power and flexibility back to the States so that they can run their own welfare programs for their own residents; we believe that noncitizens and felons should not receive welfare; and we think that personal responsibility should be encouraged in order to halt rising illegitimacy rates in America. Make no mistake about it, our present welfare system has contributed to soaring rates of illegitimacy and family disintegration in America to the point where today almost one out of three births are out of wedlock.

We believe that welfare should be a helping hand in times of trouble, not a handout that becomes a way of life. So our plan would impose a 5-year lifetime limit for collecting welfare benefits. Although a family will no longer receive cash benefits after that time, the safety net remains in place. They are still eligible after the 5-year limit on welfare benefits, cash benefits, for Medicaid and nutrition assistance. And recognizing the need for hardship cases, our plan would allow the States to exempt up to 20 percent of welfare parents or welfare families from the 5-year limit.

We really believe that this is a good program and in order to make sure that welfare is temporary assistance in time of need, we emphasize work over welfare. Our plan has welfare parents, many of whom struggle against heroic odds, working within 2 years or they lose their benefits; 15 percent of welfare parents must work in this fiscal year, with 50 percent required to work by 2002. The nonpartisan Congressional Budget Office estimates that our plan will require 1.3 million working parents to work in 2002 compared to 900,000, or 30 percent, under President Clinton's bill.

Make no mistake about the President's dilemma here. He is in a real predicament because he is going to have to choose when this legislation reaches his desk between doing the right thing, making good on that campaign promise to end welfare as we know it or alienating the left wing of his own political party, which is his political base. We hope that the President will come forward and do the right thing. We hope that he will join us so that no longer will States have to spend countless hours filling out required bureaucratic forms hoping to receive permission from Washington to implement their own welfare programs.

We hope that we can reduce and streamline the welfare bureaucracy so that we can crack down on waste and fraud in the system. We hope that our plan will help reverse illegitimacy by requiring welfare recipients to assist in the identity of the fathers, establishing paternity in all cases and requiring the parents to participate.

Mr. Speaker, this is a good solid plan we will take up this week that allows individuals to reach out and help their neighbors. If we fix this destructive welfare system now, future generations of children will thank us later.

WELFARE AND CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I could not help but come to the floor of the House in listening to the previous speaker argue so eloquently but yet with little substance on the question of welfare reform. In fact, I am not here to speak about welfare reform. I hope to be engaged in that debate as I have been engaged in the process of negotiating and trying to provide for the American people real welfare reform.

Might I remind my Republican colleagues that though they claim some sort of hold on the idea of work, they vigorously oppose the increase in minimum wage to make work valuable for those single mothers who have to support their children. They have also opposed in any welfare reform the reality of having child care and job care and, yes, a job. I am reminded of Mayor Norquist of Wisconsin, I believe, who shared with me as I was a member of the National League of Cities Board of Directors when some many years ago we as city representatives were discussing real welfare reform. If I can recall, I believe that Mayor Norquist talked eloquently about the Wisconsin plan. It was not a handout, it was a handup. But one thing he emphasized is that they were concerned and worked hard to provide jobs for those individuals that would move off welfare. They first allowed them to seek jobs in the private sector but if they could not find such jobs, the local government provided opportunity for them.

So I hope, Mr. Speaker, when we engage in this debate toward the end of the week, we will be forthright with the American people, that we will not hide the ball, if you will, that we will not give them a shiny bright apple that is permeated with worms; and that is that we will tell them and work for real welfare reform that includes jobs, that includes health care, that includes opportunity for child care.

Let me now, Mr. Speaker, if I might, very briefly say that I come to the floor in support of the Farr bill on campaign reform, H.R. 3505, which I happen to be a cosponsor of. We too will be engaging in a fraudulent debate on reform at the end of the week, because we are not looking at the real issues. interestingly enough, the Farr bill has a candidate limitation where the candidates may spend no more than $50,000 of their own money.

They ask for a candidate to declare a statement that they will abide by the limits of this legislation. They require that anyone who is advertising on television will be sensitive to the physically challenged and require closed captioning. They will also limit the amount of money that can go to national parties by PAC's. That is real campaign finance reform.

