HOUSE OF REPRESENTATIVES—*Wednesday, March 22, 1995*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. GILLMOR].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 22, 1995.

I hereby designate the Honorable PAUL E. GILLMOR to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are thankful, gracious God, for the rebirth of nature that we see all about us during this season. May the symbols of the season that remind us of renewal and restoration and all the beauty of these new days, prompt us to seek Your spirit that renews and enlightens our hearts and minds and souls. May we not be hindered, O God, by our past attempts at doing justice or by the inadequacy of our efforts, but let us, in this season of new life, find our lives strengthened and our spirits renewed so with all our hearts and minds, we will do justice, love mercy, and ever walk humbly with You. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. HAYWORTH. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on agreeing to the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HAYWORTH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, further proceedings on this vote will be postponed.

The point of no quorum is considered withdrawn.

APPOINTMENT AS MEMBERS OF THE UNITED STATES HOLOCAUST MEMORIAL COUNCIL

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of Public Law 96-388, as amended by Public Law 97-84 (36 U.S.C. 1402(a)), the Chair announces the Speaker's appointment of the following Members of the House to the United States Holocaust Memorial Council: Mr. GILMAN of New York; Mr. REGULA of Ohio; Mr. LATOURETTE of Ohio; Mr. LANTOS of California; and Mr. YATES of Illinois.

There was no objection.

REPUBLICAN CONTRACT WITH AMERICA

(Mr. BOEHNER asked and was given permission to address the House for 1 minute.)

Mr. BOEHNER. Mr. Speaker, our Contract With America states the following:

On the first day of Congress, a Republican House will require Congress to live under the same laws as everyone else; cut committee staffs by one-third; and cut the congressional budget. We kept our promise.

It continues that in the first 100 days, we will vote on the following items: A balanced budget amendment—we kept our word; unfunded mandates legislation—which will be signed in the Rose Garden by the President today; line-item veto—we kept our promise; a new crime package to stop violent criminals—we kept our promise again; national security restoration to protect our freedoms, which we passed; Government regulatory reform—we kept our promise; commonsense legal reform to end frivolous lawsuits—we kept our promise; welfare reform to encourage work, not dependence—we are working on this today and tomorrow; family reinforcement to crack down on deadbeat dads and protect our children; tax cuts for middle-income families; Senior Citizens' Equity Act to allow our seniors to work without Government penalty; and congressional term limits to make Congress a citizen legislature.

Mr. Speaker, this is our Contract With America.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that he will recognize Members for 20 1-minutes on each side.

AGAINST REPUBLICAN PERSONAL RESPONSIBILITY ACT

(Mr. OLVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLVER. Mr. Speaker, the second campaign in the war on poor people has begun. This time the wounded and the victims will be poor children. Hot school lunches and hot breakfasts, WIC that provides nutrition and education that helps to reduce low birth weight babies, food for day care centers, support for foster children, protection for abused children, day care for the children of working families, all of these will be cut under the so-called Personal Responsibility Act. However, these are hardly welfare programs. These are the very supports which keep children healthy and allow working families to stay off welfare and continue working. Why then are they included in the Republican welfare bill? All of these cuts will just about pay for tax cuts for the wealthiest 2 percent in our country. The wealthiest 2 percent, the families with more than $200,000 of income, will be taking the advantage from this.

I ask my colleagues to join with me in voting against the Personal Responsibility Act. It is time to stop this insanity.

OVERHAUL OF WELFARE SYSTEM NEEDED

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, our opponents call us cruel and mean spirited for wanting to overhaul the welfare system. I cannot think of anything crueler or more mean spirited or quite frankly more cynical than the system that we have now. Make no mistake, it is the welfare system we have got that is cruel and mean spirited and everyone here know it. Yet because of the huge clout that the gigantic Federal welfare bureaucracy has, there are some politicians who will do anything, who will say anything, in order to frustrate reform.

I have worked in an inner-city recreation center. I have taught in an inner-city school in Cincinnati. In those jobs, I have seen the devastation that the welfare system brings. Do not tell me we have to give up on these kids. We need to completely overhaul the welfare system now, and we begin today.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

KEEP FEDERAL NUTRITION PROGRAMS INTACT

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, the American people certainly do support overhauling and reforming this welfare system. It is broken. It needs to be fixed. They support cleaning up the fraud and abuse in the Food Stamp Program and making this system work to keep our families intact and making sure people are forced to work if they take welfare. But the American people do not support cutting the School Lunch Program for children.

Today in the Wall Street Journal, not a liberal paper in America, it states that the nutrition program will be cut by $12 billion over 5 years.

We have been going back and forth, Democrats and Republicans, arguing about who to believe. Is it going to be cut? Who is right?

Last week in the Wall Street Journal, JERRY SOLOMON, a prominent Republican who knows the budget as well as anybody other than JOHN KASICH said this:

> When you're talking about means-testing things like Medicare, cutting back school lunch programs, the necessary programs need to be cut like the U.S. Institute.

That is proof that this is going to be cut back.

A FAILED SYSTEM

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, this week we find ourselves in the midst of a great debate, not just about welfare but about the basics of government. This debate reveals two radically different points of view and two radically different value systems. One value system places an emphasis on Government policy and believes that it is the Government's duty and responsibility to give poor people free money. Proponents of this value system are convinced that free money will help poor people. The other value system places a greater emphasis on the inherent value of people, not government. To this value system, government is a stumbling block, something that restricts creativity and crushes the human spirit. To this value system, the answer to ending poverty is not a handout but a helping hand.

Mr. Speaker, the difference in this debate is striking, but the American people have spoken and they demand big changes to the failed welfare system. They have seen for themselves the consequences of a liberal value system. They want to return to a system that believes in people and not big government.

THE 1-800 IRS HOTLINE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, to facilitate collections out in Portland, OR, the IRS installed a 1-800 hotline. The taxpayers in Portland called this number and lo and behold, they did not get the IRS; they got a fantasy phone sex program.

This is no joke. Unbelievable. How does that tickle your tax credit? Some sexy voice says, come on down and we'll treat you to whatever is necessary, your total sexual fantasies.

To tell you the truth, there is not much difference between the IRS hotline and a fantasy phone sexline except it costs $4 a minute I guess for the fantasy phone sexline. I think the end result is basically the same.

I guess when the phone company, Mr. Speaker, says reach out and touch somebody, the IRS is trying but the end result is usually the same.

Congress, we should pass H.R. 390 and change the burden of proof in a tax case so these hotlines might get straightened out.

LOSING WAR ON POVERTY

(Mr. JONES asked and was given permission to address the House for 1 minute.)

Mr. JONES. Mr. Speaker, we have spent more than $5 trillion to fight the war on poverty, the most expensive war America has ever fought which we are losing. The current system traps individuals in a cycle of dependency and no hope for the future.

Nearly 65 percent of the people on welfare at any given time will receive benefits for 8 years or longer. The amount we spend in 1 year on welfare is roughly 3 times the amount needed to raise the incomes of all poor Americans above the poverty threshold.

The misuse of the taxpayer's money must end. As elected officials, we have the responsibility to create a better and more efficient system which in turn offers a temporary helping hand to individuals. Our proposal is based on the dignity of work and the strength of the family which moves solutions closer to home and offers hope for the future.

Let us work together to pass a bill that offers an opportunity to a bright and productive future instead of one of dependency.

JEOPARDIZING HEALTHY CHILDREN

(Mr. PETERSON of Florida asked and was given permission to address the House for 1 minute.)

Mr. PETERSON of Florida. Mr. Speaker, is there any human responsibility greater than ensuring the safety and healthy development of our children? Certainly not. Then why, Mr. Speaker, has the Republican Party singled out the children of America for punishment. Particularly poor children. The welfare reform package that my Republican friends have brought to the floor of the House of Representatives this week will put in jeopardy the healthy development of this Nation's children by placing the School Lunch Program into a block grant. Literally, millions of children under the age of 12 go hungry each day and millions more will be placed at risk of hunger under this plan. We need to improve an already effective School Lunch Program—we certainly do not want to destroy a proven program that greatly improves our children's ability to learn and to attain their potential. We must protect our children's welfare—it is our one most important human responsibility.

REPUBLICAN WELFARE REFORM

(Mr. CHAMBLISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAMBLISS. Mr. Speaker, I wish to offer today some brief very sobering facts: Illegitimacy rates in this country have quadrupled in 25 years. Welfare has gone from a short-term stay to a way of life with 13 years being the average length of stay, including repeats spells. After 5 years on welfare, the average family will have received at least $60,000 in benefits tax free. In 1970, the proportion of teen mothers who were unmarried was 30 percent. By 1992, it was 72 percent.

Mr. Speaker, these are just a few facts that clearly demonstrate that our current welfare system is a failure. Instead of providing hope, compassion, and opportunity, our failed Federal welfare system has only created more Government dependency and misery. In fact, nothing could be more cruel to welfare recipients and children than the system we have today.

However, this cycle need not continue. Our welfare reform package provides tough love for welfare recipients giving them hope, independence, and opportunity. We strive to break the cycle of welfare dependency.

I ask support of the Republican package this week.

□ 1015

U.S. TRADE DEFICIT

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, the United States of America set a record last month or in January, a $16.3 billion

merchandise trade deficit, not something to be proud of by our Commerce Department who measures that. That means we lost 244,000 American manufacturing jobs. The trade deficit was up 69 percent in January, the largest imbalance with Mexico in a decade, $863 million deficit with Mexico. Yes, NAFTA is working just great, thank you very much.

Japan, a $4.9 billion deficit, and China $2.7 billion, up 34 percent. The dollar has plunged to record lows.

We cannot go on piling deficit on deficit, month after month, year after year without bankrupting our economy. We bailed out Mexico when they could not pay their international bills. Who will bail us out and what conditions will they impose?

Our trade policy in this country is a failure, it is a disaster and the silence in Washington is deafening.

THE IMPORTANCE OF BIODIVERSITY

(Mr. GILCHREST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILCHREST. Mr. Speaker, today I would like to talk to my colleagues about sharks.

Sharks produce few offspring, grow slowly, and take years to mature. Many species of sharks are being severely depleted due to overfishing.

Ironically, just as we are exterminating these ancient fish, medical science is discovering that the highly evolved immune systems of sharks make them almost invulnerable to cancers and infections. Squalamine is a compound recently isolated from the tissues on the dogfish shark. It has demonstrated potent activity in laboratory tests against a variety of bacteria, fungi, and parasites. Squalamine may lead to new antibiotics for infectious organisms that have become resistant to standard drugs.

With a medical breakthrough of this kind this fishery will gain tremendous economic value. This in turn will benefit coastal communities as well as medical science. This is possible only if we remain vigilant against irresponsible management of our natural resources. Economic value is only a small fraction of the value of biodiversity. We need to keep this first in our minds as we work to reauthorize the Endangered Species Act and the Magnuson Act.

NATIVE AMERICAN AMENDMENT DENIED ON WELFARE REFORM BILL

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, every Member of Congress with native Americans in their district should vote against this bill and this rule. Incredibly, the Republican leadership has snubbed their own chairman of the Natural Resources Committee, the gentleman from Alaska, DON YOUNG, and disallowed a bipartisan amendment that both of us were going to offer, treating Indian tribes as States in the new block grant system, just like every Republican and Democratic administration has done since the 1960's.

Mr. Speaker, without this amendment this bill will decimate native American programs, violate the tribal sovereignty agreements with the United States and will disenfranchise millions of native Americans.

It does not surprise me that the Republican leadership would snub kids and native Americans, but their own guy, DON YOUNG, the very able chairman of the Natural Resources Committee who was simply trying to do the right thing.

I rise in outrage in learning that the amendment concerning native Americans which the gentleman from Alaska and I have been working on is not in order.

This marks the beginning of an era—the Republican termination era—for our Nation's relations with tribal governments.

We have always maintained intergovernmental relations with native Americans—and this has been supported by every administration, on both sides of the aisle, since the 1960's.

This is a significant departure from our belief in and support of Indian self-determination, and affronts many statutes passed by this body and our predecessors.

Our amendment would have restored set-asides to native Americans that H.R. 4 destroys—it adds nothing new, would have only maintained the independence and ability to serve tribal people that tribes currently maintain.

I am outraged that the Rules Committee has denied this bipartisan, rational, technical amendment to H.R. 4; this is fundamentally unfair and wrong.

Mr. Speaker, the bottom line is that there is no place for arrogant procedural tactics in this Chamber, it only denies the first Americans a voice in the legislative process.

SINGLE-PARENT HOMES A RECIPE FOR SOCIAL DISASTER

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I ask my colleagues to consider these two related statistics.

Seventy percent of juvenile delinquents in State reform institutions lived in single-parent homes or with someone other than their natural parents.

This is a telling statistic. Here is what makes it so frightening.

According to some projections, only 30 percent of white children and only 6 percent of all black children born in 1980 will live with both parents through the age of 18.

Mr. Speaker, this is a recipe for social disaster.

Yet, instead of joining us in changing the welfare system, the liberals come to this floor day in, day out and whine, moan, and distort the facts. Why is that?

Could it be that they have a vested interest in the current system?

You see, if you follow the money, you find that Government bureaucrats' special interest PAC's gave overwhelmingly to liberal Democrats. In fact, the largest Government employees' PAC gave 99 percent of its contributions to liberal Democrats.

So when my liberal Democrat colleagues come down here and defend the failed policies of the past while professing their compassion for the children, ask yourself, Who are they really speaking for?

MAJORITY WILL NOT ALLOW AMENDMENT ON UNWED MOTHERS

(Mr. VOLKMER asked and was given permission to address the House for 1 minute.)

Mr. VOLKMER. Mr. Speaker, I have here before you a copy of the rule on H.R. 4, and the amendments that are proposed to be allowed. Here we go again, another very restrictive rule that we should all oppose and vote against. It does not permit an amendment and many other Members, the gentleman from New Mexico just addressed one amendment.

The gentleman from California [Mr. STARK] and I were going to offer an amendment which is supported by the National Right to Life, supported by the Catholic Bishops Conference and is also supported by other groups that are opposed to this legislation.

This basically, this legislation, H.R. 4, the provisions in it promote abortions for unmarried young ladies under the age of 18. We just want to offer an amendment to correct that. We are not allowed that amendment.

Therefore, it is very apparent to me that the chairman of the Committee on Rules, other members of the Committee on Rules and the Members of the majority party wish to promote abortions as a way to reduce children to unwed mothers.

ADDING MORE CHILD CARE MONEY TO WELFARE REFORM

(Ms. DUNN of Washington asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DUNN of Washington. Mr. Speaker, later today, we will consider an amendment to be offered by Mrs. JOHNSON, Ms. PRYCE, Mrs. WALDHOLTZ, and myself that will provide an additional $750 million for child care.

The current welfare system is a failure that encourages people to join welfare and stay much longer than they should. In weeks of testimony, there was not one person who said that the present system is helping Americans. In fact, it hurts our families and children.

But, our overhaul of the welfare system will help the most needy Americans. The Personal Responsibility Act is a tremendous stride in the right direction as it provides incentives for these women—and it is primarily women—to seek employment in the private sector.

Mr. Speaker, along with these incentives, we must provide certain tools and resources to help people transition themselves off of welfare. The Johnson-Pryce-Dunn-Waldholtz amendment will give an additional $750 million to boost the annual total provided to States to $2.1 billion.

Mr. Speaker, as a single mother who raised two sons, I know how difficult it is for women to go back to work.

We need to help them by giving them funds to cover daycare.

SUFFER THE CHILDREN

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, the Bible says: "Suffer thy children to come unto Me and forbid them not for such is the Kingdom of Heaven." America may not be heaven, but it purports to have a democracy that supports a heavenly agenda for its people. Therefore it should not forbid its children meals, medical services, and basic necessities.

We are called upon to set a high moral standard that is consistent with that which we teach. Although our children are nonvoting Americans they are nonetheless Americans and deserve no less than any other American.

Let us in Congress suffer the children to come unto us and forbid them not such things that we are responsible for providing for them.

We cannot forbid them, we must give to them. This is our moral responsibility.

TAX RELIEF SHOULD NOT BE RICH VERSUS POOR ISSUE

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, it is a sad day within the Republican Party. A number of my colleagues bought into the divisive class warfare rantings of the Democrats. These Republicans have circulated a letter that endangers a major component in the Contract With America: the $500 per child tax credit. It is unbelievable to me that they would deny tax relief to families making more than $95,000 per year. Are we putting a price tag on families?

Tax relief was in the Contract With America. If it fails, we will have fallen prey to the Democrats' big lie. They want to paint tax relief as rich versus poor. This bill is not about helping any one group over another, it is about returning to Americans what is rightfully theirs: their hardearned money.

There is not a single American that deserves the huge tax burden that the Democrats have been heaping on them for the last 40 years. The question is not about rich versus poor, it is about stopping wasteful Government spending and the right of Americans to keep what they earn.

SUPPORT URGED FOR TRUTH IN BUDGETING ACT

(Mr. WELLER asked and was given permission to address the House for 1 minute.)

Mr. WELLER. Mr. Speaker, as members of the freshman class, we were elected to restore accountability and honesty to Congress. We have a unique opportunity—indeed an obligation—to fulfill our promise. In 1969, the Federal Highway Trust Fund became part of the unified Federal budget. Since that time, user fees/gas taxes paid by users of the system for the express purpose of improving and upgrading our roads and bridges, have been buried in the budget, masking the true size of the Federal deficit.

Prior to 1969, the Federal Highway Trust Fund was an off-budget program. The pay-as-you-go system allowed repairs to be made as the money was collected. Today, a surplus has amassed at the expense of much needed improvements.

H.R. 842, the Truth in Budgeting Act, seeks to restore the Federal Highway Trust Fund to its original off-budget status. This will put an end to the budget gimmick of hiding the deficit at the expense of motorists. I urge you to join me and nearly 140 cosponsors in supporting H.R. 842, a bill that answers the people's call to improve America's infrastructure, and to make Government fiscally responsible.

A promise is a promise, and it is time for us to live up to ours.

DIFFERING DEFINITIONS OF SHAME

(Ms. McKINNEY asked and was given permission to address the House for 1 minute.)

Ms. McKINNEY. Mr. Speaker, my colleague from the Sixth District of Georgia wants to restore a notion of shame and touts the value of shame in discouraging public drunkenness, child abuse and encouraging kids to do their homework. He continues that through the use of shame, we will be able to reassert standards in America's future.

Now is it not curious that this particular notion of shame could seriously be advanced by someone who:

First, misstates the facts on purpose; second, denigrates women by talk of infections; and third, has an ethical cloud over him so big and heavy that dewdrops now glisten on his neo-victorian halo.

Let us get real on the value of shame and as my teacher used to say, "The emptiest wagons always clap the loudest."

TRUTH-IN-BUDGETING/ TRANSPORTATION TRUST FUNDS

(Mr. WAMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WAMP. Mr. Speaker, I am proud to be a cosponsor of Transportation and Infrastructure Committee Chairman BUD SHUSTER'S bill, H.R. 842, to take the transportation trust funds off-budget.

These trust funds were established to guarantee that taxes paid by transportation users go to support the infrastructure needs of that mode of transportation—highways, aviation, waterways, and harbors.

The integrity of the user fee system, whereby those who use a public service pay the bulk of the cost, has been undermined by a system where users get back much less in services and goods than they pay into the system.

Not only have traditional sources of revenue for the trust funds been raided for other uses by the tax-and-spend liberals, but the trust funds have also been used as a huge cushion of cash on the balance sheet to mask the true size of the deficit.

I also believe that we should only collect taxes when we need the money, and use it for that specified purpose for which it was collected.

This same logic is why conservatives pushed for years to take the Social Security Trust Fund off budget and be honest with its accounting—the same reasoning applies here.

This kind of honesty and accountability is at the heart of the Contract With America. When I circulated a letter among my freshman colleagues just last week, asking them to join me in supporting truth in trust fund budgeting, I collected 43 signatures in 3 days.

My fellow freshmen are behind this because it makes common sense and it is the right thing to do.

□ 1030

APPOINT AN OUTSIDE INDEPENDENT COUNSEL

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, last month I addressed this House concerning the legislation advanced by Speaker GINGRICH that could have the effect of intimidating a citizen who complained about the ethics of the Speaker or any Member of this House. Hopefully the Speaker's ill-advised legislative proposal that would thwart ethics complaints has now been abandoned.

But we must be sure that an overall concern for ethics, for maintaining the highest standards of integrity by Members of this body, is not also abandoned. Mr. Speaker, Congress cannot be exempt from the requirement of the appointment of an outside independent counsel with complete powers to investigate Members of this body.

I want to applaud the action of Common Cause yesterday with reference to the whole question of an independent counsel, and I paraphrase from that important statement, appointing an outside person of unquestioned integrity with a nonpartisan background will be a critical factor in obtaining a publicly credible result.

But, Mr. Speaker, the Member who said it best in 1988 said, "The trust of the public and the integrity of the House will accept no lower standard than an outside counsel."

Mr. Speaker, that Member of the House is now Speaker of the House, the gentleman from Georgia [Mr. GINGRICH].

WELFARE REFORM FOR OUR CHILDREN'S SAKES

(Mrs. KELLY asked and was given permission to address the House for 1 minute.)

Mrs. KELLY. Mr. Speaker, who among us has not taken a child, probably their own, by the hand and walked with them down their neighborhood sidewalk? When we crossed the street, we either held their hand tighter or picked them up and carried them across the road to safety.

This scene is repeated over and over again on sidewalks across our country. It is a simple, yet telling image of how we as a nation perceive the role of the stronger individual to take care of those in need in our society.

For the past 30 years, we have held the hands of hundreds of thousands of people who needed our help, but unfortunately, we have forgotten how to let go, and more importantly how to help people stand on their own.

Mr. Speaker, this is the essence of the Republican welfare reform plan.

We all live our lives planning for our futures and those of our children. If we do not extend this same principle to those less fortunate in our society, all of our tomorrows will be bleaker. Our own children will confront us, asking us why we did nothing, why we allowed a broken system to continue unchecked.

Mr. Speaker, let us try to work together and fix this broken system.

NO MEMBER OF THE HOUSE IS ABOVE THE HOUSE RULES

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, NEWT GINGRICH is going to have one heckuva time explaining his way out of this one.

On Monday, the LA Times reported that over the past 10 years, NEWT GINGRICH misused official staff for his own personal, political purposes. And this time, it is his own staff that are making the charges.

Mr. GINGRICH's former administrative assistant told the Times that "two top House aides on the congressional payroll openly ran GINGRICH's reelection campaign from the district office."

His former district administrator said that "her pay was once docked $200 when she refused to allow government equipment to be used for campaign purposes."

Staff members even admit, and I quote, that "House clerical staff was assigned to produce a book (in 1984) for which GINGRICH and his wife received $24,000 in royalties."

And when asked why, one staff member said, and I quote: "NEWT's attitude was: the rules don't apply to me."

Mr. Speaker, no Member of this body is above House rules.

There is only one way for this ethical quagmire to end. As Common Cause said yesterday, we need an outside person to come in and make a judgment.

A BROKEN SYSTEM NEEDS WORK

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute.)

Mrs. SEASTRAND. Mr. Speaker, in this recent magazine article, a black woman from Houston, TX, who recognizes that the current welfare system is hopelessly broken takes it upon herself to help the downtrodden, and she refuses to take one penny from the Government. That should signal to us that something is very wrong with our current welfare system. And it should signal to us the direction our country has to go.

Today we are set to make fundamental changes to the current failed welfare system, a current system that is not compassionate, a current system that has harmed the very people we have set out to help. Nothing will help or will more fundamentally change the incentives than to require work, not welfare.

Whether work is in the home or in a 40-hour-a-week job, work is inherent to the dignity of women and men. Individuals need the dignity of work. Our bill does that.

We have a tough work requirement for welfare recipients after 2 years, and we define work as real private-sector jobs for real pay.

Mr. Speaker, that is real change. That is how we are keeping our promise to the American people to change the failed welfare system, and we hope that our new system will bring hope, opportunity through work, and the dignity that will come with it.

WELFARE BILL WILL NOT PUT PEOPLE TO WORK

(Mr. FORD asked and was given permission to address the House for 1 minute.)

Mr. FORD. Mr. Speaker, Republicans are saying we ought to try to work together to fix the welfare system. I, too, would agree with that.

But the Republican-controlled Committee on Rules last night voted out a rule with 31 amendments being placed in order on the rule that they will bring to the floor today. Only five amendments will be Democratic amendments, and none of the five are perfecting amendments that will really do something about this particular welfare problem. We want to make sure that the children of this country are not cut off from breakfast programs and school programs, and the program itself is not broken.

We are doing all of this to be cruel and mean to children in this country, just to give to the rich and the wealthy of this Nation some more tax cuts. That is wrong, and the Republicans know it, and they are going to bring this bill up, and their rhetoric will not work.

They keep saying, well, what we want to do is to create jobs and put people to work. Their welfare bill will not put people to work. It will roll you off the welfare rolls, and it is cruel and mean to children in this country.

WE MUST FACE THE PROBLEM OF WELFARE REFORM

(Mr. CHRISTENSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHRISTENSEN. Mr. Speaker, you know, I have to respond to my colleague's comments there. You know, there are a lot of Johnnie-come-latelies to this whole idea of welfare reform.

For 30 years, liberal Democrats had the opportunity to reform the welfare system, and they punted.

Well, it is time for us to make sure that it happens this year. We have been hearing the words "cruel and mean-spirited," "cruel and mean-spirited." Well, folks, it is wrong, wrong, wrong.

When the nay-sayers make such outlandish charges, what they really are doing is defending the status quo. They are defending Government programs

once intended to give a helping hand to the neediest Americans, but which instead have bred soaring out-of-wedlock births, violent crime, and more poverty, all at the expense of the American taxpayer.

No responsible parent rewards irresponsible children with cash, free food, and an apartment, and the taxpayers should not either. Since the so-called Man from Hope would not face up to the problem, it is time for us to do so.

Let us end welfare as we know it. Let us restore hope for all Americans. Let us pass the Personal Responsibility Act.

THE WELFARE REFORM RULE

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, today we will consider a rule governing amendments to the welfare reform legislation.

This rule allows 26 Republican amendments and 5 Democratic amendments.

This rule excludes virtually every substantive amendment offered by Democrats.

This rule shuts out debate, slams the first amendment, and makes a mockery of House procedures.

This is a bad rule by anybody's definition.

Under this bill, my State will lose millions of dollars and thousands of my constituents will be affected in a punitive manner.

Yet, the committee refused to allow the amendments I offered to help perfect the bill.

One of my amendments would have clarified apparent conflicts in two titles of the bill on the issue of minimum wage.

Those conflicts will remain in the bill because of this rule.

This hastily drafted legislation will go forward without the wisdom and input of many Members of this body who truly care.

Democracy has suffered a dangerous blow on this day.

Vote no on this gag rule.

CURRENT WELFARE SYSTEM IS CRUEL

(Mr. HOKE asked and was given permission to address the House for 1 minute.)

Mr. HOKE. Mr. Speaker, what is the legacy of the welfare state after 35 years and spending $5.3 trillion? Well, one out of every three babies born in America is born out of wedlock. Two out of every three American babies of African descent are born out of wedlock. From 1960 to 1991 homicide deaths among children under 19 have quadrupled. Among black teenagers, murder is now by far the leading cause of death.

It is a perverse form of compassion that encourages children to have children by themselves and then traps those same children, both mother and child, in a dead-end cycle of Government dependency. Nothing could be more cruel to children than a system that does that.

If that is not failure, then how do you measure failure?

This is what we have gotten with 35 years of Great Society welfare state.

REPUBLICAN SCHOOL LUNCH CUTS

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, in their eagerness to give handouts to the very rich, the Republicans have come up with some horrible ideas. One of the worst ideas is to cut children's school lunches.

Mr. Speaker, why wage a war on children? The 40,000 Boston children who get warm meals at school want to keep getting fed. It is that simple.

A few of them who live in Brockton, MA, sent me some plates. Chris Johnson who is 7 drew me a picture of vegetables. Seth who is 4 says he likes milk, and Paige who is 2 and likes peanut butter and jelly. These plates are very sad reminders of just how serious these lunch cuts really are.

And school lunches are proven to improve children's behavior at school, and help them learn.

Mr. Speaker, it will be a tragedy if the Republicans succeed in taking these children's lunches away.

IN SUPPORT OF THE PERSONAL RESPONSIBILITY ACT

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, the American people are convinced the welfare system is out of control. As one prominent citizen of New Jersey, a Democrat at that, said to me last week, and I quote, "No other civilization in the world pays young girls to have babies, but that is what our welfare system does."

You know, he is not far from wrong, and that is the perception among many good, generous, caring people who are deeply concerned about the future of this country, and they worry that we are wasting hard-earned taxpayer money to support a dysfunctional system that is unhealthy and that sentences children to a lifetime of economic, social, and emotional deprivation.

In a system like this, it is the children who are the first victims, but the taxpayers are not very far behind.

We must act now to reform this system. Reform must restore public assistance to its original purpose, a temporary safety net for those in need, not a permanent way of life for generations of families.

OPPOSITION TO SCHOOL LUNCH PROGRAM CUTS

(Mr. PASTOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASTOR. Mr. Speaker, I rise to urge the Members of this body to seriously consider how they might be undermining the future or our children, and, as a consequence, the future of this country. Children are our future, it is often said. Yet, as I hear those words, I also sense their hollowness. Why are we so intent on sabotaging their welfare in our haste to enact changes? At best it is a tenuous safety net that we have built for so many of our children. And now we are proposing to make drastic cuts in the most basic segment of this net.

The School Lunch Program which the Republican bill is proposing to fold into a block grant is slated to be cut. I speak of real cuts that await hungry children. Yet, I wonder how many Members of this body have taken the time to look in the faces of these children or sat with them in a school cafeteria and watched them eat? I ask myself how many would have the gall to continue to insinuate the School Lunch Program will be increased when in fact it is slated to be drastically cut.

Again, I urge you to oppose this most frontal attack on the Nation's future.

□ 1045

THE WELFARE SYSTEM IS BROKEN

(Mr. TALENT asked and was given permission to address the House for 1 minute.)

Mr. TALENT. Mr. Speaker, Josef Stalin said, "The death of a million men is a statistic. The death of one man is a tragedy." Let us talk about the death, then, of one boy, Eric Morse. In 1994 Eric lived in a public housing project in Chicago, which is where he was raised. He was a good boy. Two older boys tried to get him to steal candy, and he refused to do it. So they took him up to a 14th floor window in the public housing project, and they threw him out, despite his screams and the screams of his brother.

Mr. Speaker, there were no dads there to help. There was nobody there to put a stop to it. And the reason is that our welfare system has over the last generation systematically destroyed the families and the incentives of low-income Americans. Probably in Eric's neighborhood, 4 out of 5 of the

kids born each year are born out of wedlock.

Mr. Speaker, we do not have to do that. Do not believe people who suggest that our choice is between this existing system, which is an engine of destruction for the families and the opportunity of the poor, and doing nothing. We can help them with a system that is based on work and family and responsibility. What Americans have always believed in. That is what this bill is about. That is what we are trying to do. I hope every Member of the House will put partisanship aside and consider supporting it.

WE NEED TO KEEP THE WIC PROGRAM

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute.)

Mrs. SCHROEDER. Mr. Speaker, just when I think I understand how broad-based this war on children is, I continually find it is even broader than I knew.

Yes, this war on children, the first war they have really started to pay the rich their tax break, I find unconscionable.

But this weekend I was shocked because there was a whole aspect I never even thought of. As I was visiting an emergency ward to see preemie babies in dire need of help—and had their mothers been fed through the WIC Program, this would not have happened and would have saved us mega bucks—some of the nurses came forward and said, "Let me tell you what they are going to do to us if this bill passes." These nurses, these wonderful people, had adopted babies that have been abandoned at that hospital. They had adopted some with severe disabilities, some with HIV. They had filled out these kinds of forms to prove medically and every other way that those children were really in need. And they were getting SSI payments to help them.

Nurses do not get paid much. They have now adopted those children. They are trying to build families for these children, and we are going to take away the SSI payment. Boy, is that heartless.

THE PERSONAL RESPONSIBILITY ACT

(Mr. HUTCHINSON asked and was given permission to address the House for 1 minute.)

Mr. HUTCHINSON. Mr. Speaker, there are many, many important components in the Personal Responsibility Act: the block grants that provide the States greater flexibility, the tough work requirements they are going to require so that people would have to work in order to gain welfare payments.

Mr. Speaker, ending the entitlement nature of welfare is essential so that we finally turn back these entitlement programs. But most fundamentally and essentially, it is a welfare reform package that for the first time begins to deal with illegitimacy's disastrous effects on our society.

Out-of-wedlock birth is a certain predictor of poverty. The one-parent family is six times more likely to be poor than the two-parent family; children born outside of marriage are three times more likely to depend upon welfare themselves when they reach adulthood. The likelihood that a young male will engage in criminal activities doubles if he is raised without a father and tripled if he is raised or lives in a neighborhood with a high concentration of single-parent families.

We end in this welfare reform bill the subsidy for illegitimacy for unwed moms under the age of 18. By targeting teenagers, we intend to stop the cycle of misery before it starts. We need to pass the Personal Responsibility Act.

HAVE THEY GONE MAD?

(Mr. MENENDEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, this week Republicans will ask this House to tear away the fragile safety net protecting American children from hunger and homelessness and abuse. The more helpless the child the bigger the cuts. Cruelest of all are the cuts in benefits to hundreds of thousands of disabled children.

Mr. Speaker, have they gone mad?

When did the American people vote to harm handicapped children? To take food away from poor children? To deny medical treatment for children born out of wedlock?

I support reform. I proposed a tough bill to reform the Supplemental Security Income Program for disabled children. It cuts the fraud out of the program, but keeps aid to truly disabled children. The Republicans would not even consider it. I offered it as an amendment to this bill. The Republicans again refuse to consider it. Why? Because they need the cash that is going to handicapped children to pay for tax breaks.

Mr. Speaker, the American people never voted to do these things.

Our children are our best hope for the future.

Let us all clam down, and think about what these proposals will mean for our Nation. And then let us do the right thing and vote against the Republican welfare proposal.

REPUBLICAN WELFARE PLAN HELPS WOMEN AND CHILDREN

(Ms. MOLINARI asked and was given permission to address the House for 1 minute.)

Ms. MOLINARI. Mr. Speaker, I rise today on behalf of the women and children who are the fallen victims of the War on Poverty. The Republican welfare plan reverses the current cycle of welfare dependency that has failed our communities and has replaced it with a real safety net. This plan plans to emphasize the success of the Women, Infants and Children Program as a means to this end.

The family based nutrition grant requires States to spend at least, if not more than, 80 percent of the total block grant funds on a WIC-like program. States will use these funds to serve economically disadvantaged pregnant women, breast-feeding mothers, and infants and young children who are at nutritional risk. In order for States to continue the WIC Program, under the Republican plan, there will be a $24.2 billion increase over 5 years. I commend Chairman GOODLING for recognizing the merits of this program and increasing funds to meet the needs for our families. Block grants work, WIC works, and the Republican welfare plan works for women and children.

LET US RESTORE SOME OF THE FUNDS FOR SCHOOL LUNCHES

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, our Republican friends do not like to be called mean spirited even though they put forward a mean-spirited welfare reform bill.

But I say, if the shoe fits, wear it. It is quite apparent that the Republican idea of welfare reform means taking food out of the mouths of schoolchildren, throwing women and children out in the streets. If that is not the case, why will they not allow any of us to put amendments on the floor to this bill to restore some of the funds for school lunches? They will not allow that. That say block grants will solve the situation and States could supposedly spend the money the way they want.

Mr. Speaker, block grants work only if they are fully funded. The fact of the matter is they are not going to be fully funded and the effect of these block grants will mean cutting job training, cutting child care, all of which are necessary in order for people to get off welfare. Why are they doing it? The Republicans want to take the money out of the mouths of the schoolchildren and use it for tax breaks for the rich and for star wars.

I say it is a disgrace. For shame, Mr. Speaker.

This ought to be defeated. I have never seen anything more disgraceful.

TERM LIMITS SHOULD BE SUPPORTED

(Mr. FRANKS of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRANKS of New Jersey. Mr. Speaker, the election last November, the people of America told us the institution of the Congress itself needs to be reformed before we can deal with the tough problems and challenges facing our country.

There is no more important an indicator of our commitment to impose discipline on ourselves than our support for term limits. As strong supporters of the constitutional amendment to impose term limits on Members of the Congress, we want to energize the campaign for the term limits amendment and demonstrate dramatically that we are serious about reforming Congress. That is why tomorrow morning Congressman STEVE LARGENT of Oklahoma and a number of other Members will be meeting out in the grassy triangle at 10 a.m. to agree to impose, voluntarily, term limits on our own service regardless of whatever legislation may move on the floor of the House of Representatives.

I would ask all Members who are committed to term limits to join in our effort to demonstrate to the American people that we are genuine, that we are serious in our commitment to reform this institution by agreeing to voluntarily impose term limits on our own service.

THE REPUBLICANS JUST GO TOO FAR

(Ms. WATERS asked and was given permission to address the House for 1 minute.)

Ms. WATERS. Mr. Speaker, we are entering one of the most important debates of the 104th Congress. The lives of innocent children and families are at stake. Democrats want change, and we have responsible legislation for change. Democrats want reform.

However, the Republicans just go too far. The Republicans are taking America to the edge. It is scary when well-fed Republican politicians take away children's lunches. It is scary when Republicans, who claim family values, advocate putting America's children in orphanages. It is scary when Republican policymakers refuse to formulate responsible welfare reform with child care for mothers to get training for work and a guarantee of jobs for families who desperately want to work.

Republicans are just scaring us all. The Republicans just go too far.

MOTION SEEKING PERMISSION FOR ALL COMMITTEES AND SUBCOMMITTEES TO SIT ON TOMORROW AND FOR THE BALANCE OF THE WEEK DURING THE 5-MINUTE RULE

Mr. ARMEY. Mr. Speaker, I move that all committees of the House and their subcommittees be permitted to sit on tomorrow and for the balance of the week while the House is meeting in the Committee of the Whole House on the State of the Union under the 5-minute rule.

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from Texas [Mr. ARMEY] is recognized for 1 hour.

PARLIAMENTARY INQUIRY

Mr. BONIOR. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BONIOR. Mr. Speaker, will the minority be granted the customary 30 minutes of debate time on this motion?

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] has 1 hour of debate time, and he may yield if he chooses.

The Chair recognizes the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, yes, it is true I do have an hour's time. I do not intend to use that whole hour. I will, of course, yield the customary 30 minutes to the gentleman from Michigan [Mr. BONIOR] for purposes of debate only.

That being the case, Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say very quickly we are coming to the end of a very long and arduous work period in the House of Representatives. We have produced good legislation for the American people, and it is to the credit of the hard work of people on both sides of the aisle that we have managed to do so well for this period of time. We have a short period of time left and a few very important items left on our agenda for this first 100 days, and we will indeed be working very hard for the next 3 weeks.

It is my obligation, my duty, to once again prevail upon the Members of the House on both sides of the aisle to work, as it were, double time, time and a half, for just a few more weeks so that we can finish that.

I understand that this is a hardship on the Members. I understand that it is difficult for the Members. But I also have to remember our resolve to complete this legislative agenda in this assigned time.

That being case, Mr. Speaker, I yield 30 minutes of debate time to the gentleman from Michigan [Mr. BONIOR] for purposes of debate only.

Mr. Speaker, I reserve that balance of my time.

Mr. BONIOR. Mr. Speaker, I thank my colleague from Texas for yielding this time to me.

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the gentleman allowing us some time to debate this. I think it is important to debate this this morning because since the beginning of this Congress, the Democrats, I think, have made a good-faith effort to work with my friend from Texas, Mr. ARMEY, and the other leaders of his party in cases where a waiver is needed for the committees to meet under the 5-minute rule.

Now, such waivers, I might add, clearly violate the spirit of the Republican rules package, which is supposed to block committee hearings while important votes are occurring on the House floor. But we have tried, week after week, religiously to work with the Republicans to work out accommodations, and in every single case we have agreed with the Republican request, after we have had a time of consultation. But today, really, frankly, Mr. Speaker, marks a very low point in our relationship on this issue. Today, the House is likely to have rollcall votes every 20 minutes until 8 o'clock this evening, whenever we decide to call it a day, every 20 minutes we will be having a vote on this floor on an amendment, on one of the most important bills that this Congress will consider, the welfare reform proposal.

□ 1100

Yet the Republicans want to hold markups in committees. We object to this request for obvious reasons. Members cannot be in two places at once.

Mr. Speaker, it takes 10 minutes to get over here, it takes 10 minutes to get back, and, by the time that occurs, we are into another vote. It makes no sense whatsoever.

Many of my colleagues on this side of the aisle, and I am sure on the other side as well, have a deep interest in this legislation and want to be here because it affects their constituencies in very special ways, and this rule does not allow them to participate in the debate on the House floor and yet do the work that they were assigned to do as committee people.

So we have made the request, and of course the response has been very simple: "If you don't agree with our plan, well, we'll do it anyway." That is what this is all about; so much for consultation, Mr. Speaker.

I am really disappointed that my friends on the other side have violated their own pledge on opening day which calls for the rules which requires us not to do what we are apparently about to do, and so I would just say to my colleagues, we really need to be here, engaged on the floor today on this important bill. We don't need to be running back and forth getting exercise, because that's about all we're going to get. We're not going to have good dialog in committee with 20-minute votes,

and I hope that we, in fact, Mr. Speaker, will vote against this motion and pay attention to the important business of welfare reform on this House floor.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, I thank the gentleman from Michigan [Mr. BONIOR] for strongly objecting to the motion, and I find that, of the amendments offered, we have a few by Democratic Members who may very well be required, instead of being over here at the time to offer their amendment, may have to be in committee and markup up, may have an amendment in that committee, and I ask, how can you do an amendment in committee in an office building at the same time you're doing an amendment on the floor?

I say:

At the same time you can't do it. It's a physical impossibility, and I think that this legislation that we have before us, even though I strongly object to it and I hope Members do vote against the rule, and perhaps, if we defeat the rule, then we can come back and have some little bit better from the gentleman from New York. I'm sure that the gentleman from New York will permit a few more Democratic amendments. He hasn't got very many; I find 5 out of the 30-some.

Mr. Speaker, I would like to say the gentleman from Michigan has the time, and I would just like to say that I can well remember, and I am sure that the people on the other side can well remember, back on January 4 when we adopted these great rules that the majority said we had to have to make this Congress more open and more responsive to the public, and yet right here today again we are violating those rules.

Members said from the majority, "Well, we shouldn't have proxy voting." They said, "No, you shouldn't have that, shouldn't be able to do that. You should be able to be in committee and on the House floor at the time when you're required to be there, so we won't schedule. We are going to have a computerized scheduling system so that people won't have to be in committee and be on the floor at the same time."

And yet we have a motion right here now by the gentleman from Texas [Mr. ARMEY] that says specifically that we are going to be able, they are going to be required, Members are going to be required, to be in committee and on the floor at the same time, so it is just the opposite of what we were told on January 4, and I appreciate the gentleman from Michigan yielding to me.

Mr. ARMEY. Mr. Speaker, I withdraw the motion.

The SPEAKER pro tempore (Mr. GILLMOR). The motion offered by the gentleman from Texas [Mr. ARMEY] has been withdrawn.

PERMISSION FOR ALL COMMITTEES AND SUBCOMMITTEES TO SIT ON TODAY AND THE BALANCE OF THE WEEK DURING THE 5-MINUTE RULE

Mr. ARMEY. Mr. Speaker, I move that all committees of the House and their subcommittees be permitted to sit on today and for the balance of the week while the House is meeting in the Committee of the Whole House on the State of the Union under the 5-minute rule.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] is recognized for 1 hour.

Mr. ARMEY. Mr. Speaker, for purposes of debate only, I yield 30 minutes of my time to the gentleman from Michigan [Mr. BONIOR].

Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. ARMEY] for 30 minutes.

Mr. ARMEY. Mr. Speaker, let me first apologize for the error in the first motion I presented. It was not as inclusive as I intended it to be, and now, in fact, we have the proper wording and a more inclusive motion on the floor.

Let me say I understand, and I appreciate, that this makes it difficult for many of our Members. It is not something that I do happily. It is something I do because there is a need for it to be done.

While I say that, let me again compliment all the Members of this body on both sides of the aisle for the enormously good-natured manner in which they have handled a very, very difficult work schedule for these past 75 or so days. I look forward, as much as any Member in this body, to the end of this 100-day period when we will have completed this legislative agenda and we will have passed it, which I fully expect that we will do. I look forward, as much as any Member of this body, for that period of time after, where we can go back to our home States and our home districts, and enjoy being with our own constituents and sharing with them an understanding of what it is we have done during these historic 100 days, and I have to say it has been, for me, a particular pleasure to enjoy the good humor, the good nature and the cooperative spirit that all Members of this body have demonstrated in undertaking and completing what, in everybody's memory, is the largest working agenda in the shortest period of time by this body.

So, having said those things, Mr. Speaker, I reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield 5 minutes to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Speaker, I, too, agree with the gentleman from Michigan [Mr. BONIOR], that we should object to this request.

First of all, as my colleagues know, this legislation, H.R. 4, is to me the most important legislation confronting the 104th Congress thus far. It contains sweeping changes to programs aiding the most impoverished and vulnerable members of our society, our children.

This bill, the misnamed "Personal Responsibility Act," does not do what it purports to do. Instead it is a hatchet act that cuts, slashes, and eliminates Federal programs for school nutrition, Aid to Dependent Children, child abuse prevention and treatment, child care, the Jobs Opportunities and Basic Skills Program, foster care, and others that are essential to enabling welfare recipients to get off welfare and more importantly, to safeguard the health and welfare of our kids. Sixty-three percent of all spending cuts already passed by this House directly affect low-income families and children, and this heartless bill goes even further.

With such a critical issue affecting the lives of our children being debated under the 5-minute rule, it is absolutely impossible for Members to devote their full attention to this matter if they are attending to committee business. We cannot be at two places at one time, as the gentleman from Michigan [Mr. BONIOR] has already said, and should not be forced to have to choose between participating in one of the most important issues confronting our Nation today and meeting committee responsibility.

Now, Mr. Speaker, these past few months I have worked cooperatively with the chairman of the Committee on Government Reform and Oversight, the gentleman from Pennsylvania [Mr. CLINGER], to ensure that the committee's work has not been delayed, but welfare reform is too important to take a back seat to committee hearings, even to committee markups.

I think it is a mean ploy that our committee has already scheduled hearings today concerning title IV of H.R. 11, the Family Reinforcement Act, at the same time we are doing welfare reform and proposals to cut, and also to reform, if my colleagues will, the Department of Health and Human Services at a time when we are considering welfare reform, if my colleagues want to call it that, and tomorrow our committee plans to hold a full committee markup on H.R. 1271, the Family Privacy Act.

Now all of these matters are critically important, and I know that our members on the Committee on Government Reform and Oversight want to be at those hearings, they want to be at those markups, but we cannot be at two places at one time.

For that reason, Mr. Speaker, it just seems to me that, because this is a preeminent, important issue, I agree with the gentleman from Michigan that we would object to the Committee on Government Reform and Oversight sitting during this 5-minute rule.

Mr. ARMEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I listened very intently to the remarks made by the gentlewoman from Illinois [Mrs. COLLINS], and there is no doubt that she makes a good point. This is a matter of grave concern that we will have on the floor to all our Members, and it is for that reason, because we had that concern, that in this rule we do allow the Chairman of the Committee of the Whole to postpone votes, that we can collect votes at a point when we can come down and vote on amendments in a cluster vote of two or three votes and, thereby, alleviate the Members of the need to come to the floor every 20 minutes. I understand how difficult that is, and I want to express my personal appreciation on behalf of all our Members to the Committee on Rules for that thoughtfulness they displayed in putting this provision in the rule allowing that opportunity to the Chairman of the Committee of the Whole, which I hope will do a good deal to alleviate the strain of these work circumstances on our committee members that are sitting during the consideration of that bill.

Mr. Speaker, I again reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

Before I yield to the gentleman from Massachusetts [Mr. OLVER], let me just say, Mr. Speaker, that, while I appreciate the argument my friend from Texas makes, let us be very clear that what he is suggesting, by collecting votes, and having them grouped together and voted on at the end of a certain period, that that breaks up the tempo of a committee markup; it certainly breaks up the tempo of a committee hearing where it does not even apply, where we are inviting people to come in and testify from around the country, to listen, to legislate what is going to be acted upon, and here they are, sitting while Members are shuffling back and forth from this floor back to committee session.

Mr. Speaker, it is just not a good way to do business. It is not an efficient way to do business. It is not a cost-effective way to do business. It is not a courteous way to do business. And it just would not work; some things are just clearly obvious, and this is one of them. This is not a day to be conducting committee business while we are on the floor voting every 20 minutes in probably one of the most, if not the most, important bills we will have this session.

So the argument that we are going to collect votes over a certain period of time, and then have Members vote on it, actually breaks the pattern of the voting, it does not allow them to do secondary amendments in a way that makes sense. It is just not feasible.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Speaker, I thank the gentleman from Michigan [Mr. BONIOR], my good friend, the minority whip, for yielding this time to me, and I must say I agree totally with him on the points that he has made about the confusion that has evolved in trying to deal in open, good consideration in committee as well as here on the floor in the Committee of the Whole. But the minority whip made the point in his opening statement that this was the low point in the procedural debates here in the House, in the Committee of the Whole and in the House, so far this year, and then the majority leader withdrew his motion and offered a motion which is worse in two ways.

So, it is worse in two ways. The first way is in that it also included today, which was clearly the error of the majority leader in not having included today, Wednesday, in the original motion. So the confusion is added to today, in Wednesday's debate, but then the clustering of votes, which makes it worse again in the way that the clustering of votes creates a situation here of people not knowing, not having been able to be present, and having taken part in the debate and hearing the debate because they are in committees. This is to allow the committees to continue their work when the most important work that we can be doing is going on here on the floor on this very, very important piece of legislation.

□ 1115

So that the clustering of votes negates the possibility of Members taking part in debate in this area while the action is going on in committees. We are starting debate on the amendments on the welfare reform bill, which is as important a piece of legislation as any piece of legislation that we considered in the 103d or the 104th Congress. There was nothing more important—not the crime bill, not the deficit reduction bill, not the primary and secondary education bill, not the balanced budget amendment of this year. We can take the primary and secondary education bill, which we debated for many days under an open rule, where Members came up for 5 minutes as important amendments were debated for 2 hours, the less important ones for only 10 or 20 minutes, and then a vote. Yes, it was possible to go and deal with things in the committee at the same time because there were long debate periods on very important amendments that were before us.

But in this motion, what we have is debate on the welfare bill coming up with 31 amendments, with 20 minutes of debate allowed on them, and at the same time the majority leader has put forward a motion to allow every single committee of the Congress to be sitting, going through markups and going through hearings at exactly the same time we are going to be debating that extremely important piece of legislation.

I think this is indeed truly the low point in the procedural operations of the 104th Congress, and I certainly hope that this motion will not be adopted.

Mr. BONIOR. Mr. Speaker, I thank my colleague for his comments.

Mr. ARMEY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the majority leader for this time.

I have to say that I am a little bit surprised, because the reason we provided for cluster voting in the rule was to accommodate both Republicans and Democrats. We did that after consultation. We took the language directly out of the rule the gentleman from Michigan [Mr. BONIOR] offered when we debated the defense authorization bill. It is the identical language. Now, we do this when we have a series of amendments over a very long period of debate, after consulting with the minority, which is what the gentleman did in consulting with us. We had no objection to that, and we are simply following previous procedure.

Mr. BONIOR. Mr. Speaker, will the gentleman yield so I may clarify my comments?

Mr. SOLOMON. Yes; I am pleased to yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, my comments were not to what the gentleman did in the Rules Committee. I thought the distinguished majority leader was referring to allowing cluster votes within the committees. That is where I was addressing my remarks.

Mr. SOLOMON. I do not think so. I am told by a nod of the head that we are only talking about cluster voting here on the floor.

If the gentleman would look further, there are a number of titles in the bill. For instance, title I is block grants and temporary assistance for needy families. There are 8 amendments, and it might be the prerogative of the Chair to want to cluster some of those votes after consulting with the minority and then move on to title II, which is the Child Protection Program, and so on. I think that makes a lot of sense. I know the gentleman has in the past agreed with me on that, or I should say I have agreed with him when it was his proposition. Is that correct?

Mr. BONIOR. No; I would say the gentleman is correct on this. If I have misunderstood the gentleman, I correct

myself on the floor. I thought he was referring to votes being clustered in committee, and in fact if we are going to allow clustered voting on the floor, that is helpful, but it does not address the primary concern of continuity in allowing Members to be in more than one place at one time.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for that colloquy, because I think it is helpful to all the membership.

I would say that during the course of this debate I am going to be on the floor all the time. It is going to take 3 days, and I would be surprised if there are 5 or 10 Members on the floor during any one of these debates on any of these important amendments.

So I do not think we are going to be disrupting the House by letting committees meet.

Mr. Speaker, I thank the gentleman for yielding me time so we could clarify this issue.

Mr. BONIOR. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I thank the Democratic whip for that time.

My objection to this process is that in every town meeting I have been in and every poll I have seen, national, State, or whatever, welfare reform is certainly up there at the top of the agenda that everyone has. Yet what we have, Mr. Speaker, is a process of a limited rule in and of itself. Of 160 amendments that were sought, I believe only 31 will be offered. Of 93 that were Democratically offered, only 5 Democratic amendments will be permitted.

So that is bad enough. But then what we get is a situation where no amendment will be debated more than 20 minutes, with a vote to follow. I appreciate certainly that the majority leader said those votes will be clustered. That is a convenience, but that does not help those of us who would like to be on the floor involved in the debate on many of these issues, because if at the same time, as I should be right now, I am at the Government Reform Committee, we are tied up in a committee performing vital committee business at the same time these issues are being debated.

I do not think it is too much to ask where there is an objection from the Democrat minority as to the committee sitting, and it is not an objection that has been raised frivolously. In fact, every time there has been consultation with the Democrat minority, the Democrat minority has seen fit to enter into an agreement with the Republican majority.

I am concerned about some other things, too. These are major issues that are going to be raised here on the floor. We are going to be talking about abortion, we are going to be talking about nutrition, including school lunch and school breakfast, we are going to be talking about disabled children, we are going to be talking about requiring work, we are going to be talking about job training, and we are going to be talking about whether young women should have their benefits terminated because they are under 18 and pregnant. These are all vital issues. Yet, how effectively can we be debating those issues if at the same time many of us have conflicting committee responsibilities?

I have to say that in some cases the Republican majority has solved my problem because I would have liked to have seen an amendment permitted that would have greatly restored the School Lunch and School Breakfast Program. Well, they did not make that in order. We will not be able to bring that up on the floor. So they took care of my problem, and I guess in a way I ought to thank them, because now I do not have to worry about being on the floor for the school nutrition debate. That will not be here.

I obviously do not need to worry too much about being on the floor, I guess, on a very controversial amendment that I see has been made in order that would outlaw fugitive felons from receiving benefits from 3 welfare programs. That is a gutsy one, and I know everybody will want to be here for that one. We might have been willing to trade some time so we could have debated school lunches and school breakfasts.

But, in closing, I just hope the American public understands, Mr. Speaker, that while this is a very important debate, all Members will not be able to be on the floor for this debate, because the Republican majority has said we are going to have to be in committees voting at the same time. It makes it very difficult, and I would hope that the Republican majority would withdraw this motion.

Mr. ARMEY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Speaker, I thank the gentleman for yielding time to me.

It is my intention to be on the floor for this debate as much as possible. I have been listening to the procedural sparring. I heard the gentlewoman from Illinois debate basically the merits of the bill, and I wanted to be able to respond to her points without regard to the procedural sparring that is going on. I have a few minutes to do it, and I appreciate the gentleman's yielding this time to me for that purpose.

Mr. Speaker, I think what we are going to consider here today is an important piece of legislation. It is a bill that is designed to replace the existing failed welfare system with a system that is based on principles that work, time-honored principles that have helped people out of poverty and into self-sufficiency—work, family responsibility, marriage, all the things that the existing system has been running down for so long.

What we have done in the last 30 years can really be summarized in this way: We have spent close to $5 trillion on the Federal and State level on means-tested entitlement programs, welfare programs in the broadest sense, and what we have gotten is not a reduction in poverty. In fact, Mr. Speaker, it is important to understand that poverty went down steadily in the post-war era until 1965, until the Great Society began. In that period, welfare spending has gone up tenfold, and the poverty rate, if anything, has increased slightly. Certainly it has not gone down. What we have gotten for all that spending and what we have gotten for all that effort is an explosion in the out-of-wedlock birth rate. It is now one out of three. One out of three kids in the United States is born out of wedlock. In 1965 it was between 6 and 7 percent. We have gotten a sixfold increase in the out-of-wedlock birth rate.

What does the bill do about it? As I said before, the emphasis or the basis of the welfare system is on work, on family, on responsibility. The first thing we do is, we are no longer going to pay cash benefits to teen moms under the age of 18. It is stupid, Mr. Speaker, to send a check of $300 or $400 every month to a young mom and leave her in the environment in which she is probably being exploited and with which she certainly is not coping. Instead, we give the money to the States and we say, "Care for those families, but do it in a way that encourages family, that encourages work."

There are a lot of alternatives the States will be able to choose, the kind of alternatives that have worked over the centuries in welfare systems—supervised settings like maternal group homes and adoption. These kinds of things will work out. They will lift people out of poverty instead of miring them in it.

The bill has very strong work provisions, and there are amendments to make those provisions stronger because work is an important part of dignity. It is an important part of making welfare a two-way street. If you do a work program properly, Mr. Speaker, it serves several goals. First of all, it enables you to determine who does not really need welfare, in a nonbureaucratic way, because if you have got to work 30 or 35 hours a week picking up trash from the side of a highway or doing a job like that and you have other alternatives, you will get off welfare. It is important that we target the work provisions on that part of the welfare population which is most employable. The bill does that.

The bill also has an overall goal of breaking the locked grip of Washington bureaucrats on the welfare system and

returning it back to the people. It is not a question of trusting the States; it is a question of trusting the American people. Put the control over power and resources closer to them, and they will adapt the welfare system to really care for the needy neighbors and needy people amongst them.

I want to address very briefly arguments that we have heard and we are going to hear during the course of this debate about this bill. People say that we are cutting welfare spending. We are not cutting welfare spending. When this bill is finished, the spending on the welfare state, the Federal commitment to means-tested welfare programs will grow by about the rate of inflation every year. What we are doing is abandoning Federal control, the Federal locked grip over this system, and returning that to the people, and we are rebasing this system on principles that will really work.

Mr. Speaker, this is a good bill. I want to close by saying this: This bill is, I think, going to be developed along the following lines: We are trying to talk about what this bill is going to do, about the very basic, fundamental problems with the existing system that are just insurmountable. And everybody agrees the existing system is a total failure. The President of the United States said we have to end welfare as we know it. Did anybody say, "No, let's continue welfare as we know it? We like welfare as we know it"?

Mr. VOLKMER. Mr. Speaker, will the gentleman yield?

Mr. TALENT. Mr. Speaker, we have a bill that will take substantial steps in that direction. That is what we are going to be talking about.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield?

Mr. TALENT. If I have time left, I will be glad to yield.

The SPEAKER pro tempore (Mr. GILLMOR). The time of the gentleman from Missouri [Mr. TALENT] has expired.

Mr. ARMEY. Mr. Speaker, I yield an additional 2 minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Speaker, I will close, but first I will yield to my friend, the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, I know that the gentleman from Missouri is sincere in his efforts, but I have a serious reservation about some language that is in the bill. That has been described as promoting abortion for women who are pregnant and under 18 years of age, or younger, and that has been described by the National Right to Life and by the Catholic Bishops Conference and others as promoting abortion.

My review of that language clearly says that is what it does, and I do not think that is the way to reduce the number of children that are on welfare. I do not think that killing them is the way to do it, and that is what this bill does.

Mr. TALENT. Reclaiming my time, Mr. Speaker, I will be happy to address that point, and then I will close my remarks.

It is described by nobody else who is pro-life in that fashion, if I may say this to the gentleman. None of the other pro-life groups believe the language will have that effect.

Let us see what the language does. It says that the States get a little extra bonus in the block grant if they reduce illegitimacy without a proportionate increase in abortion. Now, for every increase in abortion that you have, it moves you backward in your attempt to get the money. This is for the first time in the Federal statutes that we have a formula which discourages both illegitimacy and abortion. That is why the gentleman from California [Mr. STARK], who offered an amendment to take it out, said that the formula we have in the bill is a bounty on abortion. That is how he described it in the Congressional Daily today, because it does discourage abortion, and everybody else who is pro-life thinks that. I have a difference of opinion with some of my colleagues on this side of the aisle. I do not know how a provision cannot be pro-life if it says to the States that you get extra money for reducing illegitimacy but not if you do it by increasing abortion.

□ 1130

So I would just say that to the gentleman.

Let me close my remarks by saying this: The debate is going to be on the one hand those who support this bill, and I think you will find Members on both sides ending up voting for it, trying to say what we are doing with this bill to rebase this failed system on marriage and work and family; and then people on the other side basically saying, nope, if we do not continue doing it the way we have been doing it or maybe expanding the existing welfare state without changing any of the incentives, we are abandoning the poor.

