce the number of people served, the benefits provided, or some combination of both. The bill could lead to the termination of benefits for 6 million food stamp recipients in fiscal year 1996.

The reduced investment in food and nutrition assistance programs and elimination of the authority to establish nutrition standards will adversely affect the nutrition and health of low-income families and individuals.

The scientific link between diet and health is clear. About 300,000 deaths each year are linked to diet and activity patterns.

Low-income households are at greater risk of nutrition-related disorders and chronic disease than the general U.S. population. Since the nationwide expansion of the Food Stamp Program and the introduction of WIC, the gap between the diets of low-income and other families has narrowed.

The incidence of stunting among pre-school children has decreased by nearly 65 percent; the incidence of low birthweight has fallen from 8.3 percent to 7.0 percent.

The prevalence of anemia among low-income pre-school children has dropped by 5 percent or more for most age and racial/ethnic groups.

The Personal Responsibility Act would eliminate all federal nutrition standards, including those in place to ensure that America's children have access to healthy meals at school. Even small improvements in average dietary intakes can have great value. The modest reductions in fat, saturated fat, and cholesterol intake due to the recent food labeling changes were valued by the Food and Drug Administration at \$4.4 billion to \$26.5 billion over 20 years among the U.S. adult population.

The Act would also threaten the key components of WIC—a tightly prescribed combination of a targeted food package, nutrition counseling, and direct links to health care. Rigorous studies have shown that WIC reduces infant deaths, low birthweight, premature births, and other problems. Every dollar spent on WIC results in between \$1.77 and \$3.13 in Medicaid savings for newborns and their mothers.

By reducing federal support for food assistance and converting all remaining food assistance to a block grant, the Personal Responsibility Act would lower retail food sales, reduce farm income, and increase unemployment.

Under the proposed block grant, States could immediately cash-out any and all food assistance programs in spite of evidence that an in-kind benefit is more effective in stimulating food purchases than a similar benefit provided in cash.

In the short-run, the bill could reduce retail food sales by as much as \$10 billion, reduce gross farm income by as much as \$4 billion, increase farm program costs, and cost the economy as many as 138,000 jobs.

In the long run, the bill could reduce employment in farm production by more than 15,000 jobs and output by more than \$1 billion. The food processing and distribution sectors could lose as many as 83,000 jobs and \$9 billion in output.

The economic effects would be felt most heavily in rural America. In both the short- and long-run, rural areas would suffer disproportionate job losses.

Every \$1 billion in added food assistance generates about 25,000 jobs, providing an automatic stabilizer in hard times.

The proposed basis for distributing grant funds would result in substantial losses for most States.

If Congress appropriates the full amount authorized, all but 8 States would lose federal funding in fiscal year 1996. California could gain about \$650 million; Texas could lose more than \$1 billion (Table 3).

Although some States initially gain funding, all States would eventually fare worse than under current law. Over time, the initial gains will erode because the block grant eliminates the automatic funding adjustments built into the existing Food Stamp and Child Nutrition programs.

TABLE 1.—EFFECT OF THE PERSONAL RESPONSIBILITY ACT ON USDA FOOD ASSISTANCE PROGRAM COSTS
(In millions of dollars)

| | Fiscal year— | | | | | Total |
|--------------------------|--------------|----------|--------|----------|----------|-----------|
| | 1996 | 1997 | 1998 | 1999 | 2000 | |
| Current law: | | | | | | |
| Food stamps/NAP | \$27,777 | \$29,179 | 30,463 | \$31,758 | \$33,112 | \$152,290 |
| Child nutrition | 8,681 | 9,269 | 9,903 | 10,556 | 11,283 | 49,692 |
| WIC | 3,924 | 4,231 | 4,245 | 4,379 | 4,513 | 21,291 |
| All other | 382 | 351 | 351 | 351 | 351 | 1,784 |
| Total | 40,764 | 43,029 | 44,962 | 47,042 | 49,260 | 225,057 |
| Proposed law | 35,600 | 37,138 | 38,756 | 40,457 | 42,214 | 194,166 |
| Difference | -5,164 | -5,891 | -6,206 | -6,585 | -7,046 | -30,892 |
| Percent difference | -12.7 | -13.8 | -13.8 | -14.0 | -14.3 | -13.7 |

Notes.—Based on current service program level for USDA food assistance programs in Department estimates of September 1994 (excluding projected costs of Food Program Administration but including anticipated mandatory spending for WIC, consistent with the Presidential policy). This table does not include the budgetary effects of food programs operated by the Administration on Aging in the Department of Health and Human Services.

The Food Stamp total includes the cost of the Nutrition Assistance Program in Puerto Rico. The Child Nutrition total includes all administrative and program costs for the National School Lunch, School Breakfast, Special Milk, Summer Food Service, Nutrition Education and Training, and Child and Adult Care Food Programs, the value of commodities provided to schools, and support for the Food Service Management Institute.

The All Other total includes all administrative and program costs for the Commodity Supplemental Food Program, the Emergency Food Assistance Program, the Food Distribution Program on Indian Reservations, the Nutrition Program for the Elderly, and Food Distribution to Charitable Institutions and Soup Kitchens and Food Banks.

Proposed levels for the block grant in fiscal years 1997 through 2000 are increased from the 1996 amount using the projected increase in total population and the cost of the Thrifty Food Plan for the preceding year. Totals may not equal the sum of columns due to rounding.

This table assumes that Congress appropriates the full amount authorized in each year.

TABLE 2.—HISTORICAL ILLUSTRATION OF FOOD ASSISTANCE BLOCK GRANT
(In millions of dollars)

| Year | Actual food assistance | With initial reduction ¹ | | | | Without initial reduction | | | |
|------------|------------------------|-------------------------------------|------------|---------|----------------------|---------------------------|---------|--|--|
| | | Adjusted block grant | Difference | | Adjusted block grant | Difference | | | |
| | | | Total | Percent | | Total | Percent | | |
| 1989 | \$21,697 | \$18,941 | -\$2,756 | -12.7 | \$21,697 | N/A | N/A | | |
| 1990 | 24,778 | 20,666 | -4,112 | -16.6 | 23,672 | -\$1,106 | -4.5 | | |
| 1991 | 28,849 | 21,971 | -6,878 | -23.8 | 25,167 | -3,682 | -12.8 | | |