Mr. Speaker, I also want to comment on the opposition to H.R. 3760, the Republican bill, where, for example, they call it reform to allow individuals to get more than $1,000 up to $2,500 per election, when they call it reform to allow PAC's to give not $25,000 but $72,500 a year, when they call it reform when the maximum amount individuals can give to any one political party goes from $20,000 to $58,000 a year; and furthermore these amounts will not count toward the new $72,500 cumulative limit.

It is interesting that Members of their own party are opposed to this kind of campaign finance reform. I do believe that reform should be bipartisan.

I think the Farr bill offers a clear and pointed response that allows those who come to this elective process, not wealthy, but simply wanting to serve the American people, that they will have a fair shake in being represented. I think that we should have a bipartisan approach to campaign finance reform. We have that opportunity this week. I hope that we will not cast aside that opportunity and that we will show the American people we can stand up, one, for welfare reform, the right kind, but real reform and campaign finance reform; we will stand up for the physically challenged, we will not allow large sums to be given on an individual basis from $1,000 to $2,500; we will not pack the PAC's from $25,000 to $72,000; and, yes, we will not allow individuals to give to the political parties, the political party committee, moneys from $20,000 to $58,000 as we will recognize that it is important that candidates declare themselves committed to campaign finance reform, allowing themselves to sign on and to abide by these rules.

This is the challenge that we have in the U.S. Congress this week, to leave this week, proud of what we have done, voting for real welfare reform, giving people a hand up and not a handout; not casting aside those individuals who need help, those young mothers who have children who can in fact become independent if we provide for them the right kind of bridge; and yes, to show the American people that we are not afraid of real campaign finance reform and we are not going to hide behind a fraudulent bill as our Republican colleagues have offered, but yet other Republican colleagues likewise have disagreed with.

We hope that these colleagues can join with us and support the Farr bill, real campaign finance reform.

Mr. Speaker, I submit the summary of the Farr bill, H.R. 3505, for the RECORD.

FARR BILL ON CAMPAIGN FINANCE REFORM—H.R. 3505

CAMPAIGN SPENDING LIMITS

Limits apply to a full 2-year cycle.

Voluntary limits of $600,000 (indexed for inflation, with 1996 as the base year).

Special election limits of $600,000.

Closely contested primaries: an additional $200,000 may be spent in the general election

by a candidate who won primary by 20 percent or less.

Runoff contests: an additional $200,000 may be spent by a candidate who must face a runoff election after a primary election but before a general election.

CANDIDATES PERSONAL SPENDING

Candidates may spend no more than $50,000 of their personal funds in a cycle.

CARRYOVER OF CAMPAIGN FUNDS

Surpluses may be transferred from one cycle to the next for use in the next election cycle.

EXEMPTIONS FROM SPENDING LIMITS

Spending limits will be lifted on a participating candidate when a non-participating opponent raises or spends more than 30 percent of the cycle limit (benefits will still accrue to the participating candidate).

INDEPENDENT EXPENDITURES

Spending limits are lifted for the participating candidate to the extent that independent expenditures are made against the participating candidate or for an opponent in a general election once any single source makes such an expenditure totaling $2,500 or once such expenditures from multiple sources aggregate $5,000. When independent expenditures reach an aggregate of $15,000, the spending limit is lifted entirely on the participating candidate against whom the independent expenditures are targeted. Party committees can match independent expenditures without the expenditure counting against that party's contribution limit to the candidate.

LEGAL AND POST-ELECTION AUDIT COSTS

Costs associated with legal expenses and post-election audits shall not be counted as an expenditure for purposes of calculating spending under the limit; funds raised to cover the legal and post-election audit expenses shall not count against contribution limits.

FUNDRAISING AND ACCOUNTING COMPLIANCE COSTS

Up to 10 percent of the basic cycle limit may be spent on fundraising activities and not be counted as an expenditure for purposes of calculating spending under the limit; (up to 10 percent of salaries and overhead costs may apply to exemption); funds raised to cover the fundraising and accounting compliance expenses shall not count against contribution limits.

TAXES

Federal, State and local income and payroll taxes are exempt from limits and shall not be counted as an expenditure for purposes of calculating spending under the limit; funds raised to cover tax expenses shall not count against contribution limits.