Have the faith to believe that we can help people without destroying their families. We can have a welfare system that helps people without destroying their families and their incentive to work and to be responsible. That is what we are trying to do. I would urge all Members, we all know the existing system is failing. If you cannot lead in the effort to change it, at least follow. Or, if you cannot do that, at least get out of the way. Do not perpetuate the myth that if we do not keep doing it the way we have been doing it, which nobody likes, that somehow we cannot fundamentally change the system at all.

Mr. BONIOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first say to my colleague from Missouri that nobody believes the present system is worth keeping. Everyone on both sides of the aisle disagrees with the present system. We just have different approaches on how to change it.

Mr. Speaker, I yield 30 seconds to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, just on that point, we are supporting a substitute that gives us real reform in welfare, that gets people back to work and off the welfare roles, is that correct?

Mr. BONIOR. That is absolutely correct.

Mr. VOLKMER. So we all recognize we need reform and welfare.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am opposed to what is being discussed here today, because I think we need every possible person on the House floor to hear some issues being discussed, which I frankly think are being too broadly ignored. One of the reasons I am going to vote against the rule, for instance, is because while I certainly want the existing welfare system to be changed, I am very unhappy about the fact that the Committee on Rules refused to make in order my amendment which would make the Federal Government pay for the welfare and education costs associated with allowing refugees into this country, rather than dumping the costs of educating and training those refugees onto State and local governments.

It seems to me that when the Federal Government allows refugees to come into this country, that is a foreign policy decision. I would ask why under that situation local taxpayers should get stuck with paying the tab to educate and train those refugees who are allowed into this country for foreign policy reasons?

I appreciate very much the fact that the Democrats on the Committee on Rules and two Republicans voted to allow my amendment to be offered. I, for the life of me, do not understand why the other Republicans did not. There is nothing partisan to this issue. This has nothing to do with whether you are a Democrat or Republican. It has to do with whether or not you think the local taxpayers ought to be stuck with financial responsibilities that rightly belong to the Federal Government. It seems to me they should not.

So I think there are a lot of reasons why we need to have people on this floor listening to the debate, because unless we do, we are not going to achieve the kind of understanding that you need in this House so that the Committee on Rules will not continue to make the kind of mistakes that they made in disallowing my amendments, for instance.

No one suggested the existing welfare system ought to be kept. It ought to be junked. It seems to me that we ought not in the process increase the burden on local governments.

Mr. ARMEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Mexico [Mr. SCHIFF].

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have to acknowledge that proceeding with this bill while committees are in session will certainly create some time conflicts for Members, and they are going to have to work very hard to get back and forth between their obligations. That is not new. We have been doing that for most of the last several weeks. But I wanted to say, most pointedly, that I am proud of the fact that it is my party that is bringing up comprehensive welfare reform, for the first time in my memory of more than 6 years as a Member of this House, on the House floor for consideration.

I noted that the respected whip from the Democratic Party said both parties agree that the welfare system is not working right. It is a matter of which reform plan will you choose. But in those 6 years that I served here with a Democratic Party majority, I never saw a plan offered on the House floor. Specifically, with respect to the rules, not only rules with respect to meeting while committees are in session, but rules with respect to amendments, their party controlled the whole process. Frankly, they did nothing, and I think therefore it is weak to say "We object to the rules of procedure" when the issue is finally brought to the floor by Republicans.

But I want to add, Mr. Speaker, I am very concerned that the debate on the issue of welfare reform may have been seriously marred by remarks I am told were made on the House floor last night. I am informed that one Member charged that the Republican welfare reform plan was akin to the Nazis attacking minority groups during the Holocaust.

Mr. Speaker, there is legitimate debate on this issue. It is admittedly a controversial and difficult issue. I do not agree with every single provision that is in the Republican bill currently. I will probably vote for this bill because I think we need to get this process moving, and there are many more steps in this process before we have a final bill. But I think that suggesting that a difference of opinion and a difference of approach as to how to repair the system and how to be—I think that equating a difference of point of view and a difference of approach and a difference of support between different plans to the Nazis and the Holocaust is a serious insult to all of those people of all different races who went through the Holocaust under the Nazi regime.

I want to conclude by saying I hope the remarks I was told were uttered last night were incorrect. I hope I am wrong about the information that I received. If I am right, however, I hope that Member will have the good grace to come back to the House floor and apologize to the Holocaust victims for making such an analogy.

Mr. BONIOR. Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from Florida [Mr. GIBBONS], the ranking member of the Committee on Ways and Means.

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise to object and to speak against the proposal of the gentleman from Texas [Mr. ARMEY] to allow committees to meet while we are discussing this very important bill. All of us know that every Member of the Congress wants to be informed about the number of votes that he or she is going to be required to cast, and he or she cannot possibly be adequately informed with having to be in committee meetings at the same time this is going on on the House floor.

Mr. Speaker, one of the objections and complaints that I hear about the House of Representatives is the sparsity, and I hope the cameras will pan this place right now, of the people who are on the floor and who pay attention to debate. It is a scandal that we are not here when important business is going on in the House.

So I think we ought to turn down the suggestion of the gentleman from Texas [Mr. ARMEY] that Members be allowed and be required to be in committee meetings, rather than being here when this is being discussed.

This is perhaps the most important substantive piece of legislation that this 104th Congress will address, because it affects not only the lives of millions of people in existence right now, but it will set a pattern for American lives way into the future. This is a controversial piece of legislation.

Let me correct the RECORD. Last year the President put forth a substantial rewrite of the welfare laws. Last year I, as chairman of the Committee on Ways and Means, introduced a comprehensive bill on the subject. Last year the Subcommittee on Human Resources of the Committee on Ways and Means had extensive hearings on that and many executive sessions on that markup. I regret that the press of business last year prevented the Democrats from bringing that bill to the floor.

As acting chairman of the Committee on Ways and Means last year, I announced that the first order of business of the Committee on Ways and Means during this 104th Congress would be to take up welfare reform. I said it would take about 6 months for us to do the kind of work that needed to be done on this.

We have had it rushed through the Committee on Ways and Means in about 2 weeks, 1 week in subcommittee, 1 week in full committee, meeting all night and all day on the subject. This is no time for responsible Members of Congress to be in committee meetings around this Capitol when they ought to be here on the floor paying attention to this debate and voting on this most important piece of legislation.

Mr. Speaker, I ask all Members to vote "no" on the motion of the gentleman from Texas [Mr. ARMEY], and I think I ought to explain this necktie I have on here, because it is a real departure from past neckties that I have worn on the House floor. But it is to remind me, and I hope to remind all viewers, that 80 percent of the people who are on welfare and who receive some benefit from welfare are children, infants, 80 percent. They are a part of the important future of America. All Members ought to be here to discuss that future.

Mr. ARMEY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would say to my distinguished colleague that the press of business in the last Congress should not have prevented this important issue from coming up. I think we have certainly learned in the 104th Congress what the press of business is all about, and our votes on Monday, our votes on Friday, our late night hours. And this legislation, which we will be taking up today, has indeed had years of study, months of work, and has many people in this Congress involved in the drafting of this legislation for its inclusion in the Contract With America.

Since the rule itself has come into question in this debate, for the first time in history H.R. 4 puts in the Federal statutes a financial incentive which will discourage both illegitimacy and abortion. Out of wedlock births of 32 percent. Thirty-two percent of the babies born in America are born out of wedlock, six times as large as 1965, when the welfare state really was created. Real welfare reform must change the system to encourage marriage and family, not illegitimacy.

The Stark amendment was not placed in order, and I think for good reason, because it would have been that which would have pulled out the strong illegitimacy provisions included in H.R. 4. It is not simply conservative Republicans who are recognizing the need in welfare reform to address the systemic problems, the fundamental problems in the welfare system. Bill Moyers, former press secretary to Lyndon Baines Johnson, in many ways the architect of the modern welfare state, recently, and I think the RECORD needs

to have this included, recently said this. He said:

While reporting for a documentary on welfare, I interviewed a 32-year-old grandmother whose 16-year-old daughter had a two-year-old child and was expecting a second baby by yet a different man. Three generations on welfare, no help from any father, and they described it as normal, the only life they knew or expected. This is one tragedy of welfare. When men are left off the hook, the world of the single mother begins to appear natural and inevitable.

Moyers continues:

I thought at the time, and still do, that it is right to help children born into such circumstances, but wrong to let the cycle go on repeating itself.

And I imagined it would take shock treatment to stop it, something like announcing that on a given day, 5 years hence, after a massive publicity campaign so everyone would be forewarned, there would be no more cash payments to unwed teenagers or to women on welfare who already have one child.

□ 1145

Moyers said:

If this sounds heartless, dependency can be heartless, too. And unfair to others. Welfare benefits now go to almost 4 million mothers who have almost 10 million children. All of us know young women who would like to have children but don't because they are single and earn too little from their jobs to afford a child alone. It doesn't seem fair that they should be paying for someone else to have children when they feel unable to have one.

Then Moyers concludes his comments by saying, this former press secretary for a Democratic President, the architect of the modern welfare state, he said:

The Republicans have been challenging us to think about such things. It would be a shame if they have to water down the challenge. Their reforms may be flawed but not as flawed as welfare itself.

That is what H.R. 4 does. For the first time we end the entitlement nature of welfare. For the first time, real meaningful work requirements are included. For the first time, we are able to control the growth in welfare spending. But most fundamentally and most essentially, for the first time we begin to deal with the social problem of out-of-wedlock births.

I support the majority leader's motion. I support the rule.

Mr. WISE. Mr. Speaker, I ask unanimous consent that I be permitted to control the rest of the time left to this side.

The SPEAKER pro tempore (Mr. GILLMOR). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. WISE. Mr. Speaker, may I inquire how much time remains on this side?

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from West Virginia [Mr. WISE] has 12½ minutes remaining.

Mr. WISE. Mr. Speaker, I yield 3 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, I rise in opposition to the attempt of the gentleman from Texas [Mr. ARMEY] to allow the committees to meet while we are in debate on this important issue.

As I recall it, it is the Republicans who required that we all attend all of our committee hearings, recording the votes to make sure that we are on record whether or not we attended. It is the Republicans who do not allow proxy voting so that those of us who would like to be here could indeed record our votes in committee. So they cannot have it both ways.

Either they want Members to be involved in this or they want them to stay in the committees and be recorded and not be involved in this discussion.

I wish it was mandatory for every Member to be on this floor. I wish it was mandatory for all of the networks to have to carry this debate. This is one of America's most important debates.

Members will hear discussions from the Republicans where they talk about family values and they claim that they want to keep families together, that they are interested in providing education. I had two amendments that they would not make in order that would have given tax credits for those who get their GED, for those who would get their high school diplomas, tax credits for those who would be involved in getting married, but they said no in the Committee on Rules, those were not important values, when I tried to come before the Committee on Rules.

I am just a little bit sick and tired of a lot of folks getting up on this floor, talking about change and what it takes to create change, and they do not know anything about welfare. Those who would give tax credits to people making $200,000 but will not give tax credits to a young mother who is trying to get educated cannot tell me anything about welfare.

We need to deal with the root causes of what is going on. Yes, young people are involved in sexuality. Yes, young people are bombarded on television and other places about what it means to be fashionable in America. Yes, they want jobs. Yes, we have allowed jobs to be exported to Third World countries for cheap labor and people who want to work cannot find work.

Yes, we have problems. And there are some dysfunctional families, and children who need support oftentimes do not have parents who are there for them. But should we penalize the children? Should we take away the lunches? Should we stop their opportunity to live and grow and be?

This is a mean-spirited proposal and it goes much too far. We want change. We want reform. But we are not going to take food out of children's mouths. We want change, but we want child care for those mothers who want to work.

You absolutely go too far and you are scaring America with what you do.

I say listen to some of us who know something about this. I know because I was a child of a welfare family. My mother tried and she tried. She did not have any help. She could not get any child care. She could not get a job. She could not get any training, but she tried.

I want to tell my colleagues, whatever America invested in me as a child on welfare, it has paid off. That is why I am here to speak for welfare children today.

You are wrong in the proposal that you have.

Mr. ARMEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Philadelphia, PA [Mr. FOX].

Mr. FOX. Mr. Speaker, I thank the gentleman for yielding time to me.

I rise to voice my concern over recent comments made by a Democrat Member regarding our welfare reform proposals. The Republican plan to reform our Nation's welfare system is a caring compassionate measure fashioned to encourage the work ethic which made this Nation great. It is designed to cut the fraud, waste, and abuse which have been the hallmark of a failed welfare system in the United States.

Any attempt, as was made yesterday, to equate this proposal or the Republican Party to Nazi Germany and the atrocities of the Third Reich exceeds the bounds of propriety and is simply untrue.

As a Member of Congress, an individual of the Jewish faith, I am troubled by such comments.

Mr. Speaker, I understand there are times when we all get emotional in an attempt to advocate a position or espouse a particular view. However, we should never insult the men, women, and children who suffered through the crimes against humanity perpetrated by the Nazi regime by comparing what we are doing here to that kind of abomination.

Nathaniel Hawthrone once wrote:

No man, for any considerable period, can wear one face to himself and another to the multitude without finally getting bewildered as to which may be true.

It is time my friends on the other side of the aisle, Mr. Speaker, to stop the scare tactics. With our food nutrition programs, we are actually going to feed more children more meals because we are eliminating the Federal bureaucracy and the 15-percent cost. We are capping it back to the States with only 5 percent administrative cost.

Above all, welfare reform will encourage that those in need get the aid but those who should be working and

can work get back to work with help through job counseling, job training, and job placement.

The American people want welfare reform that eliminates fraud, abuse, and waste, and we will give them that.

Mr. WISE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. LEWIS], our deputy whip.

Mr. LEWIS of Georgia. I thank my friend and colleague, the gentleman from West Virginia [Mr. WISE], for yielding time to me.

There have been two gentleman on the other side who have referred to what I said yesterday and I wanted to say exactly what I said yesterday, Mr. Speaker.

I said yesterday and I say again today, I am reminded of a quote by the great theologian, Martin Niemoller, during World War II:

> In Germany, they first came for the Communists, and I didn't speak up because I wasn't a Communist. Then they came for the Jews, and I didn't speak up because I wasn't a Jew. Then they came for the trade unionists, and I didn't speak up because I wasn't a trade unionist. Then they came for the Catholics, and I didn't speak up because I was a Protestant. Then they came for me, and by that time there was no one left to speak up.

I said yesterday, Mr. Speaker, this Republican proposal certainly is not the Holocaust, but I am concerned and I must speak up.

I urge my colleagues, open your eyes, read the proposal, read the small print, read the Republican contract.

And I went on to say yesterday, they are coming for the children. They are coming for the poor. They are coming for the sick, the elderly, and the disabled. This is the Contract With America.

I said to my colleagues, you have the ability, the capacity, the power to stop this onslaught. Your voice is your vote. Vote against this mean-spirited proposal. Raise your voice for the children, the poor, and the disabled.

I say it again today, Mr. Speaker, for the RECORD.

Mr. ARMEY. Mr. Speaker, may I inquire as to how much time I have, and do I not have the right to close debate?

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from Texas [Mr. ARMEY] has 7 minutes remaining, and the gentleman from West Virginia [Mr. WISE] has 7 minutes remaining.

The gentleman from Texas [Mr. ARMEY] has the right to close debate.

Mr. ARMEY. Does the gentleman from West Virginia [Mr. WISE] have any more speakers?

Mr. WISE. Mr. Speaker, as we say at home, the gentleman from "West, by golly, Virginia."

Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I thank my friend from West Virginia for yielding time to me.

Mr. Speaker, I would urge my colleagues to vote against the motion offered by the distinguished majority leader. It is important for Members to be on the floor as we discuss this most important bill on welfare reform.

Let me just give my colleagues one reason. I have listened to my friends on the other side of the aisle talk about the underlying bill as a bill that requires work. I think we need to talk about this. I think that Members need to understand what is in the Republican bill.

As I understand it, a person can be on welfare for 2 years, receive cash assistance and not work at all.

As I understand, a person can be on cash assistance for 5 years in a State as long as they are complying with a work-related requirement as defined by the State, a work activity. And then there is no sanction against the States if they do not do that.

As I understand the bill, there is no requirement on the States to provide any work opportunity for people that are receiving cash assistance.

So I do not understand the Republican's statement that this bill requires work. And I think it is important that my colleagues be on the floor of the House, as we talk about this issue and other issues on welfare reform.

It is only by that type of debate that we will understand what we are doing in welfare reform. And if we want to get a better bill, it is important for Members to be here on the floor as we debate these important issues.

Please vote against the majority leader's motion.

Mr. ARMEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Philadelphia, PA [Mr. FOX].

Mr. FOX. Mr. Speaker, I think in this debate we have to make sure the American people realize that we should not be judging the success of the welfare program by how many people we have on AFDC, by how many people we have on food stamps, by how many people we have in public housing. As the gentleman from Oklahoma, Mr. J.C. WATTS, has said, who is someone who knows about the system, we should be judging people by the success of our efforts, by how many people we are taking off AFDC, that we are taking off food stamps and that we are taking off public housing.

We need to give them the opportunity so that the system we now have, which discourages savings, if you are on welfare you cannot save money, you cannot own property, and it discourages the mother from marrying the father. We want to change, under this bill, that kind of system, that will restore opportunity, restore the ethic of work and will return to the people a measure of dignity and a system that will be in fact one we can be proud of.

Mr. WISE. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Speaker, I rise in opposition to the distinguished majority leader's motion that is before the House today. I think it is very critical that all the Members of this body be present and hear the debate on both sides of the aisle, because it is very clear, as the Personal Responsibility Act is taken up today, it is clear to all of us that we must discuss with the American people how weak this bill is on work and how cruel it is to the children of this country.

I do not think it is fair for the majority leader to come here today and to offer this motion simply because you told us, along with the Speaker of the House, the new leadership of this House, that we would have an opportunity to debate issues on this House floor and that we would not be able to use our proxies in committees and we would not have committee meetings going on at the same time that we would have crucial pieces of legislation that is before this body.

I think it is very critical for us to have all Members present on the House floor. If not, have them available so they can come and see what this Personal Responsibility Act is doing to the children of this country.

□ 1200

They are just plain mean in their bill, and they know it. They do not want the Democrats to discuss what is going to be offered today. There are 31 amendments that have been placed in order by the Committee on Rules. Only five of those amendments are Democratic amendments. We do not have an opportunity to perfect the Personal Responsibility Act that is before the House today.

Mr. Speaker, I would urge my colleagues to vote against the motion by the distinguished majority leader of the House. I would ask that my Democratic colleagues all be here to say today how cruel this welfare reform bill that the Republicans have offered is to American children.

Mr. WISE. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Speaker, here is why I think everybody should be on the floor, why on this historic matter, this important debate, people should not be in various committees, but right here.

There has been a lot of talk about various aspects, not enough discussion about the impact of the Republican bill on disabled children now receiving cash benefits through SSI. This chart spells it out very clearly.

I just urge everybody to look. Under the Republican plan, 21 percent of the children now covered would continue to be covered, and 79 percent would not be.

There is abuse in the program, and I see the gentleman from Wisconsin here on our side. He has delved into this.

There is abuse in the SSI program. It has been rampant, apparently, in several States, including Louisiana and Arkansas. However, it is a mistake to take those abuses and to completely redo this program, ending cash benefits for parents whose kids are disabled.

There is a better way to do this. It is contained in the Deal bill. There is a better way to do it. We should get at the abuse, the abuse under the IFA program. We should eliminate from the rolls kids who have behavioral problems, who are not seriously disabled.

However, the disabled kids of America should not be thrown out on the street. The disabled kids need some help. Their families want nothing but a little bit of assistance. In many cases one of the parents has stopped working so they can take care of this seriously ill child.

Mr. Speaker, this program is income-related. We are talking about middle- and low-income families with a disabled kid, so when we talk about the harshness, look at this chart. It shows it. Members should talk to the families in their districts. Go beyond the numbers to the real people.

The SSI provision in the Republican bill is not a humane approach; it is not an effective approach. We can do better. We can adopt the Deal bill, which pays attention to the need for reform, but for the needs of families of disabled kids.

Mr. WISE. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, to recap, this is about the motion by the Republican majority to permit committees to sit under the 5-minute rule.

Basically, the American public thinks welfare reform is one of the most significant issues we have before us. They are right. Yet, under this request, when the American public sees the C-SPAN cameras now panning the floor, which they appropriately are doing, and sees empty seats here, the reason, one of the major reasons, is because many Members of Congress have to be in their committees, because they are not able to be in their committees and on the floor at the same time.

The usual procedure is that we permit committees to sit, except during special debate. In this particular case, with this particularly important debate, Members are still going to be forced to choose between their committee votes and the votes on the floor, during one of the most important debates that is taking place, particularly when we are only going to have 20 minutes to debate each item. We would urge rejection of this motion.

Mr. ARMEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, long before the 1992 Presidential campaign the American people had begun to understand the mean horror in the lives of real people, real victims of a welfare system that had not only failed to eliminate poverty, but had created in the lives of too many of America's children the most awful, terrifying conditions. The American people had clearly understood that this failure was costly in the meanest of terms in the lives of real children, and demanded some change.

President Clinton understood the American people in 1992 when he campaigned, and he campaigned aggressively on ending welfare as we know it. In fact, as I listened to candidate Clinton, I thought to myself "He sounds more like us than we do." I thought he meant it. I thought he was serious. He said he felt the pain. It was there and obvious for anybody to see how painful this disastrous failure was in the lives of real people, especially the children.

He talked a good game. He did nothing. He did nothing. He did not even write a bill. In December 1993, very publicly, so publicly, in fact, that I as a member of the minority received a copy, 97 powerful Democrat majority committee and subcommittee chairmen sent their President a letter.

In this letter they said "Mr. President, if you dare to send to the Congress of the United States a welfare reform plan that is anything like what you said in your campaign, we will not only block that, but we will block your health plan." That letter is a matter of record. The press, of course, did not pay much attention to that letter, but the letter is there, and it is real. We all know about it.

The President did nothing. Late in the last Congress, late, after the Contract With America was out, after the President saw, again, that the American people demanded an end to welfare as we know it, he sent a bill up here. We heard about a bill. It took me until just a week ago to find out where was the bill.

Not one Democrat was willing to move that bill in committee for the President, nor was one Democrat willing to offer the President's bill, even to the Committee on Rules for consideration at this time. It was left for me to find the bill and offer it to the Committee on Rules so it could be considered.

The time has come, Mr. Speaker, when we must move on this measure. The Members have been complaining that doing so is inconvenient. How inconvenient is it in the lives of those very children if we let this cruel, heartless system continue to prevail?

They say they do not have the protection. At the beginning of the 103d Congress, the Democrat rules specifically wrote away from every Member of this Congress the right to object to a committee sitting while the House was sitting under the 5-minute rule. They took that right away from us and told us if we did not like it, we could lump it. They said in so many words "We don't care about your minority rights." That was their rules.

We corrected that. In an extraordinary period of time where we are moving extraordinary product, extraordinary legislation, that has suffered an extraordinary delay because of the timidity of the Democrat Party, the hostility to reform of the Democrat party, we have now, in compliance with these rules, come and asked this House to vote, vote whether nor not we will allow committees to meet while the House meets under the 5-minute rule.

Would I had had such a privilege under a Democrat majority just a year ago. Would I had been given that much regard to the rights of the minority, in a Democrat majority just 1 year ago. However, their rules did not allow that opportunity for me, as a minority.

Mr. Speaker, I have listened to this complaining about this inconvenience for an hour. I do not care to listen anymore. What I care to do, Mr. Speaker, is to make two final points. The time has come for us to combine, as Bill Moyers has said so eloquently, some modicum of understanding with some genuine compassion for the children that are the victims of this cruel system that so many people want to defend, and do it now. The time has come to do that, even, yes, if the doing of it comes at some inconvenience to ourselves in the next 2 days.

Mr. Speaker, I move the previous question on the preferential motion.

The SPEAKER pro tempore (Mr. GILLMOR). All time has expired.

Without objection, the previous question is ordered on the preferential motion.

There was no objection.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ARMEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 227, nays 190, not voting 17, as follows:

[Roll No. 253]

YEAS—227

Allard	Bilirakis	Camp
Archer	Bliley	Canady
Armey	Blute	Castle
Bachus	Boehlert	Chabot
Baker (CA)	Boehner	Chambliss
Baker (LA)	Bonilla	Christensen
Ballenger	Bono	Chrysler
Barr	Bryant (TN)	Coble
Barrett (NE)	Bunn	Coburn
Bartlett	Bunning	Collins (GA)
Barton	Burr	Combest
Bass	Burton	Cooley
Bateman	Buyer	Cox
Bereuter	Callahan	Crane
Bilbray	Calvert	Crapo

Cremeans
Cubin
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—190

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Brown (CA)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Laughlin
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—17

Barcia
Browder
Brown (FL)
Brownback
Chenoweth
Clinger
Davis
Edwards
Livingston
Meehan
Meek
Minge
Portman
Schumer
Towns
Tucker
Williams

□ 1232

Mr. BEVILL changed his vote from "yea" to "nay."

Mr. SOUDER changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to clause 5 of rule I, the pending business is the question of agreeing to the Speaker's approval of the Journal.

The question is on agreeing to the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DREIER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 326, noes 88, answered "present" 1, not voting 19, as follows:

[Roll No. 254]

AYES—326

Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Bonilla
Bono
Borski
Boucher
Brewster
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Farr
Fawell
Fields (TX)
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Inglis
Istook
Jackson-Lee
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manzullo
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Nussle
Olver
Orton
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reynolds
Riggs
Rivers
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Tucker
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wolf

Woolsey	Young (AK)	Zeliff
Wynn	Young (FL)	Zimmer

NOES—88

Abercrombie	Hefley	Payne (NJ)
Ackerman	Hilliard	Pelosi
Becerra	Hinchey	Pickett
Bentsen	Hyde	Pombo
Bishop	Jacobs	Pomeroy
Bonior	Jefferson	Reed
Brown (CA)	Kaptur	Roemer
Chapman	Kennedy (MA)	Rose
Clay	LaFalce	Roybal-Allard
Clyburn	Lantos	Rush
Coleman	Lewis (GA)	Sabo
Collins (MI)	Manton	Schroeder
Crane	Markey	Slaughter
Dellums	Martinez	Stokes
Deutsch	McDermott	Studds
Dingell	McKinney	Taylor (MS)
Durbin	McNulty	Thompson
Engel	Menendez	Thornton
Evans	Mfume	Torres
Fattah	Miller (CA)	Velazquez
Fazio	Mineta	Vento
Fields (LA)	Mink	Visclosky
Filner	Moakley	Volkmer
Frank (MA)	Moran	Waters
Frost	Neal	Watt (NC)
Furse	Oberstar	Wise
Gejdenson	Obey	Wyden
Gephardt	Ortiz	Yates
Gibbons	Owens	
Gutierrez	Pallone	

ANSWERED "PRESENT"—1

Harman

NOT VOTING—19

Armey	Conyers	Richardson
Barcia	Edwards	Schumer
Boehner	Johnston	Shuster
Browder	Meek	Stockman
Brown (FL)	Minge	Towns
Clinger	Molinari	
Collins (IL)	Portman	

□ 1251

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, because of my attendance at the White House for a ceremony commemorating the signing by President Clinton of S. 1, the Unfunded Mandate Reform Act of 1995, of which I was a House sponsor, I was unable to be in attendance in the House for two recorded votes, rollcall vote No. 253 on permitting the committee to sit, and rollcall vote No. 254 on approval of the Journal.

Had I been in attendance, I would have voted "yea" on both rollcall votes No. 253 and No. 254.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 390

Mr. STARK. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 390.

The SPEAKER pro tempore (Mr. GILLMOR). Is there objection to the request of the gentleman from California?

There was no objection.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 4, PERSONAL RESPONSIBILITY ACT OF 1995

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 119 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 119

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for further consideration of the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence. No further general debate shall be in order. An amendment in the nature of a substitute consisting of the text of H.R. 1214 shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule. The bill, as amended, shall be considered as read. No further amendment shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution, amendments en bloc described in section 2 of this resolution, and the amendments designated in section 3 of this resolution. Except as specified in section 2, 3, or 4 of this resolution, each amendment made in order by this resolution may be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for twenty minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment (except that the chairman and ranking minority member of the Committee on Ways and Means, or their designees, each may offer one pro forma amendment to any amendment printed in the report for the purpose of debate), and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against amendments made in order by this resolution are waived.

SEC. 2. It shall be in order at any time before the consideration of the amendments designated in section 3 of this resolution for the chairman of the Committee on Ways and Means or his designee to offer amendments en bloc consisting of amendments printed in the report of the Committee on Rules accompanying this resolution not earlier disposed of or germane modifications of any such amendment. Amendments en bloc offered pursuant to this section shall be considered as read (except that modifications shall be reported) and shall be debatable for twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means or their designees. For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of a germane perfecting amendment to the text originally proposed to be stricken. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the discussion of the amendments en bloc.

SEC. 3. (a) After disposition of the amendments printed in the report of the Committee on Rules accompanying this resolution and any amendments en bloc offered pursuant to section 2 of this resolution, it shall be in order to consider the following amendments in the following order—

(1) a further amendment in the nature of a substitute consisting of the text of H.R. 1267, if offered by Representative Deal of Georgia or his designee;

(2) a further amendment in the nature of a substitute consisting of the text of H.R. 1250, if offered by Representative Mink of Hawaii or her designee; and

(3) a further amendment in the nature of a substitute consisting of the text of the bill, as it had been perfected before the consideration of amendments pursuant to this section, if offered by the chairman of the Committee on Ways and Means or his designee.

(b) Each of the amendments designated in subsection (a) of this section shall be debatable for one hour equally divided and controlled by the proponent and an opponent.

(c) The amendment designated in subparagraph (a)(3) of this section shall be subject to amendment by any amendment printed in the report of the Committee on Rules accompanying this resolution that was not earlier disposed of as an amendment to the bill, as amended pursuant to this resolution, before the consideration of amendments pursuant to this section. Amendments to the amendment designated in subparagraph (a)(3) of this section shall be considered under the same terms as if offered to the bill, as amended by this resolution, and shall be subject to the last sentence of section 4 of this resolution.

(d) If more than one of the amendments designated in subsection (a) of this section is adopted, then only the one receiving the greater number of affirmative votes shall be considered as finally adopted. In the case of a tie for the greater number of affirmative votes, then only the last amendment to receive that number of affirmative votes shall be considered as finally adopted.

SEC. 4. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment made in order by this resolution. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes. The Chairman of the Committee of the Whole may recognize for consideration of any amendment printed in the report of the Committee on Rules accompanying this resolution out of the order printed, but not sooner than one hour after the chairman of the Committee on Ways and Means or a designee announces from the floor a request to that effect.

SEC. 5. At the conclusion of the bill for amendment the Committee shall rise and report the bill, as amended pursuant to this resolution, to the House with such further amendments as may have been finally adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole either to the bill, as amended pursuant to this resolution, or as incorporated in a further amendment in the nature of a substitute designated in section 3(a)(3) of this resolution, unless replaced by a further amendment in the nature of a substitute designated in section 3(a)(1) or 3(a)(2) of this resolution. The previous question shall be considered as ordered on the bill and any amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. OXLEY). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield half of our time to the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume.

During the consideration of the resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, House Resolution 119 is both a structured and complex rule as you have heard the Clerk read a few minutes ago, and yet it is the most open and fair rule we have ever had on a welfare reform bill in my 16 years here in this Congress.

When last this House attempted to reform our welfare system back in 1987, just one Republican substitute was allowed plus one en bloc amendment to the base bill offered by a Democrat.

This rule, by stark contrast, makes in order not 1 but 2 Democrat substitutes, but also makes in order some 31 amendments to the base bill, including 5 by Democrats.

At the same time, we respected the request of the distinguished minority leader, Mr. GEPHARDT, who appeared before the Rules Committee, to prohibit any amendments from being offered to either of the two Democratic substitutes by Representatives DEAL and MINK.

The minority leader even indicated in his testimony before us that, and I quote, "We would be happy if there could simply be a consideration of alternative proposals without the ability to amend any of those proposals."

That was certainly a tempting option, and one that we considered.

But, on further reflection, we decided that in all fairness we should allow some perfecting amendments to our bill, while at the same time respecting the minority's wish to keep its substitutes closed to amendments.

I think all that is important to keep in mind as we discuss this rule. It is much more open than the minority leader indicated he would be happy with.

At the same time, we did not think it would be right to take the time of this House on all of the over 160 amendments that were filed with our committee, many of which would simply try to convert our bill into one of the Democrat substitutes.

That is why Republican amendments outnumber Democrat amendments to our bill by 26 to 5. On a bill as complex and important as this, it is important that we maintain the integrity of our basic principles and fundamental policies in moving this legislation forward.

That is not to say that there were not some important and meritorious amendments that were denied in the fashioning of this rule. I would have preferred to have made in order several more amendments from both sides of the aisle.

But this rule was the final product of ongoing negotiations between the various committees of jurisdiction, the leadership, and the members of the Rules Committee.

Politics is, after all, the art of compromise, and this rule is a reflection of such a compromise.

Mr. Speaker, I think it is important to keep our eye on the big picture of choosing between the major alternatives of reforming the welfare system as we know it—of focusing on the fundamental differences that do exist between our two parties on how this best can be done.

We did not, as earlier considered, for instance, make in order the President's welfare reform bill as introduced in the last Congress, because it was not introduced by even one Democrat in this Congress.

But I think it is significant to note that while we promised last September in our Contract With America to bring forward a welfare reform bill in the first 100 days of this Congress, the administration has been virtually silent on pressing its alternative proposal.

Mr. Speaker, the rule before us will provide ample debate and consideration of the major pending alternatives, and, at least with respect to our bill, allow for some 31 amendments to further perfect it. We have never claimed that we had a perfect solution, and have been open to further suggestions for improving our legislation.

We have already completed 5 hours of general debate on this bill and the two Democrat substitutes, compared to 4 hours of general debate on the Democrats' welfare reform bill and our one substitute made in order in 1987.

We will now take the rest of this week on the amendment process provided for under this rule. Each of the 31 amendments made in order will be subject to at least 20 minutes of debate, which may be extended to 30 minutes if the majority and minority mangers choose to offer a further, 5-minute pro forma amendment each.

We have adopted the format used on past defense authorization bills of allowing amendments to be offered en bloc, and for votes to be postponed and clustered in order to help expedite our proceedings.

Once we have completed the consideration of those 31 individual amendments, we will then have 1 hour of debate and a vote on each of the 2 Democrat substitutes by Representatives DEAL and MINK, in that order.

If necessary, we will then proceed to a vote on our base bill as amended as a third substitute under our winner-takes-all process.

What that means is that if more than one substitute is adopted, then the one having the most votes will be considered as having been finally adopted and reported back to the House for a final vote.

In addition, we have permitted our final substitute to be further amended by any amendment printed in the rule which was not offered during the course of the earlier amendment process, provided that at least 1 hour's advance notice is given before offering such an amendment.

The rule also requires 1-hour advance notice of any amendments offered earlier to the base bill which are offered out of the order printed.

That is only fair to the Members of this House so that they will know for certain what it is they will be asked to vote on.

Finally, to my colleagues on the other side who are disappointed that their amendments were not made in order to the base bill, our rule preserves the right of the minority to offer a final motion to recommit which may include a final amendment or amendments of their choosing, provided they are germane and otherwise in order under House rules.

In concluding my remarks on this rule, I think it is fair and balanced. It protects the rights of the minority to have not just five perfecting amendments to our bill plus two substitutes.

It also allows the minority to offer any amendments it chooses to include in its motion to recommit with instructions—even if they were not filed with the Rules Committee. For that reason, I think the rule is deserving of the support of fairminded Members on both sides of the aisle.

Mr. Speaker, when I called up the rule for general debate yesterday, I suggested that the public should measure the proposals offered by both parties against the status quo.

There is a consensus of opinion in Washington and in the State houses, that the current welfare system has failed.

Which of the alternatives offered will allow continued runaway spending, set on auto-pilot inside the beltway, for programs that never really reach or improve the lot of the poor? Which alternatives remain silent on the issue that is most crippling the American family unit—the issue of out-of-wedlock births?

When measured against this yardstick, H.R. 4 is clearly the superior alternative.

Members on the other side of the aisle who defend the current system talk in grand terms about compassion. They try to seize the moral high ground in this debate while their feet remain firmly planted against any meaningful change in the current system.

What kind of compassion is it that leaves unaltered a monolithic bureaucracy that has the ability to ensnare entire generations in the despair of poverty?

What kind of compassion is it that saddles future generations with mountains of debt built on failed but costly programs—debt that harms the poor

more than the better-off by stifling economic growth, opportunity, and meaningful jobs in the private sector?

However well-intentioned these programs were at their inception, defenders of the welfare state must face the fact that they have failed, and that it is time for real and revolutionary change.

House Republicans have recognized that fact, and we have produced, after much debate and negotiation, the most comprehensive welfare reform bill in the history of this Republic—and one that will save us nearly $70 billion over the next 5 years compared to current spending trends.

I therefore urge adoption of this rule and the passage of this bill.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of March 15, 1995]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open[2]	46	44	19	79
Modified Closed[3]	49	47	5	11
Closed[4]	9	9	0	0
Totals:	104	100	24	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of March 1, 1995]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/10/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–100; A: 227–127 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/1/95).
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/6/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1158	Making Emergency Supp. Approps.	A: 242–190 (3/15/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

CORRECTION OF VOTES IN COMMITTEE REPORT

The Rules Committee's report, House Report 104–85 on H. Res. 119, the rule for the further consideration of H.R. 4, the "Personal Responsibility Act of 1995," contains three erroneously reported rollcall votes due to typographical errors during the printing process. The votes were correctly reported in the original report filed with the Clerk.

Below is a correct version of those votes as contained in the Rules Committee report as filed with the House. The amendment numbers referred to in the motions are to amendments filed with the Rules Committee—a summary of which are contained following the listing of votes in the committee report.

The corrected rollcall votes for Rollcall Nos. 102, 104, and 109, are as follows:

RULES COMMITTEE ROLLCALL NO. 102

Date: March 21, 1995.

Measure: Rule for H.R. 4, The Personal Responsibility Act of 1995.

Motion By: Mr. Moakley.

Summary of Motion: Make in order Berman amendment No. 159.

Results: Rejected, 4 to 8.

Vote by Member	Yea	Nay	Present
Quillen		X	
Dreier			
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 104

Date: March 21, 1995.

Measure: Rule for H.R. 4, The Personal Responsibility Act of 1995.

Motion By: Mr. Beilenson.

Summary of Motion: Make in order McDermott amendment No. 102.

Results: Rejected, 3 to 8.

Vote by Member	Yea	Nay	Present
Quillen		X	
Dreier			
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall			
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 109

Date: March 21, 1995.

Measure: Rule for H.R. 4, The Personal Responsibility Act of 1995.

Motion By: Mr. Beilenson.

Summary of Motion: Make in order Hyde/Woolsey amendment No. 1.

Results: Rejected, 3 to 8.

Vote by Member	Yea	Nay	Present
Quillen		X	
Dreier			
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley			
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

□ 1300

Mr. RANGEL. Mr. Speaker, will the gentleman from New York [Mr. SOLOMON] yield?

Mr. SOLOMON. May I very shortly, because I am limited in time, yield to my New York colleague, the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. I thank the gentleman for yielding, my friend and colleague.

Mr. Speaker, last Monday I had an opportunity to meet with Cardinal O'Connor on this bill, and we had a very long session. Cardinal O'Connor indicated a great concern about the children being hurt, especially those with teenage——

Mr. SOLOMON. Mr. Speaker, may I say to the gentleman from New York, CHARLIE, could I interrupt? Let me reserve the balance of my time, and the gentleman can get his time because I really want to have a dialog with him, but I do not have the time here. If the gentleman would get time, I would be glad to continue with him.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. The Cardinal said he had an agreement with the gentleman from New York [Mr. SOLOMON], and I just wanted to know whether that is included.

The SPEAKER pro tempore (Mr. OXLEY). The gentleman from New York [Mr. SOLOMON] reserves the balance of his time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to this rule. This is a rule that limits amendments on the welfare reform package known as the Personal Responsibility Act of 1995.

As my colleague on the other side of the aisle well knows, this is a closed rule which picks and chooses amendments that can and cannot be offered to improve a bad bill. The rule makes a 400-page substitute bill in order which most Members of this body have not read and is being rammed through to meet an arbitrary contract on America deadline.

To make matters worse, the rule allows only 31 freestanding amendments out of the 161 received by the Rules Committee. So out of the 93 amendments that were proposed by Democrats, only 5 can be offered. This rule is a product of a party that only last year complained about gag rules and stifling debates. This is from the party that promised openness and fairness. I would just ask what happened to these promises?

The American people do not like these kinds of games, particularly when we are playing with their money.

Mr. Speaker, this so-called Personal Responsibility Act is a bad bill and it ought to be voted down. It is weak on work, it is hard on children, and it is punitive in nature. We all support personal responsibility, but the name of the bill has no relation to the provisions in it. They call this the Personal Responsibility Act. But I propose that we call it the Congressional Irresponsibility Act because this legislation is irresponsible to the weak, the poor, and the needy.

We need to concentrate on getting people off public assistance and into the job market. Yet the Republican version has no real requirements that States get people working before simply dropping them off the rolls. There are no assurances that they will get real job training, much less day care for their children.

On top of this, we understand a portion of the money saved by this bill, somewhere between $69 and $80 billion, will go toward tax cuts for corporations and the wealthy, instead of deficit reduction, where it belongs.

I do not like the title of this bill, which implies that people have no responsibility if they are poor. After having spent a good part of my career working with the poor and hungry, I can attest that most people are responsible and want to work. I have visited many hunger centers and homeless shelters in my city and even in this city. I have found overwhelmingly the number of men who might live in a homeless shelter but go out on a daily basis looking for work and securing work. Where abuse exists, we need to eliminate it. But we need to provide people with dignity and hope and, most importantly, jobs. Welfare reform should not amount to cutting off help for children having children or taking away school lunches and WIC. It should mean training people for the real jobs that exist, offering quality child care, and getting people into the mainstream of society.

This bill and the rule that governs its debate is a joke. I am particularly concerned that my amendments to strike the block-granting of child nutrition programs, including school lunch, school breakfast, and WIC, were not made in order under this rule.

□ 1315

Last night in the Rules Committee I offered my amendment as a motion to the rule which would have allowed a free debate on the school lunch and school breakfast programs, and WIC. The amendment was voted down 8 to 4 with no Republican support.

Yet this so-called Personal Responsibility Act erases 50 years of law governing the School Lunch Program without so much as a floor debate. Major changes to food and nutrition programs are gone in one sweeping gesture. By not allowing Members the opportunity to have a floor amendment, my colleagues on the other side of the aisle have reneged on their commitment to open up the process. Just as they are breaking promises to 25 million school children who depend upon a school lunch, they are breaking their promise to the American people to bring up open rules that allow fair debate. Unfortunately according to their own definition of rules in the 103d Congress, 59 percent of the rules reported to the House in 3 short months have been closed.

Stifling debate on school lunch and other child nutrition programs is wrong for several reasons:

First and foremost, Mr. Speaker, the bill under consideration cuts back the programs which reach low- and middle-income children by $7.2 billion over 5 years according to CBO. For some low-income children, school breakfast and lunch constitute the majority of their daily food supply. For most of these kids this might be the only, and certainly the best, meal that they are going to receive during the day. Under this bill, up to 2,000,000 children will no longer receive adequate school lunches by the year 2000.

Second, nutrition programs are an investment in education. More than 95 percent of all public schools participate in the National School Lunch Program. It has a documented record of success. Children learn better when they have at least one reliable meal a day.

Third, there is no reason on Earth why we should cut child nutrition to finance a tax break for wealthy Americans and corporations. If, in fact, we are going to realize billions of dollars in savings under this bill, it had better go to deficit reduction and not to corporate welfare and wealthy individuals.

Many of my colleagues know on this floor my love for these programs that are very much concerned for the hungry and the hurting of this country and other countries, and I try to be very decent in the way that I approach rules and as I approach my colleagues in all the matters that we deal with in the House of Representatives. I try not to be partisan, and I hope that I am not, but I must end my portion of what I am going to say by saying this is a lousy bill and it is a lousy rule. I hope the House votes against the rule.

FLOOR PROCEDURE IN THE 104TH CONGRESS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed; contained a closed rule on H.R. 1 within the closed rule	None.
H.R. 5	Unfunded Mandates	H. Res. 38	Restrictive; Motion adopted over Democratic objection in the Committee of the Whole to limit debate on section 4; Pre-printing gets preference.	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.J. Res. 2	Balanced Budget	H. Res. 44	Restrictive; only certain substitutes	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive; considered in House no amendments	N/A.
H.R. 2	Line Item Veto	H. Res. 55	Open; Pre-printing gets preference	N/A.
H.R. 665	Victim Restitution Act of 1995	H. Res. 61	Open; Pre-printing gets preference	N/A.
H.R. 666	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open; Pre-printing gets preference	N/A.
H.R. 667	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 668	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open; Pre-printing gets preference; Contains self-executing provision	N/A.
H.R. 728	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 7	National Security Revitalization Act	H. Res. 83	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 729	Death Penalty/Habeas	N/A	Restrictive; brought up under UC with a 6 hr. time cap on amendments	N/A.
S. 2	Senate Compliance	N/A	Closed; Put on suspension calendar over Democratic objection	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive; makes in order only the Gibbons amendment; waives all points of order; Contains self-executing provision.	1D.
H.R. 830	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive; makes in order only the Obey substitute	1D.
H.R. 450	Regulatory Moratorium	H. Res. 93	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 1022	Risk Assessment	H. Res. 96	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 926	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925	Private Property Protection Act	H. Res. 101	Restrictive; 12 hr. time cap on amendments; Requires Members to pre-print their amendments in the Record prior to the bill's consideration for amendment, waives germaneness and budget act points of order as well as points of order concerning appropriating on a legislative bill against the committee substitute used as base text.	1D.
H.R. 1058	Securities Litigation Reform Act	H. Res. 105	Restrictive; 8 hr. time cap on amendments; Pre-printing gets preference; Makes in order the Wyden amendment and waives germaneness against it.	1D.
H.R. 988	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive; 7 hr. time cap on amendments; Pre-printing gets preference	N/A.
H.R. 956	Product Liability and Legal Reform Act	H. Res. 109	Restrictive; makes in order only 15 germane amendments and denies 64 germane amendments from being considered.	8D; 7R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive; Combines emergency H.R. 1158 & nonemergency 1159 and strikes the abortion provision; makes in order only pre-printed amendments that include offsets within the same chapter (deeper cuts in programs already cut); waives points of order against three amendments; waives cl 2 of rule XXI against the bill, cl 2, XXI and cl 7 of rule XVI against the substitute; waives cl 2(e) od rule XXI against the amendments in the Record; 10 hr time cap on amendments. 30 minutes debate on each amendment.	N/A.
H.J. Res. 73	Term Limits	H. Res. 116	Restrictive; Makes in order only 4 amendments considered under a "Queen of the Hill" procedure and denies 21 germane amendments from being considered.	1D; 3R.
H.R. 4	Welfare Reform	H. Res. 119	Restrictive; Makes in order only 31 perfecting amendments and two substitutes; Denies 130 germane amendments from being considered; The substitutes are to be considered under a "Queen of the Hill" procedure; All points of order are waived against the amendments.	5D; 26R.

** 78% restrictive; 22% open. **** Restrictive rules are those which limit the number of amendments which can be offered, and include so called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103rd Congress. **** Not included in this chart are three bills which should have been placed on the Suspension Calendar. H.R. 101, H.R. 400, H.R. 440.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I rise in opposition to this outrageously restrictive rule. This is but another indication that the Republican majority has engaged in a bait-and-switch routine. They promised the American people free and open debate. Now that they've gained control, they continue to play by a new set of rules. Closed rules. Rules that stifle debate. Rules that deny Members of this body the right to be heard.

Mr. Speaker, Democratic members of the Committee on Economic and Educational Opportunities submitted only a dozen amendments that we asked be made in order on issues that matter deeply to the public, including the school lunch and breakfast programs, the WIC Program, and access to safe child care. But the Rules Committee refused to make a single one of our amendments in order. I intended to offer two amendments. One, to maintain the current Federal nutrition programs; and the other to provide for an increase in the minimum wage.

The Republican majority decided not to allow me and my colleagues to offer our amendments because they are nervous about debating these issues out in the open, where the American public can see for itself the kind of devastation they are carrying out in the name of welfare reform. They don't want to explain how they will decimate the School Lunch Program. They don't want to explain how they no longer believe there is a Federal interest in protecting children from hunger and premature birth. They do not want to explain that their claim of jobs for welfare recipients is nonexistent. They do not want to explain why they oppose even a modest increase in the minimum wage.

I urge my colleagues to vote against this restrictive rule. Let us send the Rules Committee back to the drawing board and come up with a rule that allows for free and open debate.

Mr. SOLOMON. Mr. Speaker, I yield 2½ minutes to the very distinguished gentlewoman from Ohio [Ms. PRYCE], a very valuable member of the Committee on Rules.

Ms. PRYCE. Mr. Speaker, I rise in strong support of this rule. This is a fair and responsible rule. It permits the House to debate a significant number of worthwhile amendments on issues such as child support enforcement, stronger work requirements, increasing funding for child care, and adoption assistance, to name just a few. In addition, Mr. Speaker, the rule makes in order two amendments in the nature of a substitute to be offered by our Democrat colleagues together with a motion to recommit. We offer the minority many opportunities to effect significant, substantive changes.

Mr. Speaker, a generation ago President Lyndon Johnson launched is much-celebrated War on Poverty. Well, Mr. Speaker, here we are in 1995, 30 years and $5.3 trillion later, ready to launch an entirely new war, only this time the war is against a failed welfare system which has trapped the less fortunate in our society in an endless cycle of poverty and despair. No one disagrees that our present welfare system, no matter how well intentioned, has failed. Seventy-one percent of Americans say that the current systems does more harm than good, but the need for major reform seems obvious to everyone but Washington and the special interests. We are going to hear a lot of complaints in the next couple of days from those who would rather protect the status quo, but make no mistake about it, Mr. Speaker. We have had enough of the status quo, and we have an entirely, wholly new solution, a solution no less compassionate, only more efficient; no less caring, only more commonsensical.

So, Mr. Speaker, this debate really comes down to a very simple choice. Some people want to continue the status quo and keep in place a system that creates more dependence and rewards self-destruction. On the other side are those who recognize that things have to change and that the present system should be replaced with reforms based on the dignity of work, the strength of families, and trust in local government.

The minority may try to paint us with black hats. It is great rhetoric, but simply not true, and using, even exploiting, the very children we are trying to desperately help into better futures as pawns in their effort to protect this cruel, hopeless system is nothing short of shameful.

Mr. Speaker, I am very proud of the work product of this Committee on Rules. Let us get on with it. Let us adopt this rule. Let us redirect America's largesse of compassion, redirect it to where it can do more good than harm.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], the

former chairman and now ranking minority member of the Committee on Rules.

Mr. MOAKLEY. Mr. Speaker, we are now looking at the farthest of the gag rules. The most important thing ever to come through this body in the Democrat amendments were knocked out one after the other by the Republican majority up in the Committee on Rules. This is not the way to take care of children. This is not the way to feed children. I believe our single most significant responsibility as legislators is to educate, is to feed and is to protect America's children.

Last night in the Committee on Rules, Mr. Speaker, Republicans, one right after the other, disagreed with me over and again on party-line votes, and today we are about to vote on a Republican welfare proposal to hurt children in order to give the richest 2 percent in this country a tax break and also to increase military spending. This bill does nothing to help people get jobs. All it does is to kick them and their children off of welfare.

Mr. Speaker, this welfare bill is a cruel bill, and Republicans should be ashamed to bring it to the floor in this condition. I urge my colleagues to oppose this gage rule. Republicans are breaking their promise of open rules, and they are abandoning American children.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just point out to the gentleman from Massachusetts [Mr. MOAKLEY] that back in 1987, he and the other Democrat members of this Committee on Rules voted unanimously to allow only one Republican substitute, nothing else. That was a gag rule; this is not.

Mr. Speaker, I yield 4 minutes to my good friend, the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I do not relish being put in the position of opposing the rule on welfare reform, but, in conscience and sincere disagreement with leadership, I must.

First, Mr. Speaker, let me note that I am grateful that my amendment to reform the so-called family cap by permitting welfare moms to get vouchers in lieu of cash to better provide for the necessities for their babies was made in order. So I say, "Thank you for that." But I am deeply concerned that in an otherwise laudable drive to reduce illegitimacy and dependency we are poised to enact legislation that is likely to reward States that increase the number of abortions performed in that State while also making children more impoverished.

Both of these scenarios are unacceptable and are largely preventable.

To mitigate these two possibilities, Mr. Speaker, four amendments were crafted. Only two were made in order—well, perhaps two and a half. It is my hope that a new rule would give us the opportunity to consider all four amendments, including the amendment offered by the gentleman from Oregon [Mr. BUNN] and the Stark-Volkmer amendment.

Mr. Speaker, this so-called illegitimacy ratio provision in the bill is well meaning, but it is fatally flawed, and the Stark-Volkmer amendment would strike it. The illegitimacy ratio was not part of the Contract With America in its original form. The ratio might well have provided incentives to States to decrease their abortion rates to qualify for the monetary bonus stipulated in the bill. But the version contained in the bill today is likely to reward States that increase the number of abortions from the benchmark year, the year of enactment.

Mr. Speaker, the flaw is contained in the formula itself, again, which started out OK but was rewritten when objections were raised by certain proabortion Members. The formula is designed to curb illegitimacy; no problem there. But the means to that end uses the wrong numerator to calculate what is progress.

The original language, which I support, said: "Add the number of out-of-wedlock births and abortions. Then divide the number by the total of births in that State. States that lowered the ratio by 1 percent would get a 5-percent extra block grant. Lower the ratio by 2 percent, and the State gets 10 percent extra."

This is no perfect formula, but the ratio that would have promoted a decline of both abortion rates and illegitimacy.

The new formula, however, steers a far different course. The new formula says: "Add the number of out-of-wedlock births to the number of additional abortions performed over those performed in the year the bill was enacted, and divide by the total births in that State. As some births in the State are legitimized by adoption or marriage, the numerator, as it relates to illegitimacy, will automatically decrease, leaving ample room for corresponding increases in abortion rates." In other words, that State can then achieve a, quote, good mark and get a big reward from Uncle Sam, even though the abortion rates have skyrocketed in that State.

Mr. Speaker, I urge a "no" vote on this rule, however unintended the consequences of the ratio will be to reward States that push abortions for welfare moms, and pay for them under their Medicaid provisions, and then declare victory by showing a good score on a flawed scorecard.

ILLEGITIMACY RATIO TEST WOULD REWARD STATES EVEN IF ABORTIONS INCREASE

(By David N. O'Steen, Ph.D.)

An "illegitimacy ratio bonus" plan for states was added to welfare reform legislation (H.R. 1214—known as the Personal Responsibility Act) by the full House Ways and Means Committee. The plan would reward states financially for reducing their "illegitimacy ratio" even in circumstances where abortion increased. For this reason, NRLC is opposing the "illegitimacy ratio bonus" plan as passed by the House Ways and Means Committee and supports the Stark-Volkmer Amendment to remove the bonus provision.

THE "ILLEGITIMACY RATIO BONUS" PLAN

The bill provides that federal welfare funds received by a state be increased by 5% in any year in which the states "illegitimacy ratio" (as defined below) is one percentage point lower than in the year prior to enactment of the legislation. The state's federal grant would be increased 10% if the ratio was two percentage points lower than the year prior to enactment.

The "illegitimacy ratio" in the year prior to enactment is defined as the percentage obtained by dividing the number of out-of-wedlock births by the total number of births. In subsequent years it is defined as the percentage obtained by dividing the number of out-of-wedlock births plus any increase in abortion by the total number of births.

INCENTIVES FOR STATE ACTION

The "illegitimacy ratio bonus" plan is intended to be an incentive for a state to adopt programs to discourage out-of-wedlock childbearing. Such a campaign could consist of many components including the denial of state aid to such children, similar to the "teen mother's child exclusion" provision of the bill.

Whatever programs the state implements, however, there are five possible changes in behavior people could utilize to attempt to avoid an out-of-wedlock birth. They could: (1) Use contraception, (2) abstain from sexual relations, (3) marry before the birth of the child, (4) place the child for adoption (for purposes of the bill's ratio test both marriage and placing the child for adoption is considered to "legitimize" the child), or (5) abort the child.

Under a comprehensive out-of-wedlock "anti-childbearing" campaign, it can be expected that a combination of all five of the above changes in behavior would occur.

It is the fifth—aborting children conceived out of wedlock—that NRLC must oppose. Unfortunately, as explained below, the ratio test passed by the House Ways and Means Committee allows abortions to increase significantly and the state to still reap the financial reward of increased federal funds.

HOW THE RATIO TEST ALLOWS INCREASED ABORTIONS

For purposes of the "illegitimacy ratio" test, changes in behavior in the second or subsequent years are treated mathematically in the following manner. Those who avoid pregnancy (and thus an out-of-wedlock birth) through either contraception or abstention are treated the same: those missing births disappear from both the numerator and the denominator of the new ratio. Those who "legitimize" the child either through marriage or adoption are also treated the same: those births disappear from the numerator but remain in the denominator.

Changes in behavior that result in increased abortions rather than out-of-wedlock births do not actually affect the numerator since these abortions would reduce the number of births in the numerator but would also be added back in. However, they do reduce the births in the denominator. While this means that an abortion in lieu of an out-of-wedlock birth does actually hurt the state's

ratio, this is not sufficient to prevent the state from receiving the bonus while experiencing a substantial increase in abortions, because the effect of the increase in abortions on the ratio can easily be more than offset by the other changes in behavior.

The following examples show how a state can receive the bonus while increasing abortion:

Example 1: Suppose in the initial year a hypothetical state has 100,000 births, 30,000 of them out-of-wedlock for an "illegitimacy ratio" of .30. Then suppose the state implements a rigorous anti out-of-wedlock child bearing program that results in a 10 percent (i.e. 3,000) reduction in out-of-wedlock births. (This is not an unreasonable assumption since the New Jersey "family cap" has reportedly resulted in a 13 percent decrease in births among AFDC recipients.) Further, suppose this reduction of 3,000 out-of-wedlock births was the result of 900 who successfully used contraception or abstained, 900 more married or placed the baby for adoption and 1,200 who had abortions.

Then, assuming other births and abortions remained constant, the state's new "illegitimacy ratio" would be 28,200 (27,000 out-of-wedlock births plus 1,200 abortions) divided by 97,900 reflecting the 900 non-conceptions and 1,200 abortions) which equals .288.

Thus, the state would qualify for the 5 percent federal bonus even though abortions accounted for 40 percent of the reduction in out-of-wedlock births.

Example 2: In the above example, again assume a 10 percent change in behavior, but suppose the reduction of 3,000 out-of-wedlock births is the result of 1,200 who successfully used contraception or abstained, 1,300 who married or placed for adoption and 500 who had abortions. In this case the new "illegitimacy ratio" would equal 27,500 (27,000 out-of-wedlock births plus 500 abortions) divided by 98,300 (reflecting the 1,200 non-conceptions and 500 abortions) which equals .2798 or less than .28.

In this case, the state would qualify for the 10 percent bonus in the federal funds, even though abortions accounted for one-sixth of the reduction in out-of-wedlock births.

Example 3: As a generalization of Example 1, it can be shown that if out-of-wedlock births initially account for 30 percent of all births and there is a 10 percent reduction in out-of-wedlock births in the second year, with other births and abortions remaining constant, and the reduction is due to equal numbers of non-conceptions and "legitimized" babies due to marriage or adoption, then the increase in abortions can be as much as 1.3 percent of all births and the state will still get the federal "bonus." In this case, abortions could equal up to 43% of the reduction in out-of-wedlock births!

Example 4: In Example 3, the number of out-of-wedlock births that were avoided through marriage or adoption exceeded those that were avoided by reducing conceptions. For an example where a greater number of out-of-wedlock births are avoided by reducing conceptions, assume again that in the initial year there were 100,000 births with 3,000 of them out-of-wedlock for an "illegitimacy ratio" of .3.

In the second year, suppose there are 5,000 fewer out of wedlock births due to 2,000 non-conceptions, 1,000 adoptions or marriages and 2,000 abortions, and that other factors remain constant. The new "illegitimacy" ratio would be 27,000 divided by 96,000 or about .28. The state would again get the financial bonus despite the increase in abortions.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. I just want to inform the gentleman that I proposed the so-called illegitimacy ratio at the Committee on Rules last night, and the majority party voted it down.

Mr. SMITH of New Jersey. Well, I would hope then, if this rule goes down, that it would be made in order in an amendment to strike it or, perhaps, to fix it.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. GIBBONS], the former chairman of the Committee on Ways and Means.

Mr. GIBBONS. Mr. Speaker, I want to pay personal tribute to the gentleman from New York [Mr. SOLOMON] because I do not think he would produce this kind of rule if he were not under the pressure from the gentleman from Georgia [Mr. GINGRICH] and the gentleman from Texas [Mr. ARMEY] to jam all this thing through the House by some make-believe date that we are all operating under.

