

family, and encourages out-of-marriage births. They think it is degrading and demoralizing for welfare recipients who would prefer work. They think it is too bureaucratic and does not provide sufficient flexibility. They also think it has done little to reduce poverty. Welfare reform is one of the major issues before Congress this year, and several aspects of it are being examined.

#### THE FEDERAL ROLE

The current welfare system as most people think of it consists of Aid to Families with Dependent Children (AFDC), an entitlement under which cash benefits flow to all eligible individuals on the basis of need. The federal government pays from 50% to 80% of the cost depending on the state. In Indiana the federal share is about 63%. Reform proposals before Congress would provide that individuals are not automatically entitled to such assistance. States would be given a fixed amount of money—or block grant—that would no longer vary with the number of families needing assistance.

Shifting to block grants would give states more flexibility to develop innovative ways to deliver assistance. But there would be 50 state experiments in welfare with no systematic evaluation of the results. Furthermore, use of the block grant without requiring states to maintain their own effort would invite welfare cutbacks. States, always fearful of becoming a magnet for the disadvantaged, would likely end up competing to cut benefits and limit eligibility, and a "race to the bottom" could occur.

Several of the proposals would freeze federal funding for five years without adjusting for inflation or growth in the number of poor people. The theory is that block grants will achieve administrative savings, but studies show that 5% in such savings may be about the best that can be expected. If poverty in a state increases, it would have to bear the additional cost of serving more poor people. States already cut budgets in a recession because revenues fall.

Block grants are sometimes quite useful, but I think they make much less sense for programs for which the poor are eligible on an entitlement basis and the federal government shares some or all of the costs. I worry that using the block grants means that the poor would have to compete against other claimants—like teachers, road builders, and law enforcement—for scarce state dollars. The lack of clout of poor people was a principal reason why the welfare program was federalized in the first place—to assure a minimum level of protection for the voiceless poor who would lose out in political competition for limited funds at the state and local levels.

A key issue is whether assisting the poor is seen primarily as a national or state responsibility. There is a strong case for giving the states more flexibility in reforming welfare. But if the federal government uses block grants it gives up its role in helping the needy and easing regional economic disparities. Giving states more flexibility in running welfare programs can be done without necessarily converting them to block grants. For example, many states, including Indiana, have received exemptions from some federal requirements to allow them to experiment with improvements in welfare assistance.

#### ENCOURAGING WORK

An essential yet often elusive goal in welfare reform is to encourage work. Tools to increase work include financial incentives, education and training, and work requirements.

Financial incentives allow recipients to keep more of their welfare check after they go to work. Past attempts to reduce welfare

dependency through financial incentives have proved disappointing. Education and training produce positive results, but they are expensive. Much attention has to be paid to the quality of training provided and the availability of child care for welfare recipients moving into jobs. Many reform proposals require states to enroll 50% of all welfare parents—some three times the current proportion—in work programs, but these proposals provide no funding for the additional work slots. Likewise, if more welfare mothers are moved into work, more child care will be needed; but under some proposals child care funds from the federal government are cut below current levels.

#### TIME LIMIT

Most of the proposals favor time limits for welfare recipients. Today about one-third of the recipients stay on welfare for more than five years. They are usually a particularly disadvantaged group. The critical issue is, what happens to the recipients who lose all eligibility for welfare because of the time limits? Only about one-third of them are likely to be employed two years later.

#### PREVENTING DEPENDENCY

Everybody agrees that more effort should be devoted to preventing dependency on welfare. That means education and jobs have to be emphasized, especially for the unskilled. It also means that much more attention has to be paid to out-of-marriage childbirth and to the low levels of child support from fathers of children on welfare.

Early childbearing is a major factor in poverty and welfare dependency. Overall the teenage birth rate is now lower than it was 30 years ago, but the proportion of such births that occur outside of marriage has increased dramatically. Many welfare proposals today deny benefits to young unwed mothers or cap benefits to those who have additional children on welfare, but overall the evidence is not clear about the impact of these proposals. Some state experimentation may be in order.