PENALTIES FOR VIOLATING THE SPENDING LIMITS

Civil penalties for exceeding the spending limit shall include fines assessed against the campaign committee based on the amount of the overage:

Overage of 2.5 percent or less: the amount of the overage;

Overage between 2.5 and 5 percent: 3 times the overage;

Overage of 5 percent or more: 3 times the overage plus an additional penalty amount to be determined by the FEC;

Revenues from these penalties shall be directed to the FEC for compliance activities.

INCENTIVES TO VOLUNTARILY ABIDE BY LIMITS; DISINCENTIVES FOR NONCOMPLIANCE

Incentives/Benefits to those who comply:

Broadcast rate discount: requires broadcasters to sell time to participating candidates at 50 percent of the lowest unit rate in the last 30 days of a primary election period and in the last 60 days of a general election period; there shall be no limit on the dollar amount or value of the broadcast time purchased at this rate under this provision.

Discounted broadcast time is made an express condition of existing licenses and new broadcast licenses. Broadcaster will be exempted from these requirements if their signal is broadcast nationwide or if the requirement would impose a significant economic hardship on the licensee. The U.S. Court of Federal Claims has exclusive jurisdiction over any challenge to the constitutionality of the broadcast provisions.

Postage rate discount: makes the campaigns of participating candidates eligible for 3rd class, bulk, non-profit rate for mail; there shall be no limit on the dollar amount or value of the postage purchased at this rate under this provision.

Disincentives for non-participation:

Non-participating candidates who raise or spend more than 30 percent of cycle limit must file report with the FEC, which must then notify other candidates within 48 hours.

Imposes 35 percent tax on contributions of principal campaign committees whose candidates exceed the spending limits; revenues from this provision shall be directed to the FEC for compliance activities.

Non-participating candidates shall not be entitled to the lowest unit rate for TV broadcast time.

ELIGIBILITY FOR BENEFITS

Fundraising threshold: 10 percent of cycle limit counting only the first $200 in contributions from individuals.

Intention to abide by limits: candidate must file statement with declaration of candidacy.

Candidate must have an opponent in the election in which public benefits are to be used.

Closed captioning: no public benefits to candidates who do not use closed captioning in TV ads.

Violation of any of the spending limits makes a candidate ineligible for public benefits.

SOURCES OF FUNDS, PAC LIMITATIONS, INDIVIDUAL CONTRIBUTIONS

PAC contributions: $8000 per candidate, per election cycle; no more than $5000 per election.

Aggregate PAC receipts limit: 33⅓ percent of spending limit, plus an extra $100,000 if runoff and $66,600 if close primary winner.

To national parties: no PAC shall make contributions to a national party committee aggregating more than $25,000 per calendar year.

To state parties: no PAC shall make contributions in excess of $25,000 to a state party Grassroots Fund; $5000 to any other state party committee; $15,000 total to Grassroots Fund and other committees.

Leadership PACs: eliminates leadership PACs as of Dec. 31, 1996 but allows for a two-year phase out of existing funds.

Large donor limits: candidates may accept no more than 33⅓ percent of the spending limit from individuals in aggregate amounts of more than $200; plus an extra $100,000 if runoff and $66,600 if close primary winner; large donor limit removed on participating candidate if nonparticipating opponent exceeds $50,000 limit on personal spending.

Aggregate individual contribution limit: changes aggregate limit to election cycle basis and raises it to $100,000, of which no more than $25,000 may go to candidates per year.

Party contributions: counts all state and local party contributions to a Federal candidate against that party's limit.

Civil penalties for exceeding the contribution limit shall include fines of assessed against the campaign committee based on the amount of the overage:

Overage of 2.5 percent of less: the amount of the overage;

Overage between 2.5 and 5 percent: 3 times the overage;

Overage of 5 percent or more: 3 times the overage plus an additional penalty amount to be determined by the FEC;

Revenues from these penalties shall be directed to the FEC for compliance activities.

INDEPENDENT EXPENDITURES

Defines independent expenditure to mean a communication containing ''express advocacy,'' (i.e., if, taken as a whole, it suggests taking action to support or oppose a candidate or group of candidates), and is not coordinated with a candidate or candidate's agent.

Prohibits independent expenditures:

By candidate's or political party committee;

Where there has been any arrangement, coordination or direction between candidate or agents and spender;

Where spender has been authorized to raise funds or has worked in a policy making capacity for a candidate;

Where spender has retained professional services of agents also retained during election cycle by candidate affected by spender's activity.