□ 1330

This is the type of a program that should take 6 months of consideration in the committee and on the floor. I wish I could have gotten this bill amended to take out the 10 reasons that I think this bill is cruel, cruel to children. This bill punishes the child because the mother who gave birth to the child was under 18 years of age. It punishes that child not just while the mother is under 18 years of age but it punishes that child for life. It will affect each year 70,000 children.

The SPEAKER pro tempore (Mr. OXLEY). The time of the gentleman from Florida [Mr. GIBBONS] has expired.

Mr. GIBBONS. Mr. Speaker, I have nine other reasons, and I will take them up later.

Mr. SOLOMON. Mr. Speaker, I reserve the balance of our time.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, I wanted to ask the chairman of the committee about certain commitments that the Cardinal thought were made to him as they relate to this bill, but obviously those commitments were not made and we do not have time for a dialog. But one of the reasons why I want to encourage the House to vote against this rule is because while the chairman of the committee would indicate that these were Democratic and Republican rules, when I take a look at it, the Democratic rules that would guarantee foster care and adoption, that would guarantee jobs, that would guarantee child care, that would guarantee that the child not be punished because of an irresponsible mother who could not identify the father, and an amendment that would guarantee vaccination and national nutrition, I would say that these were good amendments that the Democrats had, amendments that no one passed on. But then I look at the amendments that were made in order, and one of them says that a deadbeat dad who died is still liable for the money.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. RANGEL] has expired.

Mr. RANGEL. Mr. Speaker, I have some other amendments here that I would like to discuss on the floor later.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. SABO], the former chairman of the Committee on the Budget.

Mr. SABO. Mr. Speaker, here we go again. Once more we have a major piece of legislation before us and the Republican majority has structured a rule to get around all kinds of serious Budget Act violations. This proposal is too serious, its budgetary implications too important, and its long-term consequences too critical to be treated so cavalierly.

Mr. Speaker, if this bill were taken up under normal procedures, the Rules Committee would have to either waive all the Budget Act points of order or allow them to be raised on the floor. Under the unusual procedure being used for this bill, the Rules Committee was able to avoid the Budget Act without granting any explicit waivers.

The Budget Act rules serve an important purpose. We should not be evading those rules on such an important piece of legislation.

Mr. Speaker, the reason we have a Budget Act is to help us think through legislation before we pass it. Yet, this is the sixth time this year we have been asked by the new majority to ignore that act.

The version of the welfare bill made in order by this rule contains several violations of the Congressional Budget Act.

Among other things, H.R. 1214 makes a direct appropriation for the new Food Stamp Program in fiscal year 1996. This appropriation breaches the Agriculture Committee's spending allocation and thereby violates section 302(f) of the Budget Act.

In addition, the bill provides both budget authority and entitlement authority effective in fiscal year 1996. As a result, it violates section 303(a) of the Budget Act, which prohibits consideration of bills providing new spending in years for which a budget resolution has not yet been adopted.

Further, the bill sets up a new lending program—the so-called rainy days fund. This new program violates section 402(a) of the Budget Act, which prohibits creation of new Federal lending programs that are not controlled through the appropriations process.

These and other problems with this bill are symptoms of the haste in which it was assembled and considered. Issues as important as

welfare reform deserve far greater care and deliberation.

If this bill were taken up under normal procedures, the Rules Committee would have to either waive all the Budget Act points of order or allow them to be raised on the floor. Under the unusual procedures being used for this bill, the Rules Committee was able to avoid the Budget Act without granting any explicit waivers.

The Budget Act's rules serve an important purpose. We should not be evading these rules on such an important piece of legislation.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, I understand probably why the Rules Committee did what it did, because it is obvious the Republican bill on welfare reform surely does not have the votes, and we are going to continue with perfecting amendments until they come to a level where they do have the votes. I think that says something about the legislation already because the Republicans are not excited about their welfare reform measure, and I do not blame them.

A number of us, including me, put this Deal substitute together. It is a good one, and it makes a lot of sense. It is called the Individual Responsibility Act of 1995. It replaces the failed welfare system. It ends welfare as we know it. It requires people to work for benefits. It offers a hand up, not a handout. It imposes a time limit on benefits. It makes sure that welfare is a safety net and not quicksand. It ensures welfare, but it is not a way of life.

Mr. Speaker, it is time to pass the Deal substitute. It works.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, it is not only the Members of this Congress but the children of America who are being gagged today—the voices of children, the children who need a healthy start, the children who should have smiling faces instead of empty stomachs, the children whose voices I heard 2 weeks ago in Austin, TX, the children who say, "Cut waste, don't cut kids. Put people to work. Don't pull lunch trays out of the hands of school children," as this legislation would do.

This ought to be a time for this body to come together to deal with a problem that has been neglected for too long. But extremists dominate this debate. Indeed, to call it a debate is to pick a name that has no appropriateness to what is happening here, because the ideas of all this body are being excluded from the course of this debate. With extremists in control, we do not have any genuine debate.

This bill, like others in the contract, cannot withstand debate. It is so extreme, it is so mean-spirited that they cannot afford to have a real debate with bipartisan solutions to these problems.

Mr. Speaker, it is the voices of the children that are being gagged today, and America is the loser.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to a very distinguished Member of the body, the gentleman from Oregon [Mr. BUNN].

Mr. BUNN of Oregon. Mr. Speaker, it is with reluctance that I need to stand and rise and encourage opposition to this rule. I want to focus on one fairly narrow part of the rule, and that is this:

The Rules Committee had a choice between the Talent amendment and the Bunn amendment. They chose the Talent amendment, and I want to talk about the differences between those two, because there are only two differences. The Bunn amendment requires that in order to receive support, one must stay in school. Now, when we want to reduce dependence upon public assistance and we want to help people get off welfare, they need to stay in school, and we need to provide the tools so they can get off welfare. Why this bill denies that requirement, I do not know. It makes no sense to me, because we need to require girls to stay in school and we need to help them to stay in school with day care and other things.

The second provision is one that equally perplexes me, and that is that with the Talent amendment we take away any incentive for a girl to stay in her home.

As a Republican, I am proud of our party and I am proud of the things we stand for, but I am embarrassed today to stand here and admit that our party that talks about family values is saying, "We don't value keeping the family together," because, in fact, there is no incentive under Talent to say, "Stay in the home. Stay with your family."

The Bunn amendment says that if a girl will stay in school and stay with her family, we will provide the adult supervision, whether it is a foster parent or the parents, the ability to meet her needs with cash assistance for day care and other things, but we have taken that all away with Talent. We do not even have the opportunity to vote on that on the floor, and because of that, Mr. Speaker, I must oppose the rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, I rise in strong opposition to this rule.

As a mother who was forced to go on welfare 27 years ago because my family never received, not once, the child support we were owed, I am outraged by this rule. I am outraged because it prohibits debate on what HENRY HYDE, STEVE LARGENT, myself, and over 80 other Democrats and Republicans know is the most effective way to collect over $5 billion of the child support that goes uncollected each year, federalization of our pathetic State-by-State child support system.

The Federal Government spends $1 billion a year on a State-based child support system that has shameful collection rates, with some States having rates as low as 9 percent. Even more alarming is the fact that $9 of every $10 owed in interstate child support is not collected.

By putting the IRS in charge of collecting support, the Hyde-Woolsey amendment would move 300,000 mothers and over half a million children off the welfare rolls immediately.

For that reason, Mr. Speaker, I urge my colleagues to vote against this rule.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would say to the gentlewoman from California [Ms. WOOLSEY] that if I had known she was going to oppose the rule, we would not have made her amendments in order. It is generally understood that we would like to have a return give-and-take.

Ms. WOOLSEY. Mr. Speaker, if the gentleman from New York [Mr. SOLOMON] will yield, let me say that you did not put our amendment in order.

Mr. SOLOMON. I am looking at it right now. It relocates the authority of the clearinghouse and hotline for missing and runaway children back to the agency where the credit exists. I think that is your amendment, is it not?

Ms. WOOLSEY. No, I would say to the gentleman from New York [Mr. SOLOMON] that I am talking about the Hyde-Woolsey amendment to collect and federalize child support.

Mr. SOLOMON. That is not the gentlewoman's amendment, the one I just read?

Ms. WOOLSEY. Yes, but that is not the same amendment. That is an entirely different thing.

Mr. SOLOMON. Mr. Speaker, I would say to the gentlewoman that there were 161 amendments filed. Let me read Mr. GEPHARDT's statement now. Just a minute. I would ask the gentlewoman to not interrupt. We followed the rules of the House.

Mr. GEPHARDT appeared before the Rules Committee, and he said:

> I do not want any amendments made in order, Democrat or Republican, other than 2 Democrat substitutes under the name of Deal and under the name of Mink.

We did not abide by what he requested. We made a number of amendments in order. We took one of yours, and the gentlewoman from New Jersey [Mrs. ROUKEMA] had five or six amendments, and we took one of hers. We tried to distribute them out of fairness.

I just call that to the gentlewoman's attention because in time she will have to come back to the Rules Committee, and we do like to give credit when Members are supportive. And the next

time I would like to ask the gentlewoman to tell me she is going to vote against the rule even though we make her amendment in order.

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Mr. Speaker, let me yield to my friend, the gentleman from Massachusetts, although we are running out of time and he has plenty of time.

Mr. MOAKLEY. Actually, since it was the Hyde-Woolsey amendment, I would ask the gentleman, why did he not make Hyde in order?

Mr. SOLOMON. Because there were 75 other Republican amendments we could not make in order either. We have a timeframe of 2½ days, and we made 31 amendments in order.

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I reserve the balance of my time.

Mr. MOAKLEY. May I continue? Actually, you said you would not have allowed her amendment if you knew she was going to vote against the rule.

The SPEAKER pro tempore. The gentleman has reserved the balance of his time.

Mr. SOLOMON. Mr. Speaker, the gentleman is out of order.

Mr. MOAKLEY. Mr. Speaker, I thought the gentleman was yielding to me.

The SPEAKER pro tempore. The gentleman reserves the balance of his time.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I rise in strong opposition to the rule.

Last week I took two amendments to the Rules Committee which would guarantee that any net reduction in outlays resulting from this act would be used for deficit reduction, not spent for tax cuts. I felt fairly cynical and redundant then as I did so, because my understanding of the base bill, H.R. 1214, was that deficit reduction would be the highest priority when it came to net savings. But I had a gnawing suspicion that an effort would be made to remove this fiscally responsible provision. Indeed, we now see that Chairman ARCHER will be offering a routine technical amendment which does precisely what I feared, striking section 801(a) of the base bill.

This, coming on top of the admission last week the Republicans had no intention to maintain the lock box in the rescission bill that passed by a vote of over 400 to 15, is nothing but outrageous. It now appears the will of the overwhelming majority of the House counts for nothing when it comes to savings being dedicated to deficit reduction. In fact, today we do not even have an opportunity to vote the will of the House regarding how the deficit savings should go, for cuts or for deficit reduction.

Mr. Speaker, I rise in strong opposition to the rule allowing for the consideration of H.R. 1214, the Personal Responsibility Act. I do so for numerous reasons, including the rejection of my amendments ensuring deficit reduction, the rejection of two pro-life amendments, and the inclusion of a highly confusing procedure which, rather than laying out a predictable order for consideration of amendments, seems to permit Chairman ARCHER to move at any time to bring up the Deal substitute.

Mr. Speaker, last week I took two amendments to the Rules Committee which would guarantee that any net reductions in outlays resulting from this act would be used for deficit reduction, not spent for tax cuts or other increased spending. I felt fairly cynical and redundant as I did so because my understanding of the base bill, H.R. 1214, was that deficit reduction would be the highest priority when it came to net savings. But I had a gnawing suspicion that an effort would be made to remove this fiscally responsible provision. Indeed, we now see that Chairman ARCHER will be offering a "routine technical amendment" which does precisely what I feared, striking section 801(a) of the base bill. This, coming on top of the admission last week that Republicans had no intention to maintain the lock box in the rescissions bill, even though it had passed 400–15 is nothing less than outrageous. It now appears the will of the overwhelming majority of the House count for nothing when it comes to savings being dedicated to deficit reduction. In fact today we cannot even vote on it. I urge opposition to the rule.

Second, as a pro-life Member, I have noted that the National Right to Life Committee stands in opposition to this rule which prevents any consideration of either the Bunn amendment or the Stark-Volkmer amendment. Like the committee, I am opposed to having our welfare reform efforts lead to a greater number of abortions.

Third, I see no reason for allowing the unusual order of business by which Chairman ARCHER can randomly bring up for consideration the Deal substitute, the Mink substitute, and then the Republican substitute. I understand there is confusion about interpreting the language of the rule but to my reading, it certainly seems that Chairman ARCHER could have such an option. This closed rule outlines the specific amendments made in order and sets the boundaries for time consideration. There is no reason to set up unpredictability when it comes to the three substitutes.

I am pleased that the rule made in order the Deal substitute and I have every intention of supporting this amendment. I believe that this substitute is far more reasonable in its reform of welfare programs, balances compassion with fiscal imperatives, does a better job of reinforcing individual responsibility, and is far more honest when it comes to deficit reduction.

Inclusion of the Deal substitute, however, is insufficient to rectify the other shortcomings of this rule and I urge its defeat.

□ 1345

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY], the very, very distinguished majority leader of this House, to impart some of his wisdom on this rule.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

Ladies and gentlemen, this is a good rule. It is a rule that has been worked through after an extraordinarily long and arduous process covering several years, where so many of us have worked on welfare reform. There are so many things we agree on.

We all agree that House Republicans, many of the House Democrats, certainly the President, who has spoken so eloquently on so many occasions, agrees with the proposition the current welfare system does not work. It is harmful, it is hurtful, it destroys the lives of young children. It is frightening what is happening in the lives of young children, now sometimes all too often in their second or third generation, and the President, quite rightfully, even in the campaign of 1992, said we must address this issue.

Clearly we are going to try to do something different. If we can begin with the certain knowledge that what we have been doing in the past does not work, can we not take from that knowledge the certain courage to try something new, something different, something better, with a whole different set of incentives and a whole set of messages to our young people in this country? That is what we are doing with this bill made in order by this rule.

Then we need to understand that so many scholars have demonstrated to us that it is illegitimacy and childbirth, fatherless children, that is so much at the heart of the distress that seems to be unending and growing worse and larger each year. So we insist we must have a new welfare approach that brings down illegitimacy, and quite rightly so many of us say, yes, bring down illegitimacy, but not through increased abortions. And we have struggled with this issue. We have struggled with this rule.

Now we have illegitimacy language and a ratio in the bill that by the person who wrote the initial language, Michael Schwartz, is declared to be this, and I quote, "This illegitimacy ratio is abortion neutral. I strongly support the bill in its current form."

Let me say, ladies and gentlemen, rather than to believe that by bringing down illegitimacy we must necessarily with abortion neutral language encourage abortion, let us take a greater realization that illegitimacy and abortion go hand-in-hand because in both instances the message is that children, that life, is a commodity. And I promise you, I declare that you change that mindset, you force a reduction in illegitimate births, and there will be an ensuing reduction in abortion. Because the fact of the matter is, ladies and

gentlemen, life is not a commodity. Life is precious. Life is precious in the womb, and life is precious on the streets and the schools and the playgrounds of this country. We must make our children safe. We must make our children safe.

I believe this bill will do that. I believe this rule makes it possible for us to craft this bill in its final stages in such a way as to guarantee the safety of our children, both in the womb and on the streets and in the playground and in their schools. And, yes, they will be well fed as well.

So disregard the fiction from those who would have us do nothing but defend and protect the status quo. The status quo, ladies and gentlemen, is literally killing our children. We cannot tolerate it.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Indiana.

Mr. ROEMER. I would say to the gentleman, I am a pro-life Democrat, not a pro-birth Democrat, but a pro-life Democrat. If this is so family friendly, if this is so child friendly, why are the Catholic church and pro-life organizations such as Right to Life opposed to this rule, where the Committee on Rules did not even make in order the ability to address many of these concerns?

Mr. ARMEY. If the gentleman asks me, I will tell the gentleman, they oppose the rule because their judgment is incorrect on this matter. I regret that.

Mr. ROEMER. Their judgment is incorrect.

Mr. ARMEY. There is room always for anyone to have a mistake in judgment, and I just disagree with their judgment on this matter.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Speaker, none of us like the status quo, but all Americans agree in their considered opinion that this bill goes too far. This bill is too extreme. Americans oppose this plan that hurts poor women and children in order, and this is the most important part, in order to pay for a tax cut for the most wealthy.

I urge my colleagues on both sides of the aisle to vote against the rule and hold out for some fairness in the debate. Americans know that the best way to cut down on dependency is to encourage economic self-sufficiency and end welfare as we know it is to get people into jobs.

The Republican's legislation does nothing to further that goal. It concentrates all of its attention on punitive cuts to programs that provide food, shelter, and clothing to poor children. It does nothing to help the poor children's parents to get into the jobs that they not only badly need, they badly want.

One fatal flaw is it removes any obligation for the State to provide job placement and job skill training. In fact, if they just get them off welfare, that is considered a success. But if they are kicked off welfare and into the street and into homelessness, we do not consider that a success.

Mr. Speaker, I urge everybody to vote against this rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. GUTIERREZ].

Mr. GUTIERREZ. Mr. Speaker, I submitted three amendments to this bill that were all ruled out of order. In my effort I was not simply trying to appeal to the good nature of the members of the Committee on Rules nor to their sense of charity. My amendments spoke to other values, hard work, paying taxes, playing by the rules. Those you understand are not partisan values, or so I thought until I read the Republican written rule.

Two of my amendments would have ensured that those legal immigrants who pay Federal taxes for at least 5 years would remain eligible for benefits.

I wanted to raise one issue that gets drowned out by the red-hot rhetoric in this body and on the radio talk shows, that have become the national outlet for passing along blame. The fact is, Mr. Speaker, legal immigrants pay taxes that we all use, and they follow the laws of this country that they have come to call home.

This bill is called the Personal Responsibility Act. Many legal immigrants who work hard, play by the rules, already exhibit a level of responsibility that this House will do well to emulate. We can do so by defeating this rule.

Mr. Speaker, during the welfare debate, I have heard the Republicans cite as their goal, the demolition of the Great Society.

Well, with this rule, I think they've gone well beyond that.

As I see it, the question now seems: Do the Republicans even want America to be a good society?

In my mind, a good society protects the most vulnerable.

A good society does not slash programs for those whose well-being has been put in jeopardy in so many other ways.

Now, I have heard it said that the punitive measures contained in this bill are not simply there for the sake of injuring the poor or the weak.

No—the Republicans tell us that these measures are supposed to change behavior.

Denying benefits to young unwed mothers, I am told, is not simply a way to penalize them—but to change their behavior.

Well, if that is the logic of this bill, then what am I to make of those provisions that are aimed at denying benefits to legal immigrants?

I have to assume that your goal is to alter the behavior of those around the world who would otherwise think about coming—legally—to the United States.

And that's a shame, because I thought that a good society opened its doors to others.

It was out of that concern that I submitted three amendments to the Rules Committee for consideration.

In so doing, I was not simply trying to appeal to the good nature of the members of the Rules Committee, nor to their sense of charity. My amendments spoke to other values—hard work, paying taxes, playing by the rules.

Those aren't partisan values. Those are values that we all share.

Or, so I thought until seeing this Republican-written rule.

Let me briefly describe my amendments.

The first would have made any legal alien who has paid 5 years of Federal income taxes eligible for the services that this bill would otherwise deny them—Medicaid, SSI, food stamps, Temporary Assistance, and social service block grants.

A second, which I envisioned as an alternative, would grant the same eligibility to those immigrants who paid 5 years of taxes during a 10-year period. I thought that this amendment was certainly reasonable to all parties involved.

I felt it was important to raise these issues because it speaks to facts that get obliterated by the red-hot rhetoric raised in this body.

These facts get drowned out by the talk radio shows that have become the national outlets for ranting and raving and passing on blame to others.

These two amendments point out that—yes—legal immigrants pay taxes, taxes that we all use.

Just like anyone else in America, they follow the rules and laws of the country that they now call home.

The third amendment that I have drafted addresses the considerable expenses that will be passed along to the States when these services are obliterated at the Federal level.

Under my amendment, the Federal Government could not exclude legal immigrants from eligibility for these services if it is found that this leads to a cost of $50 million or more to a State.

Pretty interesting timing, don't you think? Today, the unfunded mandates bill is being ceremoniously signed into law.

Tell me—especially my friends on the other side of the aisle who pressed so hard for the unfunded mandates bill—what happens if, or when, we find that the welfare reform bill fits your definition of an unfunded mandate?

I was pleased that, even though these amendments did not receive bipartisan support here inside the beltway, at least they did outside of Washington. The Republican Governor of Illinois, Jim Edgar, wrote to the Speaker recommending that these amendments be ruled in order.

Isn't it the Republican Party that keeps saying they are supposedly on the side of the States?

Then why ignore the wishes of a State like Illinois which will be severely burdened by the steps that you want us to take today?

It's not an exaggeration to say that this bill, and the rule, that we are debating today changes—in my mind—what America represents.

In the minds of many, America always held magic because it not only was a Nation that

stood up to other superpowers around the world, but that it also stood up for the powerless who came here from around the world.

After today's action, I don't think you can quite say the same thing.

This bill is called the Personal Responsibility Act

I urge all Members to remember their public responsibility and to vote no on this rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise today in strong opposition to this rule. What has come to this country where we now consider poor vulnerable children and mothers the root cause of the evil that America faces?

We had one fellow come before the House Committee on Banking and Financial Services, Michael Milken, who stole $5 billion, a third of the AFDC budget, and he gets a wink and a nod. Yet welfare mothers are the scourge of America, if you listen to the rhetoric that takes place on this House floor.

If people are really concerned about the family values of this country, why then does the bill cut $2.7 billion out of foster care and adoptive services? If we are truly opposed to the number of abortions that take place in America, why can we not create a policy in America that allows families to adopt and provide foster care services?

These are abused children, children that have sexual and other issues that they have been subjected to that are horrendous in America, and the Republicans cut $2.7 billion out of the budget to serve those vulnerable children. We ought to be ashamed.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Speaker, I rise in opposition to the rule. More than 150 amendments were filed timely on this rule, but yet there are only 26 Republicans and only 5 Democrats that have amendments that were allowed.

I must ask, what is the majority afraid of? Why must they deny thoughtful proposals that would improve this bill? Are they trying to muzzle discussion? Perhaps they are afraid because among the amendments that they did not allow are those that would have restored nutritional programs for those who need it. Among the amendments they did not allow are those that would have prevented the destruction of School Lunch Programs. Perhaps they are afraid because they know that this bill will harm women, infants and children, and they do not want the American people to know about that. Perhaps they are afraid because they know that the money they say they are saving will be shifted out of those programs and will go to aid the rich through tax cuts.

Mr. Speaker, this is most misguided. I urge a vote of no, no confidence in this rule, and also no on the bill itself.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE. Mr. Speaker, I thought we came to the U.S. Congress to represent all of the people of the United States of America, but what we have come simply to do is pass the mother of all bad rules. I do expect and appreciate the long hours that the Committee on Rules spent on the rules' resolution but I cannot imagine that they did not accept the many amendments that were offered to ensure that all of the people of the United States of America were in fact covered by welfare reform and not covered by welfare punishment.

Mr. Speaker, I tried to offer amendments that would ensure child care, that would ensure job training, and, yes, to ensure that we had jobs. You know, it is interesting, it is very interesting, that in fact as we begin to make alot of noise about working, everybody is talking about the Government providing those jobs, that can not be. There is nothing in the Republican bill that talks about job creation. And yet I attempted to bring corporate America into this debate, because as they engage in the discussion about welfare reform and about welfare mothers and children on lunch programs, I believe corporate America has alot to contribute to job creation. But yet that particular amendment was not accepted.

My question is, this is not an issue for African-Americans, Hispanic-Americans, Asian-Americans, White-Americans; it is for all Americans. This is not a time to bash our mothers and our children. This is a time to raise our voices, to pass legislation that will be welfare reform and not welfare punishment. This is welfare punishment.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just tell the gentlewoman from Texas [Ms. JACKSON-LEE] and the gentlewoman from North Carolina [Mrs. CLAYTON], who spoke before, that they were not here in 1987. Believe me, this is not the mother of all bad rules. The mother of all bad rules was in 1987, the last time we debated welfare. That is when the gentleman from Massachusetts [Mr. MOAKLEY], the gentlewoman from New York [Ms. SLAUGHTER], the gentleman from Massachusetts [Mr. KENNEDY], and the gentleman from Minnesota [Mr. SABO] all voted for a rule that was so closed down it allowed for one Republican substitute instead of three different alternatives that we are allowing today. That rule allowed for one Democrat amendment and no Republican amendments, instead of 31 amendments being allowed today.

Those are the kinds of gag rules we used to have on the floor. Now we are opening up the process.

Mr. Speaker, I yield 2 minutes to my very good friend, the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, for 4 years I sat in this body. In 30 years only one Republican motion to recommit passed. No Republican king-of-the-hill rule ever passed on this House floor under the Democratic rules. I watched here on a tax bill where the clock stayed open for 45 minutes until you twisted arms and passed a bad tax bill by one vote. So do not complain about rules and closed rules.

But first of all I would like to speak about what is cruel. Let us take a look at the children's nutrition program. Who are we trying to feed? We are trying to feed the kids that their parents are in poverty. For my friends on the other side of the aisle, I would say it is cruel to support the current system.

You say that you all think well, it can be fixed. You had 40 years to fix it. The gentleman from Missouri [Mr. GEPHARDT] will stand up and talk about oh, the lady in the red dress and the poor children. Well, what is really sad and what is discriminatory is the children that we are not allowing out of the poverty level with their families. Let us encourage the deadbeat dads by legislation to support those kids; $34 billion. Let us encourage fathers to come live with a welfare mother, that we do not take that check away, and have one of them work, so that we can empower that family to support those children so they do not have to qualify economically.

What is really cruel? Look at the Federal housing projects that we just keep dumping money into. They are crime ridden. We have drug addiction. We have in the black community two out of every three children are illegitimate. In some of our inner cities, up to six or eight of the children are illegitimate.

□ 1400

That is what is cruel, is to perpetuate that sadistic system. And what you are really upset at is we are killing your controlled big bureaucracy. We have provided for the nutrition programs and added, but we have cut you bureaucracy and you cannot stand it.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Speaker, the rule before us today is for what is called the Personal Responsibility Act. This proposed bill will alter drastically the welfare system in our Nation. One of the problems of this bill is that it does not even mention the 1.2 million Native Americans or the 553 federally recognized American Indian tribes.

To remedy the situation, Members from both sides of aisle worked together to come up with an amendment to allow Indian tribes access to the block grant provisions of this bill. Unfortunately, the Committee on Rules

did not accept this and it will never be heard on its merits on the floor.

Mr. Speaker, I want to remind my colleagues that Indian tribes are not subunits of State governments. Their relationship is on a government-to-government basis with the Federal Government. Currently tribes are eligible for direct funding under numerous Federal laws to the same extent as the 50 States. What a travesty, Mr. Speaker, that this is happening.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. FALEOMAVAEGA. I yield to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman. Now I would like to——

The SPEAKER pro tempore (Mr. OXLEY). The time of the gentleman from American Samoa [Mr. FALEOMAVAEGA] has expired.

Mr. HALL of Ohio. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Mr. Speaker, the chairman of the Committee on Rules said that we had gagged rules in the past. I never said I never gagged rules. But he said he was going to, he said he was going to come out with a new style, open rules. One of the most important pieces of legislation right here on the floor, we are gagged. The United States of America is gagged. Every student looking for a warm meal is being gagged. This is a gag rule that nobody will ever forget.

Mr. SOLOMON. Mr. Speaker, I yield myself 30 seconds.

I say to my good friend, the gentleman from Massachusetts [Mr. MOAKLEY], what I said was, I would be three times as fair as he ever was, and I am living up to it. The reason that he does not think it is fair is because of his minority leader, the gentleman from Missouri [Mr. GEPHARDT]. I suggest the gentleman go see him. I will go with him, if he likes.

Mr. HALL of OHIO. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Speaker, I have always advocated workfare over welfare. Most people I know would rather have a paycheck than a welfare check. Unfortunately, our current welfare system actually discourages and breeds dependency on the government. It fosters a cycle of poverty that many families fail to break away from.

Clearly, we need a new system that requires parents to shoulder the responsibilities of their families.

We need to break this cycle of welfare dependency, but we must do it in a way that makes sense. If we require welfare parents to work as we should, we must provide job training. Many people on welfare have no job skills and many do not know how to look for a job.

And if we require welfare parents to work, as we should, we must provide for child care. Someone has to look after the children while the parents are working.

If we go to the block grant system proposed by the committee's version of this bill, Alabama stands to lose $828 million over 5 years, according to the U.S. Department of Health and Human Services.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding time to me.

I have been trying to get in on this debate but Members keep saying, "We don't have the time; we don't have the time."

Why do we not have time for children? Why are we rushing out here and doing this to children? So we can get the crown jewel of the contract, to quote the Speaker. What is that crown jewel? It is more tax cuts for the fat cats to pay for this.

I find this absolutely outrageous. I was trying to point out to one of the prior gentlemen that if you really want to be tough on and you really want to do child support enforcement, you ought to vote for the Democratic bill because it is much tougher. I hope the amendment to the Republican one does pass, where we go after licenses of people who are in arrears, but one of the most important things we can do is welfare prevention, which is making both parents be responsible.

There are so many things here we should be discussing. To see this go roaring through and to see us taking things away from young children to pay for the crown jewel for those who do not need anymore jewels, thank you very much, is outrageous.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Speaker, I asked for two amendments and they were turned down. By the way, I do not think it is very appealing to come here and say you have to bargain with the Committee on Rules to get an amendment, you have to say you are going to vote for the rule to get an amendment. I thought we were acting here on a matter of urgency and a matter of principle.

Let me just make two points. You turned down two amendments. One was close to the Bunn amendment. I do not know why you keep on turning your back on this issue. If you punish mothers, you are going to affect their kids and also you, I think, arguably could increase the chances of abortion. You turned it down. We have been trying for weeks to get this amendment accepted.

Second, you turned down an amendment on SSI for kids.

I just want to emphasize what is involved. You are cutting $14.8 billion and restoring only $3.8 billion in the block grant. You talk piously; you act punitively.

Mr. HALL of Ohio. Mr. Speaker, I have one remaining speaker.

Mr. SOLOMON. Mr. Speaker, I yield 1½ minutes to the very distinguished gentleman from Atlanta, GA [Mr. LINDER], a member of the Committee on Rules.

Mr. LINDER. Mr. Speaker, I find this debate fascinating on the rule, because for all of the honing and carping which has been raised to an art form on this side about the inability to perfect our bill, no one cares about the inability to perfect the Deal substitute or the Mink substitute, two substitutes which are miles apart in philosophy and intent and direction. You do not care to perfect those bills. You only want to perfect this bill?

The fact of the matter is, you would like to have 150 amendments made in order on the majority's bill. You do not really care to amend those, and we gave you gagged, closed rules on those two substitutes at your request.

My colleagues, there are some victims in this debate, but it is not children and it is not school lunches. The victims in this debate are candor and honest public discourse. The big-lie theory has just taken over the debate on this bill, and we have so much more to do after this. We have to direct America's attention to a crushing national debt, an economic crisis in a dozen years of humongous proportions. If we cannot begin to discuss these things with some degree of candor and some degree of honesty and public discourse, all of America, including the children, will suffer.

Mr. HALL of Ohio. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. FIELDS].

Mr. FIELDS of Louisiana. Mr. Speaker, I rise in opposition to this rule.

Mr. Speaker, I rise in strong opposition to this rule.

This rule will not allow my two amendments in order.

My two amendments are aimed at ensuring that the changes proposed by this bill for the school meals program will not result in reduced quality of school meals. States have enormous pressure to squeeze funding from programs, especially education programs. My amendments limit the discretion to squeeze school meals programs too much.

The first amendment requires that school-based nutrition block grant funds are actually used for school based meals, not other purposes. The bill allows States to transfer up to 20 percent of the school nutrition funds to other block grant purposes—for example, a State could spend 20 percent of the school lunch funds on its food stamps program.

I am convinced it is unwise to give States this discretion. When faced with difficult budget choices or a fiscal emergency, State legislatures would quickly seize upon the available 20 percent.

It is important to remember that children are not able to protect their own interests in the legislative process, while others have strong advocates. Furthermore, there are good reasons why the school lunch program was brought to the Federal level in the first place—when States did have complete control over school meals, many defaulted on their obligation to children.

While there are reasonable arguments that States should have the ability to decide how best to spend funds, this is a very difficult point the full House should decide.

The second amendment I offered simply ensures that school meals comply with minimum nutritional standards. Why give States the discretion to serve school lunches that do not meet basic nutritional standards? With minimum nutrition standards, States are free to develop their own standards for more healthful meals.

The bill calls for a National Academy of Sciences study to recommend minimum nutritional standards, but does not require States to meet those standards. My amendment requires States to meet the current nutritional standards set by the Secretary of Agriculture, or the standards of the required National Academy of Sciences study. Currently, the standards set by the Secretary are that meals must meet one-third of the daily requirement of certain nutrients.

Reducing the nutritional standards is an easy way for States to reduce the cost of school meals. Guaranteeing a minimum level of nutrition is a statement by Congress that the health of children is a national concern. Furthermore, our other investments in education are ineffective if children do not have adequate nutrition. Promoting the health of school children is wise all around.

Even if one believes States can operate this program more efficiently, we can provide the guarantee that, at the least, school meals will be healthful.

Of course whether or not funds for this important program should go to States with certain minimum conditions is a question on which reasonable people can disagree, and it is important enough to be decided by the full House. I believe these amendments should be considered and decided by the full House of Representatives.

Mr. HALL of Ohio. Mr. Speaker, I yield the balance of my time to our leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Speaker, in the coming hours and days, the Members of this body face a clear and crucial choice. We can vote for a Republican welfare proposal that will throw millions of innocent children out on the street without doing anything to move people from welfare to work, or we can choose one of the two outstanding Democratic proposals, both of which would help millions of struggling Americans to break the cycle of dependency and despair.

Mr. Speaker, when we talk about welfare reform, we should be talking about one thing and one thing only: work, how to encourage it, how to reward it, how to ensure that every able-bodied American can lift themselves out of poverty and into work.

That is why Democrats are fighting for a welfare plan that gives States all the flexibility they need and deserve but sets one broad goal and requirement: they have got to move people from welfare to work. If they want to spend Federal tax dollars, they have got to offer the training programs and the job opportunities that make welfare a road to work and not a dead end.

The plan the Republicans are passing off as welfare reform does not even come close to that. In essence, they want to just throw money at the States, cross their fingers and hope the problem goes away, as if it were that simple.

At the same time they want to pillage welfare programs to pay for tax cuts for the privileged few. They want to fund their tax giveaways by slashing school lunches for children who would literally go hungry without them and cutting food and nutrition programs for pregnant women and babies that save more than three times what the programs cost.

At this point, Mr. Speaker, we have to wonder whether the Republicans really want to reform welfare at all. We have to wonder whether they really care about the child whose life could be devastated, about the single mother who could lose every dime of help and support but never get a chance at a real job to support herself.

Of course, it is time to insist on work and responsibility. Of course, it is time to end a status quo that perpetuates poverty and destroys our most cherished values. But how can people lift themselves up by their boot straps, if the Republicans are busy taking away their boots?

Are the Republicans even interested in promoting work? Or are they looking for just another way to pay for trickle-down tax giveaways for the privileged few?

The Republicans do not seem to understand that Americans just do not want a smaller welfare system, they want a system that works. They want real results for their hard-earned tax dollars.

When you are trying to move people from welfare to work, there is only one result that matters: a job. And that is why Democrats have developed a wholly different approach to reform. In fact, the two Democratic alternatives are the only proposals that even do justice to the words "welfare reform." They are tough on work, because they insist that the States move people from welfare to work and give people the help they need in finding and preparing for jobs. And they are good to kids because they recognize that our children are our most precious resource, not a partisan punching bag.

There is a bigger principle at stake in this debate. Rather than rewarding the richest Americans for doing nothing, we should fight to promote work to reward it and to make sure that it pays more than welfare. The Republicans are not even engaging in this debate, and it is a bitter irony that this mean-spirited, shortsighted proposal would only make a flawed welfare system even worse.

□ 1415

Do we believe in a Nation of dignity and decency? Do we believe in protecting our children from arbitrary punishment and unnecessary deprivation? Do we believe in putting people to work and not simply pushing these problems back to the State level?

If we are truly committed to these goals, we have no choice but to support the Democratic alternatives to this flawed Republican proposal. Now is the time to turn back a Republican proposal that is weak on work and tough on kids. Now is the time to really reform welfare and put the American people back to work.

This is a crucial decision of this body, and I urge Members to vote for one of the Democratic alternatives, to refuse the Republican alternative, to be tough on work, and not tough on kids. This is our moment to make that great statement.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of our time.

Mr. Speaker, I will not criticize the minority party and question their motives, because they are all good Americans. However, the question before us today is whether we are going to continue the status quo or not, and how we go about it.

I have been here for a long time, and I have watched this Congress try to micromanage the lives of the American people from here inside the beltway. Mr. Speaker, it has not worked. We have a failed welfare system that we are operating under now. Let us try something else. Let us change that status quo. We can do it with the legislation we have before us.

There was a great American once that lived up the road here on Pennsylvania Avenue. His name was Ronald Reagan. He taught me a lesson when I first came here. Nobody was more focused and more visionary than Ronald Reagan. Yet he learned the one important thing, how to compromise. That is what we are doing here today. We have tried to, in this rule, we have tried to recognize that there are Republicans and Democrats, that there are liberals and conservatives.

We have tried to recognize that.

My good friend, the gentleman from Ohio [Mr. HALL] had two amendments dealing with school lunches and with WIC. I said to the gentleman from Ohio "Why did you not offer that as a substitute? That is what your Democrat leader would have asked for." We would have made it in order and considered it. We would have been as fair as we possibly can.

There are some things that I do not like about this rule. I spoke with Cardinal O'Connor about them. There was another amendment very important to people that share a belief, as I do, and as the gentleman from Ohio does, and others do, but we could not make them all in order. We managed to get three out of the four. The one other, you can deal with it, or we could, in a motion to recommit.

This is a fair rule. It treats everybody fair. Please vote for this rule. It is hard for me to say that, because I did not get everything I wanted, but I am going to vote for the rule. It is the right thing. It is fair. It is fair to every Member of this body. Please vote for it.

The SPEAKER pro tempore (Mr. OXLEY). All time has expired.

Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 217, nays 211, not voting 7, as follows:

[Roll No. 255]

YEAS—217

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff
Zimmer

NAYS—211

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Barton
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Canady
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Hyde
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
LaHood
Lantos
Laughlin
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McKinney
McNulty
Meehan
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shays
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torricelli
Towns
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (FL)

NOT VOTING—7

Browder
Edwards
Meek
Minge
Nadler
Seastrand
Torres

□ 1435

Mr. TRAFICANT changed his vote from "yea" to "nay."

Mr. KIM and Mr. LIVINGSTON changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. SEASTRAND. Mr. Speaker, I would just like to have the RECORD show that I was unavoidably detained on the last vote, the adoption of House Resolution 119. If I had been here, I would have voted "yea."

PERSONAL EXPLANATION

Mr. NADLER. Mr. Speaker, I was unavoidably delayed in returning from the White House and missed the vote on the rule. Had I been present, I would have voted "nay."

PERSONAL EXPLANATION

Mr. TORRES. Mr. Speaker, I was unavoidably delayed today on official business for rollcall vote No. 255, agreeing to House Resolution 119, providing for further consideration of H.R. 4, the Personal Responsibility Act.

Had I been present, I would have voted "nay."

PERSONAL EXPLANATION

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business on Wednesday, March 22, 1995, for rollcall vote No. 255. Had I been present on the House floor I would have cast my vote as follows: "nay" on agreeing to the resolution, House Resolution 119, for further consideration of H.R. 4, the Personal Responsibility Act.

PERSONAL RESPONSIBILITY ACT OF 1995

The SPEAKER pro tempore (Mr. OXLEY). Pursuant to House Resolution 119 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4.

□ 1437

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole

House on the State of the Union for the further consideration of the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence, with Mr. LINDER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, March 21, 1995, all time for general debate pursuant to House Resolution 117 had expired.

Pursuant to House Resolution 119, no further general debate is in order.

Pursuant to the rule, an amendment in the nature of a substitute consisting of the text of H.R. 1214 is adopted and the bill, as amended, is considered as an original bill for the purpose of further amendment and is considered as having been read.

The text of H.R. 4, as amended, is as follows:

H.R. 1214

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 "Personal Responsibility Act of 1995".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Sec. 101. Block grants to States.
Sec. 102. Report on data processing.
Sec. 103. Transfers.
Sec. 104. Conforming amendments to the Social Security Act.
Sec. 105. Conforming amendments to other laws.
Sec. 106. Continued application of current standards under medicaid program.
Sec. 107. Effective date.

TITLE II—CHILD PROTECTION BLOCK GRANT PROGRAM

Sec. 201. Establishment of program.
Sec. 202. Conforming amendments.
Sec. 203. Continued application of current standards under medicaid program.
Sec. 204. Effective date.

TITLE III—BLOCK GRANTS FOR CHILD CARE AND FOR NUTRITION ASSISTANCE

Subtitle A—Child Care Block Grants

Sec. 301. Amendments to the Child Care and Development Block Grant Act of 1990.
Sec. 302. Repeal of child care assistance authorized by Acts other than the Social Security Act.

Subtitle B—Family and School-Based Nutrition Block Grants

CHAPTER 1—FAMILY NUTRITION BLOCK GRANT PROGRAM

Sec. 321. Amendment to Child Nutrition Act of 1966.

CHAPTER 2—SCHOOL-BASED NUTRITION BLOCK GRANT PROGRAM

Sec. 341. Amendment to National School Lunch Act.

CHAPTER 3—MISCELLANEOUS PROVISIONS

Sec. 361. Repealers.

Subtitle C—Other Repealers and Conforming Amendments

Sec. 371. Amendments to laws relating to child protection block grant.

Subtitle D—Related Provisions

Sec. 381. Requirement that data relating to the incidence of poverty in the United States be published at least every 2 years.
Sec. 382. Data on program participation and outcomes.

Subtitle E—General Effective Date; Preservation of Actions, Obligations, and Rights

Sec. 391. Effective date.
Sec. 392. Application of amendments and repealers.

TITLE IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

Sec. 400. Statements of national policy concerning welfare and immigration.

Subtitle A—Eligibility for Federal Benefits Programs

Sec. 401. Ineligibility of illegal aliens for certain public benefits programs.
Sec. 402. Ineligibility of nonimmigrants for certain public benefits programs.
Sec. 403. Limited eligibility of immigrants for 5 specified Federal public benefits programs.
Sec. 404. Notification.

Subtitle B—Eligibility for State and Local Public Benefits Programs

Sec. 411. Ineligibility of illegal aliens for State and local public benefits programs.
Sec. 412. Ineligibility of nonimmigrants for State and local public benefits programs.
Sec. 413. State authority to limit eligibility of immigrants for State and local means-tested public benefits programs.

Subtitle C—Attribution of Income and Affidavits of Support

Sec. 421. Attribution of sponsor's income and resources to family-sponsored immigrants.
Sec. 422. Requirements for sponsor's affidavit of support.

Subtitle D—General Provisions

Sec. 431. Definitions.
Sec. 432. Construction.

Subtitle E—Conforming Amendments

Sec. 441. Conforming amendments relating to assisted housing.

TITLE V—FOOD STAMP REFORM AND COMMODITY DISTRIBUTION

Sec. 501. Short title.

Subtitle A—Commodity Distribution Provisions

Sec. 511. Short title.
Sec. 512. Availability of commodities.
Sec. 513. State, local and private supplementation of commodities.
Sec. 514. State plan.
Sec. 515. Allocation of commodities to States.
Sec. 516. Priority system for State distribution of commodities.
Sec. 517. Initial processing costs.
Sec. 518. Assurances; anticipated use.
Sec. 519. Authorization of appropriations.
Sec. 520. Commodity supplemental food program.
Sec. 521. Commodities not income.
Sec. 522. Prohibition against certain State charges.
Sec. 523. Definitions.
Sec. 524. Regulations.
Sec. 525. Finality of determinations.
Sec. 526. Sale of commodities prohibited.
Sec. 527. Settlement and adjustment of claims.
Sec. 528. Repealers; amendments.

Subtitle B—Simplification and Reform of Food Stamp Program

Sec. 531. Short title.

CHAPTER 1—SIMPLIFIED FOOD STAMP PROGRAM AND STATE ASSISTANCE FOR NEEDY FAMILIES

Sec. 541. Establishment of simplified food stamp program.
Sec. 542. Simplified food stamp program.
Sec. 543. Conforming amendments.

CHAPTER 2—FOOD STAMP PROGRAM

Sec. 551. Thrifty food plan.
Sec. 552. Income deductions and energy assistance.
Sec. 553. Vehicle allowance.
Sec. 554. Work requirements.
Sec. 555. Comparable treatment of disqualified individuals.
Sec. 556. Encourage electronic benefit transfer systems.
Sec. 557. Value of minimum allotment.
Sec. 558. Initial month benefit determination.
Sec. 559. Improving food stamp program management.
Sec. 560. Work supplementation or support program.
Sec. 561. Obligations and allotments.

CHAPTER 3—PROGRAM INTEGRITY

Sec. 571. Authority to establish authorization periods.
Sec. 572. Condition precedent for approval of retail food stores and wholesale food concerns.
Sec. 573. Waiting period for retailers that are denied approval to accept coupons.
Sec. 574. Disqualification of retail food stores and wholesale food concerns.
Sec. 575. Authority to suspend stores violating program requirements pending administrative and judicial review.
Sec. 576. Criminal forfeiture.
Sec. 577. Expanded definition of "coupon".
Sec. 578. Doubled penalties for violating food stamp program requirements.
Sec. 579. Disqualification of convicted individuals.
Sec. 580. Claims collection.

Subtitle C—Effective Dates and Miscellaneous Provisions

Sec. 591. Effective dates.
Sec. 592. Sense of the congress.
Sec. 593. Deficit reduction.

TITLE VI—SUPPLEMENTAL SECURITY INCOME

Sec. 601. Denial of supplemental security income benefits by reason of disability to drug addicts and alcoholics.
Sec. 602. Supplemental security income benefits for disabled children.
Sec. 603. Examination of mental listings used to determine eligibility of children for SSI benefits by reason of disability.
Sec. 604. Limitation on payments to Puerto Rico, the Virgin Islands, and Guam under programs of aid to the aged, blind, or disabled.

Sec. 605. Repeal of maintenance of effort requirements applicable to optional State programs for supplementation of SSI benefits.

TITLE VII—CHILD SUPPORT

Sec. 700. References.

Subtitle A—Eligibility for Services; Distribution of Payments

Sec. 701. State obligation to provide child support enforcement services.
Sec. 702. Distribution of child support collections.
Sec. 703. Privacy safeguards.

Subtitle B—Locate and Case Tracking

Sec. 711. State case registry.
Sec. 712. Collection and disbursement of support payments.
Sec. 713. State directory of new hires.
Sec. 714. Amendments concerning income withholding.
Sec. 715. Locator information from interstate networks.
Sec. 716. Expansion of the Federal Parent Locator Service.
Sec. 717. Collection and use of social security numbers for use in child support enforcement.

Subtitle C—Streamlining and Uniformity of Procedures

Sec. 721. Adoption of uniform State laws.
Sec. 722. Improvements to full faith and credit for child support orders.
Sec. 723. Administrative enforcement in interstate cases.
Sec. 724. Use of forms in interstate enforcement.
Sec. 725. State laws providing expedited procedures.

Subtitle D—Paternity Establishment

Sec. 731. State laws concerning paternity establishment.
Sec. 732. Outreach for voluntary paternity establishment.
Sec. 733. Cooperation by applicants for and recipients of temporary family assistance.

Subtitle E—Program Administration and Funding

Sec. 741. Federal matching payments.
Sec. 742. Performance-based incentives and penalties.
Sec. 743. Federal and State reviews and audits.
Sec. 744. Required reporting procedures.
Sec. 745. Automated data processing requirements.
Sec. 746. Technical assistance.
Sec. 747. Reports and data collection by the Secretary.

Subtitle F—Establishment and Modification of Support Orders

Sec. 751. Simplified process for review and adjustment of child support orders.
Sec. 752. Furnishing consumer reports for certain purposes relating to child support.

Subtitle G—Enforcement of Support Orders

Sec. 761. Federal income tax refund offset.
Sec. 762. Authority to collect support from Federal employees.
Sec. 763. Enforcement of child support obligations of members of the Armed Forces.
Sec. 764. Voiding of fraudulent transfers.
Sec. 765. Sense of the Congress that States should suspend drivers', business, and occupational licenses of persons owing past-due child support.
Sec. 766. Work requirement for persons owing past-due child support.
Sec. 767. Definition of support order.

Subtitle H—Medical Support

Sec. 771. Technical correction to ERISA definition of medical child support order.

Subtitle I—Enhancing Responsibility and Opportunity for Nonresidential Parents

Sec. 781. Grants to States for access and visitation programs.

Subtitle J—Effect of Enactment

Sec. 791. Effective dates.

TITLE VIII—MISCELLANEOUS PROVISIONS

Sec. 801. Scoring.
Sec. 802. Provisions to encourage electronic benefit transfer systems.

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

SEC. 101. BLOCK GRANTS TO STATES.

Title IV of the Social Security Act (42 U.S.C. 601 et seq.) is amended by striking part A, except sections 403(h) and 417, and inserting the following:

"PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

"SEC. 401. PURPOSE.

"The purpose of this part is to increase the flexibility of States in operating a program designed to—

"(1) provide assistance to needy families so that the children in such families may be cared for in their homes or in the homes of relatives;

"(2) end the dependence of needy parents on government benefits by promoting work and marriage; and

"(3) discourage out-of-wedlock births.

"SEC. 402. ELIGIBLE STATES; STATE PLAN.

"(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to a fiscal year, a State that, during the 3-year period immediately preceding the fiscal year, has submitted to the Secretary a plan that includes the following:

"(1) OUTLINE OF FAMILY ASSISTANCE PROGRAM.—A written document that outlines how the State intends to do the following:

"(A) Conduct a program designed to—

"(i) provide cash benefits to needy families with children; and

"(ii) provide parents of children in such families with work experience, assistance in finding employment, and other work preparation activities and support services that the State considers appropriate to enable such families to leave the program and become self-sufficient.

"(B) Require at least 1 parent of a child in any family which has received benefits for more than 24 months (whether or not consecutive) under the program to engage in work activities (as defined by the State).

"(C) Ensure that parents receiving assistance under the program engage in work activities in accordance with section 404.

"(D) Treat interstate immigrants, if families including such immigrants are to be treated differently than other families.

"(E) Take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving benefits under the program.

"(F) Take actions to reduce the incidence of out-of-wedlock births, which may include providing unmarried mothers and unmarried fathers with services which will help them—

"(i) avoid subsequent pregnancies; and

"(ii) provide adequate care to their children.

"(G) Reduce teenage pregnancy, including (at the option of the State) through the provision of education, counseling, and health services to male and female teenagers.

"(2) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM.—A certification by the Governor of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D, in a manner that complies with the requirements of such part.

"(3) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD PROTECTION PROGRAM.—A certification by the Governor of the State that, during the fiscal year, the State will operate a child protection program in accordance with part B, which includes a foster care program and an adoption assistance program.

"(b) DETERMINATIONS.—The Secretary shall determine whether a plan submitted pursuant to subsection (a) contains the material required by subsection (a).

"SEC. 403. PAYMENTS TO STATES.

"(a) ENTITLEMENTS.—

"(1) GRANTS FOR FAMILY ASSISTANCE.—

"(A) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary for each of fiscal years 1996, 1997, 1998, 1999, and 2000 a grant in an amount equal to the State family assistance grant for the fiscal year.

"(B) GRANT INCREASED TO REWARD STATES THAT REDUCE OUT-OF-WEDLOCK BIRTHS.—The amount of the grant payable to a State under subparagraph (A) for fiscal year 1998 or any succeeding fiscal year shall be increased by—

"(i) 5 percent if the illegitimacy ratio of the State for the fiscal year is at least 1 percentage point lower than the illegitimacy ratio of the State for fiscal year 1995; or

"(ii) 10 percent if the illegitimacy ratio of the State for the fiscal year is at least 2 percentage points lower than the illegitimacy ratio of the State for fiscal year 1995.

"(2) SUPPLEMENTAL GRANTS TO ADJUST FOR POPULATION INCREASES.—In addition to any grant under paragraph (1), each eligible State shall be entitled to receive from the Secretary for each of fiscal years 1997, 1998, 1999, and 2000, a grant in an amount equal to the State proportion of $100,000,000.

"(b) DEFINITIONS.—As used in this section:

"(1) STATE FAMILY ASSISTANCE GRANT.—

"(A) IN GENERAL.—The term 'State family assistance grant' means, with respect to a fiscal year, the provisional State family assistance grant adjusted in accordance with subparagraph (C).

"(B) PROVISIONAL STATE FAMILY ASSISTANCE GRANT.—The term 'provisional State family assistance grant' means—

"(i) the greater of—

"(I) ⅓ of the total amount of obligations to the State under section 403 of this title (as in effect before October 1, 1995) for fiscal years 1992, 1993, and 1994 (other than with respect to amounts expended for child care under subsection (g) or (i) of such section); or

"(II) the total amount of obligations to the State under such section 403 for fiscal year 1994 (other than with respect to amounts expended for child care under subsection (g) or (i) of such section); multiplied by

"(ii)(I) the total amount of outlays to all of the States under such section 403 for fiscal year 1994 (other than with respect to amounts expended for child care under subsection (g) or (i) of such section); divided by

"(II) the total amount of obligations to all of the States under such section 403 for fiscal

year 1994 (other than with respect to amounts expended for child care under subsection (g) or (i) of such section).

"(C) PROPORTIONAL ADJUSTMENT.—The Secretary shall determine the percentage (if any) by which each provisional State family assistance grant must be reduced or increased to ensure that the sum of such grants equals $15,390,296,000, and shall adjust each provisional State family assistance grant by the percentage so determined.

"(2) ILLEGITIMACY RATIO.—The term 'illegitimacy ratio' means, with respect to a State and a fiscal year—

"(A) the sum of—

"(i) the number of out-of-wedlock births that occurred in the State during the most recent fiscal year for which such information is available; and

"(ii) the amount (if any) by which the number of abortions performed in the State during the most recent fiscal year for which such information is available exceeds the number of abortions performed in the State during the fiscal year that immediately precedes such most recent fiscal year; divided by

"(B) the number of births that occurred in the State during the most recent fiscal year for which such information is available.

"(3) STATE PROPORTION.—The term 'State proportion' means, with respect to a fiscal year, the amount that bears the same ratio to the amount specified in subsection (a)(2) as the increase (if any) in the population of the State for the most recent fiscal year for which such information is available over the population of the State for the fiscal year that immediately precedes such most recent fiscal year bears to the total increase in the population of all States which have such an increase in population, as determined by the Secretary using data from the Bureau of the Census.

"(4) FISCAL YEAR.—The term 'fiscal year' means any 12-month period ending on September 30 of a calendar year.

"(5) STATE.—The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

"(c) USE OF GRANT.—

"(1) IN GENERAL.—A State to which a grant is made under this section may use the grant in any manner that is reasonably calculated to accomplish the purpose of this part, subject to this part, including to provide noncash assistance to mothers who have not attained 18 years of age and their children and to provide low income households with assistance in meeting home heating and cooling costs.

"(2) AUTHORITY TO TREAT INTERSTATE IMMIGRANTS UNDER RULES OF FORMER STATE.—A State to which a grant is made under this section may apply to a family the rules of the program operated under this part of another State if the family has moved to the State from the other State and has resided in the State for less than 12 months.

"(3) AUTHORITY TO USE PORTION OF GRANT FOR OTHER PURPOSES.—

"(A) IN GENERAL.—A State may use not more than 30 percent of the amount of the grant made to the State under this section for a fiscal year to carry out a State program pursuant to any or all of the following provisions of law:

"(i) Part B of this title.

"(ii) Title XX of this Act.

"(iii) Any provision of law, enacted into law during the 104th Congress, under which grants are made to States for food and nutrition.

"(iv) The Child Care and Development Block Grant Act of 1990.

"(B) APPLICABLE RULES.—Any amount paid to the State under this part that is used to carry out a State program pursuant to a provision of law specified in subparagraph (A) shall not be subject to the requirements of this part, but shall be subject to the requirements that apply to Federal funds provided directly under the provision of law to carry out the program.

"(4) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR EMERGENCY BENEFITS.—

"(A) IN GENERAL.—A State may reserve amounts paid to the State under this section for any fiscal year for the purpose of providing emergency assistance under the State program operated under this part.

"(B) AUTHORITY TO USE EXCESS RESERVES FOR ANY PURPOSE.—During a fiscal year, a State may use for any purpose deemed appropriate by the State amounts held in reserve under subparagraph (A) to the extent exceeding 120 percent of the amount of the grant payable to the State under this section for the fiscal year.

"(5) IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—A State to which a grant is made under this section is encouraged to implement an electronic benefit transfer system for providing assistance under the State program funded under this part, and may use the grant for such purpose.

"(d) TIMING OF PAYMENTS.—The Secretary shall pay each grant payable to a State under this section in quarterly installments.

"(e) PENALTIES.—

"(1) FOR USE OF GRANT IN VIOLATION OF THIS PART.—

"(A) IN GENERAL.—If an audit conducted pursuant to chapter 75 of title 31, United States Code, finds that an amount paid to a State under this section for a fiscal year has been used in violation of this part, then the Secretary shall reduce the amount of the grant otherwise payable to the State under this section for the immediately succeeding fiscal year by the amount so used.

"(B) LIMITATION ON AMOUNT OF PENALTY.—In carrying out subparagraph (A), the Secretary shall not reduce any quarterly payment by more than 25 percent.

"(C) CARRYFORWARD OF UNRECOVERED PENALTIES.—To the extent that subparagraph (B) prevents the Secretary from recovering during a fiscal year the full amount of a penalty imposed on a State under subparagraph (A) for a prior fiscal year, the Secretary shall apply subparagraph (A) to the grant otherwise payable to the State under this section for the immediately succeeding fiscal year.

"(2) FOR FAILURE TO SUBMIT REQUIRED REPORT.—

"(A) IN GENERAL.—If the Secretary determines that a State has not, within 6 months after the end of a fiscal year, submitted the report required by section 406 for the fiscal year, the Secretary shall reduce by 3 percent the amount of the grant that would (in the absence of this subsection, subsection (a)(1)(B) of this section, and section 404(c)(2)) be payable to the State under subsection (a)(1)(A) for the immediately succeeding fiscal year.

"(B) RESCISSION OF PENALTY.—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report for a fiscal year if the State submits the report before the end of the immediately succeeding fiscal year.

"(C) FOR FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce by 1 percent the amount of the grant that would (in the absence of this subsection, subsection (a)(1)(B) of this section, and section 404(c)(2)) be payable to the State under subsection (a)(1)(A) for the fiscal year.

"(f) LIMITATION ON FEDERAL AUTHORITY.—The Secretary may not regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.

"(g) FEDERAL RAINY DAY FUND.—

"(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a revolving loan fund which shall be known as the 'Federal Rainy Day Fund'.

"(2) DEPOSITS INTO FUND.—

"(A) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, $1,000,000,000 are hereby appropriated for fiscal year 1996 for payment to the Federal Rainy Day Fund.

"(B) LOAN REPAYMENTS.—The Secretary shall deposit into the fund any principal or interest payment received with respect to a loan made under this subsection.

"(3) AVAILABILITY.—Amounts in the fund are authorized to remain available without fiscal year limitation for the purpose of making loans and receiving payments of principal and interest on such loans, in accordance with this subsection.

"(4) USE OF FUND.—

"(A) LOANS TO QUALIFIED STATES.—

"(i) IN GENERAL.—The Secretary shall make loans from the fund to any qualified State for a period to maturity of not more than 3 years.

"(ii) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under clause (i) at a rate equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period to maturity of the loan.

"(iii) MAXIMUM LOAN.—The amount of any loan made to a State under clause (i) during a fiscal year shall not exceed the lesser of—

"(I) 50 percent of the amount of the grant payable to the State under this section for the fiscal year; or

"(II) $100,000,000.

"(B) QUALIFIED STATE DEFINED.—A State is a qualified State for purposes of subparagraph (A) if the unemployment rate of the State (as determined by the Bureau of Labor Statistics) for the most recent 3-month period for which such information is available is—

"(i) more than 6.5 percent; and

"(ii) at least 110 percent of such rate for the corresponding 3-month period in either of the 2 immediately preceding calendar years.

"SEC. 404. MANDATORY WORK REQUIREMENTS.

"(a) PARTICIPATION RATE REQUIREMENTS.—

"(1) REQUIREMENT APPLICABLE TO ALL FAMILIES RECEIVING ASSISTANCE.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to all families receiving assistance under the State program funded under this part:

"If the fiscal year is:	The minimum participation rate is:
1996	4
1997	4

1998	8
1999	12
2000	17
2001	29
2002	40
2003 or thereafter	50.

