balance literally. Today my office received updated estimates on exactly how much the welfare reform bill would cost the state of Texas, and it would be over a billion dollars in the year 1996 and 1997.

The good news, if you can call it that, is that the early estimates of 60 million reduction for the Texas school nutrition program is now, after looking at the final bill that came out of the committee, will now only be a 35.1 million cut. And my Republican colleagues tonight, when they talked about that it is really an increase, they obviously, I would rather read and depend on outside the beltway information from someone who is looking at it than from someone who is inside the beltway.

The chief financial officer of Texas estimates, in fiscal year 1996, the appropriations will be sufficient. But after that year, with only the 4.1 percent increase, and I would like to read part of the letter and also have it all inserted from John Sharp.

I am happy to provide you with our analysis of the federal welfare reform proposals. The analysis below has been updated based on the bill language expected to reach the House floor.

Again, I received this today.

My concern isn't with making cuts in federal spending but rather with the unfair way in which Texas is being placed at a disadvantage and asked to shoulder more than its fair share. The proposals currently under consideration in Congress have a disproportionate and grossly inequitable effect on Texas. Nothing has changed since our preliminary analysis. While I support block grant funding as an effective way to reduce federal spending, the fact is that the current formulas being debated by Congress are based on past allocations for the states. It is unfair to Texas that high-spending, low-growth states like Michigan and Wisconsin would make money with the current formulas while Texas would be one of the hardest hit.

Texas is a typically low-spending and high-growth state for funding:

The inequity of the current formula would result in a loss of $1 billion anticipated federal funds for Texas in the 1996–1997 biennial budget. I know Texans are willing to take their share of the cuts, but we want to make sure that we aren't penalized while other high-spending states avoid cuts and actually make money.

That is what we are looking at, if you are a member of Congress from Texas.

And to continue:

As far as your specific request regarding current funding formula proposals for the school nutrition program, we expect to sustain a shortfall of $35.1 million during the next two-year budget cycle. The family-based nutrition program funding formulas will also cost Texas more than $149.5 million during the same period.

I know earlier this evening my colleague from Ohio [Mr. HOKE] talked about how Ohio is going to benefit, but let me tell you, Texas is low spending on welfare but a high-growth state and we will lose money.

The Republicans will not admit that we grow at 8 percent each year. What they do not tell you is that now we have a guarantee of a school lunch and that an increase in authorization, with an increase in authorization but a possible cut in the appropriations each year, the Republicans should not play the shell games with our children and take nutrition programs out of welfare reform. Under this shell game, the authorization under this bill is one shell. The appropriations is another. And yet the 80 percent that will only be required to be used is the other shell.

We ought to take school lunch out like the Deal amendment talks about. I am not a cosponsor of the Deal amendment, but I intend to vote for it because it is so much better than the current bill that we have. We do not call buying textbooks, computers, desks or other material in our schools welfare. And we should not call a school lunch or a breakfast that they are providing that helps them to be a better student welfare.

Congress must stop the shell game and calling school lunch and breakfast welfare. Call it like it is. It is a helping hand to our students. That is what we need to consider. That is why it should not be part of this bill, and that is why I would, the Committee on Rules did not let us have an amendment on the nutrition. But at least we will get a shot at it when we have the Deal amendment up.

Mr. Speaker, I include for the RECORD the letter to which I referred.

COMPTROLLER OF PUBLIC ACCOUNTS,
Austin, TX, March 22, 1995.

Hon. GENE GREEN,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN GREEN: I am happy to provide you with our analysis of Federal welfare reform proposals. The analysis below has been updated based on the bill language expected to reach the House floor. My concern isn't with making cuts in federal spending, but rather with the unfair way in which Texas is being placed at a disadvantage and asked to shoulder more than it's fair share.

The proposals currently under consideration in Congress will have a disproportionate and grossly inequitable effect on Texas. Nothing has changed since our preliminary analysis. While I support block grant funding as an effective way to reduce federal spending, the fact is that the current formulas being debated by Congress are based on past allocations to the states. It is unfair to Texas that high-spending, low-growth states like Michigan and Wisconsin would make money with the current formulas, while Texas would be one of the hardest hit states in the Union.