Reporting requirements, to be sent to FEC and Secretary of State:

Notification within 48 hours of independent expenditures each time they total $2500 from a single source or aggregate at least $5000, until 20th day before election;

Notification by 20th day before election of intent to make independent expenditures in last 20 days;

FEC must notify all candidates in that election within 48 hours of these independent expenditures.

Requires enhanced disclaimer on independent ads, to include spoken statement of who is responsible and, if on TV, a clearly printed message as well (with reasonable contrast, for at least 4 seconds)

If a broadcast expenditure is made against a participating candidate or for an opponent, the person making that expenditure must notify the affected candidate, and provide a script of ad within 48 hours of making the expenditure. The broadcaster must offer the affected candidate an equal opportunity to respond without advance payment required.

Participating candidates may spend in excess of spending limits (in primary or general) to compensate for independent ads against them or for opponent, once in excess of $2500 by a single spender or $5000 aggregate.

BUNDLING

Contributions through intermediary or conduit to be counted against intermediary's contribution limit, if intermediary is a:

PAC with a connected organization;

Union, corporation, trade association, or national bank;

Someone required to register as a lobbyist; or

Agents or employees of above groups acting on behalf of those groups.

The following may serve as intermediary or conduit;

Candidate or representative, if transmitting donation to candidate's committee;

Professional fundraiser (for fee);

Volunteer hosting house party; or

Individual transmitting spouse's donation.

Restrictions do not apply to joint fundraising activities by 2 or more candidates, party committees, or combination, or sole effort by other candidate.

Requires intermediary or conduit to report original source and intended recipient to FEC and to recipient.

SOFT MONEY

Makes these activities subject to FECA:

GOTV drive not solely for State candidates and which don't identify and are targeted at supporters of Federal candidates;

Any activities which in part promote or identify Federal candidates;

Voter registration drives;

Development and maintenance of voter files in even-numbered year;

Any activity which significantly affects Federal elections.

Makes these activities not subject to FECA:

Cost of party building or to operate radio or TV facility;

Contributions to non-Federal candidates;

Money for State or local conventions;

Activities exclusively on behalf of or which only identify non-Federal candidates;

State or local party administrative expenses;

Research for solely State or local candidates and issues;

Development and maintenance of voter files except for one year before Federal election;

Any activities solely aimed at influencing and which only affect non-Federal elections;

Generic campaign activity to promote a political party rather than any particular candidate.

Creates new separate segregated fund established and maintained by State political party committee for making expenditures in connection with Federal elections.

Prohibits use of soft money for any party activity that is subject to FECA or that significantly affects a Federal election.

National and congressional party committee must disclose all financial activity, regardless of whether it is in connection with Federal election; other political committees must maintain a non-Federal account and must disclose all financial activity including separate schedules for State Party Grassroots Funds; FEC may require other nonparty political committees to disclose receipts or disbursements in Federal elections which are also used to affect State and local elections.

Prohibits Federal candidates of officeholders from raising any money for a tax exempt group which they establish, maintain, or control, and which devotes significant activities to voter registration and GOTV drives.

CAMPAIGN ADVERTISING

Prohibits broadcasters from preempting ads sold to participating candidates at 50 percent of the lowest unit rate, unless beyond broadcaster's control.

Requires 50 percent of the lowest unit rate to be available to participating candidates in last 30 days before primary election and 60 days before general election; non-participating candidates shall not be eligible for lowest unit rate.

Lowest unit charge of a station is for the same amount of time for the same period.

Requires clear statement of responsibility in ads, with: clearly readable type and color contrasts (print); clearly readable type, color contrasts, candidate image, and for at least 4 seconds (TV); and candidate's spoken message (radio and TV).

DISCLOSURE REQUIREMENTS

Requires candidates to aggregate financial activity on election cycle basis.

Defines election cycle from day after last general election to date of next general election for that office.

Requires ID of individuals by permanent residence address.

Allows candidate committees to file monthly reports in all years.

Incorporated political committees: requires reporting of state of incorporation and the names and address of officers.

Requires candidate committees to report disbursements for the primary, general, and any other election in which the candidate participates.

Requires disclosure of the name and address of each person receiving an expenditure over $200 and the election to which each operating expense relates.