"(B) PRO RATA REDUCTION OF PARTICIPATION RATE DUE TO CASELOAD REDUCTIONS NOT REQUIRED BY FEDERAL LAW.—The minimum participation rate otherwise required by subparagraph (A) for a fiscal year shall be reduced by a percentage equal to the percentage (if any) by which the number of families receiving assistance during the fiscal year under the State program funded under this part is less than the number of families that received aid under the State plan approved under part A of this title (as in effect before October 1, 1995) during the fiscal year immediately preceding such effective date, except to the extent that the Secretary determines that the reduction in the number of families receiving such assistance is required by Federal law.

"(C) PARTICIPATION RATE.—For purposes of this paragraph:

"(i) AVERAGE MONTHLY RATE.—The participation rate of a State for a fiscal year is the average of the participation rates of the State for each month in the fiscal year.

"(ii) MONTHLY PARTICIPATION RATES.—The participation rate of a State for a month is—

"(I) the number of families receiving cash assistance under the State program funded under this part which include an individual who is engaged in work activities for the month; divided by

"(II) the total number of families receiving cash assistance under the State program funded under this part during the month which include an individual who has attained 18 years of age.

"(iii) ENGAGED.—A recipient is engaged in work activities for a month in a fiscal year if the recipient is making progress in such activities for at least the minimum average number of hours per week specified in the following table during the month, not fewer than 20 hours per week of which are attributable to an activity described in subparagraph (A), (B), (C), or (D) of subsection (b)(1) (or, in the case of the first 4 weeks for which the recipient is required under this section to participate in work activities, an activity described in subsection (b)(1)(E)):

"If the month is in fiscal year:	The minimum average number of hours per week is:
1996	20
1997	20
1998	20
1999	25
2000	30
2001	30
2002	35
2003 or thereafter	35.

"(2) REQUIREMENT APPLICABLE TO 2-PARENT FAMILIES.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to 2-parent families receiving assistance under the State program funded under this part:

"If the fiscal year is:	The minimum participation rate is:
1996	50
1997	50
1998 or thereafter	90.

"(B) PARTICIPATION RATE.—For purposes of this paragraph:

"(i) AVERAGE MONTHLY RATE.—The participation rate of a State for a fiscal year is the average of the participation rates of the State for each month in the fiscal year.

"(ii) MONTHLY PARTICIPATION RATES.—The participation rate of a State for a month is—

"(I) the number of 2-parent families receiving cash assistance under the State program funded under this part which include at least 1 adult who is engaged in work activities for the month; divided by

"(II) the total number of 2-parent families receiving cash assistance under the State program funded under this part during the month.

"(iii) ENGAGED.—An adult is engaged in work activities for a month in a fiscal year if the adult is making progress in such activities for at least 35 hours per week during the month, not fewer than 30 hours per week of which are attributable to an activity described in subparagraph (A), (B), (C), or (D) of subsection (b)(1) (or, in the case of the first 4 weeks for which the recipient is required under this section to participate in work activities, an activity described in subsection (b)(1)(E)).

"(b) DEFINITIONS.—As used in this section:

"(1) WORK ACTIVITIES.—The term 'work activities' means—

"(A) unsubsidized employment;

"(B) subsidized private sector employment;

"(C) subsidized public sector employment or work experience (including work associated with the refurbishing of publicly assisted housing) only if sufficient private sector employment is not available;

"(D) on-the-job training;

"(E) job search and job readiness assistance;

"(F) education directly related to employment, in the case of a recipient who has not attained 20 years of age, and has not received a high school diploma or a certificate of high school equivalency;

"(G) job skills training directly related to employment; or

"(H) at the option of the State, satisfactory attendance at secondary school, in the case of a recipient who—

"(i) has not completed secondary school; and

"(ii) is a dependent child, or a head of household who has not attained 20 years of age.

"(2) FISCAL YEAR.—The term 'fiscal year' means any 12-month period ending on September 30 of a calendar year.

"(c) PENALTIES.—

"(1) AGAINST INDIVIDUALS.—

"(A) APPLICABLE TO ALL FAMILIES.—A State to which a grant is made under section 403 shall ensure that the amount of cash assistance paid under the State program funded under this part to a recipient of assistance under the program who refuses to engage (within the meaning of subsection (a)(1)(C)(iii)) in work activities required under this section shall be less than the amount of cash assistance that would otherwise be paid to the recipient under the program, subject to such good cause and other exceptions as the State may establish.

"(B) APPLICABLE TO 2-PARENT FAMILIES.—A State to which a grant is made under section 403 shall reduce the amount of cash assistance otherwise payable to a 2-parent family for a month under the State program funded under this part with respect to an adult in the family who is not engaged (within the meaning of subsection (a)(2)(B)(iii)) in work activities for at least 35 hours per week during the month, pro rata (or more, at the option of the State) with respect to any period during the month for which the adult is not so engaged.

"(C) LIMITATION ON FEDERAL AUTHORITY.—No officer or employee of the Federal Government may regulate the conduct of States under this paragraph or enforce this paragraph against any State.

"(2) AGAINST STATES.—

"(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 for a fiscal year has failed to comply with subsection (a) for the fiscal year, the Secretary shall reduce by not more than 5 percent the amount of the grant that would (in the absence of this paragraph and subsections (a)(1)(B) and (e) of section 403) be payable to the State under section 403(a)(1)(A) for the immediately succeeding fiscal year.

"(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) based on the degree of noncompliance.

"(d) RULE OF INTERPRETATION.—This section shall not be construed to prohibit a State from offering recipients of assistance under the State program funded under this part an opportunity to participate in an education or training program, consistent with the requirements of this section.

"(e) RESEARCH.—The Secretary shall conduct research on the costs and benefits of State activities under this section.

"(f) EVALUATION OF INNOVATIVE APPROACHES TO EMPLOYING RECIPIENTS OF ASSISTANCE.—The Secretary shall evaluate innovative approaches to employing recipients of assistance under State programs funded under this part.

"(g) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

"(1) ANNUAL RANKING OF STATES.—The Secretary shall rank the States to which grants are paid under section 403 in the order of their success in moving recipients of assistance under the State program funded under this part into long-term private sector jobs.

"(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

"(h) SENSE OF THE CONGRESS.—In complying with this section, each State that operates a program funded under this part is encouraged to assign the highest priority to requiring families that include older preschool or school-age children to be engaged in work activities.

"(i) SENSE OF THE CONGRESS THAT STATES SHOULD IMPOSE CERTAIN REQUIREMENTS ON NONCUSTODIAL, NONSUPPORTING MINOR PARENTS.—It is the sense of the Congress that the States should require noncustodial, nonsupporting parents who have not attained 18 years of age to fulfill community work obligations and attend appropriate parenting or money management classes after school.

"SEC. 405. PROHIBITIONS.

"(a) IN GENERAL.—

"(1) NO ASSISTANCE FOR FAMILIES WITHOUT A MINOR CHILD.—A State to which a grant is made under section 403 may not use any part of the grant to provide assistance to a family, unless the family includes a minor child.

"(2) CERTAIN PAYMENTS NOT TO BE DISREGARDED IN DETERMINING THE AMOUNT OF ASSISTANCE TO BE PROVIDED TO A FAMILY.—

"(A) INCOME SECURITY PAYMENTS.—If a State to which a grant is made under section 403 uses any part of the grant to provide assistance for any individual who is receiving a payment under a State plan for old-age assistance approved under section 2, a State program funded under part B that provides cash payments for foster care, or the supplemental security income program under title XVI (other than service benefits provided through the use of a grant made under part C of such title), then the State may not disregard the payment in determining the amount of assistance to be provided to the family of which the individual is a member under the State program funded under this part.

"(B) CERTAIN SUPPORT PAYMENTS.—A State to which a grant is made under section 403 may not disregard an amount distributed to a family under section 457(a)(1)(A) in determining the income of the family for purposes of eligibility for assistance under the State program funded under this part.

"(3) NO ASSISTANCE FOR CERTAIN ALIENS.—Notwithstanding subsection (c)(1), a State to which a grant is made under section 403 may not use any part of the grant to provide assistance for an individual who is not a citizen or national of the United States, unless—

"(A)(i) the individual is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act; and

"(ii) 5 years has elapsed since the date the individual arrived in the United States;

"(B) the individual—

"(i) is lawfully admitted to the United States for permanent residence;

"(ii) has attained 75 years of age; and

"(iii) has resided in the United States for at least 5 years; or

"(C) the individual is honorably discharged from the Armed Forces of the United States.

"(4) NO ASSISTANCE FOR OUT-OF-WEDLOCK BIRTHS TO MINORS.—

"(A) GENERAL RULE.—a State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for a child born out-of-wedlock to an individual who has not attained 18 years of age, or for the individual, until the individual attains such age.

"(B) EXCEPTION FOR RAPE OR INCEST.—Subparagraph (A) shall not apply with respect to a child who is born as a result of rape or incest.

"(5) NO ADDITIONAL ASSISTANCE FOR CHILDREN BORN TO FAMILIES RECEIVING ASSISTANCE.—

"(A) GENERAL RULE.—A State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for a minor child who is born to—

"(i) a recipient of benefits under the program operated under this part; or

"(ii) a person who received such benefits at any time during the 10-month period ending with the birth of the child.

"(B) EXCEPTION FOR RAPE OR INCEST.—Subparagraph (A) shall not apply with respect to a child who is born as a result of rape or incest.

"(6) NO ASSISTANCE FOR MORE THAN 5 YEARS.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for the family of an individual who, after attaining 18 years of age, has received benefits under the program operated under this part for 60 months (whether or not consecutive) after the effective date of this part, except as provided under subparagraph (B).

"(B) HARDSHIP EXCEPTION.—

"(i) IN GENERAL.—The State may exempt a family from the application of subparagraph (A) by reason of hardship.

"(ii) LIMITATION.—The number of families with respect to which an exemption made by a State under clause (i) is in effect shall not exceed 10 percent of the number of families to which the State is providing assistance under the program operated under this part.

"(7) NO ASSISTANCE FOR FAMILIES NOT COOPERATING IN PATERNITY ESTABLISHMENT OR CHILD SUPPORT.—Notwithstanding subsection (c)(1), a State to which a grant is made under section 403 may not use any part of the grant to provide assistance to a family that includes an individual whom the agency responsible for administering the State plan approved under part D determines is not cooperating with the State in establishing the paternity of any child of the individual, or in establishing, modifying, or enforcing a support order with respect to such a child.

"(8) NO ASSISTANCE FOR FAMILIES NOT ASSIGNING SUPPORT RIGHTS TO THE STATE.—Notwithstanding subsection (c)(1), a State to which a grant is made under section 403 may not use any part of the grant to provide assistance to a family that includes an individual who has not assigned to the State any rights the individual may have (on behalf of the individual or of any other person for whom the individual has applied for or is receiving such assistance) to support from any other person for any period for which the individual receives such assistance.

"(9) WITHHOLDING OF PORTION OF ASSISTANCE FOR FAMILIES WHICH INCLUDE A CHILD WHOSE PATERNITY IS NOT ESTABLISHED.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 may not fail to—

"(i) withhold assistance under the State program funded under this part from a family which includes a child whose paternity is not established, in an amount equal to $50 or 15 percent of the amount of the amount of the assistance that would (in the absence of this paragraph) be provided to the family with respect to the child, whichever the State elects; or

"(ii) provide to the family the total amount of assistance so withheld once the paternity of the child is established, if the family is then eligible for such assistance.

"(B) EXCEPTION FOR RAPE OR INCEST.—Subparagraph (A) shall not apply with respect to a child who is born as a result of rape or incest.

"(10) DENIAL OF ASSISTANCE FOR 10 YEARS TO A PERSON CONVICTED OF FRAUDULENTLY MISREPRESENTING RESIDENCE TO A WELFARE PROGRAM.—A State to which a grant is made under section 403 may not use any part of the grant to provide assistance to an individual during the 10-year period that begins with the date the individual is convicted in Federal or State court of making a fraudulent statement or representation with respect to the place of residence of the person in order to receive benefits or services under 2 or more programs that are funded under this part.

"(b) MINOR CHILD DEFINED.—As used in subsection (a), the term 'minor child' means an individual—

"(1) who has not attained 18 years of age; or

"(2) who—

"(A) has not attained 19 years of age; and

"(B) is a full-time student in a secondary school (or in the equivalent level of vocational or technical training).

"SEC. 406. DATA COLLECTION AND REPORTING.

"(a) IN GENERAL.—Each State to which a grant is made under section 403 for a fiscal year shall, not later than 6 months after the end of the fiscal year, transmit to the Secretary the following aggregate information on families to which assistance was provided during the fiscal year under the State program operated under this part or an equivalent State program:

"(1) The number of adults receiving such assistance.

"(2) The number of children receiving such assistance and the average age of the children.

"(3) The employment status of such adults, and the average earnings of employed adults receiving such assistance.

"(4) The number of 1-parent families in which the parent is a widow or widower, is divorced, is separated, or has never married.

"(5) The age, race, and educational attainment of the adults receiving such assistance.

"(6) The average assistance provided to the families under the program.

"(7) Whether, at the time of application for assistance under the program, the families or any member of the families receives benefits under any of the following:

"(A) Any housing program.

"(B) The food stamp program under the Food Stamp Act of 1977.

"(C) The Head Start programs carried out under the Head Start Act.

"(D) Any job training program.

"(8) The number of months, since the most recent application for assistance under the program, for which such assistance has been provided to the families.

"(9) The total number of months for which assistance has been provided to the families under the program.

"(10) Any other data necessary to indicate whether the State is in compliance with the plan most recently submitted by the State pursuant to section 402.

"(11) The components of any program carried out by the State to provide employment and training activities in order to comply with section 404, and the average monthly number of adults in each such component.

"(12) The number of part-time job placements and the number of full-time job placements made through the program referred to in paragraph (11), the number of cases with reduced assistance, and the number of cases closed due to employment.

"(b) AUTHORITY OF STATES TO USE ESTIMATES.—A State may comply with the requirement to provide precise numerical information described in subsection (a) by submitting an estimate which is obtained through the use of scientifically acceptable sampling methods.

"(c) REPORT ON USE OF FEDERAL FUNDS TO COVER ADMINISTRATIVE COSTS AND OVERHEAD.—The report required by subsection (a) for a fiscal year shall include a statement of the percentage of the funds paid to the State under this part for the fiscal year that are used to cover administrative costs or overhead.

"(d) REPORT ON STATE EXPENDITURES ON PROGRAMS FOR NEEDY FAMILIES.—The report required by subsection (a) for a fiscal year shall include a statement of the total amount expended by the State during the fiscal year on programs for needy families.

"(e) REPORT ON NONCUSTODIAL PARENTS PARTICIPATING IN WORK ACTIVITIES.—The report required by subsection (a) for a fiscal year shall include the number of noncustodial parents in the State who participated in work activities (as defined in section 404(b)(1)) during the fiscal year.

"SEC. 407. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.

"(a) RESEARCH.—The Secretary may conduct research on the effects, costs, and benefits of State programs funded under this part.

"(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO EMPLOYING WELFARE RECIPIENTS.—The Secretary may assist States in developing, and shall evaluate, innovative approaches to employing recipients of cash assistance under programs funded under this part. In performing such evaluations, the Secretary shall, to the maximum extent feasible, use random assignment to experimental and control groups.

"(c) STUDIES OF WELFARE CASELOADS.—The Secretary may conduct studies of the caseloads of States operating programs funded under this part.

"(d) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best practices among States and localities through the use of computers and other technologies.

"SEC. 408. STUDY BY THE CENSUS BUREAU.

"(a) IN GENERAL.—The Bureau of the Census shall expand the Survey of Income and Program Participation as necessary to obtain such information as will enable interested persons to evaluate the impact of the amendments made by title I of the Personal Responsibility Act of 1995 on a random national sample of recipients of assistance under State programs funded under this part and (as appropriate) other low income families, and in doing so, shall pay particular attention to the issues of out-of-wedlock birth, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells.

"(b) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, the Secretary of the Treasury shall pay to the Bureau of the Census $10,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000 to carry out subsection (a).".

SEC. 102. REPORT ON DATA PROCESSING.

(a) IN GENERAL.—Within 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Congress a report on—

(1) the status of the automated data processing systems operated by the States to assist management in the administration of State programs under part A of title IV of the Social Security Act (whether in effect before or after October 1, 1995); and

(2) what would be required to establish a system capable of—

(A) tracking participants in public programs over time; and

(B) checking case records of the States to determine whether individuals are participating in public programs of 2 or more States.

(b) PREFERRED CONTENTS.—The report required by subsection (a) should include—

(1) a plan for building on the automated data processing systems of the States to establish a system with the capabilities described in subsection (a)(2); and

(2) an estimate of the amount of time required to establish such a system and of the cost of establishing such a system.

SEC. 103. TRANSFERS.

(a) CHILD SUPPORT REVIEW PENALTIES.—

(1) TRANSFER OF PROVISION.—Section 403 of the Social Security Act, as added by the amendment made by section 101 of this Act, is amended by adding at the end subsection (h) of section 403, as in effect immediately before the effective date of this title.

(2) CONFORMING AMENDMENT.—Section 403(h)(3) of such Act, as in effect pursuant to paragraph (1) of this subsection, is amended by striking ", section 402(a)(27),".

(b) ASSISTANT SECRETARY FOR FAMILY SUPPORT.—

(1) REDESIGNATION OF PROVISION.—Section 417 of such Act (42 U.S.C. 617), as in effect immediately before the effective date of this title, is amended by striking the following:

"ASSISTANT SECRETARY FOR FAMILY SUPPORT"

"SEC. 417."

and inserting the following:

"SEC. 408. ASSISTANT SECRETARY FOR FAMILY SUPPORT.".

(2) TRANSFER OF PROVISION.—Part A of title IV of such Act, as added by the amendment made by section 101 of this Act, is amended by adding at the end the section amended by paragraph (1) of this subsection.

(3) CONFORMING AMENDMENT.—Section 408 of such Act, as added by paragraph (2) of this subsection is amended by striking ", part D, and part F" and inserting "and part D".

SEC. 104. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) AMENDMENTS TO TITLE II.—

(1) Section 205(c)(2)(C)(vi) of the Social Security Act (42 U.S.C. 405(c)(2)(C)(vi)), as so redesignated by section 321(a)(9)(B) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(A) by inserting "an agency administering a program funded under part A of title IV or" before "an agency operating"; and

(B) by striking "A or D of title IV of this Act" and inserting "D of such title".

(2) Section 228(d)(1) of such Act (42 U.S.C. 428(d)(1)) is amended by inserting "under a State program funded under" before "part A of title IV".

(b) AMENDMENTS TO PART D OF TITLE IV.—

(1) Section 451 of such Act (42 U.S.C. 651) is amended by striking "aid" and inserting "assistance under a State program funded".

(2) Section 452(a)(10)(C) of such Act (42 U.S.C. 652(a)(10)(C)) is amended—

(A) by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A"; and

(B) by striking "such aid" and inserting "such assistance"; and

(C) by striking "under section 402(a)(26)" and inserting "pursuant to section 405(a)(8)".

(3) Section 452(a)(10)(F) of such Act (42 U.S.C. 652(a)(10)(F)) is amended—

(A) by striking "aid under a State plan approved" and inserting "assistance under a State program funded"; and

(B) by striking "in accordance with the standards referred to in section 402(a)(26)(B)(ii)" and inserting "by the State".

(4) Section 452(b) of such Act (42 U.S.C. 652(b)) is amended in the last sentence by striking "plan approved under part A" and inserting "program funded under part A".

(5) Section 452(d)(3)(B)(i) of such Act (42 U.S.C. 652(d)(3)(B)(i)) is amended by striking "1115(c)" and inserting "1115(b)".

(6) Section 452(g)(2)(A)(ii)(I) of such Act (42 U.S.C. 652(g)(2)(A)(ii)(I)) is amended by striking "aid is being paid under the State's plan approved" and inserting "assistance is being provided under the State program funded under".

(7) Section 452(g)(2)(A) of such Act (42 U.S.C. 652(g)(2)(A)) is amended in the matter following clause (iii) by striking "aid was being paid under the State's plan approved" and inserting "assistance was being provided under the State program funded".

(8) Section 452(g)(2) of such Act (42 U.S.C. 652(g)(2)) is amended in the matter following subparagraph (B)—

(A) by striking "who is a dependent child by reason of the death of a parent" and inserting "with respect to whom assistance is being provided under the State program funded under part A"; and

(B) by inserting "by the State agency administering the State plan approved under this part" after "found";

(C) by striking "under section 402(a)(26)" and inserting "pursuant to section 405(a)(8)"; and

(D) by striking "administering the plan under part E determines (as provided in section 454(4)(B))" and inserting "determines".

(9) Section 452(h) of such Act (42 U.S.C. 652(h)) is amended by striking "under section 402(a)(26)" and inserting "pursuant to section 405(a)(8)".

(10) Section 454(5) of such Act (42 U.S.C. 654(5)) is amended—

(A) by striking "under section 402(a)(26)" and inserting "pursuant to section 405(a)(8)"; and

(B) by striking "except that this paragraph shall not apply to such payments for any month following the first month in which the amount collected is sufficient to make such family ineligible for assistance under the State plan approved under part A;".

(11) Section 454(6)(D) of such Act (42 U.S.C. 654(6)(D)) is amended by striking "aid under a State plan approved" and inserting "assistance under a State progrm funded".

(12) Section 456 of such Act (42 U.S.C. 656) is amended by striking "under section 402(a)(26)" each place such term appears and inserting "pursuant to section 405(a)(8)".

(13) Section 466(a)(3)(B) of such Act (42 U.S.C. 666(a)(3)(B)) is amended by striking "402(a)(26)" and inserting "405(a)(8)".

(14) Section 466(b)(2) of such Act (42 U.S.C. 666(b)(2)) is amended by striking "aid" and inserting "assistance under a State program funded".

(c) REPEAL OF PART F OF TITLE IV.—Part F of title IV of such Act (42 U.S.C. 681–687) is hereby repealed.

(d) AMENDMENT TO TITLE X.—Section 1002(a)(7) of such Act (42 U.S.C. 1202(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(e) AMENDMENTS TO TITLE XI.—

(1) Section 1108 of such Act (42 U.S.C. 1308) is amended—

(A) by striking subsections (a), (b), (d), and (e); and

(B) by striking "(c)".

(2) Section 1109 of such Act (42 U.S.C. 1309) is amended by striking "or part A of title IV,".

(3) Section 1115(a) of such Act (42 U.S.C. 1315(a)) is amended—

(A) in the matter preceding paragraph (1), by striking "A or";

(B) in paragraph (1), by striking "402,"; and

(C) in paragraph (2), by striking "403,".

(4) Section 1116 of such Act (42 U.S.C. 1316) is amended—

(A) in each of subsections (a)(1), (b), and (d), by striking "or part A of title IV,"; and

(B) in subsection (a)(3), by striking "404,";

(5) Section 1118 of such Act (42 U.S.C. 1318) is amended—

(A) by striking "403(a),";

(B) by striking "and part A of title IV,"; and

(C) by striking ", and shall, in the case of American Samoa, mean 75 per centum with respect to part A of title IV".

(6) Section 1119 of such Act (42 U.S.C. 1319) is amended—

(A) by striking "or part A of title IV"; and

(B) by striking "403(a),".

(7) Section 1133(a) of such Act (42 U.S.C. 1320b-3(a)) is amended by striking "or part A of title IV,".

(8) Section 1136 of such Act (42 U.S.C. 1320b-6) is hereby repealed.

(9) Section 1137 of such Act (42 U.S.C. 1320b-7) is amended—

(A) in subsection (b), by striking paragraph (1) and inserting the following:

"(1) any State program funded under part A of title IV of this Act;"; and

(B) in subsection (d)(1)(B)—

(i) by striking "In this subsection—" and all that follows through "(ii) in" and inserting "In this subsection, in"; and

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii); and

(iii) by moving such redesignated material 2 ems to the left.

(f) AMENDMENT TO TITLE XIV.—Section 1402(a)(7) of such Act (42 U.S.C. 1352(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(g) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE TERRITORIES.—Section 1602(a)(11) of such Act, as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972, (42 U.S.C. 1382 note) is amended by striking "aid under the State plan approved" and inserting "assistance under a State program funded".

(h) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE STATES.—Section 1611(c)(5)(A) of such Act (42 U.S.C. 1382(c)(5)(A)) is amended to read as follows: "(A) a State program funded under part A of title IV,".

SEC. 105. CONFORMING AMENDMENTS TO OTHER LAWS.

(a) Subsection (b) of section 508 of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a) is amended to read as follows:

"(b) PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices—

"(1) pursuant to the third sentence of section 3(a) of the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (29 U.S.C. 49b(a)),

"(2) by a State or local agency charged with the duty of carrying a State plan for child support approved under part D of title IV of the Social Security Act,

shall be considered to constitute expenses incurred in the administration of such State plan.".

(b) Paragraph (9) of section 51(d) of the Internal Revenue Code of 1986 is amended by striking all that follows "agency as" and inserting "being eligible for financial assistance under part A of title IV of the Social Security Act and as having continually received such financial assistance during the 90-day period which immediately precedes the date on which such individual is hired by the employer."

(c) Section 9121 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is hereby repealed.

(d) Section 9122 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is hereby repealed.

(e) Section 221 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 602 note), relating to treatment under AFDC of certain rental payments for federally assisted housing, is hereby repealed.

(f) Section 159 of the Tax Equity and Fiscal Responsibility Act of 1982 (42 U.S.C. 602 note) is hereby repealed.

(g) Section 202(d) of the Social Security Amendments of 1967 (81 Stat. 882; 42 U.S.C. 602 note) is hereby repealed.

(h) Section 233 of the Social Security Act Amendments of 1994 (42 U.S.C. 602 note) is hereby repealed.

(i) Section 903 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 11381 note), relating to demonstration projects to reduce number of AFDC families in welfare hotels, is amended—

(A) in subsection (a), by striking "aid to families with dependent children under a State plan approved" and inserting "assistance under a State program funded"; and

(B) in subsection (c), by striking "aid to families with dependent children in the State under a State plan approved" and inserting "assistance in the State under a State program funded".

SEC. 106. CONTINUED APPLICATION OF CURRENT STANDARDS UNDER MEDICAID PROGRAM.

(a) IN GENERAL.—Title XIX of the Social Security Act is amended—

(1) in section 1931, by inserting "subject to section 1931(a)," after "under this title," and by redesignating such section as section 1932; and

(2) by inserting after section 1930 the following new section:

"CONTINUED APPLICATION OF AFDC STANDARDS

"SEC. 1931. (a) For purposes of applying this title on and after October 1, 1995, with respect to a State—

"(1) except as provided in paragraph (2), any reference in this title (or other provision of law in relation to the operation of this title) to a provision of part A of title IV of this Act, or a State plan under such part, shall be considered a reference to such provision or plan as in effect as of March 7, 1995, with respect to the State and eligibility for medical assistance under this title shall be determined as if such provision or plan (as in effect as of such date) had remained in effect on and after October 1, 1995; and

"(2) any reference in section 1902(a)(5) or 1902(a)(55) to a State plan approved under part A of title IV shall be deemed a reference to a State program funded under such part (as in effect on and after October 1, 1995).

"(b) In the case of a waiver of a provision of part A of title IV in effect with respect to a State as of March 7, 1995, if the waiver affects eligibility of individuals for medical assistance under this title, such waiver may continue to be applied, at the option of the State, in relation to this title after the date the waiver would otherwise expire."

(b) PLAN AMENDMENT.—Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of paragraph (61),

(2) by striking the period at the end of paragraph (62) and inserting "; and", and

(3) by inserting after paragraph (62) the following new paragraph:

"(63) provide for continuing to administer eligibility standards with respect to individuals who are (or seek to be) eligible for medical assistance based on the application of section 1931.".

(c) CONFORMING AMENDMENTS.—(1) Section 1902(c) of such Act (42 U.S.C. 1396a(c)) is amended by striking "if—" and all that follows and inserting the following: "if the State requires individuals described in subsection (l)(1) to apply for assistance under the State program funded under part A of title IV as a condition of applying for or receiving medical assistance under this title.".

(2) Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended by striking paragraph (9).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance furnished for calendar quarters beginning on or after October 1, 1995.

SEC. 107. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this title, this title and the amendments made by this title shall take effect on October 1, 1995.

(b) DELAYED APPLICABILITY OF AUTHORITY TO TEMPORARILY REDUCE ASSISTANCE FOR CERTAIN FAMILIES WHICH INCLUDE A CHILD WHOSE PATERNITY IS NOT ESTABLISHED.—Section 405(a)(9) of the Social Security Act, as added by the amendment made by section 101 of this Act, shall not apply to individuals who, immediately before the effective date of this title, are recipients of aid under a State plan approved under part A of title IV of the Social Security Act, until the end of the 1-year (or, at the option of the State, 2-year) period that begins with such effective date.

(c) TRANSITION RULE.—The amendments made by this title shall not apply with respect to—

(1) powers, duties, functions, rights, claims, penalties, or obligations applicable to aid or services provided before the effective date of this title under the provisions amended; and

(2) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such provisions.

TITLE II—CHILD PROTECTION BLOCK GRANT PROGRAM

SEC. 201. ESTABLISHMENT OF PROGRAM.

Part B of title IV of the Social Security Act (42 U.S.C. 620-635) is amended to read as follows:

"PART B—BLOCK GRANTS TO STATES FOR THE PROTECTION OF CHILDREN

"SEC. 421. PURPOSE.

"The purpose of this part is to enable eligible States to carry out a child protection program to—

"(1) identify and assist families at risk of abusing or neglecting their children;

"(2) operate a system for receiving reports of abuse or neglect of children;

"(3) investigate families reported to abuse or neglect their children;

"(4) provide support, treatment, and family preservation services to families which are, or are at risk of, abusing or neglecting their children;

"(5) support children who must be removed from or who cannot live with their families;

"(6) make timely decisions about permanent living arrangements for children who must be removed from or who cannot live with their families; and

"(7) provide for continuing evaluation and improvement of child protection laws, regulations, and services.

"SEC. 422. ELIGIBLE STATES.

"(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to

a fiscal year, a State that, during the 3-year period immediately preceding the fiscal year, has submitted to the Secretary a plan that includes the following:

"(1) OUTLINE OF CHILD PROTECTION PROGRAM.—A written document that outlines the activities the State intends to conduct to achieve the purpose of this part, including the procedures to be used for—

"(A) receiving reports of child abuse or neglect;

"(B) investigating such reports;

"(C) protecting children in families in which child abuse or neglect is found to have occurred;

"(D) removing children from dangerous settings;

"(E) protecting children in foster care;

"(F) promoting timely adoptions;

"(G) protecting the rights of families;

"(H) preventing child abuse and neglect; and

"(I) establishing and responding to citizen review panels under section 425.

"(2) CERTIFICATION OF STATE LAW REQUIRING THE REPORTING OF CHILD ABUSE AND NEGLECT.—A certification that the State has in effect laws that require public officials and other professionals to report actual or suspected instances of child abuse or neglect.

"(3) CERTIFICATION OF STATE PROGRAM TO INVESTIGATE CHILD ABUSE AND NEGLECT CASES.—A certification that the State has in effect a program to investigate child abuse and neglect cases.

"(4) CERTIFICATION OF STATE PROCEDURES FOR REMOVAL AND PLACEMENT OF ABUSED OR NEGLECTED CHILDREN.—A certification that the State has in effect procedures for removal from families and placement of abused or neglected children.

"(5) CERTIFICATION OF STATE PROCEDURES FOR DEVELOPING AND REVIEWING WRITTEN PLANS FOR PERMANENT PLACEMENT OF REMOVED CHILDREN.—A certification that the State has in effect procedures for ensuring that a written plan is prepared for children who have been removed from their families, which specifies the goal for achieving a permanent placement for the child in a timely fashion, for ensuring that the written plan is reviewed every 6 months, and for ensuring that information about such children is collected regularly and recorded in case records, and a description of such procedures.

"(6) CERTIFICATION THAT THE STATE WILL CONTINUE TO HONOR ADOPTION ASSISTANCE AGREEMENTS.—A certification that the State will honor any adoption assistance agreement (as defined in section 475(3), as in effect immediately before the effective date of this part) entered into by an agency of the State, that is in effect as of such effective date.

"(7) CERTIFICATION OF STATE PROGRAM TO PROVIDE INDEPENDENT LIVING SERVICES.—A certification that the State has in effect a program to provide independent living services to individuals in the child protection program of the State who have attained 16 years of age but have not attained 20 (or, at the option of the State, 22) years of age, and who do not have a family to which to be returned for assistance in making the transition to self-sufficient adulthood.

"(8) CERTIFICATION OF STATE PROCEDURES TO RESPOND TO REPORTING OF MEDICAL NEGLECT OF DISABLED INFANTS.—

"(A) IN GENERAL.—A certification that the State has in place for the purpose of responding to the reporting of medical neglect of infants (including instances of withholding of medically indicated treatment from disabled infants with life-threatening conditions), procedures or programs, or both (within the State child protective services system), to provide for—

"(i) coordination and consultation with individuals designated by and within appropriate health-care facilities;

"(ii) prompt notification by individuals designated by and within appropriate health-care facilities of cases of suspected medical neglect (including instances of withholding of medically indicated treatment from disabled infants with life-threatening conditions); and

"(iii) authority, under State law, for the State child protective service to pursue any legal remedies, including the authority to initiate legal proceedings in a court of competent jurisdiction, as may be necessary to prevent the withholding of medically indicated treatment from disabled infants with life-threatening conditions.

"(B) WITHHOLDING OF MEDICALLY INDICATED TREATMENT.—As used in subparagraph (A), the term 'withholding of medically indicated treatment' means the failure to respond to the infant's life-threatening conditions by providing treatment (including appropriate nutrition, hydration, and medication) which, in the treating physician's or physicians' reasonable medical judgment, will be most likely to be effective in ameliorating or correcting all such conditions, except that such term does not include the failure to provide treatment (other than appropriate nutrition, hydration, or medication) to an infant when, in the treating physician's or physicians' reasonable medical judgment—

"(i) the infant is chronically and irreversibly comatose;

"(ii) the provision of such treatment would—

"(I) merely prolong dying;

"(II) not be effective in ameliorating or correcting all of the infant's life-threatening conditions; or

"(III) otherwise be futile in terms of the survival of the infant; or

"(iii) the provision of such treatment would be virtually futile in terms of the survival of the infant and the treatment itself under such circumstances would be inhumane.

"(9) IDENTIFICATION OF CHILD PROTECTION GOALS.—The quantitative goals of the State child protection program.

"(b) DETERMINATIONS.—The Secretary shall determine whether a plan submitted pursuant to subsection (a) contains the material required by subsection (a). The Secretary may not require a State to include in such a plan any material not described in subsection (a), and may not review the adequacy of State procedures.

"SEC. 423. GRANTS TO STATES FOR CHILD PROTECTION.

"(a) ENTITLEMENT.—

"(1) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary for each fiscal year specified in subsection (b)(1) a grant in an amount equal to the State share of the child protection amount for the fiscal year.

"(2) ADDITIONAL GRANT.—

"(A) IN GENERAL.—In addition to a grant under paragraph (1) of this subsection, the Secretary shall pay to each eligible State for each fiscal year specified in subsection (b)(1) an amount equal to the State share of the amount (if any) appropriated pursuant to subparagraph (B) of this paragraph for the fiscal year.

"(B) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—For grants under subparagraph (A), there are authorized to be appropriated to the Secretary an amount not to exceed $486,000,000 for each fiscal year specified in subsection (b)(1).

"(b) DEFINITIONS.—As used in this section:

"(1) CHILD PROTECTION AMOUNT.—The term 'child protection amount' means—

"(A) $3,930,000,000 for fiscal year 1996;

"(B) $4,195,000,000 for fiscal year 1997;

"(C) $4,507,000,000 for fiscal year 1998;

"(D) $4,767,000,000 for fiscal year 1999; and

"(E) $5,071,000,000 for fiscal year 2000.

"(2) STATE SHARE.—

"(A) IN GENERAL.—The term 'State share' means the qualified child protection expenses of the State divided by the sum of the qualified child protection expenses of all of the States.

"(B) QUALIFIED CHILD PROTECTION EXPENSES.—The term 'qualified child protection expenses' means, with respect to a State the greater of—

"(i) ⅓ of the total amount of obligations to the State under the provisions of law specified in subparagraph (B) for fiscal years 1992, 1993, and 1994; or

"(ii) the total amount of obligations to the State under such provisions of law for fiscal year 1994.

"(C) PROVISIONS OF LAW.—The provisions of law specified in this subparagraph are the following (as in effect immediately before the effective date of this part):

"(i) Section 474(a) (other than subparagraphs (C) and (D) of paragraph (3)) of this Act.

"(ii) Section 304 of the Family Violence Prevention and Services Act.

"(iii) Section 107(a) of the Child Abuse Prevention and Treatment Act.

"(iv) Section 201(d) of the Child Abuse Prevention and Treatment Act.

"(v) Section 423 of this Act.

"(3) STATE.—The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

"(c) USE OF GRANT.—

"(1) IN GENERAL.—A State to which a grant is made under this section may use the grant in any manner that the State deems appropriate to accomplish the purpose of this part, including setting up abuse and neglect reporting systems, abuse and neglect prevention, family preservation, foster care, adoption, program administration, and training.

"(2) AUTHORITY TO USE PORTION OF GRANT FOR OTHER PURPOSES.—

"(A) IN GENERAL.—A State may use not more than 30 percent of the amount of the grant made to the State under this section for fiscal year 1998 or a succeeding fiscal year to carry out a State program pursuant to any or all of the following provisions of law:

"(i) Part A of this title.

"(ii) Title XX of this Act.

"(iii) The Child Care and Development Block Grant Act of 1990.

"(iv) Any provision of law, enacted into law during the 104th Congress, under which grants are made to States for food and nutrition or employment and training.

"(B) APPLICABLE RULES.—Any amount paid to the State under this part that is used to carry out a State program pursuant to a provision of law specified in subparagraph (A) shall not be subject to the requirements of this part, but shall be subject to the requirements that apply to Federal funds provided directly under the provision of law to carry out the program.

"(3) TIMING OF EXPENDITURES.—A State to which a grant is made under this section for a fiscal year shall expend the total amount

of the grant not later than the end of the immediately succeeding fiscal year.

"(4) RULE OF INTERPRETATION.—This part shall not be interpreted to prohibit short- and long-term foster care facilities operated for profit from receiving funds provided under this part.

"(d) TIMING OF PAYMENTS.—The Secretary shall pay each eligible State the amount of the grant payable to the State under this section in quarterly installments.

"(e) PENALTIES.—

"(1) FOR USE OF GRANT IN VIOLATION OF THIS PART.—

"(A) IN GENERAL.—If an audit conducted pursuant to chapter 75 of title 31, United States Code, finds that an amount paid to a State under this section for a fiscal year has been used in violation of this part, then the Secretary shall reduce the amount of the grant that would (in the absence of this subsection) be payable to the State under this section for the immediately succeeding fiscal year by the amount so used.

"(B) LIMITATION.—In carrying out subparagraph (A), the Secretary shall not reduce any quarterly payment by more than 25 percent.

"(C) CARRYFORWARD OF UNRECOVERED PENALTY.—To the extent that subparagraph (B) prevents the Secretary from recovering during a fiscal year the full amount of a penalty imposed on a State under subparagraph (A) for a prior fiscal year, the Secretary shall apply subparagraph (A) to the grant otherwise payable to the State under this section for the immediately succeeding fiscal year.

"(2) FOR FAILURE TO MAINTAIN EFFORT.—If an audit conducted pursuant to chapter 75 of title 31, United States Code, finds that the amount expended by a State (other than from amounts provided by the Federal Government) during fiscal year 1996 or 1997 to carry out the State program funded under this part is less than the total amount expended by the State (other than from amounts provided by the Federal Government) during fiscal year 1995 under parts B and E of this title, then the Secretary shall reduce the amount of the grant that would (in the absence of this subsection) be payable to the State under this section for the immediately succeeding fiscal year by the amount of the difference.

"(3) FOR FAILURE TO SUBMIT REQUIRED REPORT.—

"(A) IN GENERAL.—The Secretary shall reduce by 3 percent the amount of the grant that would (in the absence of this subsection) be payable to a State under this section for a fiscal year if the Secretary determines that the State has not submitted the report required by section 427(b) for the immediately preceding fiscal year, within 6 months after the end of the immediately preceding fiscal year.

"(B) RESCISSION OF PENALTY.—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report for a fiscal year if the State submits the report before the end of the immediately succeeding fiscal year.

"(f) LIMITATION ON FEDERAL AUTHORITY.—Except as expressly provided in this part, the Secretary may not regulate the conduct of States under this part or enforce any provision of this part.

"SEC. 424. CHILD PROTECTION STANDARDS.

"Each State to which a grant is made under section 423 shall operate a child protection program in accorance with the following standards in order to assure the protection of children:

"(1) The primary standard by which a State child welfare system shall be judged is the protection of children.

"(2) Each State shall investigate reports of abuse and neglect promptly.

"(3) Children removed from their homes shall have a permanency plan and a dispositional hearing by a court or a court-appointed body within 3 months after a fact-finding hearing.

"(4) All child protection cases in which the child is placed outside the home shall be reviewed every 6 months unless the child is in a long-term placement.

"SEC. 425. CITIZEN REVIEW PANELS.

"(a) ESTABLISHMENT.—Each State to which a grant is made under section 423 shall establish at least 3 citizen review panels.

"(b) COMPOSITION.—Each panel established under subsection (a) shall be broadly representative of the community from which drawn.

"(c) FREQUENCY OF MEETINGS.—Each panel established under subsection (a) shall meet not less frequently than quarterly.

"(d) DUTIES.—

"(1) IN GENERAL.—Each panel established under subsection (a) shall, by examining specific cases, determine the extent to which the State and local agencies responsible for carrying out activities under this part are doing so in accordance with the State plan, with the child protection standards set forth in section 424, and with any other criteria that the panel considers important to ensure the protection of children.

"(2) CONFIDENTIALITY.—The members and staff of any panel established under subsection (a) shall not disclose to any person or government any information about any specific child protection case with respect to which the panel is provided information.

"(e) STATE ASSISTANCE.—Each State that establishes a panel under subsection (a) shall afford the panel access to any information on any case that the panel desires to review, and shall provide the panel with staff assistance in performing its duties.

"(f) REPORTS.—Each panel established under subsection (a) shall make a public report of its activities after each meeting.

"SEC. 426. CLEARINGHOUSE AND HOTLINE ON MISSING AND RUNAWAY CHILDREN.

"(a) IN GENERAL.—The Secretary shall establish and operate a clearinghouse of information on children who are missing or have run away from home, including a 24-hour toll-free telephone hotline which may be contacted for information on such children.

"(b) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—To carry out subsection (a), there are authorized to be appropriated to the Secretary not to exceed $7,000,000 for each fiscal year.

"SEC. 427. DATA COLLECTION AND REPORTING.

"(a) ANNUAL REPORTS ON STATE CHILD WELFARE GOALS.—On the date that is 3 years after the effective date of this part and annually thereafter, each State to which a grant is made under section 423 shall submit to the Secretary a report that contains quantitative information on the extent to which the State is making progress toward achieving the goals of the State child protection program.

"(b) ANNUAL STATE DATA REPORTS.—Each State to which a grant is made under section 423 shall annually submit to the Secretary of Health and Human Services a report that includes the following:

"(1) The number of children who were reported to the State during the year as abused or neglected.

"(2) Of the number of children described in paragraph (1), the number with respect to whom such reports were substantiated.

"(3) Of the number of children described in paragraph (2)—

"(A) the number that did not receive services during the year under the State program funded under this part;

"(B) the number that received services during the year under the State program funded under this part or an equivalent State program; and

"(C) the number that were removed from their families during the year.

"(4) The number of families that received preventive services from the State during the year.

"(5) The number of children who entered foster care under the responsibility of the State during the year.

"(6) The number of children in foster care under the responsibility of the State who exited from foster care during the year.

"(7) The types of foster care placements made by the State during the year, and the average monthly number of children in each type of placement.

"(8) The average length of the foster care placements made by the State during the year.

"(9) The age, ethnicity, gender, and family income of the children placed in foster care under the responsibility of the State during the year.

"(10) The number of children in foster care under the responsibility of the State with respect to whom the State has the goal of adoption.

"(11) The number of children in foster care under the responsibility of the State who were freed for adoption during the year.

"(12) The number of children in foster care under the responsibility of the State whose adoptions were finalized during the year.

"(13) The number of disrupted adoptions in the State during the year.

"(14) Quantitative measurements showing whether the State is making progress toward the child protection goals identified by the State under section 422(a)(9).

"(15) The number of infants abandoned in the State during the year, and the number of such infants who were legally adopted during the year and the length of time between the discovery of the abandonment and such adoption.

"(16) The number of children who died during the year while in foster care under the responsibility of the State.

"(17) The number of deaths in the State during the year resulting from child abuse or neglect.

"(18) The number of children served by the independent living program of the State.

"(19) Any other information which the Secretary and a majority of the States agree is appropriate to collect for purposes of this part.

"(20) The response of the State to the findings and recommendations of the citizen review panels established by the State pursuant to section 425.

"(c) AUTHORITY OF STATES TO USE ESTIMATES.—A State may comply with a requirement to provide precise numerical information described in subsection (b) by submitting an estimate which is obtained through the use of scientifically acceptable sampling methods.

"(d) ANNUAL REPORT BY THE SECRETARY.—Within 6 months after the end of each fiscal year, the Secretary shall prepare a report based on information provided by the States for the fiscal year pursuant to subsection (b), and shall make the report and such information available to the Congress and the public.

"(e) SCOPE OF STATE PROGRAM FUNDED UNDER THIS PART.—As used in subsection (b),

the term 'State program funded under this part' includes any equivalent State program.

"SEC. 428. RESEARCH AND TRAINING.

"(a) IN GENERAL.—The Secretary shall conduct research and training in child welfare.

"(b) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—To carry out subsection (a), there are authorized to be appropriated to the Secretary not to exceed $10,000,000 for each fiscal year.

"SEC. 429. NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE.

"(a) IN GENERAL.—The Secretary shall conduct a national study based on random samples of children who are at risk of child abuse or neglect, or are determined by States to have been abused or neglected.

"(b) REQUIREMENTS.—The study required by subsection (a) shall—

"(1) have a longitudinal component; and

"(2) yield data reliable at the State level for as many States as the Secretary determines is feasible.

"(c) PREFERRED CONTENTS.—In conducting the study required by subsection (a), the Secretary should—

"(1) collect data on the child protection programs of different small States or (different groups of such States) in different years to yield an occasional picture of the child protection programs of such States;

"(2) carefully consider selecting the sample from cases of confirmed abuse or neglect; and

"(3) follow each case for several years while obtaining information on, among other things—

"(A) the type of abuse or neglect involved;

"(B) the frequency of contact with State or local agencies;

"(C) whether the child involved has been separated from the family, and, if so, under what circumstances;

"(D) the number, type, and characteristics of out-of-home placements of the child; and

"(E) the average duration of each placement.

"(d) REPORTS.—

"(1) IN GENERAL.—From time to time, the Secretary shall prepare reports summarizing the results of the study required by subsection (a), and should include in such reports a comparison of the results of the study with the information reported by States under section 427.

"(2) AVAILABILITY.—The Secretary shall make available to the public any report prepared under paragraph (1), in writing or in the form of an electronic data tape.

"(3) AUTHORITY TO CHARGE FEE.—The Secretary may charge and collect a fee for the furnishing of reports under paragraph (2).

"(e) FUNDING.—Out of any money in the Treasury of the United States not otherwise appropriated, the Secretary of the Treasury shall pay to the Secretary of Health and Human Services $6,000,000 for each of fiscal years 1996 through 2000 to carry out this section.

"SEC. 430. REMOVAL OF BARRIERS TO INTERETHNIC ADOPTION.

"(a) PURPOSE.—The purpose of this section is to decrease the length of time that children wait to be adopted and to prevent discrimination in the placement of children on the basis of race, color, or national origin.

"(b) MULTIETHNIC PLACEMENTS.—

"(1) PROHIBITION.—A State or other entity that receives funds from the Federal Government and is involved in adoption or foster care placements may not—

"(A) deny to any person the opportunity to become an adoptive or a foster parent, on the basis of the race, color, or national origin of the person, or of the child, involved; or

"(B) delay or deny the placement of a child for adoption or into foster care, or otherwise discriminate in making a placement decision, on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved.

"(2) PENALTIES.—

"(A) STATE VIOLATORS.—A State that violates paragraph (1) during a period shall remit to the Secretary all funds that were paid to the State under this part during the period.

"(B) PRIVATE VIOLATORS.—Any other entity that violates paragraph (1) during a period shall remit to the Secretary all funds that were paid to the entity during the period by a State from funds provided under this part.

"(3) PRIVATE CAUSE OF ACTION.—

"(A) IN GENERAL.—Any individual who is aggrieved by a violation of paragraph (1) by a State or other entity may bring an action seeking relief in any United States district court.

"(B) STATUTE OF LIMITATIONS.—An action under this paragraph may not be brought more than 2 years after the date the alleged violation occurred.".

SEC. 202. CONFORMING AMENDMENTS.

(a) AMENDMENTS TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—

(1) Section 452(a)(10)(C) of the Social Security Act (42 U.S.C. 652(a)(10)(C)), as amended by section 104(b)(2)(C) of this Act, is amended—

(A) by striking "(or foster care maintenance payments under part E)" and inserting "or cash payments under a State program funded under part B"; and

(B) by striking "or 471(a)(17)".

(2) Section 452(g)(2)(A) of such Act (42 U.S.C. 652(g)(2)(A)) is amended—

(A) by striking "or E" the 1st place such term appears and inserting "or benefits or services are being provided under the State program funded under part B"; and

(B) by striking "or E" the 2nd place such term appears and inserting "or benefits or services were being provided under the State program funded under part B".

(3) Section 456(a)(1) of such Act (42 U.S.C. 656(a)(1)) is amended by striking "foster care maintenance payments" and inserting "benefits or services under a State program funded under part B".

(4) Section 466(a)(3)(B) of such Act (42 U.S.C. 666(a)(3)(B)), as amended by section 104(b)(13) of this Act, is amended by striking "or 471(a)(17)".

(b) REPEAL OF PART E OF TITLE IV OF THE SOCIAL SECURITY ACT.—Part E of title IV of such Act (42 U.S.C. 671–679) is hereby repealed.

(c) AMENDMENT TO TITLE XVI OF THE SOCIAL SECURITY ACT AS IN EFFECT WITH RESPECT TO THE STATES.—Section 1611(c)(5)(B) of such Act (42 U.S.C. 1382(c)(5)(B)) is amended to read as follows: "(B) the State program funded under part B of title IV,".

(d) REPEAL OF SECTION 13712 OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1993.—Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) is hereby repealed.

(e) AMENDMENT TO SECTION 9442 OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1986.—Section 9442(4) of the Omnibus Budget Reconciliation Act of 1986 (42 U.S.C. 679a(4)) is amended by inserting "(as in effect before October 1, 1995)" after "Act".

(f) REPEAL OF SECTION 553 OF THE HOWARD M. METZENBAUM MULTIETHNIC PLACEMENT ACT OF 1994.—Section 553 of the Howard M. Metzenbaum Multiethnic Placement Act of 1994 (42 U.S.C. 5115a; 108 Stat. 4056) is hereby repealed.

(g) REPEAL OF SUBTITLE C OF TITLE XVII OF THE VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994.—Subtitle C of title XVII of the Violent Crime Control and Law Enforcement Act of 1994 is hereby repealed.

(h) REPEAL OF SUBTITLE A OF TITLE II OF THE CRIME CONTROL ACT OF 1990.—Subtitle A of title II of the Crime Control Act of 1990 is hereby repealed.

SEC. 203. CONTINUED APPLICATION OF CURRENT STANDARDS UNDER MEDICAID PROGRAM.

Section 1931 of the Social Security Act, as inserted by section 106(a)(2) of this Act, is amended—

(1) in subsection (a)(1)—

(A) by striking "part A of", and

(B) by striking "under such part" and inserting "under a part of such title"; and

(2) in subsection (b), by striking "part A of".

SEC. 204. EFFECTIVE DATE.

(a) IN GENERAL.—This title and the amendments made by this title shall take effect on October 1, 1995.

(b) TRANSITION RULE.—The amendments made by this title shall not apply with respect to—

(1) powers, duties, functions, rights, claims, penalties, or obligations applicable to aid or services provided before the effective date of this title under the provisions amended; and

(2) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such provisions.

TITLE III—BLOCK GRANTS FOR CHILD CARE AND FOR NUTRITION ASSISTANCE

Subtitle A—Child Care Block Grants

SEC. 301. AMENDMENTS TO THE CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990.

(a) GOALS.—Section 658A of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9801 note) is amended—

(1) in the heading of such section by inserting "**AND GOALS**" after "**TITLE**",

(2) by inserting "(a) SHORT TITLE.—" before "This", and

(3) by adding at the end the following:

"(b) GOALS.—The goals of this subchapter are—

"(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within such State;

"(2) to promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;

"(3) to encourage States to provide consumer education information to help parents make informed choices about child care;

"(4) to assist States to provide child care to parents trying to achieve independence from public assistance; and

"(5) to assist States in implementing the health, safety, licensing, and registration standards established in State regulations.".

(b) 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 is authorized to be appropriated to carry out this subchapter $1,943,000,000 for each of the fiscal years 1996, 1997, 1998, 1999, and 2000.".

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

(1) in the heading of such section by striking "**AGENCY**" inserting "**ENTITY**",

(2) in subsection (a) by inserting "or other entity" after "State agency", and

(3) by striking "lead agency" each place it appears and inserting "lead entity".

(d) 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)—

(A) by striking "implemented—" and all that follows through "(2)" and inserting "implemented", and

(B) by striking "for subsequent State plans",

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the heading of such paragraph by striking "AGENCY" and inserting "ENTITY", and

(ii) by striking "agency" and inserting "entity",

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (i) by striking ", other than through assistance provided under paragraph (3)(C)," and

(II) by striking "except" and all that follows through "1992", and inserting "and provide a detailed description of the procedures the State will implement to carry out the requirements of this subparagraph",

(ii) in subparagraph (B)—

(I) by striking "Provide assurances" and inserting "Certify", and

(II) by inserting before the period at the end "and provide a detailed description of such procedures",

(iii) in subparagraph (C)—

(I) by striking "Provide assurances" and inserting "Certify", and

(II) by inserting before the period at the end "and provide a detailed description of how such record is maintained and is made available",

(iv) by amending subparagraph (D) to read as follows:

"(D) CONSUMER EDUCATION INFORMATION.—Provide assurances that the State will collect and disseminate to parents of eligible children and the general public, consumer education information that will promote informed child care choices.",

(v) in subparagraph (E)—

(I) by striking "Provide assurances" and inserting "Certify",

(II) in clause (i) by inserting "health, safety, and" after "comply with all",

(III) in clause (i) by striking "; and" at the end,

(IV) by striking "that—" and all that follows through "(i)", and inserting "that", and

(V) by striking "(ii)" and all that follows through the end of such subparagraph, and inserting "and provide a detailed description of such requirements and of how such requirements are effectively enforced.", and

(vi) by striking subparagraphs (F), (G), (H), (I), and (J),

(C) in paragraph (3)—

(i) in subparagraph (A) by inserting "or as authorized by section 658T" before the period at the end,

(ii) in subparagraph (B)—

(I) by striking ".—Subject to the reservation contained in subparagraph (C), the" and inserting "AND RELATED ACTIVITIES.—The",

(II) by inserting ", other than amounts transferred under section 658T," after "subchapter",

(III) in clause (i) by striking "; and" at the end and inserting a period,

(IV) by striking "for—" and all that follows through "section 658E(c)(2)(A)" and inserting "for child care services, activities that improve the quality or availability of such services, and any other activity that the State deems appropriate to realize any of the goals specified in paragraphs (2) through (5) of section 658A(b)", and

(V) by striking clause (ii), and

(iii) by amending subparagraph (C) to read as follows:

"(C) 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) in paragraph (4)(A)—

(i) by striking "provide assurances" and inserting "certify",

(ii) in the first sentence by inserting "and shall provide a summary of the facts relied on by the State to determine that such rates are sufficient to ensure such access" before the period, and

(iii) by striking the last sentence, and

(E) by striking paragraph (5).

(e) LIMITATIONS ON STATE ALLOTMENTS—Section 658F(b)(2) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858d(b)(2)) is amended by striking "referred to in section 658E(c)(2)(F)".

(f) REPEAL OF EARMARKED REQUIRED EXPENDITURES.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9801 note) is amended by striking sections 658G and 658H.

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

(1) in paragraph (1) by inserting "and" at the end,

(2) by striking paragraph (2), and

(3) by redesignating paragraph (3) as paragraph (2).

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

(1) by striking "expended" and inserting "obligated", and

(2) by striking "3 fiscal years" and inserting "fiscal year".

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

(1) in the heading of such section by inserting ", **EVALUATION PLANS**," after "**REPORT**",

(2) in subsection (a)—

(A) by striking ", 1992" and inserting "following the end of the first fiscal year with respect to which the amendments made by the Personal Responsibility Act of 1995 apply",

(B) by amending paragraph (2) to read as follows:

"(2) containing data on the manner in which the child care needs of families in the State are being fulfilled, including information concerning—

"(A) the number and ages of children being assisted with funds provided under this subchapter;

"(B) with respect to the families of such children—

"(i) the number of other children in such families;

"(ii) the number of such families that include only 1 parent;

"(iii) the number of such families that include both parents;

"(iv) the ages of the mothers of such children;

"(v) the ages of the fathers of such children;

"(vi) the sources of the economic resources of such families, including the amount of such resources obtained from (and separately identified as being from)—

"(I) employment, including self-employment;

"(II) assistance received under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(III) part B of title IV of the Social Security Act (42 U.S.C. 620 et seq.);

"(IV) the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

"(V) the National School Lunch Act (42 U.S.C. 1751 et seq.);

"(VI) assistance received under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

"(VII) assistance received under title XIV of the Social Security Act (42 U.S.C. 1351 et seq.);

"(VIII) assistance received under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

"(IX) assistance received under title XX of the Social Security Act (42 U.S.C. 1397 et seq.); and

"(X) any other source of economic resources the Secretary determines to be appropriate;

"(C) the number of such providers separately identified with respect to each type of child care provider specified in section 658P(5) that provided child care services obtained with assistance provided under this subchapter;

"(D) with respect to cost of such services—

"(i) the cost imposed by such providers to provide such services; and

"(ii) the portion of such cost paid with assistance provided under this subchapter;

"(E) with respect to consumer education information described in section 658E(c)(2)(D) provided by such State—

"(i) the manner in which such information was provided; and

"(ii) the number of parents to whom such information was provided; and

"(F) with respect to complaints received by such State regarding child care services obtained with assistance provided under this subchapter—

"(i) the number of such complaints that were found to have merit; and

"(ii) a description of the actions taken by the State to correct the circumstances on which such complaints were based.",

(C) by striking paragraphs (3), (4), (5), and (6) and inserting the following:

"(3) containing evidence demonstrating that the State satisfied the requirements of section 658E(c)(2)(F); and

"(4) identifying each State program operated under a provision of law specified in section 658T to which the State transferred funds under the authority of such section, specifying the amount of funds so transferred to such program, and containing a justification for so transferring such amount;", and

(3) in subsection (b)—

(A) in paragraph (1) by striking "a application" and inserting "an application",

(B) in paragraph (2) by striking "any agency administering activities that receive" and inserting "the State that receives", and

(C) in paragraph (4) by striking "entitles" and inserting "entitled", and

(4) by redesignating subsection (b) as subsection (c), and

(5) by inserting after subsection (a) the following:

"(b) STATE EVALUATION PLAN AND EVALUATION RESULTS.—

"(1) EVALUATION PLAN.—In the first report submitted under subsection (a) after the date of the enactment of the Personal Responsibility Act of 1995, and in the report for each alternating 1-year period thereafter, the State shall include a plan the State intends to carry out in the 1-year period subsequent to the period for which such report is submitted, to evaluate the extent to which the State has realized each of the goals specified in paragraphs (2) through (5) of section 658A(b). The State shall include in such plan a description of the types of data and other information the State will collect to determine whether the State has realized such goals.

"(2) EVALUATION RESULTS.—In the second report submitted under subsection (a) after the date of the enactment of the Personal Responsibility Act of 1995, and in the report for each alternating 1-year period thereafter, the State shall include a summary of the results of an evaluation carried out under the evaluation plan contained in the report submitted under subsection (a) for the preceding 1-year period.".

(j) 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 annually" and inserting "following the end of the second fiscal year with respect to which the amendments made by the Personal Responsibility Act of 1995 apply, and biennially",

(2) by striking "Committee on Education and Labor" and inserting "Speaker",

(3) by striking "Committee on Labor and Human Resources" and inserting "President pro tempore", and

(4) by striking the last sentence.