The inequity of the current formulas would result in a loss of more than $1 billion in anticipated federal funds for Texas' 1996–1997 biennial budget. I know Texans are willing to take their fair share of cuts, but we want to be sure we aren't penalized while other high-spending states avoid cuts and actually make money.

As for your specific questions regarding current funding formula proposals for the School Nutrition program, we expect to sustain a shortfall $35.1 million during the next two-year budget cycle. The Family-based Nutrition program funding formulas will also cost Texas more than $149.5 million during the same period.

Attached are two charts illustrating the estimated five-year impact of current nutritional block grant funding proposals. We derived the estimates for the proposed block grants by taking the anticipated 1996–97 federal revenues for the affected programs from the current Biennial Revenue Estimate (BRE) and then subtracting the anticipated revenues from these programs in each block grant. The BRE revenue estimates are based on projected caseload growth, program costs and the federal share of total costs of the programs under current law.

Again, I strongly support block grants as a means of cutting federal spending, balancing the federal budget and returning control to the states. However, the future losses to be incurred by our state under the proposed funding formulas are unfair because they ignore the fact that Texas, with one of the fastest-growing populations and lowest per capita income rates in the nation, will have one of the greatest needs for these funds in the years ahead and yet, states like Michigan, which is losing population, face no loss of funds.

I look forward to working with you, the Texas delegation, the Governor and Texas' legislative leadership to ensure the necessary curtailments to federal spending occur—without treating Texas unfairly.

Sincerly,

JOHN SHARP,
Comptroller of Public Accounts.

Comptroller Estimates of Potential losses in federal funds under block grant formula for federal nutrition payments with Block Grant Caps, under formula approved by Committee.

NUTRITION FUNDING BLOCK GRANT FUNDING PROPOSAL

Combining total WIC, Child Summer Nutrition programs into single lump sum payment to the states (including growth rates in bill formula):

Year	BRE Estimate (millions of $)	Proposed Block Grant (Grant formula)	Rev. loss
1996	$476.1	$412.7	$63.4
1997	514.1	428.0	86.2
1998	555.3	442.1	113.2
1999	599.7	458.5	141.3
2000	647.7	475.4	172.3
Total			576.2

Total loss for 1996–97 biennium $149.5 million.

SCHOOL NUTRITION FUNDING BLOCK GRANT FUNDING PROPOSAL

Replacing current enrollment-based funding formula for total school nutrition programs with Block Grant amount as approved in formula (including growth) by House:

Year	BRE Estimate (millions of $)	Proposed Block Grant (Grant formula)	Rev. loss
1996	$591.6	$577.3	$14.3
1997	621.8	601.0	20.8
1998	653.5	625.0	28.4
1999	686.8	651.3	35.5
2000	721.8	678.0	43.9
Total			142.9

Total loss for 1996–97 biennium: $35.1 million.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ] is recognized for 5 minutes.

[Mr. ROMERO-BARCELÓ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SCHOOL LUNCH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. MALONEY] is recognized for 5 minutes.

Mrs. MALONEY. Mr. Speaker, the Federal school-based nutrition program is not like welfare, which cries out for fundamental change. On the contrary, the New York Times calls the school lunch program ''a rousing success in boosting health and academic achievement.'' It feeds 25 million American children each day. But the new majority is willing to slash and burn a program serving America's hungriest and most vulnerable population.

They want to use them as guinea pigs for the revolution. But one bad thing about a revolution is that a lot of people starve in them.

Under this proposal, New York State could lose as much as $373 million in funding. They could cause 60,000 New York City children to be dropped from the school lunch program. The Republicans say they are just handing over the program to the States who are bound to do a better job. But let us take a hard look at their proposal.

They are going to dismantle an entire nutrition infrastructure that successfully feeds 25 million children, hand it over to 50 new State bureaucracies, sharply cut funding for the program from projected levels of need, and eliminate minimum nutrition standards. They say this will provide better lunches to more kids at lower cost.

I cannot speak for other Americans, but I do not have any great confidence that the majority of Republican governors nationwide will make school lunch programs for poor children a high priority.

I do not think our State bureaucracy is any more efficient than the Federal one. And the fact is the school-based nutrition block grant will create more bureaucracy, not less. It is written into the bill. The administrative cost currently in Federal child nutrition programs, excluding WIC, is 1.8 percent.