MISCELLANEOUS PROVISIONS/REFORMS

Contributions by dependents not of voting age: counts contributions toward limit of parent (allocated between both parents, if relevant).

Use of candidates' names: requires authorized committee to include candidate's name in its title; prohibits non-authorized committees (other than parties) from including candidate's name in its title or to use name to suggest authorization.

Fraudulent solicitation of contributions: prohibits solicitation of funds by false representation as a candidate, committee, political party, or agent thereof.

Advances by campaign workers: exempts advances of less than $500 made to campaign by volunteers and employees, if reimbursed within 10 days.

Labor and corporate expenditures for candidate debates, voter guides or voting records: not counted as contributions, unless expressly advocating election or defeat of a candidate and under specific circumstances to ensure impartiality.

Telephone voting by persons with disabilities: requires FEC to develop feasibility study.

Cash contributions: prohibits candidates from accepting (as well as individuals from making) cash contributions which aggregate more than $100.

Expedited review: provides expedited appeal to Supreme Court of any court ruling on constitutionality of any provision of the Act.

FEC regulations: requires FEC to promulgate regulations to carry out provisions of this Act with 12 months of effective date.

Effective date: upon enactment, but does not apply to activity in elections before January 1, 1997.

Severability: if any parts of the Act are held invalid, other provisions of the Act are unaffected.

A REPUBLICAN CONGRESS AND A DEMOCRATIC PRESIDENT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized for 60 minutes as the designee of the majority leader.

Mr. KINGSTON. Mr. Speaker, it is interesting how we are hearing all these speeches tonight on Democrats calling for bipartisan support, and then all they are doing is bashing Republicans. I hardly think their discussions go beyond anything but political rhetoric, so I am going to go on to some other topics right now.

Ms. JACKSON-LEE of Texas. Mr. Speaker, will the gentleman yield just for a moment?

Mr. KINGSTON. I will yield, but I want the gentlewoman to remember in her book, I am yielding, and I would love you to tell members of your party that Republican Members will yield to Democrats when they control the time.

Ms. JACKSON-LEE of Texas. I will be happy to do that.

Mr. KINGSTON. I am going to yield to you. I have got to give you my lecture first. You remember how it was when you were a kid and your parents were going to give you some money, you had to hear their story first.

Ms. JACKSON-LEE of Texas. That is all right since the gentleman is kind enough to yield.

Mr. KINGSTON. I have yielded countless time to Democrats. Then I have asked for the courtesy of a return, and it is so difficult to get a return. The gentlewoman being an outstanding Member of Congress, of high integrity and has the confidence of her convictions, I know she would yield to me. But I hope you tell some of your friends that.

Mr. Speaker, I yield to the gentlewoman now that she has heard my nickel lecture.

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Ms. JACKSON-LEE of Texas. Mr. Speaker, I would say to the gentleman from Georgia, I appreciate his admonition and your kindness as well. I will not take up all of his time. I would only offer to the gentleman it might be out of the passion of the comments being made by some of the Members in this well that might cause them to delay in yielding, but I thank him for his kindness. I simply wanted to, because I do appreciate his offering or extending the offer for us to work in a bipartisan manner.

My Comments were only drawn from a letter from Republican Members who themselves are opposed to H.R. 3760, and I was offering their comments and not suggesting anything other than reading from a letter signed by CHRISTOPHER SHAYS, LINDA SMITH, among others, and that was what I was referring to. I thank the gentleman.

All I wanted to do was clarify that because I do appreciate the need for a bipartisan approach in all of the things that we do.

Mr. KINGSTON. Mr. Speaker, if I could engage the gentlewoman 1 more minute here, the gentleman from Texas, speaking 10 minutes before the gentlewoman, went out of his way to say the Speaker GINGRICH fought the gift ban. Well, there is not a bigger misrepresentation of the facts I have heard in the last 24 hours. I have been home, so I am catching up on my rhetoric now that I have been in Washington a couple of hours. But as the gentlewoman knows, the gift ban passed with overwhelmingly bipartisan support and it was, in fact, the Speaker's idea to have a gift ban which we call an absolute gift ban, as opposed to one that had a $10 limit on it.

So for a Member to say that the Speaker fought a gift ban, the gentlewoman and I both know it is absurd. That was really the comment that got my attention.

Let me yield to the gentlewoman from Texas [Ms. JACKSON-LEE].