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

(1) in subsection (a)(1)—

(A) by striking "POSSESSIONS" and inserting "POSSESSIONS",

(B) by inserting "and" after "States,", and

(C) by striking ", and the Trust Territory of the Pacific Islands",

(2) by amending subsection (b) to read as follows:

"(b) STATE ALLOTMENT.—From the amount appropriated under section 658B for each fiscal year remaining after reservations under subsection (a), the Secretary shall allot to each State (excluding Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands) an amount that bears the same ratio to the amount so appropriated for such fiscal year as the aggregate of the amounts received by the State under—

"(1) this subchapter for fiscal year 1994;

"(2) section 403 of the Social Security Act, with respect to expenditures by the State for child care under section 402(g)(1) of such Act during fiscal year 1994; and

"(3) section 403(n) of the Social Security Act for fiscal year 1994;

bears to the aggregate of the amounts received by all the States (excluding Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands) under paragraphs (1), (2), and (3).",

(3) in subsection (c)—

(A) in paragraph (2)(A) by striking "agency" and inserting "entity", and

(B) in paragraph (5) by striking "our" and inserting "out",

(4) by striking subsection (e), and

(5) by redesignating subsection (f) as subsection (e).

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

(1) in paragraph (5)(A)—

(A) in clause (i) by striking "and" at the end and inserting "or",

(B) by striking "that—" and all that follows through "(i)", and inserting "that", and

(C) by striking clause (ii),

(2) by amending paragraph (8) to read as follows:

"(8) LEAD ENTITY.—The term 'lead entity' means the State agency or other entity designated under section 658B(a).",

(3) by striking paragraphs (3), (10), and (12),

(4) by inserting after paragraph (2) the following:

"(3) CHILD CARE SERVICES.—The term 'child care services' means services that constitute physical care of a child and may include services that are designed to enhance the educational, social, cultural, emotional, and recreational development of a child but that are not intended to serve as a substitute for compulsory educational services.",

(5) in paragraph (13)—

(A) by inserting "or" after "Samoa,", and

(B) by striking ", and the Trust Territory of the Pacific Islands", and

(6) by redesignating paragraphs (11), (13), and (14) as paragraphs (10), (11), and (12), respectively.

(m) AUTHORITY TO TRANSFER FUNDS.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) is amended by inserting after section 658S the following:

"SEC. 658T. TRANSFER OF FUNDS.

"(a) AUTHORITY.—Of the aggregate amount of payments received under this subchapter by a State in each fiscal year, the State may transfer not more than 20 percent for use by the State to carry out State programs under 1 or more of the following provisions of law:

"(1) Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(2) Part B of title IV of the Social Security Act (42 U.S.C. 620 et seq.).

"(3) The Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(4) The National School Lunch Act (42 U.S.C. 1751 et seq.).

"(5) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

"(b) REQUIREMENTS APPLICABLE TO FUNDS TRANSFERRED.—Funds transferred under subsection (a) to carry out a State program operated under a provision of law specified in such subsection shall not be subject to the requirements of this subchapter, but shall be subject to the same requirements that apply to Federal funds provided directly under such provision of law to carry out such program.".

SEC. 302. REPEAL OF CHILD CARE ASSISTANCE AUTHORIZED BY ACTS OTHER THAN THE SOCIAL SECURITY ACT.

(a) CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985.—Title VI of the Human Services Reauthorization Act of 1986 (42 U.S.C. 10901–10905) is repealed.

(b) STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT.—Subchapter E of chapter 8 of subtitle A of title VI of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9871–9877) is repealed.

(c) PROGRAMS OF NATIONAL SIGNIFICANCE.—Title X of the Elementary and Secondary Education Act of 1965, as amended by Public Law 103–382 (108 Stat. 3809 et seq.), is amended—

(1) in section 10413(a) by striking paragraph (4),

(2) in section 10963(b)(2) by striking subparagraph (G), and

(3) in section 10974(a)(6) by striking subparagraph (G).

(d) NATIVE HAWAIIAN FAMILY-BASED EDUCATION CENTERS.—Section 9205 of the Native Hawaiian Education Act (Public Law 103–382; 108 Stat. 3794) is repealed.

Subtitle B—Family and School-Based Nutrition Block Grants

CHAPTER 1—FAMILY NUTRITION BLOCK GRANT PROGRAM

SEC. 321. AMENDMENT TO CHILD NUTRITION ACT OF 1966.

The Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Child Nutrition Act of 1966'.

"(b) TABLE OF CONTENTS.—The table of contents is as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Authorization.
"Sec. 3. Allotment.
"Sec. 4. Application.
"Sec. 5. Use of amounts.
"Sec. 6. Reports.
"Sec. 7. Penalties.
"Sec. 8. Model nutrition standards for food assistance for pregnant, postpartum, and breastfeeding women, infants and children.
"Sec. 9. Authorization of appropriations.
"Sec. 10. Definitions.

"SEC. 2. AUTHORIZATION.

"(a) IN GENERAL.—In the case of each State that in accordance with section 4 submits to the Secretary of Agriculture an application for a fiscal year, the Secretary shall provide a grant for the year to the State for the purpose of achieving the goals described in subsection (b). The grant shall consist of the allotment determined for the State under section 3.

"(b) GOALS.—The goals of this Act are—

"(1) to provide nutritional risk assessment, food assistance based on such risk assessment, and nutrition education and counseling to economically disadvantaged pregnant women, postpartum women, breastfeeding women, infants, and young children who are determined to be at nutritional risk;

"(2) to provide nutritional risk assessments of such women in order to provide food assistance and nutrition education which meets their specific needs;

"(3) to provide nutrition education to such women in order to increase their awareness of the types of foods which should be consumed to maintain good health;

"(4) to provide food assistance, including nutritious meal supplements, to such women in order to reduce incidences of low-birthweight babies and babies born with birth defects as a result of nutritional deficiencies;

"(5) to provide food assistance, including nutritious meal supplements, to such women, infants, and young children in order to ensure their future good health;

"(6) to ensure that such women, infants, and children are referred to other health services, including routine pediatric and obstetric care, when necessary;

"(7) to ensure that children from economically disadvantaged families in day care facilities, family day care homes, homeless shelters, settlement houses, recreational centers, Head Start centers, Even Start programs and child care facilities for children with disabilities receive nutritious meals, supplements, and low-cost milk; and

"(8) to provide summer food service programs to meet the nutritional needs of children from economically disadvantaged families during months when school is not in session.

"(c) TIMING OF PAYMENTS.—The Secretary shall provide payments under a grant under this Act to States on a quarterly basis.

"SEC. 3. ALLOTMENT.

The Secretary shall allot the amount appropriated to carry out this Act for a fiscal year among the States as follows:

"(1) FIRST FISCAL YEAR.—

"(A) IN GENERAL.—With respect to the first fiscal year for which the Secretary provides grants to States under this Act, the amount allotted to each State shall bear the same proportion to such amount appropriated as the aggregate of the amounts described in subparagraph (B) that were received by each such State under the provisions of law described in such subparagraph (as such provisions of law were in effect on the day before the date of the enactment of the Personal Responsibility Act of 1995) for the preceding fiscal year bears to the aggregate of the amounts described in subparagraph (B) that were received by all such States under such provisions of law for such preceding fiscal year.

"(B) AMOUNTS DESCRIBED.—The amounts described in this subparagraph are the following:

"(i) The amount received under the special supplemental nutrition program for women, infants, and children under section 17 of this Act (42 U.S.C. 1786).

"(ii) The amount received under the homeless children nutrition program established under section 17B of the National School Lunch Act (42 U.S.C. 1766b).

"(iii) 87.5 percent of the sum of the amounts received under the following programs:

"(I) The child and adult care food program under section 17 of the National School Lunch Act (42 U.S.C. 1766), except for subsection (o) of such section.

"(II) The summer food service program for children established under section 13 of the National School Lunch Act (42 U.S.C. 1761).

"(III) The special milk program established under section 3 of this Act (42 U.S.C. 1772).

"(2) SECOND FISCAL YEAR.—With respect to the second fiscal year for which the Secretary provides grants to States under this Act—

"(A) 95 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount that bears the same proportion to such amount appropriated as the amount allotted to each such State from a grant under this Act for the preceding fiscal year bears to the aggregate of the amounts allotted to all such States from grants under this Act for such preceding fiscal year; and

"(B) 5 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount that bears the same proportion to such amount appropriated as the relative number of individuals receiving assistance during the 1-year period ending on June 30 of the preceding fiscal year in such State from amounts received from a grant under this Act for such preceding fiscal year bears to the total number of individuals receiving assistance in all States from amounts received from grants under this Act for the preceding fiscal year.

"(3) THIRD AND FOURTH FISCAL YEARS.—With respect to each of the third and fourth fiscal years for which the Secretary provides grants to States under this Act—

"(A) 90 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(A); and

"(B) 10 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(B).

"(4) FIFTH FISCAL YEAR.—With respect to the fifth fiscal year for which the Secretary provides grants to States under this Act—

"(A) 85 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(A); and

"(B) 15 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(B).

"SEC. 4. APPLICATION.

"The Secretary may provide a grant under this Act to a State for a fiscal year only if the State submits to the Secretary an application containing only—

"(1) an agreement that the State will use amounts received from such grant in accordance with section 5;

"(2) except as provided in paragraph (3), an agreement that the State will set minimum nutritional requirements for food assistance provided under this Act based on the most recent tested nutritional research available, except that—

"(A) such requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students; and

"(B) such requirements shall, at a minimum, be based on—

"(i) the weekly average of the nutrient content of school lunches; or

"(ii) such other standards as the State may prescribe;

"(3) an agreement that the State, with respect to the provision of food assistance to economically disadvantaged pregnant women, postpartum women, breastfeeding women, infants, and young children, shall—

"(A) implement the minimum nutritional requirements described in paragraph (2) for such food assistance; or

"(B) implement the model nutrition standards developed under section 8 for such food assistance;

"(4) an agreement that the State will take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under this Act;

"(5) an agreement that the State will use not more than 5 percent of the amount of such grant for administrative costs incurred to provide assistance under this Act, except that costs associated with the nutritional risk assessment of individuals described in section 5(a)(1) and costs associated with nutrition education and counseling provided to such individuals shall not be considered to be administrative costs; and

"(6) an agreement that the State will submit to the Secretary a report in accordance with section 6.

"SEC. 5. USE OF AMOUNTS.

"(a) IN GENERAL.—The Secretary may provide a grant under this Act to a State only if the State agrees that it will use all amounts received from such grant—

"(1) subject to subsection (b), to provide nutritional risk assessment, food assistance based on such risk assessment, and nutrition education and counseling to economically disadvantaged pregnant women, postpartum women, breastfeeding women, infants, and young children who are determined to be at nutritional risk;

"(2) to provide milk in nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar institutions devoted to the care and training of children, to children from economically disadvantaged families;

"(3) to provide food service programs in institutions and family day care homes providing child care to children from economically disadvantaged families;

"(4) to provide summer food service programs carried out by nonprofit food authorities, local governments, nonprofit higher education institutions participating in the National Youth Sports Program, and residential nonprofit summer camps to children from economically disadvantaged families; and

"(5) to provide nutritious meals to preschool age homeless children in shelters and other facilities serving the homeless population.

"(b) ADDITIONAL REQUIREMENT.—The State shall ensure that not less than 80 percent of the amount of the grant is used to provide nutritional risk assessment, food assistance based on such nutritional risk assessment, and nutrition education and counseling to economically disadvantaged pregnant women, postpartum women, breastfeeding women, infants, and young children under subsection (a)(1).

"(c) AUTHORITY TO USE AMOUNTS FOR OTHER PURPOSES.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), a State may use not more than 20 percent of amounts received from a grant under this Act for a fiscal year to carry out a State program pursuant to any or all of the following provisions of law:

"(A) Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(B) Part B of title IV of the Social Security Act (42 U.S.C. 620 et seq.).

"(C) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

"(D) The National School Lunch Act (42 U.S.C. 1751 et seq.).

"(E) The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

"(2) SUFFICIENT FUNDING DETERMINATION.—Prior to using any amounts received from a grant under this Act for a fiscal year to carry out a State program pursuant to any or all of the provisions of law described in paragraph (1), the appropriate State agency shall make a determination that sufficient amounts will remain available for such fiscal year to carry out this Act.

"(3) RULES GOVERNING USE OF AMOUNTS FOR OTHER PURPOSES.—Amounts paid to the State under a grant under this Act that are used to carry out a State program pursuant to a provision of law specified in paragraph (1) shall not be subject to the requirements of this Act, but shall be subject to the same requirements that apply to Federal funds provided directly under the provision of law to carry out the program.

"SEC. 6. REPORTS.

"The Secretary may provide a grant under this Act to a State for a fiscal year only if the State agrees that it will submit, for such fiscal year, a report to the Secretary describing—

"(1) the number of individuals receiving assistance under the grant in accordance with each of paragraphs (1) through (5) of section 5(a);

"(2) the different types of assistance provided to such individuals in accordance with such paragraphs;

"(3) the extent to which such assistance was effective in achieving the goals described in section 2(b);

"(4) the standards and methods the State is using to ensure the nutritional quality of such assistance, including meals and supplements;

"(5) the number of low birthweight births in the State in such fiscal year compared to the number of such births in the State in the previous fiscal year; and

"(6) any other information the Secretary determines to be appropriate.

"SEC. 7. PENALTIES.

"(a) PENALTY FOR USE OF AMOUNTS IN VIOLATION OF THIS ACT.—

"(1) IN GENERAL.—The Secretary shall reduce the amounts otherwise payable to a State under a grant under this Act by any amount paid to the State under this Act which an audit conducted pursuant to chapter 75 of title 31, United States Code, finds has been used in violation of this Act.

"(2) LIMITATION.—In carrying out paragraph (1), the Secretary shall not reduce any quarterly payment by more than 25 percent.

"(b) PENALTY FOR FAILURE TO SUBMIT REQUIRED REPORT.—The Secretary shall reduce by 3 percent the amount otherwise payable to a State under a grant under this Act for a fiscal year if the Secretary determines that the State has not submitted the report required by section 6 for the immediately preceding fiscal year, within 6 months after the end of the immediately preceding fiscal year.

"SEC. 8. MODEL NUTRITION STANDARDS FOR FOOD ASSISTANCE FOR PREGNANT, POSTPARTUM, AND BREASTFEEDING WOMEN, INFANTS AND CHILDREN.

"(a) IN GENERAL.—Not later than April 1, 1996, the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences, in cooperation with pediatricians, obstetricians, nutritionists, and directors of programs providing nutritional risk assessment, food assistance, and nutrition education and counseling to economically disadvantaged pregnant women, postpartum women, breastfeeding women, infants, and young children, shall develop model nutrition standards for food assistance provided to such women, infants, and children under this Act.

"(b) REQUIREMENT.—Such model nutrition standards shall require that food assistance provided to such women, infants, and children contain nutrients that are lacking in the diets of such women, infants, and children, as determined by nutritional research.

"(c) REPORT TO CONGRESS.—Not later than 1 year after the date on which the model nutrition standards are developed under subsection (a), the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences shall prepare and submit to the Congress a report regarding the efforts of States to implement such model nutrition standards.

"SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act $4,606,000,000 for fiscal year 1996, $4,777,000,000 for fiscal year 1997, $4,936,000,000 for fiscal year 1998, $5,120,000,000 for fiscal year 1999, and $5,308,000,000 for fiscal year 2000.

"(b) AVAILABILITY.—Amounts authorized to be appropriated under subsection (a) are authorized to remain available until the end of the fiscal year subsequent to the fiscal year for which such amounts are appropriated.

"SEC. 10. DEFINITIONS.

"For purposes of this Act:

"(1) BREASTFEEDING WOMEN.—The term 'breastfeeding women' means women up to 1 year postpartum who are breastfeeding their infants.

"(2) ECONOMICALLY DISADVANTAGED.—The term 'economically disadvantaged' means an individual or a family, as the case may be, whose annual income does not exceed 185 percent of the applicable family size income levels contained in the most recent income poverty guidelines prescribed by the Office of Management and Budget and based on data from the Bureau of the Census.

"(3) INFANTS.—The term 'infants' means individuals under 1 year of age.

"(4) POSTPARTUM WOMEN.—The term 'postpartum women' means women who are in the 180-day period beginning on the termination of pregnancy.

"(5) PREGNANT WOMEN.—The term 'pregnant women' means women who have 1 or more fetuses in utero.

"(6) SCHOOL.—The term 'school' means a public or private nonprofit elementary, intermediate, or secondary school.

"(7) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"(8) STATE.—The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Virgin Islands, or a tribal organization (as defined in section 4(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(1))).

"(9) YOUNG CHILDREN.—The term 'young children' means individuals who have attained the age of 1 but have not attained the age of 5.".

CHAPTER 2—SCHOOL-BASED NUTRITION BLOCK GRANT PROGRAM

SEC. 341. AMENDMENT TO NATIONAL SCHOOL LUNCH ACT.

The National School Lunch Act (42 U.S.C. 1751 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'National School Lunch Act'.

"(b) TABLE OF CONTENTS.—The table of contents is as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Authorization.
"Sec. 3. Allotment.
"Sec. 4. Application.
"Sec. 5. Use of amounts.
"Sec. 6. Reports.
"Sec. 7. Penalties.
"Sec. 8. Assistance to children enrolled in private nonprofit schools and Department of Defense domestic dependents' schools in case of restrictions on State or failure by State to provide assistance.
"Sec. 9. Food service programs for department of defense overseas dependents' schools.
"Sec. 10. Model nutrition standards for meals for students.
"Sec. 11. Definitions.

"SEC. 2. AUTHORIZATION.

"(a) ENTITLEMENT.—

"(1) IN GENERAL.—In the case of each State that in accordance with section 4 submits to the Secretary of Agriculture an application for a fiscal year, each such State shall be entitled to receive from the Secretary for such fiscal year a grant for the purpose of achieving the goals described in subsection (b). Subject to paragraph (2), the grant shall consist of the allotment for such State determined under section 3 of the school-based nutrition amount for the fiscal year.

"(2) REQUIREMENT TO PROVIDE COMMODITIES.—9 percent of the amount of the assistance available under this Act for each State shall be in the form of commodities.

"(3) SCHOOL-BASED NUTRITION AMOUNT.—

"(A) IN GENERAL.—For purposes of this Act, the term 'school-based nutrition amount' means, subject to the reservation contained in subparagraph (B), $6,681,000,000 for fiscal year 1996, $6,956,000,000 for fiscal year 1997, $7,237,000,000 for fiscal year 1998, $7,538,000,000 for fiscal year 1999, and $7,849,000,000 for fiscal year 2000.

"(B) RESERVATION.—For each fiscal year described in subparagraph (A), the Secretary shall reserve an amount equal to the amount determined under subsection (c) of section 9 for such fiscal year from the school-based nutrition amount for the purpose of establishing and carrying out nutritious food service programs at Department of Defense overseas dependents' schools in accordance with such section.

"(4) AVAILABILITY.—Payments under a grant to a State from the allotment determined under section 3 for any fiscal year may be obligated by the State in that fiscal year or in the succeeding fiscal year.

"(b) GOALS.—The goals of this Act are—

"(1) to safeguard the health and well-being of children through the provision of nutritious, well-balanced meals and food supplements;

"(2) to provide economically disadvantaged children access to nutritious free or low cost meals, food supplements, and low-cost milk;

"(3) to ensure that children served under this Act are receiving the nutrition they require to take advantage of the educational opportunities provided to them;

"(4) to emphasize foods which are naturally good sources of vitamins and minerals over foods which have been enriched with vitamins and minerals and are high in fat or sodium content;

"(5) to provide a comprehensive school nutrition program for children; and

"(6) to minimize paperwork burdens and administrative expenses for participating schools.

"(c) TIMING OF PAYMENTS.—The Secretary shall provide payments under a grant under this Act to States on a quarterly basis.

"SEC. 3. ALLOTMENT.

"The Secretary shall allot the amount appropriated to carry out this Act for a fiscal year among the States as follows:

"(1) FIRST FISCAL YEAR.—

"(A) IN GENERAL.—With respect to the first fiscal year for which the Secretary provides grants to States under this Act, the amount allotted to each State shall bear the same proportion to such amount appropriated as the aggregate of the amounts described in subparagraph (B) that were received by each such State under the provisions of law described in such subparagraph (as such provisions of law were in effect on the day before the date of the enactment of the Personal Responsibility Act of 1995) for the preceding fiscal year bears to the aggregate of the amounts described in subparagraph (B) that were received by all such States under such provisions of law for such preceding fiscal year.

"(B) AMOUNTS DESCRIBED.—The amounts described in this subparagraph are the following:

"(i) The amount received under the school breakfast program established under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

"(ii) The amount received under the school lunch program established under this Act (42 U.S.C. 1751 et seq.).

"(iii) 12.5 percent of the sum of the amounts received under the following programs:

"(I) The child and adult care food program under section 17 of this Act (42 U.S.C. 1766), except for subsection (o) of such section.

"(II) The summer food service program for children established under section 13 of this Act (42 U.S.C. 1761).

"(III) The special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772).

"(2) SECOND FISCAL YEAR.—With respect to the second fiscal year for which the Secretary provides grants to States under this Act—

"(A) 95 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount that bears the same proportion to such amount appropriated as the amount allotted to each such State from a grant under this Act for the preceding fiscal year bears to the aggregate of the amounts allotted to all such States from grants under this Act for such preceding fiscal year; and

"(B) 5 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount that bears the same proportion to such amount appropriated as the relative number of meals served during the 1-year period ending on June 30 of the preceding fiscal year in a State from amounts received from a grant under this Act for such preceding fiscal year bears to the total number of meals served in all States from amounts received from grants under this Act for the preceding fiscal year.

"(3) THIRD AND FOURTH FISCAL YEARS.—With respect to each of the third and fourth fiscal years for which the Secretary provides grants to States under this Act—

"(A) 90 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(A); and

"(B) 10 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(B).

"(4) FIFTH FISCAL YEAR.—With respect to the fifth fiscal year for which the Secretary provides grants to States under this Act—

"(A) 85 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(A); and

"(B) 15 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount determined in accordance with the formula described in paragraph (2)(B).

"SEC. 4. APPLICATION.

"The Secretary may provide a grant under this Act to a State for a fiscal year only if the State submits to the Secretary an application containing only—

"(1) an agreement that the State will use amounts received from such grant in accordance with section 5;

"(2) except as provided in paragraph (3), an agreement that the State will set minimum nutritional requirements for meals provided under this Act based on the most recent tested nutritional research available, except that—

"(A) such requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students; and

"(B) such requirements shall, at a minimum, be based on—

"(i) the weekly average of the nutrient content of school lunches; or

"(ii) such other standards as the State may prescribe;

"(3) an agreement that the State, with respect to the provision of meals to students, shall—

"(A) implement the minimum nutritional requirements described in paragraph (2) for such meals; or

"(B) implement the model nutrition standards developed under section 10 for such meals;

"(4) an agreement that the State will take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under this Act;

"(5) an agreement that the State will use not more than 2 percent of the amount of such grant for administrative costs incurred to provide assistance under this Act; and

"(6) an agreement that the State will submit to the Secretary a report in accordance with section 6.

"SEC. 5. USE OF AMOUNTS.

"(a) IN GENERAL.—The Secretary may provide a grant under this Act to a State only if the State agrees that it will use all amounts received from such grant to provide assistance to schools to establish and carry out nutritious food service programs that provide affordable meals and supplements to students, which may include—

"(1) nonprofit school breakfast programs;

"(2) nonprofit school lunch programs;

"(3) nonprofit before and after school supplement programs;

"(4) nonprofit low-cost milk services; and

"(5) nonprofit summer meals programs.

"(b) ADDITIONAL REQUIREMENTS.—

"(1) MINIMUM AMOUNT OF GRANT FOR FREE OR LOW COST MEALS OR SUPPLEMENTS.—In providing assistance to schools to establish and carry out nutritious food service programs in accordance with subsection (a), the State shall ensure that not less than 80 percent of the amount of the grant is used to provide free or low cost meals or supplements to economically disadvantaged children.

"(2) PROVISION OF FOOD SERVICE PROGRAMS IN PRIVATE NONPROFIT SCHOOLS AND DEPARTMENT OF DEFENSE DOMESTIC DEPENDENTS' SCHOOLS.—To the extent consistent with the number of children in the State who are enrolled in private nonprofit schools and Department of Defense domestic dependents' schools, the State, after timely and appropriate consultation with representatives of such schools, as the case may be, shall ensure that nutritious food service programs are established and carried out in such schools in accordance with subsection (a) on an equitable basis with nutritious food service programs established and carried out in public nonprofit schools in the State.

"(c) AUTHORITY TO USE AMOUNTS FOR OTHER PURPOSES.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), a State may use not more than 20 percent of amounts received from a grant under this Act for a fiscal year to carry out a State program pursuant to any or all of the following provisions of law:

"(A) Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(B) Part B of title IV of the Social Security Act (42 U.S.C. 620 et seq).

"(C) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

"(D) The Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(E) The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

"(2) SUFFICIENT FUNDING DETERMINATION.—Prior to using any amounts received from a grant under this Act for a fiscal year to carry out a State program pursuant to any or all of the provisions of law described in paragraph (1), the appropriate State agency shall make a determination that sufficient amounts will remain available for such fiscal year to carry out this Act.

"(3) RULES GOVERNING USE OF AMOUNTS FOR OTHER PURPOSES.—Amounts paid to the State under a grant under this Act that are used to carry out a State program pursuant to a provision of law specified in paragraph (1) shall not be subject to the requirements of this Act, but shall be subject to the same requirements that apply to Federal funds provided directly under the provision of law to carry out the program.

"(d) LIMITATION ON PROVISION OF COMMODITIES TO CERTAIN SCHOOL DISTRICTS, PRIVATE NONPROFIT SCHOOLS, AND DEPARTMENT OF DEFENSE DOMESTIC DEPENDENTS' SCHOOLS.—

"(1) IN GENERAL.—A State may not require a school district, private nonprofit school, or Department of Defense domestic dependents' school described in paragraph (2), except upon the request of such school district, private school, or domestic dependents' school, as the case may be, to accept commodities for use in the food service program of such school district, private school, or domestic dependents' school in accordance with this section. Such school district, private school, or domestic dependents' school may continue to receive commodity assistance in the form that it received such assistance as of January 1, 1987.

"(2) SCHOOL DISTRICT, PRIVATE NONPROFIT SCHOOL, AND DEPARTMENT OF DEFENSE DOMESTIC DEPENDENTS' SCHOOL DESCRIBED.—A school district, private nonprofit school, or Department of Defense domestic dependents' school described in this paragraph is a school district, private nonprofit school, or Department of Defense domestic dependents' school, as the case may be, that as of January 1, 1987, was receiving all cash payments or all commodity letters of credit in lieu of entitlement commodities for the school lunch program of such school district, private school, or domestic dependents' school under section 18(b) of the National School Lunch Act (42 U.S.C. 1751 et seq.), as such section was in effect on the day before the date of the enactment of the Personal Responsibility Act of 1995.

"(e) PROHIBITION ON PHYSICAL SEGREGATION, OVERT IDENTIFICATION, OR OTHER DISCRIMINATION WITH RESPECT TO CHILDREN ELIGIBLE FOR FREE OR LOW COST MEALS OR SUPPLEMENTS.—In providing assistance to schools to establish and carry out nutritious food service programs in accordance with subsection (a), the State shall ensure that such schools do not—

"(1) physically segregate children eligible to receive free or low cost meals or supplements on the basis of such eligibility;

"(2) provide for the overt identification of such children by special tokens or tickets, announced or published list of names, or other means; or

"(3) otherwise discriminate against such children.

"SEC. 6. REPORTS.

"The Secretary may provide a grant under this Act to a State for a fiscal year only if the State agrees that it will submit, for such fiscal year, a report to the Secretary describing—

"(1) the number of individuals receiving assistance under the grant;

"(2) the different types of assistance provided to such individuals;

"(3) the total number of meals served to students under the grant, including the percentage of such meals served to economically disadvantaged students;

"(4) the extent to which such assistance was effective in achieving the goals described in section 2(b);

"(5) the standards and methods the State is using to ensure the nutritional quality of such assistance, including meals and supplements; and

"(6) any other information the Secretary determines to be appropriate.

"SEC. 7. PENALTIES.

"(a) PENALTY FOR USE OF AMOUNTS IN VIOLATION OF THIS ACT.—

"(1) IN GENERAL.—The Secretary shall reduce the amounts otherwise payable to a State under a grant under this Act by any amount paid to the State under this Act which an audit conducted pursuant to chapter 75 of title 31, United States Code, finds has been used in violation of this Act.

"(2) LIMITATION.—In carrying out paragraph (1), the Secretary shall not reduce any quarterly payment by more than 25 percent.

"(b) PENALTY FOR FAILURE TO SUBMIT REQUIRED REPORT.—The Secretary shall reduce by 3 percent the amount otherwise payable to a State under a grant under this Act for a fiscal year if the Secretary determines that the State has not submitted the report required by section 6 for the immediately preceding fiscal year, within 6 months after the end of the immediately preceding fiscal year.

"SEC. 8. ASSISTANCE TO CHILDREN ENROLLED IN PRIVATE NONPROFIT SCHOOLS AND DEPARTMENT OF DEFENSE DOMESTIC DEPENDENTS' SCHOOLS IN CASE OF RESTRICTIONS ON STATE OR FAILURE BY STATE TO PROVIDE ASSISTANCE.

"(a) IN GENERAL.—If, by reason of any other provision of law, a State is prohibited from providing assistance from amounts received from a grant under this Act to private nonprofit schools or Department of Defense domestic dependents' schools for a fiscal year to establish and carry out nutritious food service programs in such schools in accordance with section 5(a), or the Secretary determines that a State has substantially failed or is unwilling to provide such assistance to such private nonprofit schools or domestic dependents' schools for such fiscal year, the Secretary shall, after consultation with appropriate representatives of the State and private nonprofit schools or domestic dependents' schools, as the case may be, arrange for the provision of such assistance to private nonprofit schools or domestic dependents' schools in the State for such fiscal year in accordance with the requirements this Act.

"(b) REDUCTION IN AMOUNT OF STATE GRANT.—If the Secretary arranges for the provision of assistance to private nonprofit schools or Department of Defense domestic dependents' schools in a State for a fiscal year under subsection (a), the amount of the grant for such State for such fiscal year shall be reduced by the amount of such assistance provided to such private nonprofit schools or domestic dependents' schools, as the case may be.

"SEC. 9. FOOD SERVICE PROGRAMS FOR DEPARTMENT OF DEFENSE OVERSEAS DEPENDENTS' SCHOOLS.

"(a) IN GENERAL.—The Secretary shall make available to the Secretary of Defense for each fiscal year funds and commodities in an amount determined in accordance with subsection (c) for the purpose of establishing and carrying out nutritious food service programs that provide affordable meals and supplements to students attending Department of Defense overseas dependents' schools.

"(b) REQUIREMENTS.—In carrying out nutritious food service programs under subsection (a), the Secretary of Defense—

"(1) shall ensure that not less than 80 percent of the amount of assistance provided to each school for a fiscal year is used to provide free or low cost meals or supplements to economically disadvantaged children; and

"(2) shall ensure that, with respect to the provision of meals to students, each such school will—

"(A) implement minimum nutritional requirements for meals provided under this section based on the most recent tested nutritional research available, except that—

"(i) such requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students; and

"(ii) such requirements shall, at a minimum, be based on—

"(I) the weekly average of the nutrient content of school lunches; or

"(II) such other standards as the Secretary of Agriculture may prescribe; or

"(B) implement the model nutrition standards developed under section 10 for such meals.

"(c) AMOUNT AND SOURCE OF FUNDS AND COMMODITIES.—

"(1) AMOUNT.—The Secretary, in consultation with the Secretary of Defense, shall determine the amount of funds and commodities necessary for each fiscal year to establish and carry out nutritious food service programs described in subsection (a).

"(2) SOURCE.—Such amount of funds and commodities shall consist of the reservation of the school-based nutrition amount in accordance with section 2(a)(3)(B).

"SEC. 10. MODEL NUTRITION STANDARDS FOR MEALS FOR STUDENTS.

"(a) MODEL NUTRITION STANDARDS.—Not later than April 1, 1996, the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences, in cooperation with nutritionists and directors of programs providing meals to students under this Act, shall develop model nutrition standards for meals provided to such students under this Act.

"(b) REPORT TO CONGRESS.—Not later than 1 year after the date on which the model nutrition standards are developed under subsection (a), the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences shall prepare and submit to the Congress a report regarding the efforts of States to implement such model nutrition standards.

"SEC. 11. DEFINITIONS.

"For purposes of this Act:

"(1) DEPARTMENT OF DEFENSE DOMESTIC DEPENDENTS' SCHOOL.—The term 'Department of Defense domestic dependents' school' means an elementary or secondary school established pursuant to section 2164 of title 10, United States Code.

"(2) DEPARTMENT OF DEFENSE OVERSEAS DEPENDENTS' SCHOOL.—The term 'Department of Defense overseas dependents' school' means a Department of Defense dependents' school which is located outside the United States and the territories or possessions of the United States.

"(3) ECONOMICALLY DISADVANTAGED.—The term 'economically disadvantaged' means an individual or a family, as the case may be, whose annual income does not exceed 185 percent of the applicable family size income levels contained in the most recent income poverty guidelines prescribed by the Office of Management and Budget and based on data from the Bureau of the Census.

"(4) SCHOOL.—The term 'school' means a public or private nonprofit elementary, intermediate, or secondary school.

"(5) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"(6) STATE.—The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Virgin Islands, or a tribal organization (as defined in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l))).".

CHAPTER 3—MISCELLANEOUS PROVISIONS

SEC. 361. REPEALERS.

The following Acts are repealed:

(1) The Commodity Distribution Reform Act and WIC Amendments of 1987 (Public Law 100-237; 101 Stat. 1733).

(2) The Child Nutrition and WIC Reauthorization Act of 1989 (Public Law 101-147; 103 Stat. 877).

Subtitle C—Other Repealers and Conforming Amendments

SEC. 371. AMENDMENTS TO LAWS RELATING TO CHILD PROTECTION BLOCK GRANT.

(a) ABANDONED INFANTS ASSISTANCE.—

(1) REPEALER.—The Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is repealed.

(2) CONFORMING AMENDMENT.—Section 421(7) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061(7)) is amended to read as follows:

"(7) the term 'boarder baby' means an infant who is medically cleared for discharge from an acute-care hospital setting, but remains hospitalized because of a lack of appropriate out-of-hospital placement alternatives;".

(b) CHILD ABUSE PREVENTION AND TREATMENT.—

(1) REPEALER.—The Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.) is repealed.

(2) CONFORMING AMENDMENTS.—The Victims of Crime Act of 1984 (42 U.S.C. 10601 et seq.) is amended—

(A) in section 1402—

(i) in subsection (d)—

(I) by striking paragraph (2); and

(II) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(ii) by striking subsection (g); and

(B) by striking section 1404.

(c) ADOPTION OPPORTUNITIES.—The Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5111 et seq.) is repealed.

(d) CRISIS NURSERIES.—The Temporary Child Care for Children with Disabilities and Crisis Nurseries Act of 1986 (42 U.S.C. 5117 et seq.) is amended—

(1) in the title heading by striking "AND CRISIS NURSERIES";

(2) in section 201 by striking "and Crisis Nurseries";

(3) in section 202—

(A) by striking "provide: (A) temporary" and inserting "to provide temporary"; and

(B) by striking "children, and (B)" and all that follows through the period and inserting "children.";

(4) by striking section 204; and

(5) in section 205—

(A) in subsection (a)—

(i) in paragraph (1)(A) by striking "or 204"; and

(ii) in paragraph (2)—

(I) by striking subparagraph (D); and

(II) by redesignating subparagraph (E) as subparagraph (D);

(B) by striking subsection (b)(3); and

(C) in subsection (d)—

(i) by striking paragraph (3); and

(ii) by redesignating paragraphs (4) and (5) as paragraph (3) and (4), respectively.

(e) MISSING CHILDREN'S ASSISTANCE ACT.—The Missing Children's Assistance Act (42 U.S.C. 5771-5779) is repealed.

(f) FAMILY SUPPORT CENTERS.—Subtitle F of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11481-11489) is repealed.

(g) INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.—Subtitle A of title II of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13001-13004) is repealed.

(h) REPEAL OF FAMILY UNIFICATION PROGRAM.—Subsection (x) of section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f(x)) is repealed.

Subtitle D—Related Provisions

SEC. 381. REQUIREMENT THAT DATA RELATING TO THE INCIDENCE OF POVERTY IN THE UNITED STATES BE PUBLISHED AT LEAST EVERY 2 YEARS.

(a) IN GENERAL.—The Secretary shall, to the extent feasible, produce and publish for each State, county, and local unit of general purpose government for which data have been compiled in the then most recent census of population under section 141(a) of title 13, United States Code, and for each school district, data relating to the incidence of poverty. Such data may be produced by means of sampling, estimation, or any other method that the Secretary determines will produce current, comprehensive, and reliable data.

(b) CONTENT; FREQUENCY.—Data under this section—

(1) shall include—

(A) for each school district, the number of children age 5 to 17, inclusive, in families below the poverty level; and

(B) for each State and county referred to in subsection (a), the number of individuals age 65 or older below the poverty level; and

(2) shall be published—

(A) for each State, county, and local unit of general purpose government referred to in subsection (a), in 1996 and at least every second year thereafter; and

(B) for each school district, in 1998 and at least every second year thereafter.

(c) AUTHORITY TO AGGREGATE.—

(1) IN GENERAL.—If reliable data could not otherwise be produced, the Secretary may, for purposes of subsection (b)(1)(A), aggregate school districts, but only to the extent necessary to achieve reliability.

(2) INFORMATION RELATING TO USE OF AUTHORITY.—Any data produced under this subsection shall be appropriately identified and shall be accompanied by a detailed explanation as to how and why aggregation was used (including the measures taken to minimize any such aggregation).

(d) REPORT TO BE SUBMITTED WHENEVER DATA IS NOT TIMELY PUBLISHED.—If the Secretary is unable to produce and publish the data required under this section for any State, county, local unit of general purpose government, or school district in any year specified in subsection (b)(2), a report shall be submitted by the Secretary to the President of the Senate and the Speaker of the House of Representatives, not later than 90 days before the start of the following year, enumerating each government or school district excluded and giving the reasons for the exclusion.

(e) CRITERIA RELATING TO POVERTY.—In carrying out this section, the Secretary shall use the same criteria relating to poverty as were used in the then most recent census of population under section 141(a) of title 13, United States Code (subject to such periodic adjustments as may be necessary to compensate for inflation and other similar factors).

(f) CONSULTATION.—The Secretary shall consult with the Secretary of Education in carrying out the requirements of this section relating to school districts.

(g) DEFINITION.—For the purpose of this section, the term "Secretary" means the Secretary of Health and Human Services.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $1,500,000 for each of fiscal years 1996 through 2000.

SEC. 382. DATA ON PROGRAM PARTICIPATION AND OUTCOMES.

(a) IN GENERAL.—The Secretary shall produce data relating to participation in programs authorized by this Act by families and children. Such data may be produced by means of sampling, estimation, or any other method that the Secretary determines will produce comprehensive and reliable data.

(b) CONTENT.—Data under this section shall include, but not be limited to—

(1) changes in participation in welfare, health, education, and employment and training programs, for families and children, the duration of such participation, and the causes and consequences of any changes in program participation;

(2) changes in employment status, income and poverty status, family structure and process, and children's well-being, over time, for families and children participating in Federal programs and, if appropriate, other low-income families and children, and the causes and consequences of such changes; and

(3) demographic data, including household composition, marital status, relationship of householders, racial and ethnic designation, age, and educational attainment.

(c) FREQUENCY.—Data under this section shall reflect the period 1993 through 2002, and shall be published as often as practicable during that time, but in any event no later than December 31, 2003.

(d) DEFINITION.—For the purpose of this section, the term "Secretary" means the Secretary of Health and Human Services.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $2,500,000 in fiscal year 1996, $10,000,000 for each of fiscal years 1997 through 2002, and $2,000,000 for fiscal year 2003.

Subtitle E—General Effective Date; Preservation of Actions, Obligations, and Rights

SEC. 391. EFFECTIVE DATE.

Except as otherwise provided in this title, this title and the amendments made by this title shall take effect on October 1, 1995.

SEC. 392. APPLICATION OF AMENDMENTS AND REPEALERS.

An amendment or repeal made by this title shall not apply with respect to—

(1) powers, duties, functions, rights, claims, penalties, or obligations applicable to financial assistance provided before the effective date of amendment or repeal, as the case may be, under the Act so amended or so repealed; and

(2) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such Act.

TITLE IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

SEC. 400. STATEMENTS OF NATIONAL POLICY CONCERNING WELFARE AND IMMIGRATION.

The Congress makes the following statements concerning national policy with respect to welfare and immigration:

(1) Self-sufficiency has been a basic principle of United States immigration law since this country's earliest immigration statutes.

(2) It continues to be the immigration policy of the United States that—

(A) aliens within the nation's borders not depend on public resources to meet their needs, but rather rely on their own capabilities and the resources of their families, their sponsors, and private organizations, and

(B) the availability of public benefits not constitute an incentive for immigration to the United States.

(3) Despite the principle of self-sufficiency, aliens have been applying for and receiving public benefits from Federal, State, and local governments at increasing rates.

(4) Current eligibility rules for public assistance and unenforceable financial support agreements have proved wholly incapable of assuring that individual aliens not burden the public benefits system.

(5) It is a compelling government interest to enact new rules for eligibility and sponsorship agreements in order to assure that aliens be self-reliant in accordance with national immigration policy.

(6) It is a compelling government interest to remove the incentive for illegal immigration provided by the availability of public benefits.

Subtitle A—Eligibility for Federal Benefits Programs

SEC. 401. INELIGIBILITY OF ILLEGAL ALIENS FOR CERTAIN PUBLIC BENEFITS PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b) and (c), any alien who is not lawfully present in the United States shall not be eligible for any Federal means-tested public benefits program (as defined in section 431(d)(2)).

(b) EXCEPTION FOR EMERGENCY ASSISTANCE.—Subsection (a) shall not apply to the provision of non-cash, in-kind emergency assistance (including emergency medical services).

(c) TREATMENT OF HOUSING-RELATED ASSISTANCE.—Subsection (a) shall not apply to any program for housing or community development assistance administered by the Secretary of Housing and Urban Development, any program under title V of the Housing Act of 1949, or any assistance under section 306C of the Consolidated Farm and Rural Development Act, except that in the case of financial assistance (as defined in section 214(b) of the Housing and Community Development Act of 1980), the provisions of section 214 of such Act shall apply instead of subsection (a).

SEC. 402. INELIGIBILITY OF NONIMMIGRANTS FOR CERTAIN PUBLIC BENEFITS PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b) and (c), any alien who is lawfully present in the United States as a nonimmigrant shall not be eligible for any Federal means-tested public benefits program.

(b) EXCEPTIONS.—

(1) EMERGENCY ASSISTANCE.—Subsection (a) shall not apply to the provision of non-cash,

in-kind emergency assistance (including emergency medical services).

(2) ALIENS GRANTED ASYLUM.—Subsection (a) shall not apply to an alien who is granted asylum under section 208 of the Immigration and Nationality Act or whose deportation has been withheld under section 243(h) of such Act.

(3) CURRENT LEGAL RESIDENT EXCEPTION.—Subsection (a) shall not apply to the eligibility of an alien for a program until 1 year after the date of the enactment of this Act if, on such date of enactment, the alien is lawfully residing in any State or any territory or possession of the United States and is eligible for the program.

(4) TREATMENT OF TEMPORARY AGRICULTURAL WORKERS.—Subsection (a) shall not apply to a nonimmigrant admitted as a temporary agricultural worker under section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act or as the spouse or minor child of such a worker under section 101(a)(15)(H)(iii) of such Act.

(c) TREATMENT OF HOUSING-RELATED ASSISTANCE.—Subsection (a) shall not apply to any program for housing or community development assistance administered by the Secretary of Housing and Urban Development, any program under title V of the Housing Act of 1949, or any assistance under section 306C of the Consolidated Farm and Rural Development Act, except that in the case of financial assistance (as defined in section 214(b) of the Housing and Community Development Act of 1980), the provisions of section 214 of such Act shall apply instead of subsection (a).

(d) TREATMENT OF ALIENS PAROLED INTO THE UNITED STATES.—An alien who is paroled into the United States under section 212(d)(5) of the Immigration and Nationality Act for a period of less than 1 year shall be considered, for purposes of this subtitle, to be lawfully present in the United States as a nonimmigrant.

SEC. 403. LIMITED ELIGIBILITY OF IMMIGRANTS FOR 5 SPECIFIED FEDERAL PUBLIC BENEFITS PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b) and (c), any alien who is lawfully present in the United States (other than as a nonimmigrant to which section 402(a) or 402(c) applies) shall not be eligible for any of the following Federal means-tested public benefits programs:

(1) SSI.—The supplemental security income program under title XVI of the Social Security Act.

(2) TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—The program of block grants to States for temporary assistance for needy families under part A of title IV of the Social Security Act.

(3) SOCIAL SERVICES BLOCK GRANT.—The program of block grants to States for social services under title XX of the Social Security Act.

(4) MEDICAID.—The program of medical assistance under title XIX of the Social Security Act.

(5) FOOD STAMPS.—The program under the Food Stamp Act of 1977.

(b) EXCEPTIONS.—

(1) TIME-LIMITED EXCEPTION FOR REFUGEES.—Subsection (a) shall not apply to an alien admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5 years after the date of such alien's arrival into the United States.

(2) CERTAIN LONG-TERM, PERMANENT RESIDENT, AGED ALIENS.—Subsection (a) shall not apply to an alien who—

(A) has been lawfully admitted to the United States for permanent residence;

(B) is over 75 years of age; and

(C) has resided in the United States for at least 5 years.

(3) VETERAN AND ACTIVE DUTY EXCEPTION.—Subsection (a) shall not apply to an alien who is lawfully residing in any State (or any territory or possession of the United States) and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

Subparagraph (A) shall not apply in the case of a veteran who has been separated from military service on account of alienage.

(4) EMERGENCY ASSISTANCE.—Subsection (a) shall not apply to the provision of non-cash, in-kind emergency assistance (including emergency medical services).

(5) TRANSITION FOR CURRENT BENEFICIARIES.—Subsection (a) shall not apply to the eligibility of an alien for a program until 1 year after the date of the enactment of this Act if, on such date of enactment, the alien is lawfully residing in any State or any territory or possession of the United States and is eligible for the program.

SEC. 404. NOTIFICATION.

Each Federal agency that administers a program to which section 401, 402, or 403 applies shall, directly or through the States, post information and provide general notification to the public and to program recipients of the changes regarding eligibility for any such program pursuant to this subtitle.

Subtitle B—Eligibility for State and Local Public Benefits Programs

SEC. 411. INELIGIBILITY OF ILLEGAL ALIENS FOR STATE AND LOCAL PUBLIC BENEFITS PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as otherwise provided in this section, no alien who is not lawfully present in the United States (as determined in accordance with regulations of the Attorney General) shall be eligible for any State means-tested public benefits program (as defined in section 431(d)(3)).

(b) EXCEPTION FOR EMERGENCY ASSISTANCE.—Subsection (a) shall not apply to the provision of non-cash, in-kind emergency assistance (including emergency medical services).

SEC. 412. INELIGIBILITY OF NONIMMIGRANTS FOR STATE AND LOCAL PUBLIC BENEFITS PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as otherwise provided in this section, no alien who is lawfully present in the United States as a nonimmigrant shall be eligible for any State means-tested public benefits program (as defined in section 431(d)(3)).

(b) EXCEPTIONS.—

(1) EMERGENCY ASSISTANCE.—The limitations under subsection (a) shall not apply to the provision of non-cash, in-kind emergency assistance (including emergency medical services).

(2) ALIENS GRANTED ASYLUM.—Subsection (a) shall not apply to an alien who is granted asylum under section 208 of the Immigration and Nationality Act or whose deportation has been withheld under section 243(h) of such Act.

(3) TREATMENT OF TEMPORARY AGRICULTURAL WORKERS.—Subsection (a) shall not apply to a nonimmigrant admitted as a temporary agricultural worker under section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act or as the spouse or minor child of such a worker under section 101(a)(15)(H)(iii) of such Act.

(c) TREATMENT OF ALIENS PAROLED INTO THE UNITED STATES.—An alien who is paroled into the United States under section 212(d)(5) of the Immigration and Nationality Act for a period of less than 1 year shall be considered, for purposes of this subtitle, to be lawfully present in the United States as a nonimmigrant.

SEC. 413. STATE AUTHORITY TO LIMIT ELIGIBILITY OF IMMIGRANTS FOR STATE AND LOCAL MEANS-TESTED PUBLIC BENEFITS PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as otherwise provided in this section, a State is authorized to determine eligibility requirements for aliens who are lawfully present in the United States (other than as a nonimmigrant to which section 412(a) or 412(c) applies) for any State means-tested public benefits program.

(b) EXCEPTIONS.—

(1) TIME-LIMITED EXCEPTION FOR REFUGEES.—The authority under subsection (a) shall not apply to an alien admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5 years after the date of such alien's arrival into the United States.

(2) CERTAIN LONG-TERM, PERMANENT RESIDENT, AGED ALIENS.—The authority under subsection (a) shall not apply to an alien who—

(A) has been lawfully admitted to the United States for permanent residence;

(B) is over 75 years of age; and

(C) has resided in the United States for at least 5 years.

(3) VETERAN AND ACTIVE DUTY EXCEPTION.—The authority under subsection (a) shall not apply to an alien who is lawfully residing in any State (or any territory or possession of the United States) and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

Subparagraph (A) shall not apply in the case of a veteran who has been separated from military service on account of alienage.

(4) EMERGENCY ASSISTANCE.—The authority under subsection (a) shall not apply to the provision of non-cash, in-kind emergency assistance (including emergency medical services).

(5) TRANSITION.—The authority under subsection (a) shall not apply to eligibility of an alien for a State means-tested public benefits program until 1 year after the date of the enactment of this Act if, on such date of enactment, the alien is lawfully present in the United States and is eligible for benefits under the program. Nothing in the previous sentence is intended to address alien eligibility for such a program before the date of the enactment of this Act.

Subtitle C—Attribution of Income and Affidavits of Support

SEC. 421. ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO FAMILY-SPONSORED IMMIGRANTS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided

in subsection (c), in determining the eligibility and the amount of benefits of an alien for any means-tested public benefits program (as defined in section 431(d)) the income and resources of the alien shall be deemed to include—

(1) the income and resources of any person who executed an affidavit of support pursuant to section 213A of the Immigration and Nationality Act (as added by section 422) in behalf of such alien, and

(2) the income and resources of the spouse (if any) of the person.

(b) APPLICATION.—Subsection (a) shall apply with respect to an alien until such time as the alien achieves United States citizenship through naturalization pursuant to chapter 2 of title III of the Immigration and Nationality Act.

(c) EXCEPTION FOR HOUSING-RELATED ASSISTANCE.—Subsection (a) shall not apply to any program for housing or community development assistance administered by the Secretary of Housing and Urban Development, any program under title V of the Housing Act of 1949, or any assistance under section 306C of the Consolidated Farm and Rural Development Act.

SEC. 422. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.

(a) IN GENERAL.—Title II of the Immigration and Nationality Act is amended by inserting after section 213 the following new section:

"REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

"SEC. 213A. (a) ENFORCEABILITY.—No affidavit of support may be accepted by the Attorney General or by any consular officer to establish that an alien is not excludable as a public charge under section 212(a)(4) unless such affidavit is executed as a contract—

"(1) which is legally enforceable against the sponsor by the Federal Government and by any State (or any political subdivision of such State) which provides any means-tested public benefits program, but not later than 10 years after the alien last receives any such benefit; and

"(2) in which the sponsor agrees to submit to the jurisdiction of any Federal or State court for the purpose of actions brought under subsection (e)(2).

Such contract shall be enforceable with respect to benefits provided to the alien until such time as the alien achieves United States citizenship through naturalization pursuant to chapter 2 of title III.

"(b) FORMS.—Not later than 90 days after the date of enactment of this section, the Attorney General, in consultation with the Secretary of State and the Secretary of Health and Human Services, shall formulate an affidavit of support consistent with the provisions of this section.

"(c) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to grant third party beneficiary rights to any sponsored alien under an affidavit of support.

"(d) NOTIFICATION OF CHANGE OF ADDRESS.—(1) The sponsor shall notify the Federal Government and the State in which the sponsored alien is currently resident within 30 days of any change of address of the sponsor during the period specified in subsection (a)(1).

"(2) Any person subject to the requirement of paragraph (1) who fails to satisfy such requirement shall be subject to a civil penalty of—

"(A) not less than $250 or more than $2,000, or

"(B) if such failure occurs with knowledge that the sponsored alien has received any benefit under any means-tested public benefits program, not less than $2,000 or more than $5,000.

"(e) REIMBURSEMENT OF GOVERNMENT EXPENSES.—(1)(A) Upon notification that a sponsored alien has received any benefit under any means-tested public benefits program, the appropriate Federal, State, or local official shall request reimbursement by the sponsor in the amount of such assistance.

"(B) The Attorney General, in consultation with the Secretary of Health and Human Services, shall prescribe such regulations as may be necessary to carry out subparagraph (A).

"(2) If within 45 days after requesting reimbursement, the appropriate Federal, State, or local agency has not received a response from the sponsor indicating a willingness to commence payments, an action may be brought against the sponsor pursuant to the affidavit of support.

"(3) If the sponsor fails to abide by the repayment terms established by such agency, the agency may, within 60 days of such failure, bring an action against the sponsor pursuant to the affidavit of support.

"(4) No cause of action may be brought under this subsection later than 10 years after the alien last received any benefit under any means-tested public benefits program.

"(f) DEFINITIONS.—For the purposes of this section—

"(1) SPONSOR.—The term 'sponsor' means an individual who—

"(A) is a citizen or national of the United States or an alien who is lawfully admitted to the United States for permanent residence;

"(B) is 18 years of age or over; and

"(C) is domiciled in any State.

"(2) MEANS-TESTED PUBLIC BENEFITS PROGRAM.—The term 'means-tested public benefits program' means a program of public benefits (including cash, medical, housing, and food assistance and social services) of the Federal Government or of a State or political subdivision of a State in which the eligibility of an individual, household, or family eligibility unit for benefits under the program, or the amount of such benefits, or both are determined on the basis of income, resources, or financial need of the individual, household, or unit.".

(b) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 213 the following:

"Sec. 213A. Requirements for sponsor's affidavit of support.".

(c) EFFECTIVE DATE.—Subsection (a) of section 213A of the Immigration and Nationality Act, as inserted by subsection (a) of this section, shall apply to affidavits of support executed on or after a date specified by the Attorney General, which date shall be not earlier than 60 days (and not later than 90 days) after the date the Attorney General formulates the form for such affidavits under subsection (b) of such section.

Subtitle D—General Provisions

SEC. 431. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided in this section, the terms used in this title have the same meaning given such terms in section 101(a) of the Immigration and Nationality Act.

(b) LAWFUL PRESENCE.—For purposes of this title, the determination of whether an alien is lawfully present in the United States shall be made in accordance with regulations of the Attorney General. An individual shall not be considered to be lawfully present in the United States for purposes of this title merely because the alien may be considered to be permanently residing in the United States under color of law for purposes of any particular program.

(c) STATE.—As used in this title, the term "State" includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

(d) PUBLIC BENEFITS PROGRAMS.—As used in this title—

(1) MEANS-TESTED PROGRAM.—The term "means-tested public benefits program" means a program of public benefits (including cash, medical, housing, and food assistance and social services) of the Federal Government or of a State or political subdivision of a State in which the eligibility of an individual, household, or family eligibility unit for benefits under the program, or the amount of such benefits, or both are determined on the basis of income, resources, or financial need of the individual, household, or unit.

(2) FEDERAL MEANS-TESTED PUBLIC BENEFITS PROGRAM.—The term "Federal means-tested public benefits program" means a means-tested public benefits program of (or contributed to by) the Federal Government and under which the Federal Government has specified standards for eligibility and includes the programs specified in section 403(a).

(3) STATE MEANS-TESTED PUBLIC BENEFITS PROGRAM.—The term "State means-tested public benefits program" means a means-tested public benefits program of a State or political subdivision of a State under which the State or political subdivision specifies the standards for eligibility, and does not include any Federal means-tested public benefits program.

SEC. 432. CONSTRUCTION.

Nothing in this title shall be construed as addressing alien eligibility for governmental programs that are not means-tested public benefits programs.

Subtitle E—Conforming Amendments

SEC. 441. CONFORMING AMENDMENTS RELATING TO ASSISTED HOUSING.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) by striking "Secretary of Housing and Urban Development" each place it appears and inserting "applicable Secretary";

(2) in subsection (b), by inserting after "National Housing Act," the following: "the direct loan program under section 502 of the Housing Act of 1949 or section 502(c)(5)(D), 504, 521(a)(2)(A), or 542 of such Act, subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act,";

(3) in paragraphs (2) through (6) of subsection (d), by striking "Secretary" each place it appears and inserting "applicable Secretary";

(4) in subsection (d), in the matter following paragraph (6), by striking "the term 'Secretary'" and inserting "the term 'applicable Secretary'"; and

(5) by adding at the end the following new subsection:

"(h) For purposes of this section, the term 'applicable Secretary' means—

"(1) the Secretary of Housing and Urban Development, with respect to financial assistance administered by such Secretary and financial assistance under subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act; and

"(2) the Secretary of Agriculture, with respect to financial assistance administered by such Secretary.".

TITLE V—FOOD STAMP REFORM AND COMMODITY DISTRIBUTION

SEC. 501. SHORT TITLE.

This title may be cited as the "Food Stamp Reform and Commodity Distribution Act".

Subtitle A—Commodity Distribution Provisions

SEC. 511. SHORT TITLE.

This subtitle may be cited as the "Commodity Distribution Act of 1995".

SEC. 512. AVAILABILITY OF COMMODITIES.

(a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter in this subtitle referred to as the "Secretary") is authorized during fiscal years 1996 through 2000 to purchase a variety of nutritious and useful commodities and distribute such commodities to the States for distribution in accordance with this subtitle.

(b) In addition to the commodities described in subsection (a), the Secretary may expend funds made available to carry out section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), which are not expended or needed to carry out such sections, to purchase, process, and distribute commodities of the types customarily purchased under such section to the States for distribution in accordance with this subtitle.

(c) In addition to the commodities described in subsections (a) and (b), agricultural commodities and the products thereof made available under clause (2) of the second sentence of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), may be made available by the Secretary to the States for distribution in accordance with this subtitle.

(d) In addition to the commodities described in subsections (a), (b), and (c), commodities acquired by the Commodity Credit Corporation that the Secretary determines, in the discretion of the Secretary, are in excess of quantities need to—

(1) carry out other domestic donation programs;

(2) meet other domestic obligations;

(3) meet international market development and food aid commitments; and

(4) carry out the farm price and income stabilization purposes of the Agricultural Adjustment Act of 1938, the Agricultural Act of 1949, and the Commodity Credit Corporation Charter Act;

shall be made available by the Secretary, without charge or credit for such commodities, to the States for distribution in accordance with this subtitle.

(e) During each fiscal year, the types, varieties, and amounts of commodities to be purchased under this subtitle shall be determined by the Secretary. In purchasing such commodities, except those commodities purchased pursuant to section 520, the Secretary shall, to the extent practicable and appropriate, make purchases based on—

(1) agricultural market conditions;

(2) the preferences and needs of States and distributing agencies; and

(3) the preferences of the recipients.

SEC. 513. STATE, LOCAL AND PRIVATE SUPPLEMENTATION OF COMMODITIES.

(a) The Secretary shall establish procedures under which State and local agencies, recipient agencies, or any other entity or person may supplement the commodities distributed under this subtitle for use by recipient agencies with nutritious and wholesome commodities that such entities or persons donate for distribution, in all or part of the State, in addition to the commodities otherwise made available under this subtitle.

(b) States and eligible recipient agencies may use—

(1) the funds appropriated for administrative cost under section 519(b);

(2) equipment, structures, vehicles, and all other facilities involved in the storage, handling, or distribution of commodities made available under this subtitle; and

(3) the personnel, both paid or volunteer, involved in such storage, handling, or distribution;

to store, handle or distribute commodities donated for use under subsection (a).

(c) States and recipient agencies shall continue, to the maximum extent practical, to use volunteer workers, and commodities and other foodstuffs donated by charitable and other organizations, in the distribution of commodities under this subtitle.

SEC. 514. STATE PLAN.

(a) A State seeking to receive commodities under this subtitle shall submit a plan of operation and administration every four years to the Secretary for approval. The plan may be amended at any time, with the approval of the Secretary.

(b) The State plan, at a minimum, shall—

(1) designate the State agency responsible for distributing the commodities received under this subtitle;

(2) set forth a plan of operation and administration to expeditiously distribute commodities under this subtitle in quantities requested to eligible recipient agencies in accordance with sections 516 and 520;

(3) set forth the standards of eligibility for recipient agencies; and

(4) set forth the standards of eligibility for individual or household recipients of commodities, which at minimum shall require—

(A) individuals or households to be comprised of needy persons; and

(B) individual or household members to be residing in the geographic location served by the distributing agency at the time of application for assistance.