Requiring more fathers to pay child support would almost certainly mean the number of poor individuals would drop and the number of families on welfare would also drop. Billions of dollars could be saved. The current proposals make the penalties for avoiding child support obligations tougher.

#### CONCLUSION

I am impressed that the issues in welfare reform are much more complex—and reform itself much more difficult—than the debate in Congress now recognizes. Congress is going to have to be more modest in what it can achieve in a single bill this year. The system is broken, but serious people have serious disagreements over precisely what needs to be fixed and how in the welfare system.

(Newsletter based on the Urban Institute Welfare Reform report.)

IN RECOGNITION OF WILMA HICKS OF MONTICELLO, DEPARTMENT PRESIDENT OF THE MISSISSIPPI LADIES' AUXILIARY TO THE VETERANS OF FOREIGN WARS FOR 1994-95

#### HON. MIKE PARKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1995

Mr. PARKER. Mr. Speaker, today I stand in the Halls of Congress to ask you to join me in honoring Wilma Hicks of Monticello, MS, de-

partment president of the year of our Ladies Auxiliary to the Veterans of foreign Wars in Mississippi.

Mrs. Hicks was honored recently as one of 11 runners-up among department presidents of the year at the National Presidents' Luncheon held in Phoenix, AZ, during the 82d National Convention of the Ladies Auxiliary to the Veterans of Foreign Wars. She is a member of Auxiliary No. 4889 and has held many positions of leadership in the auxiliary at the local, district and State levels. As a result of Mrs. Hicks' leadership to our State during her 1994-95 term of office, the State of Mississippi can report 8,110 members, \$31,985 in contributions for the Cancer Aid and Research Program, and at least 75 percent participation in all other auxiliary programs. Across the Nation, the auxiliary has raised more than \$3 million for the Auxiliary Cancer Aid and Research Fund for the seventh consecutive year and has volunteered more than 23 million hours in community service.

The Ladies Auxiliary to the Veterans of Foreign Wars is dedicated to serving our Nation through volunteer work in hospitals, through protecting veterans entitlements and by providing community service.

Mr. Speaker and my colleagues, I ask that you join me in paying tribute to Wilma Hicks. I also would ask that your share in this moment to express our collective appreciation to and esteem for the 765,283 auxiliary members across this great Nation. Ladies, we salute you for your willing sacrifices of your time and energy, your dedication to our fighting men and women and your devotion to America's veterans. Mrs. Hicks, you symbolize all that is good, true and steadfast in our society. We will always be grateful for your work and that of the Ladies Auxiliary of the Veterans of Foreign Wars. Thank you.

TRIBUTE TO CAL RIPKEN, JR.

#### HON. ROBERT L. EHRlich, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 6, 1995

Mr. EHRlich. Mr. Speaker, a Member of Congress is often called upon to acknowledge the noteworthy achievements of his or her constituents. Today I have the unique privilege of recognizing a constituent whose achievement is the talk of the nation.

Tomorrow the quiet town of Aberdeen, MD will pay tribute to its favorite son—Cal Ripken, Jr. West Bel Air Avenue—the normally quiet street running through the heart of downtown Aberdeen—will become a focal point of national attention as the people who know Cal best come together to convey their collective affection for a man baseball fans across the Nation have begun to call the Iron Man. To the citizens of Aberdeen, Cal Ripken is—in the words of Roy Hobbs, the character played by Robert Redford in the movie *The Natural*—"the best there ever was."

Last night Cal Ripken played his 2,130th consecutive game as a Baltimore Oriole, tying a longstanding record originally set by the legendary Lou Gehrig. Today Cal will break that record—a feat once thought impossible, so much so that Lou Gehrig's Hall of Fame plaque at Cooperstown states that his record should stand for all time. It is both fitting and