□ 2300

The school-based block grant proposal increases the administrative cap to 2 percent. It retains most Federal administrative burdens such as meal counting and income verification. It imposes an additional bureaucratic procedure to establish citizenship, and it requires States to create 50 new bureaucracies of their own.

Child nutrition bureaucracies will be a growth industry nationwide. The new majority denies they are cutting school-based nutrition programs. They say they are increasing it by 4.5 percent per year. But that would cause decreases in child and adult care food programs, the summer food program, and after school programs, as my colleague the gentlewoman from California [Ms. PELOSI] pointed out.

That simply is robbing from Peter to give to Paul.

They also fail to account for the 3.5 percent rise in food inflation, or the 3 percent growth in school enrollment.

And they fail to mention that they will allow States to transfer 20 percent of funds to programs for purposes other than food assistance to school children. They say, ''Only in Washington would a 4.5 percent increase be considered a cut.''

Well, most American families do not see it that way. Assume an American family is financially breaking even this year. The next year their daughter's school tuition goes up by 9 percent, but their family income only goes up by 4.5 percent. The fact that their income went up is irrelevant to them. Their concern is only that they do not have enough. The alleged 4.5 percent increase is a phony number, and even if it were accurate it would not be enough.

The bill strips school-based nutrition programs of their entitlement status. It makes no allowance for the growing number of children who live in poverty. The new majority knows this full well, but apparently does not care.

In 1987, one in five American children lived in poverty. By 1992, it was one in four. The new majority talks about flexibility, but capped block grants are totally inflexible.

Ultimately school-based nutrition programs will face dramatic shortfalls. Under President Reagan, a smaller cut led to 3 million fewer children being served a school lunch. But these new State bureaucrats will not just reduce the number of children served, they have a cost-saving instrument that today's Washington school lunch bureaucrats do not. They will not have to meet strong Federal nutritional standards that have been refined and developed over 50 years by scientists and nutrition experts.

By abolishing these standards we effectively throw out the window half a century of expertise in feeding our children so they can learn, so they can think, so they can grow, so that they can succeed.

The child nutrition program is a health care program, it is necessary to our children, it is an education program, and it is an important part of our country.

REFORMING WELFARE

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON. Mr. Speaker, I was going to do a longer special order this evening on defense, but listening to some of the comments tonight by our colleagues on both sides, I had to come over here and speak about the current welfare reform debate and to lend some feeling that I have personally.

My background in coming to the floor tonight to speak on welfare reform is not one of being an attorney who has never had to live in an area where people of poverty have to survive on a daily basis. I was born the youngest of nine children in one of the most distressed communities in Pennsylvania. Neither parent was able to complete high school because of their having to quit school when they were in sixth and eighth grades to help raise their families. Even though we were poor and even though we were a blue collar family, my father worked in a factory 38 years, we were proud.

My father was proudest of the fact up until the day he died that during the 38 years he worked for the plant, ending up making about $6,000 a year when he retired, never once did he accept public assistance. There were many times when he was out of work because of strikes, because of situations involving labor unrest at the factory, but never once did he have to resort to taking money from the taxpayers.

He was proud of that because he felt it was his responsibility to support his children. And all of us are better for that spirit.

I realize all families are not in that situation. My parents were, and I am fortunate to have had parents of that caliber. They taught us that in the end it is our own responsibility for how far we go and what we achieve.

I went on to go to college, working my way through undergraduate school with a student loan, and taught school in one of the second poorest communities in our area, Upper Darby right next to west Philadelphia.

Unlike many of my colleagues in here, out of 435 most of them were lawyers. When we talk about school lunches I ran a lunch hour in our school for 7 years with kids eating lunch, and understand the problems and concerns that that brings. I also ran a chapter I program for 3 of those years aimed at educationally and economically deprived kids.

While working as a teacher during the day, I decided to run for mayor of my hometown because of the distressed nature of the community and the problems we had. All of these experiences were experiences I was involved in before coming here, and what bothers me the most is the level of debate we hear in the House today that somehow because the systems that we are trying to fix have not been addressed in the last 30 years in a constructive way in terms of change, somehow what we are doing is going to harm American young people.

Somehow what we are trying to do in the welfare reform debate is mean-spirited and we really do not care about children. I resent that. I have been a teacher and an educator, my wife is a registered nurse. I live in a poor community. I helped turn that town around