(c) The Secretary shall encourage each State receiving commodities under this subtitle to establish a State advisory board consisting of representatives of all interested entities, both public and private, in the distribution of commodities received under this subtitle in the State.

(d) A State agency receiving commodities under this subtitle may—

(1)(A) enter into cooperative agreements with State agencies of other States to jointly provide commodities received under this subtitle to eligible recipient agencies that serve needy persons in a single geographical area which includes such States; or

(B) transfer commodities received under this subtitle to any such eligible recipient agency in the other State under such agreement; and

(2) advise the Secretary of an agreement entered into under this subsection and the transfer of commodities made pursuant to such agreement.

SEC. 515. ALLOCATION OF COMMODITIES TO STATES.

(a) In each fiscal year, except for those commodities purchased under section 520, the Secretary shall allocate the commodities distributed under this subtitle as follows:

(1) 60 percent of the such total value of commodities shall be allocated in a manner such that the value of commodities allocated to each State bears the same ratio to 60 percent of such total value as the number of persons in households within the State having incomes below the poverty line bears to the total number of persons in households within all States having incomes below such poverty line. Each State shall receive the value of commodities allocated under this paragraph.

(2) 40 percent of such total value of commodities shall be allocated in a manner such that the value of commodities allocated to each State bears the same ratio to 40 percent of such total value as the average monthly number of unemployed persons within the State bears to the average monthly number of unemployed persons within all States during the same fiscal year. Each State shall receive the value of commodities allocated to the State under this paragraph.

(b)(1) The Secretary shall notify each State of the amount of commodities that such State is allotted to receive under subsection (a) or this subsection, if applicable. Each State shall promptly notify the Secretary if such State determines that it will not accept any or all of the commodities made available under such allocation. On such a notification by a State, the Secretary shall reallocate and distribute such commodities as the Secretary deems appropriate and equitable. The Secretary shall further establish procedures to permit States to decline to receive portions of such allocation during each fiscal year as the State determines is appropriate and the Secretary shall reallocate and distribute such allocation as the Secretary deems appropriate and equitable.

(2) In the event of any drought, flood, hurricane, or other natural disaster affecting substantial numbers of persons in a State, county, or parish, the Secretary may request that States unaffected by such a disaster consider assisting affected States by allowing the Secretary to reallocate commodities from such unaffected State to States containing areas adversely affected by the disaster.

(c) Purchases of commodities under this subtitle shall be made by the Secretary at such times and under such conditions as the Secretary determines appropriate within each fiscal year. All commodities so purchased for each such fiscal year shall be delivered at reasonable intervals to States based on the allocations and reallocations made under subsections (a) and (b), and or carry out section 520, not later than December 31 of the following fiscal year.

SEC. 516. PRIORITY SYSTEM FOR STATE DISTRIBUTION OF COMMODITIES.

(a) In distributing the commodities allocated under subsections (a) and (b) of section 515, the State agency, under procedures determined by the State agency, shall offer, or otherwise make available, its full allocation of commodities for distribution to emergency feeding organizations.

(b) If the State agency determines that the State will not exhaust the commodities allocated under subsections (a) and (b) of section 515 through distribution to organizations referred to in subsection (a), its remaining allocation of commodities shall be distributed to charitable institutions described in section 523(3) not receiving commodities under subsection (a).

(c) If the State agency determines that the State will not exhaust the commodities allocated under subsections (a) and (b) of section 515 through distribution to organizations referred to in subsections (a) and (b), its remaining allocation of commodities shall be distributed to any eligible recipient agency not receiving commodities under subsections (a) and (b).

SEC. 517. INITIAL PROCESSING COSTS.

The Secretary may use funds of the Commodity Credit Corporation to pay the costs

of initial processing and packaging of commodities to be distributed under this subtitle into forms and in quantities suitable, as determined by the Secretary, for use by the individual households or eligible recipient agencies, as applicable. The Secretary may pay such costs in the form of Corporation-owned commodities equal in value to such costs. The Secretary shall ensure that any such payments in kind will not displace commercial sales of such commodities.

SEC. 518. ASSURANCES; ANTICIPATED USE.

(a) The Secretary shall take such precautions as the Secretary deems necessary to ensure that commodities made available under this subtitle will not displace commercial sales of such commodities or the products thereof. The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate by December 31, 1997, and not less than every two years thereafter, a report as to whether and to what extent such displacements or substitutions are occurring.

(b) The Secretary shall determine that commodities provided under this subtitle shall be purchased and distributed only in quantities that can be consumed without waste. No eligible recipient agency may receive commodities under this subtitle in excess of anticipated use, based on inventory records and controls, or in excess of its ability to accept and store such commodities.

SEC. 519. AUTHORIZATION OF APPROPRIATIONS.

(a) PURCHASE OF COMMODITIES.—To carry out this subtitle, there are authorized to be appropriated $260,000,000 for each of the fiscal years 1996 through 2000 to purchase, process, and distribute commodities to the States in accordance with this subtitle.

(b) ADMINISTRATIVE FUNDS.—

(1) There are authorized to be appropriated $40,000,000 for each of the fiscal years 1996 through 2000 for the Secretary to make available to the States for State and local payments for costs associated with the distribution of commodities by eligible recipient agencies under this subtitle, excluding costs associated with the distribution of those commodities distributed under section 520. Funds appropriated under this paragraph for any fiscal year shall be allocated to the States on an advance basis dividing such funds among the States in the same proportions as the commodities distributed under this subtitle for such fiscal year are allocated among the States. If a State agency is unable to use all of the funds so allocated to it, the Secretary shall reallocate such unused funds among the other States in a manner the Secretary deems appropriate and equitable.

(2)(A) A State shall make available in each fiscal year to eligible recipient agencies in the State not less than 40 percent of the funds received by the State under paragraph (1) for such fiscal year, as necessary to pay for, or provide advance payments to cover, the allowable expenses of eligible recipient agencies for distributing commodities to needy persons, but only to the extent such expenses are actually so incurred by such recipient agencies.

(B) As used in this paragraph, the term "allowable expenses" includes—

(i) costs of transporting, storing, handling, repackaging, processing, and distributing commodities incurred after such commodities are received by eligible recipient agencies;

(ii) costs associated with determinations of eligibility, verification, and documentation;

(iii) costs of providing information to persons receiving commodities under this subtitle concerning the appropriate storage and preparation of such commodities; and

(iv) costs of recordkeeping, auditing, and other administrative procedures required for participation in the program under this subtitle.

(C) If a State makes a payment, using State funds, to cover allowable expenses of eligible recipient agencies, the amount of such payment shall be counted toward the amount a State must make available for allowable expenses of recipient agencies under this paragraph.

(3) States to which funds are allocated for a fiscal year under this subsection shall submit financial reports to the Secretary, on a regular basis, as to the use of such funds. No such funds may be used by States or eligible recipient agencies for costs other than those involved in covering the expenses related to the distribution of commodities by eligible recipient agencies.

(4)(A) Except as provided in subparagraph (B), to be eligible to receive funds under this subsection, a State shall provide in cash or in kind (according to procedures approved by the Secretary for certifying these in-kind contributions) from non-Federal sources a contribution equal to the difference between—

(i) the amount of such funds so received; and

(ii) any part of the amount allocated to the State and paid by the State—

(I) to eligible recipient agencies; or

(II) for the allowable expenses of such recipient agencies; for use in carrying out this subtitle.

(B) Funds allocated to a State under this section may, upon State request, be allocated before States satisfy the matching requirement specified in subparagraph (A), based on the estimated contribution required. The Secretary shall periodically reconcile estimated and actual contributions and adjust allocations to the State to correct for overpayments and underpayments.

(C) Any funds distributed for administrative costs under section 520(b) shall not be covered by this paragraph.

(5) States may not charge for commodities made available to eligible recipient agencies, and may not pass on to such recipient agencies the cost of any matching requirements, under this subtitle.

(c) The value of the commodities made available under subsections (c) and (d) of section 512, and the funds of the Commodity Credit Corporation used to pay the costs of initial processing, packaging (including forms suitable for home use), and delivering commodities to the States shall not be charged against appropriations authorized by this section.

SEC. 520. COMMODITY SUPPLEMENTAL FOOD PROGRAM.

(a) From the funds appropriated under section 519(a), $94,500,000 shall be used for each fiscal year to purchase and distribute commodities to supplemental feeding programs serving woman, infants, and children or elderly individuals (hereinafter in this section referred to as the "commodity supplemental food program"), or serving both groups wherever located.

(b) Not more than 20 percent of the funds made available under subsection (a) shall be made available to the States for State and local payments of administrative costs associated with the distribution of commodities by eligible recipient agencies under this section. Administrative costs for the purposes of the commodity supplemental food program shall include, but not be limited to, expenses for information and referral, operation, monitoring, nutrition education, start-up costs, and general administration, including staff, warehouse and transportation personnel, insurance, and administration of the State or local office.

(c)(1) During each fiscal year the commodity supplemental food program is in operation, the types, varieties, and amounts of commodities to be purchased under this section shall be determined by the Secretary, but, if the Secretary proposes to make any significant changes in the types, varieties, or amounts from those that were available or were planned at the beginning of the fiscal year the Secretary shall report such changes before implementation to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(2) Notwithstanding any other provision of law, the Commodity Credit Corporation shall, to the extent that the Commodity Credit Corporation inventory levels permit, provide not less than 9,000,000 pounds of cheese and not less than 4,000,000 pounds of nonfat dry milk in each of the fiscal years 1996 through 2000 to the Secretary. The Secretary shall use such amounts of cheese and nonfat dry milk to carry out the commodity supplemental food program before the end of each fiscal year.

(d) The Secretary shall, in each fiscal year, approve applications of additional sites for the program, including sites that serve only elderly persons, in areas in which the program currently does not operate, to the full extent that applications can be approved within the appropriations available for the program for the fiscal year and without reducing actual participation levels (including participation of elderly persons under subsection (e)) in areas in which the program is in effect.

(e) If a local agency that administers the commodity supplemental food program determines that the amount of funds made available to the agency to carry out this section exceeds the amount of funds necessary to provide assistance under such program to women, infants, and children, the agency, with the approval of the Secretary, may permit low-income elderly persons (as defined by the Secretary) to participate in and be served by such program.

(f)(1) If it is necessary for the Secretary to pay a significantly higher than expected price for one or more types of commodities purchased under this section, the Secretary shall promptly determine whether the price is likely to cause the number of persons that can be served in the program in a fiscal year to decline.

(2) If the Secretary determines that such a decline would occur, the Secretary shall promptly notify the State agencies charged with operating the program of the decline and shall ensure that a State agency notify all local agencies operating the program in the State of the decline.

(g) Commodities distributed to States pursuant to this section shall not be considered in determining the commodity allocation to each State under section 515 or priority of distribution under section 516.

SEC. 521. COMMODITIES NOT INCOME.

Notwithstanding any other provision of law, commodities distributed under this subtitle shall not be considered income or resources for purposes of determining recipient eligibility under any Federal, State, or local means-tested program.

SEC. 522. PROHIBITION AGAINST CERTAIN STATE CHARGES.

Whenever a commodity is made available without charge or credit under this subtitle

by the Secretary for distribution within the States to eligible recipient agencies, the State may not charge recipient agencies any amount that is in excess of the State's direct costs of storing, and transporting to recipient agencies the commodities minus any amount the Secretary provides the State for the costs of storing and transporting such commodities.

SEC. 523. DEFINITIONS.

As used in this subtitle:

(1) The term "average monthly number of unemployed persons" means the average monthly number of unemployed persons within a State in the most recent fiscal year for which such information is available as determined by the Bureau of Labor Statistics of the Department of Labor.

(2) The term "elderly persons" means individuals 60 years of age or older.

(3) The term "eligible recipient agency" means a public or nonprofit organization that administers—

(A) an institution providing commodities to supplemental feeding programs serving women, infants, and children or serving elderly persons, or serving both groups;

(B) an emergency feeding organization;

(C) a charitable institution (including a hospital and a retirement home, but excluding a penal institution) to the extent that such institution serves needy persons;

(D) a summer camp for children, or a child nutrition program providing food service;

(E) a nutrition project operating under the Older Americans Act of 1965, including such project that operates a congregate nutrition site and a project that provides home-delivered meals; or

(F) a disaster relief program;and that has been designated by the appropriate State agency, or by the Secretary, and approved by the Secretary for participation in the program established under this subtitle.

(4) The term "emergency feeding organization" means a public or nonprofit organization that administers activities and projects (including the activities and projects of a charitable institution, a food bank, a food pantry, a hunger relief center, a soup kitchen, or a similar public or private nonprofit eligible recipient agency) providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

(5) The term "food bank" means a public and charitable institution that maintains an established operation involving the provision of food or edible commodities, or the products thereof, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food to feed needy persons on a regular basis.

(6) The term "food pantry" means a public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than the Department of Agriculture, to relieve situations of emergency and distress.

(7) The term "needy persons" means—

(A) individuals who have low incomes or who are unemployed, as determined by the State (in no event shall the income of such individual or household exceed 185% of the poverty line);

(B) households certified as eligible to participate in the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); or

(C) individuals or households participating in any other Federal, or Federally assisted, means-tested program.

(8) The term "poverty line" has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

(9) The term "soup kitchen" means a public and charitable institution that, as integral part of its normal activities, maintains an established feeding operation to provide food to needy homeless persons on a regular basis.

SEC. 524. REGULATIONS.

(a) The Secretary shall issue regulations within 120 days to implement this subtitle.

(b) In administering this subtitle, the Secretary shall minimize, to the maximum extent practicable, the regulatory, recordkeeping, and paperwork requirements imposed on eligible recipient agencies.

(c) The Secretary shall as early as feasible but not later than the beginning of each fiscal year, publish in the Federal Register a nonbinding estimate of the types and quantities of commodities that the Secretary anticipates are likely to be made available under the commodity distribution program under this subtitle during the fiscal year.

(d) The regulations issued by the Secretary under this section shall include provisions that set standards with respect to liability for commodity losses for the commodities distributed under this subtitle in situations in which there is no evidence of negligence or fraud, and conditions for payment to cover such losses. Such provisions shall take into consideration the special needs and circumstances of eligible recipient agencies.

SEC. 525. FINALITY OF DETERMINATIONS.

Determinations made by the Secretary under this subtitle and the facts constituting the basis for any donation of commodities under this subtitle, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.

SEC. 526. SALE OF COMMODITIES PROHIBITED.

Except as otherwise provided in section 517, none of the commodities distributed under this subtitle shall be sold or otherwise disposed of in commercial channels in any form.

SEC. 527. SETTLEMENT AND ADJUSTMENT OF CLAIMS.

(a) The Secretary, or a designee of the Secretary, shall have the authority to—

(1) determine the amount of, settle, and adjust any claim arising under this subtitle; and

(2) waive such a claim if the Secretary determines that to do so will serve the purposes of this subtitle.

(b) Nothing contained in this section shall be construed to diminish the authority of the Attorney General of the United States under section 516 of title 28, United States Code, to conduct litigation on behalf of the United States.

SEC. 528. REPEALERS; AMENDMENTS.

(a) The Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is repealed.

(b) AMENDMENTS.—

(1) The Hunger Prevention Act of 1988 (7 U.S.C. 612c note) is amended—

(A) by striking section 110;

(C) by striking subtitle C; and

(B) by striking section 502.

(2) The Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note) is amended by striking section 4.

(3) The Charitable Assistance and Food Bank Act of 1987 (7 U.S.C. 612c note) is amended by striking section 3.

(4) The Food Security Act of 1985 (7 U.S.C. 612c note) is amended—

(A) by striking section 1571; and

(B) in section 1562(d), by striking "section 4 of the Agricultural and Consumer Protection Act of 1973" and inserting "section 110 of the Commodity Distribution Act of 1995".

(5) The Agricultural and Consumer Protection Act of 1973 (7 U.S.C. 612c note) is amended—

(A) in section 4(a), by striking "institutions (including hospitals and facilities caring for needy infants and children), supplemental feeding programs serving women, infants and children or elderly persons, or both, wherever located, disaster areas, summer camps for children" and inserting "disaster areas";

(B) in subsection 4(c), by striking "the Emergency Food Assistance Act of 1983" and inserting "the Commodity Distribution Act of 1995"; and

(C) by striking section 5.

(6) The Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 612c note) is amended by striking section 1773(f).

Subtitle B—Simplification and Reform of Food Stamp Program

SEC. 531. SHORT TITLE.

This subtitle may be cited as the "Food Stamp Simplification and Reform Act of 1995".

CHAPTER 1—SIMPLIFIED FOOD STAMP PROGRAM AND STATE ASSISTANCE FOR NEEDY FAMILIES

SEC. 541. ESTABLISHMENT OF SIMPLIFIED FOOD STAMP PROGRAM.

Section 4(a) of the Food Stamp Act of 1977 (7 U.S.C. 2013(a)) is amended—

(1) by inserting "(1)" after "(a)"; and

(3) by adding at the end the following new paragraph:

"(2) At the request of the State agency, a State may operate a program, as provided in section 24, within the State or any political subdivisions within the State in which households with one or more members receiving regular cash benefits under the program established by the State under the Temporary Assistance for Needy Families Block Grant will be issued food stamp benefits in accordance with the rules and procedures established—

"(A) by the State under the Temporary Assistance for Needy Families Block Grant or this Act; or

"(B) under the food stamp program.".

SEC. 542. SIMPLIFIED FOOD STAMP PROGRAM.

(a) The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding the following new section:

"SEC. 24. SIMPLIFIED FOOD STAMP PROGRAM.

"(a) If a State elects to operate a program under section 4(a)(2) within the State or any political subdivision within the State—

"(1) households in which all members receive regular cash benefits under the program established by the State under the Temporary Assistance for Needy Families Block Grant shall be automatically eligible to participate in the food stamp program;

"(2) benefits under such program shall be determined under the rules and procedures established by the State or political subdivision under the Temporary Assistance for Needy Families Block Grant or under the food stamp program, subject to subsection (g).

"(b) In approving a State plan to carry out a program under section 4(a)(2), the Secretary shall certify that the average level of food stamp benefits per household participating in the program under such section for

the State or political subdivision in which such program is in operation is not expected to exceed the average level of food stamp benefits per household that received benefits under the program established by a State under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in such area in the preceding fiscal year, adjusted for any changes in the thrifty food plan under section 3(o). The Secretary shall compute the permissible average level of food stamp benefits per household each year for each State or political subdivision in which such program is in operation and may require a State to report any information necessary to make such computation.

"(c) When the Secretary determines that the average level of food stamp benefits per household provided by the State or political subdivision under such program has exceeded the permissible average level of food stamp benefits per household for the State or political subdivision in which the program was in operation, the State or political subdivision shall pay to the Treasury of the United States the value of the food stamp benefits in excess of the permissible average level of food stamp benefits per household in the State or political subdivision within 90 days after the notification of such excess payments.

"(d)(1) A household against which a penalty is imposed (including a reduction in benefits or disqualification) for noncompliance with the program established by the State under the Temporary Assistance for Needy Families Block Grant may have the same penalty imposed against it (including a reduction in benefits or disqualification) in the program administered under this section.

"(2) If the penalty for noncompliance with the program established by the State under the Temporary Assistance for Needy Families block grant is a reduction in benefits in such program, the household shall not receive an increased allotment under the program administered under this section as a result of a decrease in the household's income (as determined by the State under this section) caused by such penalty.

"(3) Any household disqualified from the program administered under this subsection may, after such disqualification period has expired, apply for food stamp benefits under this Act and shall be treated as a new applicant.

"(e) If a State or political subdivision, at its option, operates a program under section 4(a)(2) for households that include any member who does not receive regular cash benefits under the program established by the State under the Temporary Assistance for Needy Families Block Grant, the Secretary shall ensure that the State plan provides that household eligibility shall be determined under this Act, benefits may be determined under the rules and procedures established by the State under the Temporary Assistance for Needy Families Block Grant or this Act, and benefits provided under this section shall be equitably distributed among all household members.

"(f)(1) Under the program operated under section 4(a)(2), the State may elect to provide cash assistance in lieu of allotments to all households that include a member who is employed and whose employment produces for the benefit of the member's household income that satisfies the requirements of paragraph (2).

"(2) The State, in electing to provide cash assistance under paragraph (1), at a minimum shall require that such earned income is—

"(A) not less that $350 per month;

"(B) earned from employment provided by a nongovernmental employer, as determined by the State; and

"(C) received from the same employer for a period of employment of not less than 3 consecutive months.

"(3) If a State that makes the election described in paragraph (1) identifies each household that receives cash assistance under this subsection—

"(A) the Secretary shall pay to the State an amount equal to the value of the allotment that such household would be eligible to receive under this section but for the operation of this subsection;

"(B) the State shall provide such amount to the household as cash assistance in lieu of such allotment; and

"(C) for purposes of the food stamp program (other than this section and section 4(a)(2))—

"(i) such cash assistance shall be considered to be an allotment; and

"(ii) such household shall not receive any other food stamp benefit for the period for which such cash assistance is provided.

"(4) A State that makes the election in paragraph (1) shall—

"(A) increase the cash benefits provided to households under this subsection to compensate for any State or local sales tax that may be collected on purchases of food by any household receiving cash benefits under this subsection, unless the Secretary determines on the basis of information provided by the State that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and

"(B) pay the cost of any increase in cash benefits required by paragraph (1).

"(5) After a State operates a program under this subsection for 2 years, the State shall provide to the Secretary a written evaluation of the impact of cash assistance.

"(g) In operating a program under section 4(a)(2), the State or political subdivision may follow the rules and procedures established by the State or political subdivision under the Temporary Assistance for Needy Families Block Grant or under the food stamp program, except that the State or political subdivision shall comply with the requirements of—

"(1) subsections (a) through (g) of section 7 (relating to the issuance and use of coupons);

"(2) section 8(a) (relating to the value of allotments, except that a household's income may be determined under the program established by the State under the Temporary Assistance for Needy Families Block Grant);

"(3) section 8(b) (allotment not considered income or resources);

"(4) subsections (a), (c), (d), and (n) of section 11 (relating to administration);

"(5) paragraphs (8), (12), (17), (19), (21), (26), and (27) of section 11(e) (relating to the State plan);

"(6) section 11(e)(10) (relating to a fair hearing) or a comparable requirement established by the State under the Temporary Assistance for Needy Families Block Grant; and

"(7) section 16 (relating to administrative cost-sharing and quality control).".

(b) Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (24), by striking "and" at the end;

(2) in paragraph (25), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(26) the plans of the State agency for operating, at the election of the State, a program under section 4(a)(2), including—

"(A) the rules and procedures to be followed by the State to determine food stamp benefits;

"(B) a statement specifying whether the program operated by the State under section 4(a)(2) will include households that include members who do not receive regular cash benefits under the program established by the State under the Temporary Assistance for Needy Families Block Grant; and

"(C) a description of the method by which the State or political subdivision will carry out a quality control system under section 16(c).".

SEC. 543. CONFORMING AMENDMENTS.

(a) Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by striking subsection (e).

(b) Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended—

(1) by striking subsection (i); and

(2) by redesignating subsections (j), (k), and (l) as subsections (i), (j), and (k), respectively.

CHAPTER 2—FOOD STAMP PROGRAM

SEC. 551. THRIFTY FOOD PLAN.

Section (3)(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended by striking "(4) through January 1, 1980, adjust the cost of such diet every January 1 and July 1" and all that follows through the end of the subsection, and inserting the following: "(4) on October 1, 1995, adjust the cost of the thrifty food plan to reflect 103 percent of the cost of the thrifty food plan in June 1994 and increase such amount by 2 percent, rounding the result to the nearest lower dollar increment for each household size, and (5) on October 1, 1996, and each October 1 thereafter, increase the amount established for the preceding October 1, before such amount was rounded, by 2 percent, rounding the result to the nearest lower dollar increment for each household size.".

SEC. 552. INCOME DEDUCTIONS AND ENERGY ASSISTANCE.

(a) Section 5(d)(11) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(11)) is amended—

(1) by striking "(A)"; and

(2) by striking "or (B) under any State or local laws," and all that follows through "or impracticable to do so,".

(b) Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended to read as follows:

"(e)(1) DEDUCTIONS FOR STANDARD AND EARNED INCOME.—

"(A) In computing household income, the Secretary shall allow a standard deduction of $134 a month for each household, except that households in Alaska, Hawaii, Guam, and the Virgin Islands of the United States shall be allowed a standard deduction of $229, $189, $269, and $118, respectively.

"(B) All households with earned income shall also be allowed an additional deduction of 20 percent of all earned income (other than that excluded by subsection (d) of this section and that earned under section 16(j)), to compensate for taxes, other mandatory deductions from salary, and work expenses, except that such additional deduction shall not be allowed with respect to earned income that a household willfully or fraudulently fails (as proven in a proceeding provided for in section 6(b)) to report in a timely manner.

"(2) DEPENDENT CARE DEDUCTION.—The Secretary shall allow households, a deduction with respect to expenses other than expenses paid on behalf of the household by a

third party or amounts made available and excluded for the expenses under subsection (d)(3), the maximum allowable level of which shall be $200 a month for each dependent child under 2 years of age and $175 a month for each other dependent, for the actual cost of payments necessary for the care of a dependent when such care enables a household member to accept or continue employment, or training or education which is preparatory for employment.

"(3) EXCESS SHELTER EXPENSE DEDUCTION.—

"(A) The Secretary shall allow households, other than those households containing an elderly or disabled member, with respect to expenses other than expenses paid on behalf of the household by a third party, an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 percent of monthly household income after all other applicable deductions have been allowed.

"(B) Such excess shelter expense deduction shall not exceed $231 a month in the 48 contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $402, $330, $280, and $171 a month, respectively.

"(C)(i) Notwithstanding section 2605(f)) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)), a household may not claim as a shelter expense any payment received, or costs paid on its behalf, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

"(ii) Notwithstanding section 2605(f)) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)), a State agency may use a standard utility allowance as provided under subparagraph (D) for heating and cooling expenses only if the household incurs out-of-pocket heating or cooling expenses in excess of any payment received, or costs paid on its behalf, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

"(iii) For purposes of the food stamp program, assistance provided under the Low-Income Home Energy Assistance Act of 1981 shall be considered to be prorated over the entire heating or cooling season for which it was provided.

"(iv) At the end of any certification period and up to one additional time during each twelve-month period, a State agency shall allow a household to switch between any standard utility allowance and a deduction based on its actual utility costs.

"(D)(i) In computing the excess shelter expense deduction, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance which does not fluctuate within a year to reflect seasonal variations.

"(ii) An allowance for a heating or cooling expense may not be used for a household that does not incur a heating or cooling expense, as the case may be, or does incur a heating or cooling expense but is located in a public housing unit which has central utility meters and charges households, with regard to such expense, only for excess utility costs.

"(iii) No such allowance may be used for a household that shares such expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both.

"(4) HOMELESS SHELTER DEDUCTION.—(A) A State shall develop a standard homeless shelter deduction, which shall not exceed $139 a month, for the expenses that may reasonably be expected to be incurred by households in which all members are homeless but are not receiving free shelter throughout the month. Subject to subparagraph (B), the State shall use such deduction in determining eligibility and allotments for such households.

"(B) The Secretary may prohibit the use of the standard homeless shelter deduction for households with extremely low shelter costs.

"(5) ELDERLY AND DISABLED HOUSEHOLDS.—

"(A) The Secretary shall allow households containing an elderly or disabled member, with respect to expenses other than expenses paid on behalf of the household by a third party—

"(i) an excess medical expense deduction for that portion of the actual cost of allowable medical expenses, incurred by elderly or disabled members, exclusive of special diets, that exceed $35 a month; and

"(ii) an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 percent of monthly household income after all other applicable deductions have been allowed.

"(B) State agencies shall offer eligible households a method of claiming a deduction for recurring medical expenses that are initially verified under the excess medical expense deduction provided for in subparagraph (A), in lieu of submitting information or verification on actual expenses on a monthly basis. The method described in the preceding sentence shall be designed to minimize the administrative burden for eligible elderly and disabled household members choosing to deduct their recurrent medical expenses pursuant to such method, shall rely on reasonable estimates of the member's expected medical expenses for the certification period (including changes that can be reasonably anticipated based on available information about the member's medical condition, public or private medical insurance coverage, and the current verified medical expenses incurred by the member), and shall not require further reporting or verification of a change in medical expenses if such a change has been anticipated for the certification period.

"(6) CHILD SUPPORT DEDUCTION.—Before determining the excess shelter expense deduction, the Secretary shall allow all households a deduction for child support payments made by a household member to or for an individual who is not a member of the household if such household member was legally obligated to make such payments, except that the Secretary is authorized to prescribe by regulation the methods, including calculation on a retrospective basis, that State agencies shall use to determine the amount of the deduction for child support payments.".

(c) Section 11(e)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(3)) is amended by striking "Under the rules prescribed by the Secretary, a State agency shall develop standard estimates" and all that follows through the end of the paragraph.

SEC. 553. VEHICLE ALLOWANCE.

Section 5(g)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)) is amended by striking "a level set by the Secretary, which shall be $4,500 through August 31, 1994," and all that follows through the end of the paragraph, and inserting "$4,550.".

SEC. 554. WORK REQUIREMENTS.

(a) Section 6(d) of the Food Stamp Act of 1977 (42 U.S.C. 2015(d)) is amended—

(1) in paragraph (1)(A)(ii), by striking "an employment and training program under paragraph (4), to the extent required under paragraph (4), including any reasonable employment requirements as are prescribed by the State agency in accordance with paragraph (4)" and inserting "a State job search program";

(2) in paragraph (2)(A)—

(A) by striking "title IV of the Social Security Act (42 U.S.C. 602)" and inserting "the program established by the State under the Temporary Assistance for Needy Families Block Grant"; and

(B) by striking "that is comparable to a requirement of paragraph (1)"; and

(3) by amending paragraph (4) to read as follows:

"(4)(A) Except as provided in subparagraphs (B), (C), and (D), an individual shall not be denied initial eligibility but shall be disqualified from the food stamp program if after 90 days from the certification of eligibility of such individual the individual was not employed a minimum of 20 hours per week, or does not participate in a program established under section 20 or a comparable program established by the State or local government.

"(B) Subparagraph (A) shall not apply in the case of an individual who—

"(i) is under eighteen or over fifty years of age;

"(ii) is certified by a physician as physically or mentally unfit for employment;

"(iii) is a parent or other member of a household with responsibility for the care of a dependent;

"(iv) is participating a minimum of 20 hours per week and is in compliance with the requirements of—

"(I) a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

"(II) a program under section 236 of the Trade Act of 1974 (19 U.S.C. 2296); or

"(III) a program of employment or training operated or supervised by an agency of State or local government which meets standards deemed appropriate by the Governor; or

"(v) would otherwise be exempt under subsection (d)(2).

"(C) Upon request of the State, the Secretary may waive the requirements of subparagraph (A) in the case of some or all individuals within all or part of the State if the Secretary makes a determination that such area—

"(i) has an unemployment rate of over 10 percent; or

"(ii) does not have a sufficient number of jobs to provide employment for individuals subject to this paragraph. The Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the basis on which the Secretary made such a decision.

"(D) An individual who has been disqualified from the food stamp program under subparagraph (A) may reestablish eligibility for assistance if such person becomes exempt under subparagraph (B) or by—

"(i) becoming employed for a minimum of 20 hours per week during any consecutive thirty-day period; or

"(ii) participating in a program established under section 20 or a comparable program established by the State or local government.".

(b) Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended—

(1) by striking subsection (h); and

(2) by redesignating subsections (i) and (j) as subsections (h) and (i), respectively.

(c) Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026), as amended by section 543(b), is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e) through (k) as subsections (d) through (j), respectively.

(d) Section 20 of the Food Stamp Act of 1977 (7 U.S.C. 2029) is amended to read as follows:

"SEC. 20. (a)(1) The Secretary shall permit a State that applies and submits a plan in compliance with guidelines promulgated by the Secretary to operate a program within the State or any political subdivision within the State, under which persons who are required to work under section 6(d)(4) may accept an offer from the State or political subdivision to perform work on its behalf, or on behalf of a private nonprofit entity designated by the State or political subdivision, in order to continue to qualify for benefits after they have initially been judged eligible.

"(2) The Secretary shall promulgate guidelines pursuant to paragraph (1) which, to the maximum extent practicable, enable a State or political subdivision to design and operate a program that is compatible and consistent with similar programs operated by the State or political subdivision.

"(b) To be approved by the Secretary, a program shall provide that participants work, in return for compensation consisting of the allotment to which the household is entitled under section 8(a), with each hour of such work entitling that household to a portion of its allotment equal in value to 100 percent of the higher of the applicable State minimum wage or the Federal minimum hourly rate under the Fair Labor Standards Act of 1938.

"(c) No State or political subdivision that receives funds provided under this section shall replace any employed worker with an individual who is participating in a program under this section for the purposes of complying with section 6(d)(4). Such an individual may be placed in any position offered by the State or political subdivision that—

"(1) is a new position;

"(2) is a position that became available in the normal course of conducting the business of the State or political subdivision;

"(3) involves performing work that would otherwise be performed on an overtime basis by a worker who is not an individual participating in such program; or

"(4) that is a position which became available by shifting a current employee to an alternate position.

"(d) The Secretary shall allocate among the States or political subdivisions in each fiscal year, from funds appropriated for the fiscal year under section 18(a)(1), the amount of $75,000,000 to assist in carrying out the program under this section during the fiscal year.

"(e)(1) In making the allocation required under subsection (d), the Secretary shall allocate to each State operating a program under this section that percentage of the total funds allocated under subsection (d) which equals the estimate of the Secretary of the percentage of participants who are required to work under section 6(d)(4) that reside in such State.

"(2) The State shall promptly notify the Secretary if such State determines that it will not expend the funds allocated it under paragraph (1) and the Secretary shall reallocate such funds as the Secretary deems appropriate and equitable.

"(f) Notwithstanding subsection (d), the Secretary shall ensure that each State operating a program under this section is allocated at least $50,000 by reducing, to the extent necessary, the funds allocated to those States allocated more than $50,000.

"(g) If, in carrying out such program during such fiscal year, a State or political subdivision incurs costs that exceed the amount allocated to the State agency under subsection (d)—

"(1) the Secretary shall pay such State agency an amount equal to 50 percent of such additional costs, subject to the first limitation in paragraph (2); and

"(2) the Secretary shall also reimburse each State agency in an amount equal to 50 percent of the total amount of payments made or costs incurred by the State or political subdivision in connection with transportation costs and other expenses reasonably necessary and directly related to participation in a program under this section, except that such total amount shall not exceed an amount representing $25 per participant per month for costs of transportation and other actual costs and such reimbursement shall not be made out of funds allocated under subsection (d).

"(h) The Secretary may suspend or cancel some or all of these payments, or may withdraw approval from a State or political subdivision to operate a program, upon a finding that the State or political subdivision has failed to comply with the requirements of this section.".

(e) Section 7(i)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2015(i)(6)) is amended by striking "section 17(f)" and inserting "17(e)".

SEC. 555. COMPARABLE TREATMENT OF DISQUALIFIED INDIVIDUALS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end the following new subsection:

"(i) An individual who is a member of a household who would otherwise be eligible to participate in the food stamp program under this section and who has been disqualified for noncompliance with program requirements from the program established by the State under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall not be eligible to participate in the food stamp program during the period such disqualification is in effect.".

SEC. 556. ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.

(a) Section 7(i) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1)(A) State agencies are encouraged to implement an on-line electronic benefit transfer system in which household benefits determined under section 8(a) or section 24 are issued from and stored in a central data bank and electronically accessed by household members at the point-of-sale.

"(B) Subject to paragraph (2), a State is authorized to procure and implement an on-line electronic benefit transfer system under the terms, conditions, and design that the State deems appropriate.

"(C) Upon request of a State, the Secretary may waive any provision of this Act prohibiting the effective implementation of an electronic benefit transfer system under this subsection.";

(2) in paragraph (2), by striking "the approval of"; and

(3) in paragraph (3), by striking "the Secretary shall not approve such a system unless—" and inserting "such system shall provide that—".

(b) The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), as amended by section 542(a), is amended by adding at the end the following new section:

"SEC. 25. ENCOURAGEMENT OF ELECTRONIC BENEFIT TRANSFER SYSTEMS.

"(a) Upon fully implementing an electronic benefit transfer system which operates in the entire State, a State may, subject to the provisions of this section, elect to receive a grant for any fiscal year to operate a low-income nutrition assistance program in such fiscal year in lieu of the food stamp program.

"(b)(1) A State that meets the requirements of this section and elects to operate such program, shall receive each fiscal year under this section the sum of—

"(A)(i) the total dollar value of all benefits issued under the food stamp program by the State during fiscal year 1994; or

"(ii) the average per fiscal year of the total dollar value of all benefits issued under the food stamp program by the State during fiscal years 1992 through 1994; and

"(B)(i) the total amount received by the State for administrative costs under section 16(a) for fiscal year 1994; or

"(ii) the average per fiscal year of the total amount received by the State for administrative costs under section 16(a) for fiscal years 1992 through 1994.

"(2) Upon approval by the Secretary of the plan submitted by a State under subsection (c), the Secretary shall pay to the State at such times and in such manner as the Secretary may determine, the amount to which the State is eligible under subsection (b)(1).

"(c) To be eligible to operate a low-income nutrition assistance program under this section, a State shall submit for approval each fiscal year a plan of operation specifying the manner in which such a program will be conducted by the State. Such plan shall—

"(1) certify that the State has implemented a state-wide electronic benefit transfer system in accordance with section 7(i);

"(2) designate a single State agency responsible for the administration of the low-income nutrition assistance program under this section;

"(3) assess the food and nutrition needs of needy persons residing in the State;

"(4) limit the assistance to be provided under this section to the purchase of food;

"(5) describe the persons to whom such assistance will be provided;

"(6) assure the Secretary that assistance will be provided to the most needy persons in the State and that applicants for assistance shall have adequate notice and fair hearings comparable to those required under section 11;

"(7) provide that, in the operation of the low-income nutrition assistance program, there shall be no discrimination on the basis of race, sex, religion, national origin, or political beliefs; and

"(8) include other information as may be required by the Secretary.

"(d) Payments made under this section to the State may be expended only in the fiscal year for which such payments are distributed, except that the State may reserve up to 5 percent of the grant received for a fiscal year to provide assistance under this section in the subsequent fiscal year: *Provided*, That such reserved funds may not total more than 20 percent of the total grant received under this section for a fiscal year.

"(e) The State agency shall keep records concerning the operation of the program carried out under this section and shall make such records available to the Secretary and the Comptroller General of the United States.

"(f) If the Secretary finds that there is substantial failure by a State to comply with

the requirements of this section, regulations issued pursuant to this section, or the plan approved under subsection (c), then the Secretary shall take one or more of the following actions:

"(1) Suspend all or part of such payment authorized by subsection (b)(2) to be made available to such State, until the Secretary determines the State to be in substantial compliance with such requirements.

"(2) Withhold all or part of such payments until the Secretary determines that there is no longer failure to comply with such requirements, at which time the withheld payment may be paid.

"(3) Terminate the authority of the State to operate the low-income nutrition assistance program.

"(g)(1) States which receive grants under this section shall provide for—

"(A) a biennial audit, conducted in accordance with the standards of the Comptroller General, of expenditures for the provision of nutrition assistance under this section; and

"(B) not later than 120 days after the end of each fiscal year in which an audit is conducted, provide the Secretary with such audit.

States shall make the report of such audit available for public inspection.

"(2) Not later than 120 days after the end of the fiscal year for which a State receives a grant under this section, such State shall prepare an activities report comparing actual expenditures for such fiscal year for nutrition assistance under this section with the expenditures for such fiscal year predicted in the plan submitted in accordance with subsection (c). Such State shall make the activities report available for public inspection.

"(h) Whoever knowingly and willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery, any funds, assets, or property provided or financed under this section shall be fined not more than $10,000 or imprisoned for not more than 5 years, or both.".

SEC. 557. VALUE OF MINIMUM ALLOTMENT.

Section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking ", and shall be adjusted on each October 1" and all that follows through the end of such subsection, and inserting a period.

SEC. 558. INITIAL MONTH BENEFIT DETERMINATION.

Section 8(c)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)(2)(B)) is amended by striking "of more than one month" after "following any period".

SEC. 559. IMPROVING FOOD STAMP PROGRAM MANAGEMENT.

(a) Section 13(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2022(a)(1)) is amended—

(1) in the fifth sentence, by inserting "(after a determination on any request for a waiver for good cause related to the claim has been made by the Secretary)" after "bill for collection"; and

(2) in the sixth sentence, by striking "1 year" and inserting "2 years".

(b) Section 16(c) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)) is amended—

(1) in paragraph (1)(C)—

(A) by striking "national performance measure" and inserting "payment error tolerance level"; and

(B) by striking "equal to—" and all that follows through the period at the end and inserting the following:

"equal to its payment error rate less such tolerance level times the total value of allotments issued in such a fiscal year by such State agency. The amount of liability shall not be affected by corrective action under subparagraph (B).";

(2) in paragraph (3)(A), by striking "120 days" and inserting "60 days (or 90 days at the discretion of the Secretary)";

(3) in the last sentence of paragraph (6), by inserting "shall be used to establish a payment-error tolerance level. Such tolerance level for any fiscal year will be one percentage point added to the lowest national performance measure ever announced up to and including such fiscal year under this section. The payment-error tolerance level" after "The announced national performance measure"; and

(4) by striking paragraphs (8) and (9).

SEC. 560. WORK SUPPLEMENTATION OR SUPPORT PROGRAM.

(a) Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)), as amended by section 542(b), is amended—

(1) in paragraph (25), by striking "and";

(2) in paragraph (26), by striking the period and inserting "; and" at the end; and

(3) by adding at the end the following new paragraph:

"(27) the plans of the State agency for including eligible food stamp recipients in a work supplementation or support program under section 16(j).".

(b) Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025), as amended by section 554(b), is amended by adding at the end the following new subsection:

"(j) WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—

"(1) A State may elect to use the sums equal to the food stamp benefits that would otherwise be allotted to participants under the food stamp program but for the operation of this subsection for the purposes of providing and subsidizing or supporting jobs under a work supplementation or support program established by the State.

"(2) If a State that makes the election described in paragraph (1) identifies each household that participates in the food stamp program which contains an individual who is participating in such work supplementation or support program—

"(A) the Secretary shall pay to the State an amount equal to the value of the allotment that the household would be eligible to receive but for the operation of this subsection;

"(B) the State shall expend such amount in accordance with its work supplementation or support program in lieu of the allotment that the household would receive but for the operation of this subsection;

"(C) for purposes of—

"(i) sections 5 and 8(a), the amount received under this subsection shall be excluded from household income and resources; and

"(ii) section 8(b), the amount received under this subsection shall be considered as the value of an allotment provided to the household; and

"(D) the household shall not receive an allotment from the State agency for the period during which the member continues to participate in the work supplementation program.

"(3) No person shall be excused by reason of the fact that such State has a work supplementation or support program from any work requirement under section 6(d), except during the periods in which such individual is employed under such work supplementation or support program.

"(4) For purposes of this subsection, the term "work supplementation or support program" shall mean a program in which, as determined by the Secretary, public assistance, including any benefits provided under a program established by the State and the food stamp program, is provided to an employer to be used for hiring a public assistance recipient.".

SEC. 561. OBLIGATIONS AND ALLOTMENTS.

Section 18 of the Food Stamp Act of 1977 Act (7 U.S.C. 2027) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "are authorized to be appropriated such sums as are necessary for each of the fiscal years 1991 through 1995" and inserting the following:

"is provided to be obligated, not in excess of the cost estimate made by the Congressional Budget Office for this Act, as amended by the Food Stamp Simplification and Reform Act of 1995, for the fiscal year ending September 30, 1996, with adjustments for any estimates of total obligations for additional fiscal years made by the Congressional Budget Office to reflect the provisions contained in the Food Stamp Simplification and Reform Act of 1995";

(ii) by striking "In each monthly report, the Secretary shall also state" and inserting "Also, the Secretary shall file a report every February 15, April 15, and July 15, stating"; and

(iii) by striking "supplemental appropriations" and inserting "additional obligational authority"; and

(B) in paragraph (2), by striking "authorized to be appropriated" and inserting "obligated";

(2) in subsection (b)—

(A) in the first sentence, by striking "appropriation" and inserting "total obligations limitation provided"; and

(B) in the second sentence, by striking "appropriation" and inserting "obligational amount provided in subsection (a)(1)";

(3) in subsection (c)—

(A) by inserting "or under section 24" after "under sections 5(d) and 5(e)";

(B) by inserting "or under section 24" after "under section 5(c)";

(C) by striking "and" after "or otherwise disabled"; and

(D) by inserting before the period at the end ", and (3) adequate and appropriate recommendations on how to equitably achieve such reductions"; and

(4) in subsection (f), by striking "No funds appropriated" and inserting "None of the funds obligated".

CHAPTER 3—PROGRAM INTEGRITY

SEC. 571. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS.

Section 9(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(1)) is amended by adding at the end the following new sentence:

"The Secretary shall establish specific time periods during which authorization to accept and redeem coupons, or to redeem benefits through an electronic benefit transfer system, under the food stamp program shall be valid.".

SEC. 572. CONDITION PRECEDENT FOR APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

Section 9(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(1)), as previously amended by this title, is amended by adding at the end the following new sentence:

"No retail food store or wholesale food concern shall be approved for participation in the food stamp program unless, wherever possible, an authorized employee of the Department of Agriculture, or an official of the

State or local government designated by the Department of Agriculture, has visited such retail food store or wholesale food concern for the purpose of determining whether such retail food store or wholesale food concern should be so approved.".

SEC. 573. WAITING PERIOD FOR RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS THAT ARE DENIED APPROVAL TO ACCEPT COUPONS.

Section 9(d) of the Food Stamp Act of 1977 (7 U.S.C. 2018(d)) is amended by adding at the end the following new sentence:

"Such retail food store or wholesale food concern shall not submit an application under subsection (a)(1) for six months from the date of receipt of the notice of denial.".

SEC. 574. DISQUALIFICATION OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

Section 12(a) of the Food Stamp Act of 1977 (7 U.S.C. 2021(a)) is amended—

(1) by inserting "(1)" after "(a); and

(2) by inserting the following new paragraph:

"(2) A retail food store or wholesale food concern that is disqualified from participating in the program under section 17 of the Child Nutrition Act of 1966 shall for such period of disqualification also be disqualified from participating in the food stamp program.".

SEC. 575. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW.

Section 14(a) of the Food Stamp Act of 1977 (7 U.S.C. 2023(a)) is amended by adding at the end the following new sentence:

"Notwithstanding any other provision of law, the permanent disqualification of a retail food store or wholesale food concern under section 12(b)(3) shall be effective from the date of receipt of the notice of disqualification.".

SEC. 576. CRIMINAL FORFEITURE.

Section 15(g) of the Food Stamp Act of 1977 (7 U.S.C. 2024(g)) is amended to read as follows:

"(g)(1) The court, in imposing sentence on a person convicted of an offense in violation of subsection (b) or (c), shall order, in addition to any other sentence imposed pursuant to this subsection, that the person forfeit to the United States all property described in paragraph (2).

"(2) All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation (other than a misdemeanor) of subsection (b) or (c), or proceeds traceable to a violation of subsection (b) or (c), is subject to forfeiture to the United States.

"(3) No property shall be forfeited under this subsection to the extent of an interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(4) The proceeds from any sale of forfeited property and any monies forfeited under this subsection shall be used—

"(A) to reimburse the Department of Justice for the costs incurred by the Department to initiate and complete the forfeiture proceeding that caused the sale that produced such proceeds;

"(B) to reimburse the Department of Agriculture Office of Inspector General for any costs it incurred in the law enforcement effort resulting in the forfeiture;

"(C) to reimburse any Federal or State law enforcement agencies for any costs incurred in the law enforcement effort resulting in the forfeiture; and

"(D) by the Secretary to carry out the approval, reauthorization, and compliance investigations of retail stores under section 9.".

SEC. 577. EXPANDED DEFINITION OF "COUPON".

Section 3(d) of the Food Stamp Act of 1977 (7 U.S.C. 2012(d)) is amended by striking "or type of certificate" and inserting "type of certificate, authorization cards, cash or checks issued in lieu of coupons, or access devices, including, but not limited to, electronic benefit transfer cards or personal identification numbers".

SEC. 578. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS.

Section 6(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)) is amended—

(1) in clause (i), by striking "six months" and inserting "1 year"; and

(2) in clause (ii), by striking "1 year" and inserting "2 years".

SEC. 579. DISQUALIFICATION OF CONVICTED INDIVIDUALS.

Section 6(b)(1)(iii) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)(iii)) is amended—

(1) in subclause (II), by striking "or" at the end;

(2) in subclause (III), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new subclause:

"(IV) a conviction of an offense under subsection (a) or (b) of section 15 involving items referred to in such subsection having a value of $500 or more.".

SEC. 580. CLAIMS COLLECTION.

(a) Section 11(e)(8) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)) is amended by inserting before the semicolon at the end "or refunds of Federal taxes as authorized pursuant to section 3720A of title 31 of the United States Code".

(b) Section 13(d) of the Act (7 U.S.C. 2022(d)) is amended—

(1) by striking "may" and inserting "shall"; and

(2) by inserting before the period at the end "or refunds of Federal taxes as authorized pursuant to section 3720A of title 31 of the United States Code".

Subtitle C—Effective Dates and Miscellaneous Provisions

SEC. 591. EFFECTIVE DATES.

(a) Except as provided in subsection (b) and (c), this title and amendments made by this title shall take effect on October 1, 1995.

(b) The amendments made by section 554 shall take effect on October 1, 1996.

(c) The amendments made by section 560 shall take effect on October 1, 1994.

SEC. 592. SENSE OF THE CONGRESS.

It is the sense of the Congress that States that operate electronic benefit systems to transfer benefits provided under the Food Stamp Act of 1977 should operate electronic benefit systems that are compatible with each other.

SEC. 593. DEFICIT REDUCTION.

It is the sense of the Committee on Agriculture of the House of Representatives that reductions in outlays resulting from subtitle B shall not be taken into account for purposes of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE VI—SUPPLEMENTAL SECURITY INCOME

SEC. 601. DENIAL OF SUPPLEMENTAL SECURITY INCOME BENEFITS BY REASON OF DISABILITY TO DRUG ADDICTS AND ALCOHOLICS.

(a) IN GENERAL.—Section 1614(a)(3) of the Social Security Act (42 U.S.C. 1382c(a)(3)) is amended by adding at the end the following:

"(I) Notwithstanding subparagraph (A), an individual shall not be considered to be disabled for purposes of this title if alcoholism or drug addiction would (but for this subparagraph) be a contributing factor material to the Commissioner's determination that the individual is disabled.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1611(e) of such Act (42 U.S.C. 1382(e)) is amended by striking paragraph (3).

(2) Section 1631(a)(2)(A)(ii) of such Act (42 U.S.C. 1383(a)(2)(A)(ii)) is amended—

(A) by striking "(I)"; and

(B) by striking subclause (II).

(3) Section 1631(a)(2)(B) of such Act (42 U.S.C. 1383(a)(2)(B)) is amended—

(A) by striking clause (vii);

(B) in clause (viii), by striking "(ix)" and inserting "(viii)";

(C) in clause (ix)—

(i) by striking "(viii)" and inserting "(vii)"; and

(ii) in subclause (II), by striking all that follows "15 years" and inserting a period;

(D) in clause (xiii)—

(i) by striking "(xii)" and inserting "(xi)"; and

(ii) by striking "(xi)" and inserting "(x)"; and

(E) by redesignating clauses (viii) through (xiii) as clauses (vii) through (xii), respectively.

(4) Section 1631(a)(2)(D)(i)(II) of such Act (42 U.S.C. 1383(a)(2)(D)(i)(II)) is amended by striking all that follows "$25.00 per month" and inserting a period.

(5) Section 1634 of such Act (42 U.S.C. 1383c) is amended by striking subsection (e).

(6) Section 201(c)(1) of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 425 note) is amended—

(A) by striking "—" and all that follows through "(A)" the 1st place such term appears;

(B) by striking "and" the 3rd place such term appears;

(C) by striking subparagraph (B);

(D) by striking "either subparagraph (A) or subparagraph (B)" and inserting "the preceding sentence"; and

(E) by striking "subparagraph (A) or (B)" and inserting "the preceding sentence".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1995, and shall apply with respect to months beginning on or after such date.

(d) FUNDING OF CERTAIN PROGRAMS FOR DRUG ADDICTS AND ALCOHOLICS.—

(1) IN GENERAL.—Out of any money in the Treasury not otherwise appropriated, there are hereby appropriated—

(A) for carrying out section 1971 of the Public Health Service Act (as amended by paragraph (2) of this subsection), $95,000,000 for each of the fiscal years 1997 through 2000; and

(B) for carrying out the medication development project to improve drug abuse and drug treatment research (administered through the National Institute on Drug Abuse), $5,000,000 for each of the fiscal years 1997 through 2000.

(2) CAPACITY EXPANSION PROGRAM REGARDING DRUG ABUSE TREATMENT.—Section 1971 of the Public Health Service Act (42 U.S.C. 300y) is amended—

(A) in subsection (a)(1), by adding at the end the following sentence: "This paragraph is subject to subsection (j).";

(B) by redesignating subsection (j) as subsection (k);

(C) in subsection (j) (as so redesignated), by inserting before the period the following: "and for each of the fiscal years 1995 through 2000"; and

(D) by inserting after subsection (i) the following subsection:

"(j) FORMULA GRANTS FOR CERTAIN FISCAL YEARS.—

"(1) IN GENERAL.—For each of the fiscal years 1997 through 2000, the Director shall, for the purpose described in subsection (a)(1), make a grant to each State that submits to the Director an application in accordance with paragraph (2). Such a grant for a State shall consist of the allotment determined for the State under paragraph (3). For each of the fiscal years 1997 through 2000, grants under this paragraph shall be the exclusive grants under this section.

"(2) REQUIREMENTS.—The Director may make a grant under paragraph (1) only if, by the date specified by the Director, the State submits to the Director an application for the grant that is in such form, is made in such manner, and contain such agreements, assurances, and information as the Director determines to be necessary to carry out this subsection, and if the application contains an agreement by the State in accordance with the following:

"(A) The State will expend the grant in accordance with the priority described in subsection (b)(1).

"(B) The State will comply with the conditions described in each of subsections (c), (d), (g), and (h).

"(3) ALLOTMENT.—

"(A) For purposes of paragraph (1), the allotment under this paragraph for a State for a fiscal year shall, except as provided in subparagraph (B), be the product of—

"(i) the amount appropriated in section 601(d)(1) of the Personal Responsibility Act of 1995 for the fiscal year, together with any additional amounts appropriated to carry out this section for the fiscal year; and

"(ii) the percentage determined for the State under the formula established in section 1933(a).

"(B) Subsections (b) through (d) of section 1933 apply to an allotment under subparagraph (A) to the same extent and in the same manner as such subsections apply to an allotment under subsection (a) of section 1933.".

SEC. 602. SUPPLEMENTAL SECURITY INCOME BENEFITS FOR DISABLED CHILDREN.

(a) RESTRICTIONS ON ELIGIBILITY FOR CASH BENEFITS.—

(1) IN GENERAL.—Section 1614(a)(3)(A) of the Social Security Act (42 U.S.C. 1382c(a)(3)(A)) is amended—

(A) by inserting "(i)" after "(3)(A)";

(B) by inserting "who has attained 18 years of age" before "shall be considered";

(C) by striking "he" and inserting "the individual";

(D) by striking "(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)"; and

(E) by adding after and below the end the following:

"(ii) An individual who has not attained 18 years of age shall be considered to be disabled for purposes of this title for a month if the individual—

"(I) meets all non-disability-related requirements for eligibility for cash benefits under this title;

"(II) has any medically determinable physical or mental impairment (or combination of impairments) that meets the requirements, applicable to individuals who have not attained 18 years of age, of the Listings of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations (revised as of April 1, 1994), or that is equivalent in severity to such an impairment (or such a combination of impairments); and

"(III)(aa) for the month preceding the first month for which this clause takes effect, was eligible for cash benefits under this title by reason of disability; or

"(bb) as a result of the impairment (or combination of impairments) involved—

"(1) is in a hospital, skilled nursing facility, nursing facility, residential treatment facility, intermediate care facility for the mentally retarded, or other medical institution; or

"(2) would be required to be placed in such an institution if the individual were not receiving personal assistance necessitated by the impairment (or impairments).

"(iii) As used in clause (ii)(III)(bb)(2), the term 'personal assistance' includes at least hands-on or stand-by assistance, supervision, or cueing, with activities of daily living and the administration of medical treatment (where applicable). For purposes of the preceding sentence, the term 'acitivities of daily living' means eating, toileting, dressing, bathing, and transferring.".

(2) NOTICE.—Within 1 month after the date of the enactment of this Act, the Commissioner of Social Security shall notify each individual whose eligibility for cash supplemental security income benefits under title XVI of the Social Security Act will terminate by reason of the amendments made by paragraph (1) of such termination.

(3) ANNUAL REPORTS ON LISTINGS OF IMPAIRMENTS.—The Commissioner of Social Security shall annually submit to the Congress a report on the Listings of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations (revised as of April 1, 1994), that are applicable to indivduals who have not attained 18 years of age, and recommend any necessary revisions to the listings.

(b) ESTABLISHMENT OF PROGRAM OF BLOCK GRANTS REGARDING CHILDREN WITH DISABILITIES.—

(1) IN GENERAL.—Title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) is amended by adding at the end the following:

"PART C—BLOCK GRANTS TO STATES FOR CHILDREN WITH DISABILITIES

"SEC. 1641. ENTITLEMENT TO GRANTS.

"Each State that meets the requirements of section 1642 for fiscal year 1997 or any subsequent fiscal year shall be entitled to receive from the Commissioner for the fiscal year a grant in an amount equal to the allotment (as defined in section 1646(1)) of the State for the fiscal year.

"SEC. 1642. REQUIREMENTS.

"(a) IN GENERAL.—A State meets the requirements of this section for a grant under section 1641 for a fiscal year if by the date specified by the Commissioner, the State submits to the Commissioner an application for the grant that is in such form, is made in such manner, and contain such agreements, assurances, and information as the Commissioner determines to be necessary to carry out this part, and if the application contains an agreement by the State in accordance with the following:

"(1) The grant will not be expended for any purpose other than providing authorized services (as defined in section 1646(2)) to qualifying children (as defined in section 1646(3)).

"(2)(A) In providing authorized services, the State will make every reasonable effort to obtain payment for the services from other Federal or State programs that provide payment for such services and from private entities that are legally liable to make the payments pursuant to insurance policies, prepaid plans, or other arrangements.

"(B) The State will expend the grant only to the extent that payments from the programs and entities described in subparagraph (A) are not available for authorized services provided by the State.

"(3) The State will comply with the condition described in subsection (b).

"(4) The State will comply with the condition described in subsection (c).

"(b) MAINTENANCE OF EFFORT.—

"(1) IN GENERAL.—The condition referred to in subsection (a)(3) for a State for a fiscal year is that, with respect to the purposes described in paragraph (2), the State will maintain expenditures of non-Federal amounts for such purposes at a level that is not less than the following, as applicable:

"(A) For the first fiscal year for which the State receives a grant under section 1641, an amount equal to the difference between—

"(i) the average level of such expenditures maintained by the State for the 2-year period preceding October 1, 1995 (except that, if such first fiscal year is other than fiscal year 1997, the amount of such average level shall be increased to the extent necessary to offset the effect of inflation occurring after October 1, 1995); and

"(ii) the aggregate of non-Federal expenditures made by the State for such 2-year period pursuant to section 1618 (as such section was in effect for such period).

"(B) For each subsequent fiscal year, the amount applicable under subparagraph (A) increased to the extent necessary to offset the effect of inflation occurring after the beginning of the fiscal year to which such subparagraph applies.

"(2) RELEVANT PURPOSES.—The purposes described in this paragraph are any purposes designed to meet (or assist in meeting) the unique needs of qualifying children that arise from physical and mental impairments, including such purposes that are authorized to be carried out under title XIX.

"(3) RULE OF CONSTRUCTION.—With respect to compliance with the agreement made by a State pursuant to paragraph (1), the State has discretion to select, from among the purposes described in paragraph (2), the purposes for which the State expends the non-Federal amounts reserved by the State for such compliance.

"(4) USE OF CONSUMER PRICE INDEX.—Determinations under paragraph (1) of the extent of inflation shall be made through use of the consumer price index for all urban consumers, U.S. city average, published by the Bureau of Labor Statistics.

"(c) ASSESSMENT OF NEED FOR SERVICES.—The condition referred to in subsection (a)(4) for a State for a fiscal year is that each qualifying child will be permitted to apply for authorized services, and will be provided with an opportunity to have an assessment conducted to determine the need of such child for authorized services.

"SEC. 1643. AUTHORITY OF STATE.

"The following decisions are in the discretion of a State with respect to compliance with an agreement made by the State under section 1642(a)(1):

"(1) Decisions regarding which of the authorized services are provided.

"(2) Decisions regarding who among qualifying children in the State receives the services.

"(3) Decisions regarding the number of services provided for the qualifying child involved and the duration of the services.

"SEC. 1644. AUTHORIZED SERVICES.

"(a) AUTHORITY OF COMMISSIONER.—The Commissioner, subject to subsection (b), shall issue regulations designating the purposes for which grants under section 1641 are authorized to be expended by the States.

"(b) REQUIREMENTS REGARDING SERVICES.—The Commissioner shall ensure that the purposes authorized under subsection (a)—

"(1) are designed to meet (or assist in meeting) the unique needs of qualifying children that arise from physical and mental impairments;

"(2) include medical and nonmedical services; and

"(3) do not include the provision of cash benefits.

"SEC. 1645. GENERAL PROVISIONS.

"(a) ISSUANCE OF REGULATIONS.—Regulations under this part shall be issued in accordance with procedures established for the issuance of substantive rules under section 553 of title 5, United States Code. Payments under grants under section 1641 for fiscal year 1997 shall begin not later than January 1, 1997, without regard to whether final rules under this part have been issued and without regard to whether such rules have taken effect.

"(b) PROVISIONS REGARDING OTHER PROGRAMS.—

"(1) INAPPLICABILITY OF VALUE OF SERVICES.—The value of authorized services provided under this part shall not be taken into account in determining eligibility for, or the amount of, benefits or services under any Federal or federally-assisted program.

"(2) MEDICAID PROGRAM.—For purposes of title XIX, each qualifying child shall be considered to be a recipient of supplemental security income benefits under this title (without regard to whether the child has received authorized services under this part and without regard to whether the State involved is receiving a grant under section 1641). The preceding sentence applies on and after the date of the enactment of this part.

"(c) USE BY STATES OF EXISTING DELIVERY SYSTEMS.—With respect to the systems utilized by the States to deliver services to individuals with disabilities (including systems utilized before the date of the enactment of the Personal Responsibility Act of 1995), it is the sense of the Congress that the States should utilize such systems in providing authorized services under this part.

"(d) REQUIRED PARTICIPATION OF STATES.—Subparagraphs (C)(i) and (E)(i)(I) of section 205(c)(2) shall not apply to a State that does not participate in the program established in this part for fiscal year 1997 or any succeeding fiscal year.

"SEC. 1646. DEFINITIONS.

"As used in this part:

"(1) ALLOTMENT.—The term 'allotment' means, with respect to a State and a fiscal year, the product of—

"(A) an amount equal to the difference between—

"(i) the number of qualifying children in the State (as determined for the most recent 12-month period for which data are available to the Commissioner); and

"(ii) the number of qualifying children in the State receiving cash benefits under this title by reason of disability (as so determined); and

"(B) an amount equal to 75 percent of the mean average of the respective annual totals of cash benefits paid under this title to each qualifying child described in subparagraph (A)(ii) (as so determined).

"(2) AUTHORIZED SERVICE.—The term 'authorized service' means each purpose authorized by the Commissioner under section 1644(a).

"(3) QUALIFYING CHILD.—

"(A) IN GENERAL.—The term 'qualifying child' means an individual who—

"(i) has not attained 18 years of age; and

"(ii)(I) is eligible for cash benefits under this title by reason of disability; or

"(II) meets the conditions described in subclauses (I) and (II) of section 1614(a)(3)(A)(ii), but (by reason of subclause (III) of such section) is not eligible for such cash benefits.

"(B) RESPONSIBILITIES OF COMMISSIONER.—The Commissioner shall provide for determinations of whether individuals meet the criteria established in subparagraph (A) for status as qualifying children. Such determinations shall be made in accordance with the provisions otherwise applicable under this title with respect to such criteria.".

(2) RULE REGARDING CERTAIN MILITARY PARENTS; CASH BENEFITS FOR QUALIFYING CHILDREN.—Section 1614(a)(1)(B)(ii) of the Social Security Act (42 U.S.C. 1382c(a)(1)(B)(ii)) is amended by striking "United States, and who, for the month" and all that follows and inserting the following: "United States, and—

"(I) who, for the month before the parent reported for such assignment, received a cash benefit under this title by reason of blindness, or

"(II) for whom, for such month, a determination was in effect that the child is a qualifying child under section 1646(3).".

(c) PROVISIONS RELATING TO SSI CASH BENEFITS AND SSI SERVICE BENEFITS.—

(1) CONTINUING DISABILITY REVIEWS FOR CERTAIN CHILDREN.—Section 1614(a)(3)(G) of such Act (42 U.S.C. 1382c(a)(3)(G)) is amended—

(A) by inserting "(i)" after "(G)"; and

(B) by adding at the end the following:

"(ii)(I) Not less frequently than once every 3 years, the Commissioner shall redetermine the eligibility for cash benefits under this title and for services under part C—

"(aa) of each individual who has not attained 18 years of age and is eligible for such cash benefits by reason of disability; and

"(bb) of each qualifying child (as defined in section 1646(3)).

"(II) Subclause (I) shall not apply to an individual if the individual has an impairment (or combination of impairments) which is (or are) not expected to improve.".

(2) DISABILITY REVIEW REQUIRED FOR SSI RECIPIENTS WHO ARE 18 YEARS OF AGE.—

(A) IN GENERAL.—Section 1614(a)(3)(G) of such Act (42 U.S.C. 1382c(a)(3)(G)), as amended by paragraph (1) of this subsection, is amended by adding at the end the following:

"(iii)(I) The Commissioner shall redetermine the eligibility of a qualified individual for supplemental security income benefits under this title by reason of disability, by applying the criteria used in determining eligibility for such benefits of applicants who have attained 18 years of age.

"(II) The redetermination required by subclause (I) with respect to a qualified individual shall be conducted during the 1-year period that begins on the date the qualified individual attains 18 years of age.

"(III) As used in this clause, the term 'qualified individual' means an individual who attains 18 years of age and is a recipient of cash benefits under this title by reason of disability or of services under part C.

"(IV) A redetermination under subclause (I) of this clause shall be considered a substitute for a review required under any other provision of this subparagraph.".

(B) REPORT TO THE CONGRESS.—Not later than October 1, 1998, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the activities conducted under section 1614(a)(3)(G)(iii) of the Social Security Act.

(C) CONFORMING REPEAL.—Section 207 of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note; 108 Stat. 1516) is hereby repealed.

(3) DISABILITY REVIEW REQUIRED FOR LOW BIRTH WEIGHT BABIES WHO HAVE RECEIVED SSI BENEFITS FOR 12 MONTHS.—Section 1614(a)(3)(G) of such Act (42 U.S.C. 1382c(a)(3)(G)), as amended by paragraphs (1) and (2) of this subsection, is amended by adding at the end the following:

"(iv)(I) The Commissioner shall redetermine the eligibility for—

"(aa) cash benefits under this title by reason of disability of an individual whose low birth weight is a contributing factor material to the Commissioner's determination that the individual is disabled; and

"(bb) services under part C of an individual who is eligible for such services by reason of low birth weight.

"(II) The redetermination required by subclause (I) shall be conducted once the individual has received such benefits for 12 months.

"(III) A redetermination under subclause (I) of this clause shall be considered a substitute for a review required under any other provision of this subparagraph.".

(4) APPLICABILITY OF MEDICAID RULES REGARDING COUNTING OF CERTAIN ASSETS AND TRUSTS OF CHILDREN.—Section 1613(c) of the Social Security Act (42 U.S.C. 1382b(c)) is amended to read as follows:

"TREATMENT OF CERTAIN ASSETS AND TRUSTS IN ELIGIBILITY DETERMINATIONS FOR CHILDREN

"(c) Subsections (c) and (d) of section 1917 shall apply to determinations of eligibility for benefits under this title in the case of an individual who has not attained 18 years of age in the same manner as such subsections apply to determinations of eligibility for medical assistance under a State plan under title XIX, except that—

"(1) the amount described in section 1917(c)(1)(E)(i)(II) shall be the amount of cash benefits payable under this title to an eligible individual who does not have an eligible spouse and who has no income or resources;

"(2) the look-back date specified in section 1917(c)(1)(B) shall be the date that is 36 months before the date the individual has applied for benefits under this title; and

"(3) any assets in a trust over which the individual has control shall be considered assets of the individual.".

(d) CONFORMING AMENDMENTS.—

(1) Subsections (b)(1), (b)(2), (c)(3), (c)(5), and (e)(1)(B) of section 1611 of the Social Security Act (42 U.S.C. 1382 (b)(1), (b)(2), (c)(3), (c)(5), and (e)(1)(B)) are each amended by inserting "cash" before "benefit under this title".

(2) Section 1611(c)(1) of such Act (42 U.S.C. 1382(c)(1)) is amended—

(A) by striking "a benefit" and inserting "benefits";

(B) by striking "such benefit" and inserting "the cash benefit under this title"; and

(C) by striking "and the amount of such benefits" and inserting "benefits under this title and the amount of any cash benefit under this title".

(3) Section 1611(c)(2) of such Act (42 U.S.C. 1382(c)(2)) is amended—

(A) by striking "such benefit" and inserting "the cash benefit";

(B) by inserting "cash" before "benefits" each place such term appears; and

(C) in subpargraph (B), by inserting "cash" before "benefit".

(4) Section 1611(c)(3) of such Act (42 U.S.C. 1382(c)(3)) is amended by inserting "cash" before "benefits under this title".

(5) Section 1611(e)(1)(G) of such Act (42 U.S.C. 1382(e)(1)(G)) is amended by inserting "cash" before "benefit of".

(6) Section 1614(a)(4) of such Act (42 U.S.C. 1382c(a)(4)) is amended by inserting "or impairment" after "disability" each place such term appears.

(7) Section 1614(f)(1) of such Act (42 U.S.C. 1382c(f)(1)) is amended by striking "and the amount of benefits" and inserting "benefits under this title and the amount of any cash benefit under this title".

(8) Section 1614(f)(2)(A) of such Act (42 U.S.C. 1382c(f)(2)(A)) is amended by striking "and the amount of benefits" and inserting "benefits under this title and the amount of any cash benefit".

(9) Section 1614(f)(3) of such Act (42 U.S.C. 1382c(f)(3)) is amended by striking "and the amount of benefits" and inserting "benefits under this title and the amount of any cash benefit under this title".

(10) Section 1616(e)(1) of such Act (42 U.S.C. 1382e(e)(1)) is amended by inserting "cash" before "supplemental".

(11) Section 1621(a) of such Act (42 U.S.C. 1382j(a)) is amended by striking "and the amount of benefits" and inserting "benefits under this title and the amount of any cash benefit under this title".

(12) Section 1631(a)(4) of such Act (42 U.S.C. 1383(a)(4)) is amended by inserting "cash" before "benefits" the 1st place such term appears in each of subparagraphs (A) and (B).

(13) Section 1631(a)(7)(A) of such Act (42 U.S.C. 1383(a)(7)(A)) is amended by inserting "cash" before "benefits based".

(14) Section 1631(a)(8)(A) of such Act (42 U.S.C. 1383(a)(8)(A)) is amended by striking "benefits based on disability or blindness under this title" and inserting "benefits under this title (other than by reason of age)".

(15) Section 1631(c) of such Act (42 U.S.C. 1383(c)) is amended—

(A) by striking "payment" each place such term appears and inserting "benefits"; and

(B) by striking "payments" each place such term appears and inserting "benefits".

(17) Section 1631(e) of such Act (42 U.S.C. 1383(e)) is amended—

(A) in paragraph (1)(B), by striking "amounts of such benefits" and inserting "amounts of cash benefits under this title";

(B) in paragraph (2), by inserting "cash" before "benefits" each place such term appears;

(C) by redesignating the 2nd paragraph (6) and paragraph (7) as paragraphs (7) and (8), respectively; and

(D) in paragraph (7) (as so redesignated), by inserting "cash" before "benefits" each place such term appears.

(18) Section 1631(g)(2) of such Act (42 U.S.C. 1383(g)(2)) is amended by striking "supplemental security income" and inserting "cash".

(19) Section 1635(a) of such Act (42 U.S.C. 1383d(a)) is amended by striking "by reason of disability or blindness".

(e) TEMPORARY ELIGIBILITY FOR CASH BENEFITS FOR POOR DISABLED CHILDREN RESIDING IN STATES APPLYING ALTERNATIVE INCOME ELIGIBILITY STANDARDS UNDER MEDICAID.—

(1) IN GENERAL.—For the period beginning upon the 1st day of the 1st month that begins 90 or more days after the date of the enactment of this Act and ending upon the close of fiscal year 1996, an individual described in paragraph (2) shall be considered to be eligible for cash benefits under title XVI of the Social Security Act, notwithstanding that the individual does not meet any of the conditions described in section 1614(a)(3)(A)(ii)(III) of such Act.

(2) REQUIREMENTS.—For purposes of paragraph (1), an individual described in this paragraph is an individual who—

(A) has not attained 18 years of age;

(B) meets the conditions described in subclauses (I) and (II) of section 1614(a)(3)(A)(ii) of the Social Security Act;

(C) resides in a State that, pursuant to section 1902(f) of such Act, restricts eligibility for medical assistance under title XIX of such Act with respect to aged, blind, and disabled individuals; and

(D) is not eligible for medical assistance under the State plan under such title XIX.

(f) REDUCTION IN CASH BENEFITS PAYABLE TO INSTITUTIONALIZED CHILDREN WHOSE MEDICAL COSTS ARE COVERED BY PRIVATE INSURANCE.—Section 1611(e)(1)(B) of the Social Security Act (42 U.S.C. 1382(e)(1)(B)) is amended by inserting "or under any health insurance policy issued by a private provider of such insurance" after "title XIX".

(g) APPLICABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsections (a)(1), (c), (d) and (f) and section 1645(b)(2) of the Social Security Act (as added by the amendment made by subsection (b) of this section), shall apply to benefits for months beginning 90 or more days after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) DELAYED APPLICABILITY TO CURRENT SSI RECIPIENTS OF ELIGIBILITY RESTRICTIONS.—The amendments made by subsection (a)(1) shall not apply, during the first 6 months that begin after the month in which this Act becomes law, to an individual who is a recipient of cash supplemental security income benefits under title XVI of the Social Security Act for the month in which this Act becomes law.

(h) REGULATIONS.—Within 3 months after the date of the enactment of this Act—

(1) the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by subsections (a)(1), (c), (d), and (f) and to implement subsection (e); and

(2) the Secretary of Health and Human Services shall prescribe such regulations as may be necessary to implement section 1645(b)(2) of the Social Security Act, as added by the amendment made by subsection (b) of this section.

SEC. 603. EXAMINATION OF MENTAL LISTINGS USED TO DETERMINE ELIGIBILITY OF CHILDREN FOR SSI BENEFITS BY REASON OF DISABILITY.

Section 202(e)(2) of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note) is amended—

(1) by striking "and" at the end of subparagraph (F); and

(2) by redesignating subparagraph (G) as subparagraph (H) and inserting after subparagraph (F) the following:

"(G) whether the criteria in the mental disorders listings in the Listings of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations, are appropriate to ensure that eligibility of individuals who have not attained 18 years of age for cash benefits under the supplemental security income program by reason of disability is limited to those who have serious disabilities and for whom such benefits are necessary to improve their condition or quality of life; and".

SEC. 604. LIMITATION ON PAYMENTS TO PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM UNDER PROGRAMS OF AID TO THE AGED, BLIND, OR DISABLED.

Section 1108 of the Social Security Act (42 U.S.C. 1308), as amended by section 104(e)(1) of this Act, is amended by inserting before "The total" the following:

"(a) PROGRAMS OF AID TO THE AGED, BLIND, OR DISABLED.—The total amount certified by the Secretary of Health and Human Services under titles I, X, XIV, and XVI (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972)—

"(1) for payment to Puerto Rico shall not exceed $18,053,940;

"(2) for payment to the Virgin Islands shall not exceed $473,659; and

"(3) for payment to Guam shall not exceed $900,718.

"(b) MEDICAID PROGRAMS.—".

SEC. 605. REPEAL OF MAINTENANCE OF EFFORT REQUIREMENTS APPLICABLE TO OPTIONAL STATE PROGRAMS FOR SUPPLEMENTATION OF SSI BENEFITS.

Section 1618 of the Social Security Act (42 U.S.C. 1382g) is hereby repealed.

TITLE VII—CHILD SUPPORT

SEC. 700. REFERENCES.

Except as otherwise specifically provided, wherever in this title an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

Subtitle A—Eligibility for Services; Distribution of Payments

SEC. 701. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following:

"(4) provide that the State will—

"(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

"(i) each child for whom cash assistance is provided under the State program funded under part A of this title, benefits or services are provided under the State program funded under part B of this title, or medical assistance is provided under the State plan approved under title XIX, unless the State agency administering the plan determines (in accordance with paragraph (28)) that it is against the best interests of the child to do so; and

"(ii) any other child, if an individual applies for such services with respect to the child; and

"(B) enforce any support obligation established with respect to—

"(i) a child with respect to whom the State provides services under the plan; or

"(ii) the custodial parent of such a child."; and

(2) in paragraph (6)—

(A) by striking "provide that" and inserting "provide that—";

(B) by striking subparagraph (A) and inserting the following:

"(A) services under the plan shall be made available to nonresidents on the same terms as to residents;";

(C) in subparagraph (B), by inserting "on individuals not receiving assistance under

any State program funded under part A" after "such services shall be imposed";

(D) in each of subparagraphs (B), (C), (D), and (E)—

(i) by indenting the subparagraph in the same manner as, and aligning the left margin of the subparagraph with the left margin of, the matter inserted by subparagraph (B) of this paragraph; and

(ii) by striking the final comma and inserting a semicolon; and

(E) in subparagraph (E), by indenting each of clauses (i) and (ii) 2 additional ems.

(b) CONFORMING AMENDMENTS.—

(1) Section 452(b) (42 U.S.C. 652(b)) is amended by striking "454(6)" and inserting "454(4)".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking "454(6)" each place it appears and inserting "454(4)(A)(ii)".

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "in the case of overdue support which a State has agreed to collect under section 454(6)" and inserting "in any other case".

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking "paragraph (4) or (6) of section 454" and inserting "section 454(4)".

SEC. 702. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS.

(a) IN GENERAL.—Section 457 (42 U.S.C. 657) is amended to read as follows:

"SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.

"(a) IN GENERAL.—An amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

"(1) FAMILIES RECEIVING CASH ASSISTANCE.—In the case of a family receiving cash assistance from the State, the State shall—

"(A) retain, or distribute to the family, the State share of the amount so collected; and

"(B) pay to the Federal Government the Federal share of the amount so collected.

"(2) FAMILIES THAT FORMERLY RECEIVED CASH ASSISTANCE.—In the case of a family that formerly received cash assistance from the State:

"(A) CURRENT SUPPORT PAYMENTS.—To the extent that the amount so collected does not exceed the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected to the family.

"(B) PAYMENTS OF ARREARAGES.—To the extent that the amount so collected exceeds the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected as follows:

"(i) DISTRIBUTION TO THE FAMILY TO SATISFY ARREARAGES THAT ACCRUED BEFORE OR AFTER THE FAMILY RECEIVED CASH ASSISTANCE.—The State shall distribute the amount so collected to the family to the extent necessary to satisfy any support arrears with respect to the family that accrued before or after the family received cash assistance from the State.

"(ii) REIMBURSEMENT OF GOVERNMENTS FOR ASSISTANCE PROVIDED TO THE FAMILY.—To the extent that clause (i) does not apply to the amount, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share of the amount so collected, to the extent necessary to reimburse amounts paid to the family as cash assistance from the State.

"(iii) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither clause (i) nor clause (ii) applies to the amount so collected, the State shall distribute the amount to the family.

"(3) FAMILIES THAT NEVER RECEIVED CASH ASSISTANCE.—In the case of any other family, the State shall distribute the amount so collected to the family.

"(b) DEFINITIONS.—As used in subsection (a):

"(1) CASH ASSISTANCE.—The term 'cash assistance from the State' means—

"(A) cash assistance under the State program funded under part A or under the State plan approved under part A of this title (as in effect before October 1, 1996); or

"(B) cash benefits under the State program funded under part B or under the State plan approved under part B or E of this title (as in effect before October 1, 1996).

"(2) FEDERAL SHARE.—The term 'Federal share' means, with respect to an amount collected by the State to satisfy a support obligation owed to a family for a time period—

"(A) the greatest Federal medical assistance percentage in effect for the State for fiscal year 1995 or any succeeding fiscal year; or

"(B) if support is not owed to the family for any month for which the family received aid to families with dependent children under the State plan approved under part A of this title (as in effect before October 1, 1996), the Federal reimbursement percentage for the fiscal year in which the time period occurs.

"(3) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—The term 'Federal medical assistance percentage' means—

"(A) the Federal medical assistance percentage (as defined in section 1118), in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa; or

"(B) the Federal medical assistance percentage (as defined in section 1905(b)) in the case of any other State.

"(4) FEDERAL REIMBURSEMENT PERCENTAGE.—The term 'Federal assistance percentage' means, with respect to a fiscal year—

"(A) the total amount paid to the State under section 403 for the fiscal year; divided by

"(B) the total amount expended by the State to carry out the State program under part A during the fiscal year.

"(5) STATE SHARE.—The term 'State share' means 100 percent minus the Federal share.

"(c) CONTINUATION OF SERVICES FOR FAMILIES CEASING TO RECEIVE ASSISTANCE UNDER THE STATE PROGRAM FUNDED UNDER PART A.—When a family with respect to which services are provided under a State plan approved under this part ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of individuals to whom services are furnished under section 454, except that an application or other request to continue services shall not be required of such a family and section 454(6)(B) shall not apply to the family.".

(b) EFFECTIVE DATE.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the amendment made by subsection (a) shall become effective on October 1, 1999.

(2) EARLIER EFFECTIVE DATE FOR RULES RELATING TO DISTRIBUTION OF SUPPORT COLLECTED FOR FAMILIES RECEIVING TEMPORARY FAMILY ASSISTANCE.—Section 457(a)(1) of the Social Security Act, as added by the amendment made by subsection (a), shall become effective on October 1, 1995.

SEC. 703. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking "and" at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting "; and"; and

(3) by adding after paragraph (24) the following:

"(25) will have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—

"(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

"(B) prohibitions against the release of information on the whereabouts of one party to another party against whom a protective order with respect to the former party has been entered; and

"(C) prohibitions against the release of information on the whereabouts of one party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

Subtitle B—Locate and Case Tracking

SEC. 711. STATE CASE REGISTRY.

Section 454A, as added by section 745(a)(2) of this Act, is amended by adding at the end the following:

"(e) STATE CASE REGISTRY.—

"(1) CONTENTS.—The automated system required by this section shall include a registry (which shall be known as the 'State case registry') that contains records with respect to—

"(A) each case in which services are being provided by the State agency under the State plan approved under this part; and

"(B) each support order established or modified in the State on or after October 1, 1998.

"(2) LINKING OF LOCAL REGISTRIES.—The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

"(3) USE OF STANDARDIZED DATA ELEMENTS.—Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on case status) as the Secretary may require.

"(4) PAYMENT RECORDS.—Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

"(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrears, interest or late payment penalties, and fees) due or overdue under the order;

"(B) any amount described in subparagraph (A) that has been collected;

"(C) the distribution of such collected amounts;

"(D) the birth date of any child for whom the order requires the provision of support; and

"(E) the amount of any lien imposed pursuant to section 466(a)(4).

"(5) UPDATING AND MONITORING.—The State agency operating the automated system required by this section shall promptly establish and maintain, and regularly monitor, case records in the State case registry with

respect to which services are being provided under the State plan approved under this part, on the basis of—

"(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

"(B) information obtained from comparison with Federal, State, or local sources of information;

"(C) information on support collections and distributions; and

"(D) any other relevant information.

"(f) INFORMATION COMPARISONS AND OTHER DISCLOSURES OF INFORMATION.—The State shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:

"(1) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—Furnishing to the Federal Case Registry of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).

"(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging information with the Federal Parent Locator Service for the purposes specified in section 453.

"(3) TEMPORARY FAMILY ASSISTANCE AND MEDICAID AGENCIES.—Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under State plans under title XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.

"(4) INTRA- AND INTERSTATE INFORMATION COMPARISONS.—Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.".

SEC. 712. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 703(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting "; and"; and

(3) by adding after paragraph (25) the following:

"(26) provide that, on and after October 1, 1998, the State agency will—

"(A) operate a State disbursement unit in accordance with section 454B; and

"(B) have sufficient State staff (consisting of State employees) and (at State option) contractors reporting directly to the State agency to—

"(i) monitor and enforce support collections through the unit (including carrying out the automated data processing responsibilities described in section 454A(g)); and

"(ii) take the actions described in section 466(c)(1) in appropriate cases.".

(b) ESTABLISHMENT OF STATE DISBURSEMENT UNIT.—Part D of title IV (42 U.S.C. 651–669), as amended by section 745(a)(2) of this Act, is amended by inserting after section 454A the following:

"SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

"(a) STATE DISBURSEMENT UNIT.—

"(1) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the 'State disbursement unit') for the collection and disbursement of payments under support orders in all cases being enforced by the State pursuant to section 454(4).

"(2) OPERATION.—The State disbursement unit shall be operated—

"(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and

"(B) in coordination with the automated system established by the State pursuant to section 454A.

"(3) LINKING OF LOCAL DISBURSEMENT UNITS.—The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section.

"(b) REQUIRED PROCEDURES.—The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

"(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;

"(2) for accurate identification of payments;

"(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

"(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent.

"(c) TIMING OF DISBURSEMENTS.—The State disbursement unit shall distribute all amounts payable under section 457(a) within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided.

"(d) BUSINESS DAY DEFINED.—As used in this section, the term 'business day' means a day on which State offices are open for regular business.".

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 745(a)(2) of this Act and as amended by section 711 of this Act, is amended by adding at the end the following:

"(g) COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—

"(1) IN GENERAL.—The State shall use the automated system required by this section, to the maximum extent feasible, to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 454B, through the performance of functions, including, at a minimum—

"(A) transmission of orders and notices to employers (and other debtors) for the withholding of wages (and other income)—

"(i) within 2 business days after receipt (from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State) of notice of, and the income source subject to, such withholding; and

"(ii) using uniform formats prescribed by the Secretary;

"(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

"(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 466(c)) where payments are not timely made.

"(2) BUSINESS DAY DEFINED.—As used in paragraph (1), the term 'business day' means a day on which State offices are open for regular business.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1998.

SEC. 713. STATE DIRECTORY OF NEW HIRES.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 703(a) and 712(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting "; and"; and

(3) by adding after paragraph (26) the following:

"(27) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 453A.".

(b) STATE DIRECTORY OF NEW HIRES.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 453 the following:

"SEC. 453A. STATE DIRECTORY OF NEW HIRES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—Not later than October 1, 1997, each State shall establish an automated directory (to be known as the 'State Directory of New Hires') which shall contain information supplied in accordance with subsection (b) by employers and labor organizations on each newly hired employee.

"(2) DEFINITIONS.—As used in this section:

"(A) EMPLOYEE.—The term 'employee'—

"(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

"(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

"(B) GOVERNMENTAL EMPLOYERS.—The term 'employer' includes any governmental entity.

"(C) LABOR ORGANIZATION.—The term 'labor organization' shall have the meaning given such term in section 2(5) of the National Labor Relations Act, and includes any entity (also known as a 'hiring hall') which is used by the organization and an employer to carry out requirements described in section 8(f)(3) of such Act of an agreement between the organization and the employer.

"(b) EMPLOYER INFORMATION.—

"(1) REPORTING REQUIREMENT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works a report that contains the name, address, and social security number of the employee, and the name of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(B) MULTISTATE EMPLOYERS.—An employer who has employees who are employed in 2 or more States may comply with subparagraph (A) by transmitting the report described in subparagraph (A) magnetically or electronically to the State in which the greatest number of employees of the employer are employed.

"(2) TIMING OF REPORT.—The report required by paragraph (1) with respect to an employee shall be made not later than the later of—

"(A) 15 days after the date the employer hires the employee; or

"(B) the date the employee first receives wages or other compensation from the employer.

"(c) REPORTING FORMAT AND METHOD.—Each report required by subsection (b) shall be made on a W-4 form or the equivalent, and may be transmitted by first class mail, magnetically, or electronically.

"(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—

"(1) IN GENERAL.—An employer that fails to comply with subsection (b) with respect to an employee shall be subject to a civil money penalty of—

"(A) $25; or

"(B) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

"(2) APPLICABILITY OF SECTION 1128.—Section 1128 (other than subsections (a) and (b) of such section) shall apply to a civil money penalty under paragraph (1) of this subsection in the same manner as such section applies to a civil money penalty or proceeding under section 1128A(a).

"(e) INFORMATION COMPARISONS.—

"(1) IN GENERAL.—Not later than October 1, 1997, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

"(2) NOTICE OF MATCH.—When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(f) TRANSMISSION OF INFORMATION.—

"(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO EMPLOYERS.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee's child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the wages of the employee an amount equal to the monthly (or other periodic) child support obligation of the employee, unless the employee's wages are not subject to withholding pursuant to section 466(b)(3).

"(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW HIRES.—

"(A) NEW HIRE INFORMATION.—Within 4 business days after the State Directory of New Hires receives information from employers pursuant to this section, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

"(B) WAGE AND UNEMPLOYMENT COMPENSATION INFORMATION.—The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires extracts of the reports required under section 303(a)(6) to be made to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

"(3) BUSINESS DAY DEFINED.—As used in this subsection, the term 'business day' means a day on which State offices are open for regular business.

"(g) OTHER USES OF NEW HIRE INFORMATION.—

"(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (e)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations.

"(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

"(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS COMPENSATION.—State agencies operating employment security and workers' compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs.".

SEC. 714. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—

(1) IN GENERAL.—Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

"(1) INCOME WITHHOLDING.—

"(A) UNDER ORDERS ENFORCED UNDER THE STATE PLAN.—Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

"(B) UNDER CERTAIN ORDERS PREDATING CHANGE IN REQUIREMENT.—Procedures under which the wages of a person with a support obligation imposed by a support order issued (or modified) in the State before October 1, 1996, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.".

(2) CONFORMING AMENDMENTS.—

(A) Section 466(a)(8)(B)(iii) (42 U.S.C. 666(a)(8)(B)(iii)) is amended—

(i) by striking "(5)"; and

(ii) by inserting ", and, at the option of the State, the requirements of subsection (b)(5)" before the period.

(B) Section 466(b) (42 U.S.C. 666(b)) is amended in the matter preceding paragraph (1), by striking "subsection (a)(1)" and inserting "subsection (a)(1)(A)".

(C) Section 466(b)(5) (42 U.S.C. 666(b)(5)) is amended by striking all that follows "administered by" and inserting "the State through the State disbursement unit established pursuant to section 454B, in accordance with the requirements of section 454B.".

(D) Section 466(b)(6)(A) (42 U.S.C. 666(b)(6)(A)) is amended—

(i) in clause (i), by striking "to the appropriate agency" and all that follows and inserting "to the State disbursement unit within 2 business days after the date the amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part.";

(ii) in clause (ii), by inserting "be in a standard format prescribed by the Secretary, and" after "shall"; and

(iii) by adding at the end the following:

"(iii) As used in this subparagraph, the term 'business day' means a day on which State offices are open for regular business.".

(E) Section 466(b)(6)(D) (42 U.S.C. 666(b)(6)(D)) is amended by striking "any employer" and all that follows and inserting the following:

"any employer who—

"(i) discharges from employment, refuses to employ, or takes disciplinary action against any absent parent subject to wage withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which is imposes upon the employer; or

"(ii) fails to withhold support from wages, or to pay such amounts to the State disbursement unit in accordance with this subsection.".

(F) Section 466(b) (42 U.S.C. 666(b)) is amended by adding at the end the following:

"(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order through electronic means and without advance notice to the obligor.".

(b) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

SEC. 715. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)) is amended by adding at the end the following:

"(12) LOCATOR INFORMATION FROM INTERSTATE NETWORKS.—Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.".

SEC. 716. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows "subsection (c))" and inserting ", for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations—

"(1) information on, or facilitating the discovery of, the location of any individual—

"(A) who is under an obligation to pay child support;

"(B) against whom such an obligation is sought; or

"(C) to whom such an obligation is owed,

including the individual's social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual's employer; and

"(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage).'"; and

(2) in subsection (b), in the matter preceding paragraph (1), by striking "social security" and all that follows through "absent parent" and inserting "information described in subsection (a)".

(b) REIMBURSEMENT FOR INFORMATION FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the 4th sentence by inserting "in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information)" before the period.

(c) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following:

"(g) The Secretary may reimburse Federal and State agencies for the costs incurred by such entities in furnishing information requested by the Secretary under this section in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information).".

(d) TECHNICAL AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), 663(e), and 663(f)) are each amended by inserting "Federal" before "Parent" each place such term appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding "FEDERAL" before "PARENT".

(e) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (c) of this section, is amended by adding at the end the following:

"(h) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—

"(1) IN GENERAL.—Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the 'Federal Case Registry of Child Support Orders'), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case in each State case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

"(2) CASE INFORMATION.—The information referred to in paragraph (1) with respect to a case shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case.

"(i) NATIONAL DIRECTORY OF NEW HIRES.—

"(1) IN GENERAL.—In order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall, not later than October 1, 1996, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 453A(f)(2).

"(2) ADMINISTRATION OF FEDERAL TAX LAWS.—The Secretary of the Treasury shall have access to the information in the Federal Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3507 of such Code, and verifying a claim with respect to employment in a tax return.

"(j) INFORMATION COMPARISONS AND OTHER DISCLOSURES.—

"(1) VERIFICATION BY SOCIAL SECURITY ADMINISTRATION.—

"(A) The Secretary shall transmit information on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

"(B) The Social Security Administration shall verify the accuracy of, correct, or supply to the extent possible, and report to the Secretary, the following information supplied by the Secretary pursuant to subparagraph (A):

"(i) The name, social security number, and birth date of each such individual.

"(ii) The employer identification number of each such employer.

"(2) INFORMATION COMPARISONS.—For the purpose of locating individuals in a paternity establishment case or a case involving the establishment, modification, or enforcement of a support order, the Secretary shall—

"(A) compare information in the National Directory of New Hires against information in the support order abstracts in the Federal Case Registry of Child Support Orders not less often than every 2 business days; and

"(B) within 2 such days after such a comparison reveals a match with respect to an individual, report the information to the State agency responsible for the case.

"(3) INFORMATION COMPARISONS AND DISCLOSURES OF INFORMATION IN ALL REGISTRIES FOR TITLE IV PROGRAM PURPOSES.—To the extent and with the frequency that the Secretary determines to be effective in assisting States to carry out their responsibilities under programs operated under this part and programs funded under part A, the Secretary shall—

"(A) compare the information in each component of the Federal Parent Locator Service maintained under this section against the information in each other such component (other than the comparison required by paragraph (2)), and report instances in which such a comparison reveals a match with respect to an individual to State agencies operating such programs; and

"(B) disclose information in such registries to such State agencies.

"(4) PROVISION OF NEW HIRE INFORMATION TO THE SOCIAL SECURITY ADMINISTRATION.—The National Directory of New Hires shall provide the Commissioner of Social Security with all information in the National Directory, which shall be used to determine the accuracy of payments under the supplemental security income program under title XVI and in connection with benefits under title II.

"(5) RESEARCH.—The Secretary may provide access to information reported by employers pursuant to section 453A(b) for research purposes found by the Secretary to be likely to contribute to achieving the purposes of part A or this part, but without personal identifiers.

"(k) FEES.—

"(1) FOR SSA VERIFICATION.—The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, for the costs incurred by the Commissioner in performing the verification services described in subsection (j).

"(2) FOR INFORMATION FROM STATE DIRECTORIES OF NEW HIRES.—The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

"(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—A State or Federal agency that receives information from the Secretary pursuant to this section shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

"(l) RESTRICTION ON DISCLOSURE AND USE.—Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

"(m) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

"(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

"(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.".

(f) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

"(B) the Federal Parent Locator Service established under section 453;".

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(a)(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking "Secretary of Health, Education, and Welfare" each place such term appears and inserting "Secretary of Health and Human Services";

(B) in subparagraph (B), by striking "such information" and all that follows and inserting "information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;";

(C) by striking "and" at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

"(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the National Directory of New Hires established under section 453(i) of the Social Security Act, and".

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Section 303(a) (42 U.S.C. 503(a)) is amended—

(A) by striking "and" at the end of paragraph (8);

(B) by striking "and" at the end of paragraph (9);

(C) by striking the period at the end of paragraph (10) and inserting "; and"; and

(D) by adding after paragraph (10) the following:

"(11) The making of quarterly electronic reports, at such dates, in such format, and containing such information, as required by the Secretary of Health and Human Services under section 453(i)(3), and compliance with such provisions as such Secretary may find necessary to ensure the correctness and verification of such reports.".

SEC. 717. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 715 of this Act, is amended by adding at the end the following:

"(13) RECORDING OF SOCIAL SECURITY NUMBERS IN CERTAIN FAMILY MATTERS.—Procedures requiring that the social security number of—

"(A) any applicant for a professional license, commercial driver's license, occupational license, or marriage license be recorded on the application; and

"(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter.".

(b) CONFORMING AMENDMENTS.—Section 205(c)(2)(C) (42 U.S.C. 405(c)(2)(C)), as amended by section 321(a)(9) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(1) in clause (i), by striking "may require" and inserting "shall require";

(2) in clause (ii), by inserting after the 1st sentence the following: "In the administration of any law involving the issuance of a marriage certificate or license, each State shall require each party named in the certificate or license to furnish to the State (or political subdivision thereof) or any State agency having administrative responsibility for the law involved, the social security number of the party.";

(3) in clause (vi), by striking "may" and inserting "shall"; and

(4) by adding at the end the following:

"(x) An agency of a State (or a political subdivision thereof) charged with the administration of any law concerning the issuance or renewal of a license, certificate, permit, or other authorization to engage in a profession, an occupation, or a commercial activity shall require all applicants for issuance or renewal of the license, certificate, permit, or other authorization to provide the applicant's social security number to the agency for the purpose of administering such laws, and for the purpose of responding to requests for information from an agency operating pursuant to part D of title IV.

"(xi) All divorce decrees, support orders, and paternity determinations issued, and all paternity acknowledgments made, in each State shall include the social security number of each party to the decree, order, determination, or acknowledgement in the records relating to the matter.".

Subtitle C—Streamlining and Uniformity of Procedures

SEC. 721. ADOPTION OF UNIFORM STATE LAWS.

Section 466 (42 U.S.C. 666) is amended by adding at the end the following:

"(f) UNIFORM INTERSTATE FAMILY SUPPORT ACT.—

"(1) ENACTMENT AND USE.—In order to satisfy section 454(20)(A) on or after January 1, 1997, each State must have in effect the Uniform Interstate Family Support Act, as approved by the National Conference of Commissioners on Uniform State Laws in August 1992 (with the modifications and additions specified in this subsection), and the procedures required to implement such Act.

"(2) EXPANDED APPLICATION.—The State law enacted pursuant to paragraph (1) shall be applied to any case involving an order which is established or modified in a State and which is sought to be modified or enforced in another State.

"(3) JURISDICTION TO MODIFY ORDERS.—The State law enacted pursuant to paragraph (1) of this subsection shall contain the following provision in lieu of section 611(a)(1) of the Uniform Interstate Family Support Act:

"'(1) the following requirements are met:

"'(i) the child, the individual obligee, and the obligor—

"'(I) do not reside in the issuing State; and

"'(II) either reside in this State or are subject to the jurisdiction of this State pursuant to section 201; and

"'(ii) (in any case where another State is exercising or seeks to exercise jurisdiction to modify the order) the conditions of section 204 are met to the same extent as required for proceedings to establish orders; or'.

"(4) SERVICE OF PROCESS.—The State law enacted pursuant to paragraph (1) shall provide that, in any proceeding subject to the law, process may be served (and proved) upon persons in the State by any means acceptable in any State which is the initiating or responding State in the proceeding.".

SEC. 722. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking "subsection (e)" and inserting "subsections (e), (f), and (i)";

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

"'child's home State' means the State in which a child lived with a parent or a person acting as parent for at least six consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than six months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the six-month period.";

(3) in subsection (c), by inserting "by a court of a State" before "is made";

(4) in subsection (c)(1), by inserting "and subsections (e), (f), and (g)" after "located";

(5) in subsection (d)—

(A) by inserting "individual" before "contestant"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(6) in subsection (e), by striking "make a modification of a child support order with respect to a child that is made" and inserting "modify a child support order issued";

(7) in subsection (e)(1), by inserting "pursuant to subsection (i)" before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting "individual" before "contestant" each place such term appears; and

(B) by striking "to that court's making the modification and assuming" and inserting "with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume";

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following:

"(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If one or more child support orders have been issued in this or another State with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

"(1) If only one court has issued a child support order, the order of that court must be recognized.

"(2) If two or more courts have issued child support orders for the same obligor and child, and only one of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

"(3) If two or more courts have issued child support orders for the same obligor and child, and only one of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

"(4) If two or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

"(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.";

(11) in subsection (g) (as so redesignated)—

(A) by striking "PRIOR" and inserting "MODIFIED"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting "including the duration of current payments and other obligations of support" before the comma; and

(B) in paragraph (3), by inserting "arrears under" after "enforce"; and

(13) by adding at the end the following:

"(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.".

SEC. 723. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 715 and 717(a) of this Act, is amended by adding at the end the following:

"(14) ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.—Procedures under which—

"(A)(i) the State shall respond within 5 business days to a request made by another State to enforce a support order; and

"(ii) the term 'business day' means a day on which State offices are open for regular business;

"(B) the State may, by electronic or other means, transmit to another State a request for assistance in a case involving the enforcement of a support order, which request—

"(i) shall include such information as will enable the State to which the request is transmitted to compare the information about the case to the information in the data bases of the State;

"(ii) shall constitute a certification by the requesting State—

"(I) of the amount of support under the order the payment of which is in arrears; and

"(II) that the requesting State has complied with all procedural due process requirements applicable to the case.

"(C) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the caseload of such other State; and

"(D) the State shall maintain records of—

"(i) the number of such requests for assistance received by the State;

"(ii) the number of cases for which the State collected support in response to such a request; and

"(iii) the amount of such collected support.".

SEC. 724. USE OF FORMS IN INTERSTATE ENFORCEMENT.

(a) PROMULGATION.—Section 452(a) (42 U.S.C. 652(a)) is amended—

(1) by striking "and" at the end of parargraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following:

"(11) not later than June 30, 1996, promulgate forms to be used by States in interstate cases for—

"(A) collection of child support through income withholding;

"(B) imposition of liens; and

"(C) administrative subpoenas.".

(b) USE BY STATES.—Section 454(9) (42 U.S.C. 654(9)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by inserting "and" at the end of subparagraph (D); and

(3) by adding at the end the following:

"(E) no later than October 1, 1996, in using the forms promulgated pursuant to section 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;".

SEC. 725. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666), as amended by section 714 of this Act, is amended—

(1) in subsection (a)(2), by strking the 1st sentence and inserting the following: "Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations."; and

(2) by inserting after subsection (b) the following:

"(c) EXPEDITED PROCEDURES.—The procedures specified in this subsection are the following:

"(1) ADMINISTRATIVE ACTION BY STATE AGENCY.—Procedures which give the State agency the authority to take the following actions relating to establishment or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal (but subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal), and to recognize and enforce the authority of State agencies of other States) to take the following actions:

"(A) GENETIC TESTING.—To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

"(B) DEFAULT ORDERS.—To enter a default order, upon a showing of service of process and any additional showing required by State law—

"(i) establishing paternity, in the case of a putative father who refuses to submit to genetic testing; and

"(ii) establishing or modifying a support obligation, in the case of a parent (or other obligor or obligee) who fails to respond to notice to appear at a proceeding for such purpose.

"(C) SUBPOENAS.—To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

"(D) ACCESS TO PERSONAL AND FINANCIAL INFORMATION.—To obtain access, subject to safeguards on privacy and information security, to the records of all other State and local government agencies (including law enforcement and corrections records), including automated access to records maintained in automated data bases.

"(E) CHANGE IN PAYEE.—In cases where support is subject to an assignment in order to comply with a requirement imposed pursuant to part A or section 1912, or to a requirement to pay through the State disbursement unit established pursuant to section 454B, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

"(F) INCOME WITHHOLDING.—To order income withholding in accordance with subsections (a)(1) and (b) of section 466.

"(G) SECURING ASSETS.—In cases in which there is a support arrearage, to secure assets to satisfy the arrearage by—

"(i) intercepting or seizing periodic or lump sum payments from—

"(I) a State or local agency (including unemployment compensation, workers' compensation, and other benefits); and

"(II) judgments, settlements, and lotteries;

"(ii) attaching and seizing assets of the obligor held in financial institutions; and

"(iii) attaching public and private retirement funds.

"(H) INCREASE MONTHLY PAYMENTS.—For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages (subject to such conditions or limitations as the State may provide).

"(2) SUBSTANTIVE AND PROCEDURAL RULES.—The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

"(A) LOCATOR INFORMATION; PRESUMPTIONS CONCERNING NOTICE.—Procedures under which—

"(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the tribunal and the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party (including social security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and name and telephone number of employer); and

"(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the tribunal may deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the tribunal pursuant to clause (i).

"(B) STATEWIDE JURISDICTION.—Procedures under which—

"(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties; and

"(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between administrative areas in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.".

(b) EXCEPTIONS FROM STATE LAW REQUIREMENTS.—Section 466(d) (42 U.S.C. 666(d)) is amended—

(1) by striking "(d) If" and inserting the following:

"(d) EXEMPTIONS FROM REQUIREMENTS.—

"(1) IN GENERAL.—Subject to paragraph (2), if"; and

(2) by adding at the end the following:

"(2) NON-EXEMPT REQUIREMENTS.—The Secretary shall not grant an exemption from the requirements of—

"(A) subsection (a)(5) (concerning procedures for paternity establishment);

"(B) subsection (a)(10) (concerning modification of orders);

"(C) section 454A (concerning recording of orders in the State case registry);

"(D) subsection (a)(13) (concerning recording of social security numbers);

"(E) subsection (a)(14) (concerning interstate enforcement); or

"(F) subsection (c) (concerning expedited procedures), other than paragraph (1)(A) thereof (concerning establishment or modification of support amount).".

(c) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 745(a)(2) of this Act and as amended by sections 711 and 712(c) of this Act, is amended by adding at the end the following:

"(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required by this section shall be used, to the maximum extent feasible, to implement the expedited administrative procedures required by section 466(c).".

Subtitle D—Paternity Establishment

SEC. 731. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended to read as follows:

"(5) PROCEDURES CONCERNING PATERNITY ESTABLISHMENT.—

"(A) ESTABLISHMENT PROCESS AVAILABLE FROM BIRTH UNTIL AGE 18.—

"(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 18 years of age.

"(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was then in effect in the State.

"(B) PROCEDURES CONCERNING GENETIC TESTING.—

"(i) GENETIC TESTING REQUIRED IN CERTAIN CONTESTED CASES.—Procedures under which the State is required, in a contested paternity case, to require the child and all other parties (other than individuals found under section 454(28) to have good cause for refusing to cooperate) to submit to genetic tests upon the request of any such party if the request is supported by a sworn statement by the party—

"(I) alleging paternity, and setting forth facts establishing a reasonable possibility of the requisite sexual contact between the parties; or

"(II) denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the parties.

"(ii) OTHER REQUIREMENTS.—Procedures which require the State agency, in any case in which the agency orders genetic testing—

"(I) to pay costs of such tests, subject to recoupment (where the State so elects) from the alleged father if paternity is established; and

"(II) to obtain additional testing in any case where an original test result is contested, upon request and advance payment by the contestant.

"(C) VOLUNTARY PATERNITY ACKNOWLEDGMENT.—

"(i) SIMPLE CIVIL PROCESS.—Procedures for a simple civil process for voluntarily acknowledging paternity under which the

State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally, in writing, and in a language that each can understand, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

"(ii) HOSPITAL-BASED PROGRAM.—Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

"(iii) PATERNITY ESTABLISHMENT SERVICES.—

"(I) STATE-OFFERED SERVICES.—Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

"(II) REGULATIONS.—

"(aa) SERVICES OFFERED BY HOSPITALS AND BIRTH RECORD AGENCIES.—The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

"(bb) SERVICES OFFERED BY OTHER ENTITIES.—The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment programs of hospitals and birth record agencies.

"(iv) USE OF FEDERAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Such procedures must require the State and those required to establish paternity to use only the affidavit developed under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State.

"(D) STATUS OF SIGNED PATERNITY ACKNOWLEDGMENT.—

"(i) LEGAL FINDING OF PATERNITY.—Procedures under which a signed acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within 60 days.

"(ii) CONTEST.—Procedures under which, after the 60-day period referred to in clause (i), a signed acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

"(iii) RESCISSION.—Procedures under which, after the 60-day period referred to in clause (i), a minor who has signed an acknowledgment of paternity other than in the presence of a parent or court-appointed guardian ad litem may rescind the acknowledgment in a judicial or administrative proceeding, until the earlier of—

"(I) attaining the age of majority; or

"(II) the date of the first judicial or administrative proceeding brought (after the signing) to establish a child support obligation, visitation rights, or custody rights with respect to the child whose paternity is the subject of the acknowledgment, and at which the minor is represented by a parent or guardian ad litem, or an attorney.

"(E) BAR ON ACKNOWLEDGMENT RATIFICATION PROCEEDINGS.—Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

"(F) ADMISSIBILITY OF GENETIC TESTING RESULTS.—Procedures—

"(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—

"(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

"(II) performed by a laboratory approved by such an accreditation body;

"(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

"(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

"(G) PRESUMPTION OF PATERNITY IN CERTAIN CASES.—Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

"(H) DEFAULT ORDERS.—Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

"(I) NO RIGHT TO JURY TRIAL.—Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

"(J) TEMPORARY SUPPORT ORDER BASED ON PROBABLE PATERNITY IN CONTESTED CASES.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, where there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

"(K) PROOF OF CERTAIN SUPPORT AND PATERNITY ESTABLISHMENT COSTS.—Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child.

"(L) STANDING OF PUTATIVE FATHERS.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

"(M) FILING OF ACKNOWLEDGMENTS AND ADJUDICATIONS IN STATE REGISTRY OF BIRTH RECORDS.—Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.".

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting ", and develop an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security number of each parent" before the semicolon.

(c) TECHNICAL AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking "a simple civil process for voluntarily acknowledging paternity and".

SEC. 732. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

Section 454(23) (42 U.S.C. 654(23)) is amended by inserting "and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate" before the semicolon.

SEC. 733. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF TEMPORARY FAMILY ASSISTANCE.

Section 454 (42 U.S.C. 654), as amended by sections 703(a), 712(a), and 713(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting "; and"; and

(3) by inserting after paragraph (27) the following:

"(28) provide that the State agency responsible for administering the State plan—

"(A) shall require each individual who has applied for or is receiving assistance under the State program funded under part A to cooperate with the State in establishing the paternity of, and in establishing, modifying, or enforcing a support order for, any child of the individual by providing the State agency with the name of, and such other information as the State agency may require with respect to, the father of the child, subject to such good cause and other exceptions as the State may establish; and

"(B) may require the individual and the child to submit to genetic tests.".

Subtitle E—Program Administration and Funding

SEC. 741. FEDERAL MATCHING PAYMENTS.

(a) INCREASED BASE MATCHING RATE.—Section 455(a)(2) (42 U.S.C. 655(a)(2)) is amended to read as follows:

"(2) The percent specified in this paragraph for any quarter is 66 percent.".

(b) MAINTENANCE OF EFFORT.—Section 455 (42 U.S.C. 655) is amended—

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking "From" and inserting "Subject to subsection (c), from"; and

(2) by inserting after subsection (b) the following:

"(c) MAINTENANCE OF EFFORT.—Notwithstanding subsection (a), the total expenditures under the State plan approved under this part for fiscal year 1997 and each succeeding fiscal year, reduced by the percentage specified in paragraph (2) for the fiscal year shall not be less than such total expenditures for fiscal year 1996, reduced by 66 percent.".

SEC. 742. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) INCENTIVE ADJUSTMENTS TO FEDERAL MATCHING RATE.—Section 458 (42 U.S.C. 658) is amended to read as follows:

"SEC. 458. INCENTIVE ADJUSTMENTS TO MATCHING RATE.

"(a) INCENTIVE ADJUSTMENTS.—

"(1) IN GENERAL.—Beginning with fiscal year 1999, the Secretary shall increase the percent specified in section 455(a)(2) that applies to payments to a State under section 455(a)(1)(A) for each quarter in a fiscal year by a factor reflecting the sum of the applicable incentive adjustments (if any) determined in accordance with regulations under this section with respect to the paternity establishment percentage of the State for the immediately preceding fiscal year and with respect to overall performance of the State in child support enforcement during such preceding fiscal year.

"(2) STANDARDS.—

"(A) IN GENERAL.—The Secretary shall specify in regulations—

"(i) the levels of accomplishment, and rates of improvement as alternatives to such levels, which a State must attain to qualify for an incentive adjustment under this section; and

"(ii) the amounts of incentive adjustment that shall be awarded to a State that achieves specified accomplishment or improvement levels, which amounts shall be graduated, ranging up to—

"(I) 12 percentage points, in connection with paternity establishment; and

"(II) 12 percentage points, in connection with overall performance in child support enforcement.

"(B) LIMITATION.—In setting performance standards pursuant to subparagraph (A)(i) and adjustment amounts pursuant to subparagraph (A)(ii), the Secretary shall ensure that the aggregate number of percentage point increases as incentive adjustments to all States do not exceed such aggregate increases as assumed by the Secretary in estimates of the cost of this section as of June 1994, unless the aggregate performance of all States exceeds the projected aggregate performance of all States in such cost estimates.

"(3) DETERMINATION OF INCENTIVE ADJUSTMENT.—The Secretary shall determine the amount (if any) of the incentive adjustment due each State on the basis of the data submitted by the State pursuant to section 454(15)(B) concerning the levels of accomplishment (and rates of improvement) with respect to performance indicators specified by the Secretary pursuant to this section.

"(4) RECYCLING OF INCENTIVE ADJUSTMENT.—A State to which funds are paid by the Federal Government as a result of an incentive adjustment under this section shall expend the funds in the State program under this part within 2 years after the date of the payment.

"(b) DEFINITIONS.—As used in this section:

"(1) PATERNITY ESTABLISHMENT PERCENTAGE.—The term 'paternity establishment percentage' means, with respect to a State and a fiscal year—

"(A) the total number of children in the State who were born out of wedlock, who have not attained 1 year of age and for whom paternity is established or acknowledged during the fiscal year; divided by

"(B) the total number of children born out of wedlock in the State during the fiscal year.

"(2) OVERALL PERFORMANCE IN CHILD SUPPORT ENFORCEMENT.—The term 'overall performance in child support enforcement' means a measure or measures of the effectiveness of the State agency in a fiscal year which takes into account factors including—

"(A) the percentage of cases requiring a support order in which such an order was established;

"(B) the percentage of cases in which child support is being paid;

"(C) the ratio of child support collected to child support due; and

"(D) the cost-effectiveness of the State program, as determined in accordance with standards established by the Secretary in regulations (after consultation with the States).".

(b) CONFORMING AMENDMENTS.—Section 454(22) (42 U.S.C. 654(22)) is amended—

(1) by striking "incentive payments" the 1st place such term appears and inserting "incentive adjustments"; and

(2) by striking "any such incentive payments made to the State for such period" and inserting "any increases in Federal payments to the State resulting from such incentive adjustments".

(c) CALCULATION OF IV-D PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) in the matter preceding subparagraph (A) by inserting "its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and" after "1994,"; and

(B) in each of subparagraphs (A) and (B), by striking "75" and inserting "90".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter preceding clause (i)—

(A) by striking "paternity establishment percentage" and inserting "IV-D paternity establishment percentage"; and

(B) by striking "(or all States, as the case may be)".

(3) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A) (as so redesignated), by striking "the percentage of children born out-of-wedlock in a State" and inserting "the percentage of children in a State who are born out of wedlock or for whom support has not been established"; and

(C) in subparagraph (B) (as so redesignated)—

(i) by inserting "and overall performance in child support enforcement" after "paternity establishment percentages"; and

(ii) by inserting "and securing support" before the period.

(d) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—(A) The amendments made by subsections (a) and (b) shall become effective on October 1, 1997, except to the extent provided in subparagraph (B).

(B) Section 458 of the Social Security Act, as in effect prior to the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years before fiscal year 1999.

(2) PENALTY REDUCTIONS.—The amendments made by subsection (c) shall become effective with respect to calendar quarters beginning on and after the date of the enactment of this Act.

SEC. 743. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking "(14)" and inserting "(14)(A)";

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following:

"(15) provide for—

"(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under this part, which shall include such information as may be necessary to measure State compliance with Federal requirements for expedited procedures and timely case processing, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which the program is operated in compliance with this part; and

"(B) a process of extracting from the automated data processing system required by paragraph (16) and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including IV-D paternity establishment percentages and overall performance in child support enforcement) to the extent necessary for purposes of sections 452(g) and 458.".

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

"(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 458;

"(B) review annual reports submitted pursuant to section 454(15)(A) and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

"(C) conduct audits, in accordance with the government auditing standards of the Comptroller General of the United States—

"(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part, concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data, and the accuracy of the reporting systems, used in calculating performance indicators under subsection (g) of this section and section 458;

"(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

"(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

"(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

"(iii) for such other purposes as the Secretary may find necessary;".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this section.

SEC. 744. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting ", and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes and timely case processing) to be applied in following such procedures" before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 703(a), 712(a), 713(a), and 733 of this Act, is amended—

(1) by striking "and" at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting "; and"; and

(3) by adding after paragraph (28) the following:

"(29) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.".

SEC. 745. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking ", at the option of the State,";

(B) by inserting "and operation by the State agency" after "for the establishment";

(C) by inserting "meeting the requirements of section 454A" after "information retrieval system";

(D) by striking "in the State and localities thereof, so as (A)" and inserting "so as";

(E) by striking "(1)"; and

(F) by striking "(including" and all that follows and inserting a semicolon.

(2) Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following:

"SEC. 454A. AUTOMATED DATA PROCESSING.

"(a) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

"(b) PROGRAM MANAGEMENT.—The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

"(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

"(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

"(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive and penalty adjustments required by sections 452(g) and 458, the State agency shall—

"(1) use the automated system—

"(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

"(B) to calculate the IV–D paternity establishment percentage and overall performance in child support enforcement for the State for each fiscal year; and

"(2) have in place systems controls to ensure the completeness, and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

"(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

"(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

"(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

"(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

"(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

"(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

"(4) TRAINING AND INFORMATION.—Procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

"(5) PENALTIES.—Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.".

(3) REGULATIONS.—The Secretary of Health and Human Services shall prescribe final regulations for implementation of section 454A of the Social Security Act not later than 2 years after the date of the enactment of this Act.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by sections 703(a)(2) and 712(a)(1) of this Act, is amended to read as follows:

"(24) provide that the State will have in effect an automated data processing and information retrieval system—

"(A) by October 1, 1995, which meets all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988; and

"(B) by October 1, 1999, which meets all requirements of this part enacted on or before the date of the enactment of the Personal Responsibility Act of 1995, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 745(a)(3) of the Personal Responsibility Act of 1995.".

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—

(1) IN GENERAL.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(A) in paragraph (1)(B)—

(i) by striking "90 percent" and inserting "the percent specified in paragraph (3)";

(ii) by striking "so much of"; and

(iii) by striking "which the Secretary" and all that follows and inserting ", and"; and

(B) by adding at the end the following:

"(3)(A) The Secretary shall pay to each State, for each quarter in fiscal year 1996, 90 percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16).

"(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1997 through 2001, the percentage specified in clause (ii) of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 454(16) and 454A.

"(ii) The percentage specified in this clause is the greater of—

"(I) 80 percent; or

"(II) the percentage otherwise applicable to Federal payments to the State under subparagraph (A) (as adjusted pursuant to section 458).".

(2) TEMPORARY LIMITATION ON PAYMENTS UNDER SPECIAL FEDERAL MATCHING RATE.—

(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $260,000,000 in the aggregate under section 455(a)(3) of the Social Security Act for fiscal years 1996, 1997, 1998, 1999, and 2000.

(B) ALLOCATION OF LIMITATION AMONG STATES.—The total amount payable to a State under section 455(a)(3) of such Act for fiscal years 1996, 1997, 1998, 1999, and 2000 shall not exceed the limitation determined for the State by the Secretary of Health and Human Services in regulations.

(C) ALLOCATION FORMULA.—The regulations referred to in subparagraph (B) shall prescribe a formula for allocating the amount specified in subparagraph (A) among States with plans approved under part D of title IV of the Social Security Act, which shall take into account—

(i) the relative size of State caseloads under such part; and

(ii) the level of automation needed to meet the automated data processing requirements of such part.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100–485) is repealed.

SEC. 746. TECHNICAL ASSISTANCE.

(a) FOR TRAINING OF FEDERAL AND STATE STAFF, RESEARCH AND DEMONSTRATION PROGRAMS, AND SPECIAL PROJECTS OF REGIONAL OR NATIONAL SIGNIFICANCE.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following:

"(j) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 1 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for—

"(1) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs under this part (including technical assistance concerning State automated systems required by this part); and

"(2) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part.".

(b) OPERATION OF FEDERAL PARENT LOCATOR SERVICE.—Section 453 (42 U.S.C. 653), as amended by section 716(e) of this Act, is amended by adding at the end the following:

"(n) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 2 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for operation of the Federal Parent Locator Service under this section, to the extent such costs are not recovered through user fees.".

SEC. 747. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—

(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking "this part;" and inserting "this part, including—"; and

(B) by adding at the end the following:

"(i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;

"(ii) the cost to the States and to the Federal Government of so furnishing the services; and

"(iii) the number of cases involving families—

"(I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and

"(II) with respect to whom a child support payment was received in the month;".

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking "with the data required under each clause being separately stated for cases" and inserting "separately stated for (1) cases";

(ii) by striking "cases where the child was formerly receiving" and inserting "or formerly received";

(iii) by inserting "or 1912" after "471(a)(17)"; and

(iv) by inserting "(2)" before "all other";

(B) in each of clauses (i) and (ii), by striking ", and the total amount of such obligations";

(C) in clause (iii), by striking "described in" and all that follows and inserting "in which support was collected during the fiscal year;";

(D) by striking clause (iv);

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following:

"(iv) the total amount of support collected during such fiscal year and distributed as current support;

"(v) the total amount of support collected during such fiscal year and distributed as arrearages;

"(vi) the total amount of support due and unpaid for all fiscal years; and".

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking "on the use of Federal courts and".

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (I).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to fiscal year 1996 and succeeding fiscal years.

Subtitle F—Establishment and Modification of Support Orders

SEC. 751. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

"(10) REVIEW AND ADJUSTMENT OF SUPPORT ORDERS.—Procedures under which the State shall review and adjust each support order being enforced under this part. Such procedures shall provide the following:

"(A) The State shall review and, as appropriate, adjust the support order every 3 years, taking into account the best interests of the child involved.

"(B)(i) The State may elect to review and, if appropriate, adjust an order pursuant to subparagraph (A) by—

"(I) reviewing and, if appropriate, adjusting the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines; or

"(II) applying a cost-of-living adjustment to the order in accordance with a formula developed by the State and permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

"(ii) Any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.

"(C) The State may use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, apply the appropriate adjustment to the orders eligible for adjustment under the threshold established by the State.

"(D) The State shall, at the request of either parent subject to such an order or of any State child support enforcement agency, review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) based upon a substantial change in the circumstances of either parent.

"(E) The State shall provide notice to the parents subject to such an order informing them of their right to request the State to review and, if appropriate, adjust the order pursuant to subparagraph (D). The notice may be included in the order.".

SEC. 752. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following:

"(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that—

"(A) the consumer report is needed for the purpose of establishing an individual's capacity to make child support payments or determining the appropriate level of such payments;

"(B) the person has provided at least 10 days prior notice to the consumer whose report is requested, by certified or registered mail to the last known address of the consumer, that the report will be requested, and

"(C) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

"(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.".

Subtitle G—Enforcement of Support Orders

SEC. 761. FEDERAL INCOME TAX REFUND OFFSET.

(a) CHANGED ORDER OF REFUND DISTRIBUTION UNDER INTERNAL REVENUE CODE.—

(1) Subsection (c) of section 6402 of the Internal Revenue Code of 1986 is amended by striking the third sentence and inserting the following new sentences: "A reduction under this subsection shall be after any other reduction allowed by subsection (d) with respect to the Department of Health and Human Services and the Department of Education with respect to a student loan and before any other reduction allowed by law and before such overpayment is credited to the future liability for tax of such person pursuant to subsection (b). A reduction under this subsection shall be assigned to the State with respect to past-due support owed to individuals for periods such individuals were receiving assistance under part A or B of title IV of the Social Security Act only after satisfying all other past-due support.".

(2) Paragraph (2) of section 6402(d) of such Code is amended—

(A) by striking "Any overpayment" and inserting "Except in the case of past-due legally enforceable debts owed to the Department of Health and Human Services or to the Department of Education with respect to a student loan, any overpayment"; and

(B) by striking "with respect to past-due support collected pursuant to an assignment under section 402(a)(26) of the Social Security Act".

(b) ELIMINATION OF DISPARITIES IN TREATMENT OF ASSIGNED AND NON-ASSIGNED ARREARAGES.—

(1) Section 464(a) (42 U.S.C. 664(a)) is amended—

(A) by striking "(a)" and inserting "(a) OFFSET AUTHORIZED.—";

(B) in paragraph (1)—

(i) in the 1st sentence, by striking "which has been assigned to such State pursuant to section 402(a)(26) or section 471(a)(17)"; and

(ii) in the 2nd sentence, by striking "in accordance with section 457(b)(4) or (d)(3)" and inserting "as provided in paragraph (2)";

(C) by striking paragraph (2) and inserting the following:

"(2) The State agency shall distribute amounts paid by the Secretary of the Treasury pursuant to paragraph (1)—

"(A) in accordance with section 457(a), in the case of past-due support assigned to a State pursuant to requirements imposed pursuant to section 405(a)(8); and

"(B) to or on behalf of the child to whom the support was owed, in the case of past-due support not so assigned."; and

(D) in paragraph (3)—

(i) by striking "or (2)" each place such term appears; and

(ii) in subparagraph (B), by striking "under paragraph (2)" and inserting "on account of past-due support described in paragraph (2)(B)".

(2) Section 464(b) (42 U.S.C. 664(b)) is amended—

(A) by striking "(b)(1)" and inserting the following:

"(b) REGULATIONS.—"; and

(B) by striking paragraph (2).

(3) Section 464(c) (42 U.S.C. 664(c)) is amended—

(A) by striking "(c)(1) Except as provided in paragraph (2), as" and inserting the following:

"(c) DEFINITION.—As"; and

(B) by striking paragraphs (2) and (3).

SEC. 762. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—Section 459 (42 U.S.C. 659) is amended to read as follows:

"SEC. 459. CONSENT BY THE UNITED STATES TO INCOME WITHHOLDING, GARNISHMENT, AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS.

"(a) CONSENT TO SUPPORT ENFORCEMENT.—Notwithstanding any other provision of law (including section 207 of this Act and section 5301 of title 38, United States Code), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary under such subsections, and to any other legal process brought, by a State agency administering a program under a State plan approved under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

"(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.—With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

"(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE OR PROCESS—

"(1) DESIGNATION OF AGENT.—The head of each agency subject to this section shall—

"(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

"(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

"(2) RESPONSE TO NOTICE OR PROCESS.—If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatory, with respect to an individual's child support or alimony payment obligations, the agent shall—

"(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

"(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 466; and

"(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, respond to the order, process, or interrogatory.

"(d) PRIORITY OF CLAIMS.—If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

"(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

"(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by section 466(b) and the regulations prescribed under such section; and

"(3) such moneys as remain after compliance with subparagraphs (A) and (B) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

"(e) NO REQUIREMENT TO VARY PAY CYCLES.—A governmental entity that is affected by legal process served for the enforcement of an individual's child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

"(f) RELIEF FROM LIABILITY.—

"(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance with this section and the regulations issued to carry out this section.

"(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

"(g) REGULATIONS.—Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

"(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

"(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

"(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

"(h) MONEYS SUBJECT TO PROCESS.—

"(1) IN GENERAL.—Subject to paragraph (2), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

"(A) consist of—

"(i) compensation paid or payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

"(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

"(I) under the insurance system established by title II;

"(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

"(III) as compensation for death under any Federal program;

"(IV) under any Federal program established to provide 'black lung' benefits; or

"(V) by the Secretary of Veterans Affairs as pension, or as compensation for a service-connected disability or death (except any compensation paid by the Secretary to a member of the Armed Forces who is in receipt of retired or retainer pay if the member has waived a portion of the retired pay of the member in order to receive the compensation); and

"(iii) worker's compensation benefits paid under Federal or State law but

"(B) do not include any payment—

"(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual; or

"(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.

"(2) CERTAIN AMOUNTS EXCLUDED.—In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

"(A) are owed by the individual to the United States;

"(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

"(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding);

"(D) are deducted as health insurance premiums;

"(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

"(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

"(i) DEFINITIONS.—As used in this section:

"(1) UNITED STATES.—The term 'United States' includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Rate Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.

"(2) CHILD SUPPORT.—The term 'child support', when used in reference to the legal obligations of an individual to provide such support, means periodic payments of funds for the support and maintenance of a child or children with respect to which the individual has such an obligation, and (subject to and in accordance with State law) includes payments to provide for health care, education, recreation, clothing, or to meet other specific needs of such a child or children, and includes attorney's fees, interest, and court costs, when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

"(3) ALIMONY.—The term 'alimony', when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney's fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction. Such term does not include any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

"(4) PRIVATE PERSON.—The term 'private person' means a person who does not have

sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

"(5) LEGAL PROCESS.—The term 'legal process' means any writ, order, summons, or other similar process in the nature of garnishment—

"(A) which is issued by—

"(i) a court of competent jurisdiction in any State, territory, or possession of the United States;

"(ii) a court of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

"(iii) an authorized official pursuant to an order of such a court of competent jurisdiction or pursuant to State or local law; and

"(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.".

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661 and 662) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking "sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)" and inserting "section 459 of the Social Security Act (42 U.S.C. 659)".

(c) MILITARY RETIRED AND RETAINER PAY.—

(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding after subparagraph (C) the following:

"(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a program under a State plan approved under part D of title IV of the Social Security Act), and, for purposes of this subparagraph, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.".

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended by inserting "or a court order for the payment of child support not included in or accompanied by such a decree or settlement," before "which—".

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by inserting "(OR FOR BENEFIT OF)" before "SPOUSE OR"; and

(B) in paragraph (1), in the first sentence, by inserting "(or for the benefit of such spouse or former spouse to a State disbursement unit established pursuant to section 454B of the Social Security Act or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)" before "in an amount sufficient".

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following:

"(j) RELATIONSHIP TO OTHER LAWS.—In any case involving an order providing for payment of child support (as defined in section 459(i)(2) of the Social Security Act) by a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of such Act.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 763. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service established under section 453 of the Social Security Act.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection:

(A) The term "court" has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term "child support" has the meaning given such term in section 459(i) of the Social Security Act (42 U.S.C. 659(i)).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, as amended by section 762(c)(4) of this Act, is amended—

(A) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively; and

(B) by inserting after subsection (h) the following:

"(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.".

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the 1st sentence the following: "In the case of a spouse or former spouse who, pursuant to section 405(a)(8) of the Social Security Act (42 U.S.C. 605(a)(8)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.".

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following:

"(6) In the case of a court order for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisy the amount of child support set forth in a court order shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.".

(4) PAYROLL DEDUCTIONS.—The Secretary of Defense shall begin payroll deductions within 30 days after receiving notice of withholding, or for the first pay period that begins after such 30-day period.

SEC. 764. VOIDING OF FRAUDULENT TRANSFERS.

Section 466 (42 U.S.C. 666), as amended by section 721 of this Act, is amended by adding at the end the following:

"(g) LAWS VOIDING FRAUDULENT TRANSFERS.—In order to satisfy section 454(20)(A), each State must have in effect—

"(1)(A) the Uniform Fraudulent Conveyance Act of 1981;

"(B) the Uniform Fraudulent Transfer Act of 1984; or

"(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

"(2) procedures under which, in any case in which the State knows of a transfer by a

child support debtor with respect to which such a prima facie case is established, the State must—

"(A) seek to void such transfer; or

"(B) obtain a settlement in the best interests of the child support creditor.".

SEC. 765. SENSE OF THE CONGRESS THAT STATES SHOULD SUSPEND DRIVERS', BUSINESS, AND OCCUPATIONAL LICENSES OF PERSONS OWING PAST-DUE CHILD SUPPORT.

It is the sense of the Congress that each State should suspend any driver's license, business license, or occupational license issued to any person who owes past-due child support.

SEC. 766. WORK REQUIREMENT FOR PERSONS OWING PAST-DUE CHILD SUPPORT.

Section 466(a) of the Social Security Act (42 U.S.C. 666(a)), as amended by sections 701(a), 715, 717(a), and 723 of this Act, is amended by adding at the end the following:

"(16) PROCEDURES TO ENSURE THAT PERSONS OWING PAST-DUE SUPPORT WORK OR HAVE A PLAN FOR PAYMENT OF SUCH SUPPORT.—

"(A) Procedures requiring the State, in any case in which an individual owes past-due support with respect to a child receiving assistance under a State program funded under part A, to seek a court order that requires the individual to—

"(i) pay such support in accordance with a plan approved by the court; or

"(ii) if the individual is subject to such a plan and is not incapacitated, participate in such work activities (as defined in section 404(b)(1)) as the court deems appropriate.

"(B) As used in subparagraph (A), the term 'past-due support' means the amount of a delinquency, determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a child, or of a child and the parent with whom the child is living.".

SEC. 767. DEFINITION OF SUPPORT ORDER.

Section 453 (42 U.S.C. 653) as amended by sections 716 and 746(b) of this Act, is amended by adding at the end the following:

"(o) SUPPORT ORDER DEFINED.—As used in this part, the term 'support order' means an order issued by a court or an administrative process established under State law that requires support and maintenance of a child or of a child and the parent with whom the child is living.".

Subtitle H—Medical Support

SEC. 771. TECHNICAL CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking "issued by a court of competent jurisdiction";

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following:

"if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued by an administrative adjudicator and has the force and effect of law under applicable State law.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1996.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the first plan year beginning on or after January 1, 1996, if—

(A) during the period after the date before the date of the enactment of this Act and before such first plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such first plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

Subtitle I—Enhancing Responsibility and Opportunity for Nonresidential Parents

SEC. 781. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

Part D of title IV (42 U.S.C. 651–669) is amended by adding at the end the following:

"SEC. 469A. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

"(a) IN GENERAL.—The Administration for Children and Families shall make grants under this section to enable States to establish and administer programs to support and facilitate absent parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

"(b) AMOUNT OF GRANT.—The amount of the grant to be made to a State under this section for a fiscal year shall be an amount equal to the lesser of—

"(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or

"(2) the allotment of the State under subsection (c) for the fiscal year.

"(c) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—The allotment of a State for a fiscal year is the amount that bears the same ratio to the amount appropriated for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

"(2) MINIMUM ALLOTMENT.—The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

"(A) $50,000 for fiscal year 1996 or 1997; or

"(B) $100,000 for any succeeding fiscal year.

"(d) NO SUPPLANTATION OF STATE EXPENDITURES FOR SIMILAR ACTIVITIES.—A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

"(e) STATE ADMINISTRATION.—Each State to which a grant is made under this section—

"(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or non-profit private entities;

"(2) shall not be required to operate such programs on a statewide basis; and

"(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.".

Subtitle J—Effect of Enactment

SEC. 791. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) the provisions of this title requiring the enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon enactment.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if the State is unable to so comply without amending the State constitution until the earlier of—

(1) 1 year after the effective date of the necessary State constitutional amendment; or

(2) 5 years after the date of the enactment of this title.

TITLE VIII—MISCELLANEOUS PROVISIONS

SEC. 801. SCORING.

(a) IN GENERAL.—None of the changes in direct spending resulting from this Act shall be reflected in estimates under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) TECHNICAL AMENDMENT.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new subparagraph:

"(H) SPECIAL ALLOWANCE FOR WELFARE REFORM.—For any fiscal year, the adjustments shall be appropriations for discretionary programs resulting from the Personal Responsibility Act of 1995 (as described in the joint explanatory statement accompanying a conference report on that Act) in discretionary accounts and the outlays flowing in all years from such appropriations (but not to exceed amounts authorized for those programs by that Act for that fiscal year) minus appropriations for comparable discretionary programs for fiscal year 1995 (as described in the joint explanatory statement accompanying a conference report on that Act.".

SEC. 802. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.

Section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) is amended—

(1) by striking "(d) In the event" and inserting "(d) APPLICABILITY TO SERVICE PROVIDERS OTHER THAN CERTAIN FINANCIAL INSTITUTIONS.—

"(1) IN GENERAL.—In the event"; and

(2) by adding at the end the following new paragraph:

"(2) STATE AND LOCAL GOVERNMENT ELECTRONIC BENEFIT TRANSFER PROGRAMS.—

"(A) EXEMPTION GENERALLY.—The disclosures, protections, responsibilities, and remedies established under this title, and any regulation prescribed or order issued by the Board in accordance with this title, shall not apply to any electronic benefit transfer program established under State or local law or administered by a State or local government.

"(B) EXCEPTION FOR DIRECT DEPOSIT INTO RECIPIENT'S ACCOUNT.—Subparagraph (A) shall not apply with respect to any electronic funds transfer under an electronic benefit transfer program for deposits directly into a consumer account held by the recipient of the benefit.

"(C) RULE OF CONSTRUCTION.—No provision of this paragraph may be construed as—

"(i) affecting or altering the protections otherwise applicable with respect to benefits established by Federal, State, or local law; or

"(ii) otherwise superseding the application of any State or local law.

"(D) ELECTRONIC BENEFIT TRANSFER PROGRAM DEFINED.—For purposes of this paragraph, the term 'electronic benefit transfer program'—

"(i) means a program under which a government agency distributes needs-tested benefits by establishing accounts to be accessed by recipients electronically, such as through automated teller machines, or point-of-sale terminals; and

"(ii) does not include employment-related payments, including salaries and pension, retirement, or unemployment benefits established by Federal, State, or local governments.".

The CHAIRMAN. No further amendment shall be in order except the amendments printed in House Report 104–85, amendments en bloc described in section 2 of House Resolution 119, and the amendments designated in section 3 of that resolution.

Except as specified in section 2, 3, or 4 of the resolution, each amendment made in order by the resolution may be considered only in the order printed in the report, may be offered only by a Member designated in the report, is considered as having been read, is debatable for 20 minutes, equally divided and controlled by the proponent and an opponent of the amendment, is not subject to amendment, and is not subject to a demand for division of the question.

Notwithstanding that amendments printed in the report are not subject to amendment, the chairman and ranking minority member of the Committee on Ways and Means, or their designees, each may offer one pro forma amendment to any amendment printed in the report for the purpose of debate.

Pursuant to section 2 of the resolution, it shall be in order at any time before consideration of the amendments designated in section 3 of the resolution for the chairman of the Committee on Ways and Means or his designee to offer amendments en bloc consisting of amendments printed in the report not earlier disposed of or germane modifications of any such amendment.

Amendments en bloc offered pursuant to section 2 of the resolution are considered as having been read, except that modifications shall be reported, and are debatable for 20 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means or their designees.

For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of a germane perfecting amendment to the text originally proposed to be stricken.

The original proponent of an amendment included in such amendments en bloc may insert a statement in the CONGRESSIONAL RECORD immediately before the disposition of the amendments en bloc.

After disposition of the amendments printed in the report and any amendments en bloc offered pursuant to section 2 of the resolution, it shall be in order to consider the following amendments in this order:

First, a further amendment in the nature of a substitute consisting of the text of H.R. 1267 by the gentleman from Georgia [Mr. DEAL] or his designee;

Second, a further amendment in the nature of a substitute consisting of the text of H.R. 1250 by the gentlewoman from Hawaii [Mrs. MINK] or her designee; and

Third, a further amendment in the nature of a substitute consisting of the text of the bill, as it had been perfected before the consideration of amendments pursuant to section 3 of the resolution, if offered by the chairman of the Committee on Ways and Means or his designee.

Debate on each of the three amendments just referred to will be 1 hour, equally divided and controlled by the proponent and an opponent of the amendment.

The third amendment, just referred to, shall be subject to amendment by any amendment printed in the report that was not earlier disposed of as an amendment to the bill before consideration of amendments pursuant to section 3 of the resolution.

Amendments to the amendment designated in subparagraph (a)(3) of section 3 shall be considered under the same terms as if offered to the bill, including the requirement of 1 hour's notice pursuant to section 4 of the resolution.

If more than one of the amendments designated in subsection (a) of section 3 of the resolution is adopted, only the one receiving the greater number of affirmative votes shall be considered as finally adopted. In the case of a tie for the greater number of affirmative votes, only the last amendment to receive that number of affirmative votes shall be considered as finally adopted.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a record vote on amendments made in order by the resolution.

The Chairman of the Committee of the Whole may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The Chairman of the Committee of the Whole may recognize for consideration of any amendment printed in the report out of the order printed, but not sooner than 1 hour after the Chairman of the Committee on Ways and Means or a designee announces from the floor a request to that effect.

□ 1445

It is now in order to consider amendment No. 1 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Chairman, pursuant to the rule, I offer an amendment consisting of technical corrections to the bill.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ARCHER:

Page 4, strike the item relating to section 592 and insert the following:

Sec. 592. Sense of the Congress.

Page 18, strike line 19 and all that follows through line 5 on page 19 and insert the following:

"(3) FOR FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce by 1 percent the amount of the grant that would (in the absence of this subsection, subsection (a)(1)(B) of this section, and section 101(e)(2)) be payable to the State under subsection (a)(1)(A) for the fiscal year.

Page 32, line 20, strike "subsection (c)(1)" and insert "section 403(c)(1)".

Page 32, line 24, strike ", unless" and all that follows through line 13 on page 33 and insert "except consistent with title IV of the Personal Responsibility Act of 1995.".

Page 33, line 16, strike "a State" and insert "A State".

Page 35, beginning on line 16, strike "subsection (c)(1)" and insert section 403(c)(1)".

Page 36, line 3, strike "subsection (e)(1)" and insert "section 403(c)(1)".

Page 84, line 18, insert "(42 U.S.C. 13001–13004)" after "1990".

Page 123, line 23, strike "amount appropriated" and insert "school-based nutrition amount".

Page 124, line 6, strike "amount appropriated" and insert "school-based nutrition amount".

Page 125, beginning on line 22, strike "amount appropriated" and insert "school-based nutrition amount".

Page 125, line 25, strike "amount appropriated" and insert "school-based nutrition amount".

Page 126, beginning on line 6, strike "amount appropriated" and insert "school-based nutrition amount".

Page 126, line 9, strike "amount appropriated" and insert "school-based nutrition amount".

Page 126, beginning on line 22, strike "amount appropriated" and insert "school-based nutrition amount".

Page 127, beginning on line 3, strike "amount appropriated" and insert "school-based nutrition amount".

Page 127, beginning on line 11, strike "amount appropriated" and insert "school-based nutrition amount".

Page 127, beginning on line 16, strike "amount appropriated" and insert "school-based nutrition amount".

Page 131, line 9, strike "620" and insert "621".

Page 153, strike lines 8 through 14.

Page 153, line 15, strike "(4)" and insert "(3)".

Page 154, strike the parenthetical phrase beginning on line 20.

Page 154, line 18, strike "subsections (b) and (c)" and insert "subsection (b)".

Page 159, line 13, insert "or section 412" after "this section".

Page 159, strike the parenthetical phrase beginning on line 16.

Page 167, line 10, strike "individual" and insert "alien".

Page 169, line 9, insert "(a) LIMITATIONS ON ASSISTANCE.—" before "SECTION".

Page 170, after line 12, insert the following:

(b) CONFORMING AMENDMENTS.—Section 501(h)) of the Housing Act of 1949 (42 U.S.C. 1471(h)) is amended—

(1) by striking "(1)";

(2) by striking "by the Secretary of Housing and Urban Development"; and

(3) by striking paragraph (2).

Page 193, line 4, insert "of title II" after "subtitle C".

Page 203, line 3, strike "Section (3)(o)" and insert "Section 3(o)".

Page 204, line 21, strike the comma after "households".

Page 210, line 16, strike "42" and insert "7".

Page 217, line 17, strike "2015(i)(6)" and insert "2016(i)(6)".

Page 217, line 18, strike "17(e)" and insert "section 17(e)".

Page 221, line 25, strike "the".

Page 222, line 1, strike "year" and insert "years".

Page 228, beginning on line 25, strike "Food Stamp Simplification and Reform" and insert "Personal Responsibility".

Page 229, line 5, strike "Food Stamp Simplification and Reform" and insert "Personal Responsibility".

Page 231, line 10, strike ", wherever possible," and on line 11, insert "wherever possible," after "Agriculture,".

Page 236, line 4, strike "and (c)".

Page 236, strike lines 7 and 8.

Page 236, line 9, strike "(c)" and insert "(b)" and strike "section 560"and insert "section 559".

Page 242, line 4, strike "601(d)(1)" and insert "601(d)(1)(A)".

Page 245, line 10, strike "indivdiuals" and insert "individuals".

Page 255, strike lines 19 and 20 and insert the following: "and for whom, for the month preceding the month in which the individual attained such age, a determination was in effect that the individual is a qualifying child under section 1646(3).".

Page 262, line 9, insert "by reason of disability" after "Act,".

Page 323, line 24, strike "(c)" and insert "(b)".

Page 368, line 20, strike "subparagraphs (A) and (B)" and insert "paragraphs (1) and (2)".

Page 387, line 25, strike "by an administrative adjudicator" and insert "through an administrative process established under State law".

Page 393, strike line 4 and all that follows through line 7.

Page 393, line 5, strike "(b) TECHNICAL AMENDMENT.—".

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. ARCHER] will be recognized for 10 minutes, and the gentleman from Florida [Mr. GIBBONS] will be recognized for 10 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment consists mainly of technical drafting errors which were discovered by staff after the introduction of the bill.

Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, I rise in favor of the en bloc technical amendment. I support the elimination from the bill of section 801(a) to clarify that the majority is fully committed to paying for the tax cuts pledged in the Contract With America. The majority is committed to paying for the contract with a combination of entitlement cuts and a reduction in the discretionary spending caps, which is different than the current pay-go where we simply permit discretionary savings, the downsizing of government, to be moved in the pay-go category.

Under current pay-go rules, however, a tax cut cannot be paid for with a reduction in the discretionary caps. In other words, if we want to eliminate departments, if we want to fix foreign aid, if we want to eliminate bureaucracy, we believe that those savings ought to be shifted over to the pay-go scorecard in order to pay for any tax cuts. That is why the Budget Committee last week made a change which will allow the discretionary spending cuts to offset tax cuts.

Section 801(a) was inserted into the reintroduced welfare reform bill to clarify that any savings from welfare reform would not be used for new or expanded entitlement programs.

Furthermore, this language was to emphasize that the savings from this bill are part of a total budget package that will cut taxes and reduce the deficit.

For some Members to now imply that this language was meant to be something completely different is inaccurate. It is wrong to interpret section 801(a) to mean that the savings from welfare reform was suddenly designated for deficit reduction. Section 801(a) speaks to pay-go, and Members better understand pay-go before they claim that it is something other than that.

In fact, three separate House committees considered amendments to earmark welfare reform savings for deficit reduction and in each case those attempts were rejected. In fact, it should be noted that section 801(a) was never the result of any committee action to begin with. But there has been some confusion regarding the approach of not placing the welfare reform savings on the pay-go scorecard.

The language as written was intended purely to content with the admittedly arcane requirements of the Budget Enforcement Act. We are proposing to eliminate section 801(a) so that all savings from the welfare reform will score on the pay-go scorecard. This will assure in a less confusing way that the savings will be part of our overall budget of cutting taxes and reducing the deficit.

This is clearly a technical change to ensure that budget score keeping is adhered to and it will not affect the budgetary bottom line. And I will repeat and stress, we are fulfilling our promise of cutting taxes and reducing the deficit.

In a nutshell, what this amendment says is that we will move the discretionary savings onto the pay-go scorecard. When we take the discretionary savings and move them onto the pay-go scorecard, when we take the discretionary savings and add them into the entitlement savings, that pays for our tax cuts. We believe that that in fact will happen.

Discretionary spending caps have the force of law. If in some process people would argue that we would like to have a fail-safe, we have the fail-safe and the fail-safe is the current pay-go rules that say if in fact the tax cuts are not clearly offset by discretionary spending savings and entitlement savings, we will have a sequester. That is the ultimate fail-safe guarantee that our tax cuts will be paid for by spending cuts.

But what I think is instructive to note is not only were we able last week in the Budget Committee to lay down in addition to the entitlement savings the $100 billion in discretionary savings cuts, but we have three times as much tax relief as the President and $60 billion more in deficit reduction than the President has.

Before we make an argument about what this is all about I would commend to the Members that they read 801(a) of the 1990 Budget Act that talks about what the rules are on pay-go, and once they understand it, they are going to be able to effectively argue it from the facts.

Mr. ARCHER. Mr. Chairman, I reserve the balance of my time.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute and 15 seconds to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, what nonsense. I am surprised at this amendment, surprised because in Texas we know the difference between straight talk and doubled-talk, and by golly, if double-talk

would solve the problems of this deficit, it would be gone this past week. I stood here on the floor of the House and had the distinguished chairman of the Committee on Rules tell me we could not place in order an amendment to be sure that all that money we slashed and burned for summer jobs and for young people in last week's rescission bill could not be used for deficit reduction, said it just could not be done, it just was not proper, but within hours he reversed himself and made it proper. And this House put on a lockbox amendment. And within hours after that we twisted all around again because not two blocks from here, in the Budget Committee, we had the distinguished chairman of the Budget Committee saying that lockbox was just a game, it was just a big game.

Well, it is not a big game to me because we need to be addressing this problem of deficit reduction.

The same thing is happening on this floor today. The bill is clear. It says the money is to be used for deficit reduction, and now we come along with a purportedly technical amendment and now deficit reduction is out.

They have mastered the principle of redistribution of the wealth, taking from the poor and giving to the elite, and that is what this is about.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan [Ms. RIVERS].

Ms. RIVERS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to oppose this amendment on three grounds, First, on the ground of fairness, in that I proposed to the Committee on Rules last week an amendment nearly diametrically opposed to this one, in that it would offer members of this committee, just as people across the country are struggling with the opportunity to say no to tax cuts and yes to deficit reduction.

That rule was made not in order, yet this particular rule which offers the opposite was put in place on this floor.

Second, I am opposed on the ground of honesty. This amendment was described as dealing with drafting errors. These are not drafting errors, these are substantive changes from the desire of the committee who reported out this bill, and it is highly, highly suspect to portray it in any other way.

Last, I oppose this issue on grounds of public policy. Our children would be greater served by deficit reduction than tax cuts. It would be more reasonable and infinitely more loving to put the money on the deficit.

Mr. GIBBONS. Mr. Chairman, I yield 30 seconds to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would say to the chairman of the Budget Committee, let us make this perfectly clear. The gentleman from Ohio [Mr. KASICH] has just stated unequivocally that any savings from this package will be used to implement your Contract With America for tax cuts. He has made that clear, that there will be no lockbox, there will be no deficit reduction; any savings from this package will go directly to pay for the tax cut; is that not what the gentleman said?

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

□ 1500

Mr. LEVIN. Mr. Chairman, I just want to register my protest to the shell game that is going on here. One moment you see it, and one moment you do not. One moment something is going for deficit reduction, and then another moment it is going for tax cuts.

We need welfare reform. We greatly need it.

But I want everybody to know, for example, regarding SSI kids, where there is going to be a reduction of about $15 billion, that is not downsizing government. That is handicapping the families of handicapped children.

We need to get the inequities and the holes out of SSI, the abuses, but not by hurting families with handicapped children.

Therefore, I rise in opposition to this amendment.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I rise in support of the provision to the en bloc technical amendment which would strike section 801, because, as the chairman of the Committee on the Budget suggested, it eliminates what, I think, is an unnecessary degree of confusion which surrounds this section.

As I listened to this, I think those that are watching this or listening to this debate, they are probably very unclear about what it is all about, and the answer is they are going to continue to be unclear, because this is kind of an esoteric debate. It may not be it is drafting errors, but the intent of what we have had all along in the budget resolution and in the welfare reform and in the tax cut has been clear. It is ridiculous, as one of the speakers suggested, to suggest this is, the bill, is for one purpose or another bill may be for another purpose.

Our purpose in this whole thing is to reduce taxes, to pay for those reductions in taxes, and to drive toward a balanced budget, and that is what we are doing with the change in this legislation.

Let me see if I can explain it a little bit. Under the existing budgetary rules, the savings for entitlement spending can be used for an increase in some other entitlement, or it can be used to pay for a tax cut, but not for anything else. Our intent with the original language in section 801 was to reserve the discretionary spending reductions to pay for the tax cuts, by precluding these savings from being used for any other purpose.

The language we used apparently, apparently created some confusion about how this would be accomplished. For this reason, we have asked that the language be stricken. When the restrictive language is taken out, the entitlement savings in this bill will go onto the pay-go scorecard just as they would with any other legislation which changes the level of entitlement spending.

Now these savings are then going to be combined with the savings from other entitlement program reductions, the savings from reducing the discretionary spending caps, and the loss of revenues from the tax cuts. If the revenue losses are not offset by the spending reductions, there is going to be a sequestration that is required by the Budget Act. Either way, the original language or the amendment, spending reductions will be used to offset tax cuts, and any spending cuts in excess of the tax cuts will be used for deficit reduction.

We should vote for this amendment.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, this technical amendment releases a tidal wave of spending.

Yogi Berra said it pretty well; he misstated it some years back when he said, "Deja vu all over again." Last week the Republicans removed the lockbox which would have had extra money go toward deficit reduction. This time it is page 393, section 801, that they removed that would have this money go to deficit reduction. Now it is going to go to tax cuts.

If you vote for this technical amendment, you could be saying that nickels and dimes from school lunch programs can be spent for tax cuts.

Do not read their lips. Read the bill. Do not vote for this technical amendment if you are concerned about deficit reduction.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I do not think a single person out of 100 would have understood what the chairman of the Committee on the Budget had said earlier. It was Beltway convoluted arguments and discussion and apology for what is going on here.

The simple fact of the matter is that the amendment that is being offered here by the majority would allow the savings from this bill, $50 billion taken from families, 5 million families with 9

million children, $50 billion taken over 5 years from these families who have incomes under $15,000 a year, and give it to 2,000,000 families who have incomes of over $200,000 a year. That is the simple fact of what this amendment allows to happen. That is a result that we should not allow.

It is a shell game and something that one of my colleagues suggested that the majority ought to be ashamed of.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Chairman, let us be clear about what is happening here. This amendment clears the way to use any savings in welfare reform to pay for tax cuts, tax cuts that we simply cannot afford.

Several weeks ago on this floor, 300 Members of the House of Representatives voted in favor of the balanced budget amendment, and we did that because we know that nothing is more important for the fiscal health of this country than reducing the budget deficit. Now, with this amendment, we take $70 billion in spending cuts, ignore deficit reduction, and apply these savings to tax cuts which we simply cannot afford.

Mr. Chairman, this is a very bad amendment. I would urge my colleagues to vote against it and vote for the deal substitute that uses its savings for deficit reduction.

Mr. ARCHER. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Chairman, I am a little tired of all of this about lockboxes and trust funds and setting money aside.

All of the people talking about that stuff know as well as I do that that is a fiction. The simple truth is if you pay out more than you bring in, you have got a deficit. That is what we have been doing in this country for too long.

Yes, some of us want to cut taxes. Every Republican in this body 2 years ago, many Democrats who still remain here now, 2 years ago voted against President Clinton's tax increase.

All we are trying to do this year is get back two-thirds of that tax increase. So if you were against taxes being raised 2 years ago, you ought to be trying to get some of that tax increase back this year.

But we are going to pay for it, plus we are going to reduce the deficit, and we are going to reduce taxes. If you are not for reducing taxes, fine, do not vote for the tax cuts, but do not try to obfuscate the issue with all this talk about lockboxes and trust funds.

Mr. GIBBONS. Mr. Chairman, to extend the time of debate on this amendment, I move to strike the last word. I ask unanimous consent to merge that additional time that I am currently controlling.

The CHAIRMAN. The gentleman has that right.

Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. STENHOLM], the champion budget-cutter, champion of the balanced budget.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I rise admittedly rather confused in some instances regarding what is in 801(a) and what is not.

I still believe I am right. I will not argue the point with the chairman of the Committee on the Budget today. But once again I have to take strong exception to a statement the chairman of the Committee on the Budget just made a moment ago by saying that if we do everything in this contract we are, in fact, going to reduce taxes and reduce the deficit $60 billion, completely ignoring the fact that last Thursday night we voted to cut $55 billion which was double-counted on Friday.

Now, that, again, is something we should not be doing and saying on this floor. Just as the previous speaker has said, I want to reduce the deficit. This argument and why you should vote against this technical amendment, this is your clear expression of whether you want to take any spending cuts, as the Deal substitute does.

The only honest deficit-reduction package we will vote on today is the Deal substitute. If you are for reducing the deficit, you vote for Deal. If you want to keep playing these confusing games about definitions, then support this technical amendment.

Mr. GIBBONS. Mr. Chairman, I yield 2¼ minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Chairman, I rise in strong opposition to this amendment.

This is not a technical amendment. Taking money from children to give tax breaks to the rich is not a technicality.

That is what this amendment does—it takes $65 billion from the disabled, the poor, and the children so that we can give $125 billion to our Nation's richest 1 percent. The American people do not want this. They do not want us betraying our children to pay for tax cuts for the rich.

But that is what we are doing today—we are betraying our children. Not just the children who will be cut off welfare—or do without a school lunch—to pay for the Republican tax cut. But all the children who will grow up to see an exploding deficit—a deficit that exploded because we stole our children's education and food to provide tax cuts for the rich.

The Republican proposal kicks 6 million children off welfare. It kicks a quarter million disabled children off. It cuts money for milk for 1.6 million infants.

And why must we kick so many kids off? To pay for the $320 billion tax cut for those with six figure incomes. To pay for the $125 billion dollar tax cut for the richest 1 percent of Americans.

The Republicans should be forthcoming about what they are doing. This so-called technical amendment states that they are taking $65 billion from children to give to the rich. Do not hide the facts in a technical amendment. Stand up for what you believe in.

I urge my colleagues to reject this so-called technical amendment. For those who do support this amendment, I have a request. Come clean. Lay your cards on the table—face up. You support taking $65 billion from children so that you can give it to the rich.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I want to thank my friend, the gentleman from Florida, for yielding me this time.

Mr. Chairman, one of the reasons why the Democrats opposed the motion that allowed the committees to sit during this debate is we wanted people on the floor to hear the debate.

Under the guise of a technical amendment, we have an amendment being brought to the floor that will be voted on that dramatically changes how the bill's savings can be used. The bill's savings should be used for deficit reduction. That is our highest priority. But this amendment will allow the moneys to be used for a tax cut.

Now, why is that so significant? If you look at H.R. 4, the original bill that was with the Contract With America, that bill provided additional resources for job-training programs, did not produce anywhere near the savings that are in this bill, and that is what was produced by the Republicans.

But now we have a different bill, a bill that brings out a lot of so-called savings, but not in order to reduce the deficit but in order to finance the tax cut.

Well, my colleagues, we are going to have a chance in this debate to vote for a bill that will reduce the deficit. The substitute that will be offered by the gentleman from Georgia [Mr. DEAL] not only will get people off of welfare and get them to work, unlike the Republican bill, by having tough requirements on the individuals to work and on the States to provide job opportunities, but with the Deal bill you will also have a chance, the only chance, to reduce the deficit.

So, I urge my colleagues to listen to the debate. This is a critical amendment. If this amendment passes, the only hope that we have in reducing the deficit on the welfare bill will be the bill offered by the gentleman from

Georgia [Mr. DEAL] that I hope my colleagues will support.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Chairman, I find it passing strange that those of us who voted against the balanced budget amendment in part because we did not believe it was a genuine commitment to deficit reduction are finding ourselves and our position redeemed today with this amendment.

The gentleman from Texas [Mr. STENHOLM] is exactly correct. The gentleman from Oklahoma [Mr. BREWSTER] was correct when he put through his amendment before, and I understand the difficulty of the gentleman from Ohio [Mr. KASICH], because I believe him to be an honest person.

□ 1515

But he is trying to deal with a situation in which he has to do two opposite things: provide money for a tax cut, and reduce the deficit. And he cannot do it.

Now he is doing a ballet with the books in order to try to do it. I understand why he is doing it. But the fact still remains that if you vote for this, you are voting against deficit reduction. And that is coming from somebody who voted against the balanced budget because I knew it was a phony, and that is being proved today. If you are for a balanced budget, vote against this amendment.

Mr. GIBBONS. Mr. Chairman, I yield such time as he may consume to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. I thank the gentleman for yielding, and I rise in opposition to the amendment.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. FORD], the ranking minority member of the Subcommittee on Human Resources of the Committee on Ways and Means.

Mr. FORD. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to the Archer amendment, the so-called technical correction amendment, that is. And I say to the chairman of the Committee on the Budget, who is a very distinguished Member of this body, it is very clear to all of us now that if we pass this technical, so-called technical correction amendment, what basically we will be doing is taking from the mouths of the children of this country and not really bringing about a real deficit reduction package in this Congress, with all of the programs that we are reducing.

I do not think that we are really talking about real welfare reform, sending people to work, in the way that this Personal Responsibility Act—it really abuses kids and is cruel to kids in this country. We are taking those funds and saying to the wealthiest people of this Nation, We will give you a tax break on the backs of the poor children of this country.

I think this so-called technical correction amendment should be voted down.

Now, the Archer amendment, the gentleman himself knows this is a bad amendment. It is not deficit reduction at all.

Mr. GIBBONS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, this is not a technical amendment. This is a real wolf in sheep's clothing. This takes $70 billion from children for food or for clothing or for housing and for their well-being, and gives it to the very well-off in this country. This is not a technical amendment. It should be beat. It is a sneak attack on the promise that we made the other day here on this House floor and confirmed by the Members voting on it that the money saved by this terrible program would go to deficit reduction, not to reduction of taxes for very wealthy people.

Mr. ARCHER. Mr. Chairman, under the rule, I move to strike the requisite number of words, and I yield the balance of my time to close debate to the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget.

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] is recognized for 7 minutes.

Mr. KASICH. So many of my friends are trying my patience a little bit today, but let me just say that I remain in good cheer because they have difficulty understanding what they are talking about today.

The gentleman from Indiana talked about section 252(d) of the Budget Act. He ought to read section 252(d) of the Budget Act before he makes a speech about it.

Let me tell you what we are doing today. We are saying that the savings that we get on the discretionary savings, the savings we get for lowering the discretionary cap can be combined with entitlement savings to pay for the tax cut. That is what we are doing today, plain and simple.

The Committee on Ways and Means—there must have been a little bit of amnesia—the Committee on Ways and Means had a vote on whether this should all be dedicated deficit reduction. It was rejected.

Now, what did you do, forget that? What we did is we created in the Budget Committee a separate pay-go system. Do you know why we did it? Because the 1990 Budget Act prohibited us from being able to downsize Government and give people some of this money back. This corrects it. This says that we will take discretionary spending, when we cut foreign aid, which you folks refused to do, when we cut duplication, which you refused to do, when we take the real savings from the President's budget—and there are none of those. The President's budget, when scored under the 1995 spending level, increases the deficit by $30 billion. Did you hear that? The President's budget, when scored under the 1995 spending level, does not cut the deficit $5 billion or $10 billion or $20 billion. It increases the deficit by $30 billion.

What does our bill do? Our bill takes entitlement savings, this bill included, and we downsize Government, something that you have not wanted to do all these years. And I refer you back to 1993, when you were quick to raise taxes in this body. You were quick to go into peoples' pockets to spend more.

You got $200 billion deficits as far as the eye can see, and you are proud of the President's plan? The bottom line is this: As we cut spending in discretionary accounts, as we cut back foreign aid, as we cut duplication, we are going to take those savings and we are going to add those to the entitlement savings, and we are going to give the American people 3 times as much tax relief and $60 billion more in deficit reduction. Then in May, we are going to come back, in May, and you know what we are going to do in May? We are going to bring out a budget here on the floor. Do you know what that budget is going to do? That budget is not only going to guarantee that we pay for our tax reductions but it is also at the same time going to put us on the glide path to a balanced budget by the year 2002.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Chairman, I listened to the gentleman, the chairman of the Committee on the Budget's explanation here, and I am reminded, to paraphrase Gertrude Stein, "A rose is a rose is a rose." Well, a dollar is a dollar is a dollar. A dollar saved is what I think I hear the gentleman saying, a dollar saved, whether it comes from discretionary spending or entitlement savings, a dollar saved is a dollar saved. A dollar spent is a dollar spent, whether it goes to tax increases or increase entitlements or increased discretionary spending, it is a dollar spent.

What we are going to do is take the savings from the budget savings in the Budget Committee and the entitlement savings we are going to have here, and we are going to pay for the tax cut and we are going to have real, real deficit reduction.

Mr. KASICH. The gentleman is exactly correct.

What is under the current pay-go rules—and I would commend all of the Members to get out the pay-go rules and read them. Under the pay-go rules, if you cut discretionary spending, you cannot apply that to your entitlement savings in order to pay for tax relief.

Now, I think the American people deserve some tax relief, some of which gets paid for by cutting the excesses of Government. That is precisely what we do in this bill. And what we say is we change the rules. We say you can take discretionary savings and you can combine it with entitlements, you can have tax relief. But the beauty of what we have done in our plan is not only to pay for tax relief that amounts to three times as much as the President's but also makes a down payment on the deficit so that we have $60 billion more in deficit reduction. In May, we will come back again and we will complete the job. We will have more entitlement savings, we will have more discretionary savings. You know what happens at the end of the day? At the end of the day, by having real cuts in spending, real savings in entitlements, we are going to be able to not only have our tax relief but at the same time be able to have a balanced budget.

Mr. HEFNER. Mr. Chairman, would the gentleman yield?

Mr. KASICH. I would be glad to yield to the gentleman from North Carolina.

Mr. HEFNER. I thank the gentleman for yielding.

Mr. Chairman, just one question to the gentleman from Ohio: "John, we voted here on this House floor on the rescission package in good order, Democrats and Republicans overwhelmingly, that the money would be used for deficit reduction." The same day, the gentleman stated that this was a joke, that it was not going to take place. Is that not right.

Mr. KASICH. Let me suggest to the gentleman that, first of all, I did not use that word. Let me suggest to the gentleman this: When the gentleman goes uptown in North Carolina on a Saturday morning and he knows he is going to spend $5 to get a haircut—and I do not know what the gentleman pays for his, I do not know what the gentleman pays for his haircut—but $5 for a haircut and $5 for lunch, when he leaves his house, I do not think he puts $5 in one pocket and $5 in another pocket and thinks, "Gee, it is working out now." At the end of the day you have spent $10. That is the same $10.

My comment was simply this: At the end of the day, come May, when we have our budget resolution, those savings combined with what we did in the Budget Committee and entitlement savings pays for the package.

Mr. HEFNER. Is the gentleman saying to me that the people of this House did not understand what they were doing the other day when they voted for that reduction? I do not think it is pay-go; I think it is Pogo.

Mr. KASICH. I say to the gentleman, the amendment, the rescission bill effects 1 year. Of course, the savings under the rescissions bill total $9 billion. Guess what, we took that off the table.

99-059 O—97 Vol. 141 (Pt. 6) 40

Let me tell you one other thing: What we did in the Budget Committee was to lower the budget cap——

The CHAIRMAN. All time has expired.

Mr. TAYLOR of Mississippi. Mr. Chairman, I ask unanimous consent that the gentleman be granted 3 additional minutes so I may ask him a question.

The CHAIRMAN. We are not operating under the 5-minute rule. The time is controlled by the managers of the bill.

The question is on the amendment offered by the gentleman from Texas [Mr. ARCHER].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. ARCHER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Texas [Mr. ARCHER] will be postponed.

Mr. GIBBONS. Mr. Chairman, a point of order. I did not understand that last maneuver.

Mr. KOLBE. I think we skipped a step.

PARLIAMENTARY INQUIRIES

Mr. GIBBONS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GIBBONS. Mr. Chairman, I did not understand that last maneuver. I thought we were getting ready to have a recorded vote.

The CHAIRMAN. The rule provides that the Chair may postpone requests for record votes until they are taken, several together, at a certain period of time. The Chair intends to do that by title.

What the Chair said was, pursuant to the rule, further proceedings on the amendment offered by the gentleman from Texas [Mr. ARCHER] will be postponed. The Committee can order a recorded vote at the appropriate time.

Mr. GIBBONS. Could the Chairman give us a little scenario as to when we may have that recorded vote?

The CHAIRMAN. The committee will probably try to handle all of the amendments in title I at one time.

Mr. GIBBONS. All of title I at one time?

The CHAIRMAN. The gentleman is correct.

Mr. HEFNER. Mr. Chairman, could the gentleman give me any indication, will this be a 15-minute vote or a 5-minute vote?

The CHAIRMAN. Under the rule, all original postponed votes are 15-minute votes and all subsequent votes, if there is no intervening business occurring, will be 5-minute votes.

AMENDMENTS EN BLOC OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Chairman, pursuant to the rule, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. ARCHER, printed as Nos. 2, 4, 6, 10, 12, 14, 16, 23, 27, 28 and 29:

Amendment No. 2, offered by Mr. TALENT:

Page 6, after line 3, insert the following:

SEC. 100. SENSE OF THE CONGRESS.

It is the sense of the Congress that—

(1) marriage is the foundation of a successful society;

(2) marriage is an essential social institution which promotes the interests of children and society at large;

(3) the negative consequences of an out-of-wedlock birth on the child, the mother, and society are well documented as follows:

(A) the illegitimacy rate among black Americans was 26 percent in 1965, but today the rate is 68 percent and climbing;

(B) the illegitimacy rate among white Americans has risen tenfold, from 2.29 percent in 1960 to 22 percent today;

(C) the total of all out-of-wedlock births between 1970 and 1991 has risen from 10 percent to 30 percent and if the current trend continues, 50 percent of all births by the year 2015 will be out-of-wedlock;

(D) ¾ of illegitimate births among whites are to women with a high school education or less;

(E) the 1-parent family is 6 times more likely to be poor than the 2-parent family;

(F) children born into families receiving welfare assistance are 3 times more likely than children not born into families receiving welfare to be on welfare when they reach adulthood;

(G) teenage single parent mothering is the single biggest contributor to low birth weight babies;

(D) children born out-of-wedlock are more likely to experience low verbal cognitive attainment, child abuse, and neglect;

(I) young people from single parent or stepparent families are 2 to 3 times more likely to have emotional or behavioral problems than those from intact families;

(J) young white women who were raised in a single parent family are more than twice as likely to have children out-of-wedlock and to become parents as teenagers, and almost twice as likely to have their marriages end in divorce, as are children from 2-parent families;

(K) the younger the single parent mother, the less likely she is to finish high school;

(L) young women who have children before finishing high school are more likely to receive welfare assistance for a longer period of time;

(M) between 1985 and 1990, the public cost of births to teenage mothers under the aid to families with dependent children program, the food stamp program, and the medicaid program has been estimated at $120,000,000,000;

(N) the absence of a father in the life of a child has a negative effect on school performance and peer adjustment;

(O) the likelihood that a young black man will engage in criminal activities doubles if he is raised without a father and triples if he lives in a neighborhood with a high concentration of single parent families; and

(P) the greater the incidence of single parent families in a neighborhood, the higher the incidence of violent crime and burglary; and

(4) in light of this demonstration of the crisis in our Nation, the reduction of out-of-

wedlock births is an important government interest and the policy contained in provisions of this title address the crisis.

Amend the table of contents accordingly.

Amendment No. 4, offered by Mr. HYDE:

Page 8, line 15, strike "births", and insert "pregnancies."

Page 8, strike lines 22–25.

Page 14, line 18, strike "costs." and insert "costs. Not withstanding any other provisions of this act, a state to which a grant is made under section 403 may not use any part of the grant to provide medical services."

Amendment No. 6, offered by Mr. TALENT:

Page 22, strike the table that begins after line 2 and insert the following:

"If the fiscal year is:	The minimum participation rate is:
1996	10
1997	15
1998	20
1999	25
2000	27
2001	29
2002	40
2003 or thereafter	50.

Amendment No. 10, offered by Mr. SMITH of Texas:

Page 65, line 2, insert after the period: The Secretary may not require a state to alter its child protection law regarding determination of the adequacy, type and timing of health care (whether medical, non-medical or spiritual).

Amendment No. 12, offered by Mr. BURTON of Indiana:

Page 85, after line 15, insert the following:

SEC. 205. SENSE OF THE CONGRESS REGARDING TIMELY ADOPTION OF CHILDREN.

It is the sense of the Congress that—

(1) too many children who wish to be adopted are spending inordinate amounts of time in foster care;

(2) there is an urgent need for States to increase the number of waiting children being adopted in a timely and lawful manner;

(3) States should allocate sufficient funds under this title for adoption assistance and medical assistance to encourage more families to adopt children who otherwise would languish in the foster care system for a period that many experts consider detrimental to their development;

(4) when it is necessary for a State to remove a child from the home of the child's biological parents, the State should strive—

(A) to provide the child with a single foster care placement and a single coordinated case team; and

(B) to conclude an adoption of the child, when adoption is the goal of the child and the State, within one year of the child's placement in foster care; and

(5) States should participate in local, regional, or national programs to enable maximum visibility of waiting children to potential parents.

Amendment No. 14. Offered by Mr. CUNNINGHAM:

Page 114, strike line 4, and insert the following:

"(b) ADDITIONAL REQUIREMENTS WITH RESPECT TO ASSISTANCE FOR PREGNANT, POSTPARTUM, AND BREASTFEEDING WOMEN, INFANTS, AND CHILDREN.—

"(1) MINIMUM AMOUNT OF ASSISTANCE.—The State shall

Page 114, after line 11, insert the following (and make appropriate conforming amendments):

"(2) ASSISTANCE FOR MEMBERS OF THE ARMED FORCES AND THEIR DEPENDENTS.—The State shall ensure that assistance described in subsection (a)(1) is provided to members of the Armed Forces and dependents of such members (regardless of the State of residence of such members or dependents) who meet the requirements of such subsection on an equitable basis with assistance provided to all other individuals under such subsection in such State.

"(c) ADDITIONAL REQUIREMENT WITH RESPECT TO CHILD CARE ASSISTANCE ON MILITARY INSTALLATIONS.—

"(1) IN GENERAL.—To the extent consistent with the number of children who are receiving assistance under child care programs established and carried out on military installations in such State by the Department of Defense, the State, after timely and appropriate consultation with representatives of such programs, shall provide assistance to such programs for such children (regardless of the State of residence of such children) in accordance with subsection (a)(3) on an equitable basis with assistance provided in accordance with such subsection to all other child care programs carried out in such State.

"(2) LIMITATION.—In providing assistance to a child care program established and carried out on a military installation under paragraph (1), a State shall not require that such program be licensed under State law if such program is licensed by the Department of Defense.

Amendment No. 16, offered by Mr. GUNDERSON:

Page 116, beginning on line 19, strike "the Secretary determines to be appropriate" and insert "which can be reasonably required by the Secretary".

Page 135, beginning on line 4, strike "the Secretary determines to be appropriate" and insert "which can be reasonably required by the Secretary".

Amendment No. 23, offered by Mr. ROBERTS:

Page 232, strike lines 23 and 24 and insert the following:

"Section 15 of the Food Stamp Act of 1977 (7 U.S.C. 2024) is amended by adding at the end the following new subsection:".

Page 232, line 25, strike "(g)(1)" and insert "(h)(1)".

Amendment No. 27, offered by Mr. ZIMMER:

Page 37, line 11, strike "CONVICTED OF" and insert "FOUND TO HAVE"

Page 37, line 12, strike "REPRESENTING" and insert "REPRESENTED".

Page 37, line 12, strike "TO A WELFARE PROGRAM" and insert "IN ORDER TO OBTAIN BENEFITS IN 2 OR MORE STATES" after "RESIDENCE".

Page 37, line 13, 14 and 15, strike "A State to which a grant is made under section 403 may not use any part of the grant to provide assistance to an individual" and insert "An individual shall not be considered an eligible individual for the purposes of this title" before "during" on line 15.

Page 37, line 16, insert "found by a State to have made, or is" after "is".

Page 37, line 17, strike "of making" and insert "of having made,".

Page 37, line 20, strike "under 2 or more" and insert "simultaneously from 2 or more States under".

Page 37, line 21, insert ", title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XIV" before the period.

Page 266, after line 15, insert the following:

SEC. 606. DENIAL OF SSI BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.

Sec. 1614(a) of the Social Security Act (42 U.S.C. 1382c(a)) is amended by adding at the end the following:

"(5) An individual shall not be considered an eligible individual for purposes of this title during the 10-year period beginning on the date the individual is found by a State to have made, or is convicted in Federal or State court of having made, a fraudulent statement or representation with respect to the place of residence of the individual in order to receive benefits simultaneously from 2 or more States under programs that are funded under part A of title IV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI."

At the end of subtitle B of title V, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 581. DENIAL OF FOOD STAMP BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end the following:

"(I) An individual shall be ineligible to participate in the food stamp program as a member of any household during the 10-year period beginning on the date the individual is found by a State to have made, or is convicted in Federal or State court of having made, a fraudulent statement or representation with respect to the place of residence of the individual in order to receive benefits simultaneously from 2 or more States under the food stamp program or under programs that are funded under part A of title IV, title XIX, or benefits in 2 or more States under the supplemental security income program under title XVI."

Amendment No. 28, offered by Mr. SHAW:

Page 282, line 13, after the period insert the following: "The Secretary must agree that the system will not cost more nor take more time to establish than a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.".

Page 322, strike line 23 and all that follows through line 23 on page 323.

Page 323, line 24, strike "(c)" and insert "(b)".

Amendment offered by Ms. DUNN of Washington:

Page 307, line 4, strike "and".

Page 307, line 8, strike "matter.'." and insert "matter; and".

Page 307, after line 8, insert the following:

"(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.".

MODIFICATIONS TO AMENDMENTS EN BLOC OFFERED BY MR. ARCHER

The CHAIRMAN. The Clerk will report the modifications to the amendments en bloc.

The Clerk read as follows:

Modifications to the amendments en bloc offered by Mr. ARCHER:

Amendment No. 4, as modified, offered by Mr. HYDE: (1) Page 8, line 15, strike "births", and insert "pregnancies."

(2) Page 8, lines 24 and 25, strike "and health services".

(3) Page 14, line 18, strike "costs," and insert "costs. Not withstanding any other provision of this act, a state to which a grant is made under section 403 may not use any part of the grant to provide medical services."

Amendment No. 12, as modified, offered by Mr. BURTON of Indiana: Page 85, after line 15, insert the following:

SEC. 205. SENSE OF THE CONGRESS REGARDING TIMELY ADOPTION OF CHILDREN.

It is the sense of the Congress that—

(1) too many children who wish to be adopted are spending inordinate amounts of time in foster care;

(2) there is an urgent need for States to increase the number of waiting children being adopted in a timely and lawful manner.

(3) Studies have shown that States spend an excess of $15,000 each year on each special needs child in foster care, and would save significant amounts of money if they offered incentives to families to adopt special needs children;

(4) States should allocate sufficient funds under this title for adoption assistance and medical assistance to encourage more families to adopt children who otherwise would languish in the foster care system for a period that many experts consider detrimental to their development;

(5) State should offer incentives for families that adopt special needs children to make adoption more affordable for middle-class families;

(6) when it is necessary for a State to remove a child from the home of the child's biological parents, the State should strive—

(A) to provide the child with a single foster care placement and a single coordinated case team; and

(B) to conclude an adoption of the child, when adoption is the goal of the child and the State, within one year of the child's placement in foster care; and

(7) States should participate in local, regional, or national programs to enable maximum visibility of waiting children to potential parents. Such programs should include a nationwide, interactive computer network to disseminate information on children eligible for adoption to help match them with families around the country.

□ 1530

Mr. ARCHER (during the reading). Mr. Chairman, I ask unanimous consent that the amendments, as modified, be considered as read and printed in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. ARCHER] will be recognized for 10 minutes, and the gentleman from Florida [Mr. GIBBONS] will be recognized for 10 minutes.

PARLIAMENTARY INQUIRIES

Mr. MILLER of California. Mr. Chairman, if I might make a parliamentary inquiry of the Chair?

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MILLER of California. Could the Chair inform us?

As I understand it, there are some 10 amendments that are going to be offered en bloc.

Mr. ARCHER. That is correct, Mr. Chairman.

Mr. MILLER of California. Mr. Chairman, is the debate time going to be expanded since it is now covering—is there just going to be 10 minutes a side? Could we do 20 minutes a side?

I mean these amendments——

The CHAIRMAN. The debate time under the rule is 10 minutes on each side, and each manager has the right to ask unanimous consent——

Mr. MILLER of California. So we have 10 amendments?

The CHAIRMAN. Actually 11 amendments.

Mr. MILLER of California. Eleven amendments. A further parliamentary inquiry:

As I understood the rule, originally those amendments could have been brought up for 20 minutes of debate on each amendment.

The CHAIRMAN. That is correct.

Mr. MILLER of California. And now those 11 amendments have been collapsed into one en bloc amendment, and the debate time is only going to be 10 minutes a side?

The CHAIRMAN. Under the same rule.

Mr. FORD. Mr. Chairman, can we ask unanimous consent that we have 1 hour, to be divided equally on both sides of the aisle, to debate the 11 amendments? I ask unanimous consent.

The CHAIRMAN. Such a request could be entertained under the rule and precedents. The Chair will entertain that request.

The gentleman from Tennessee [Mr. FORD] asks unanimous consent that the debate time for the 11 en bloc amendments be 30 minutes for each side.

Is there objection to the request of the gentleman from Tennessee?

Mr. ARCHER. Reserving the right to object, Mr. Chairman, this runs contrary to the rule as passed by the House, and we are trying to expedite this debate. These amendments are all relatively noncontroversial. The request has been made by each Member that they be included en bloc, and I must object.

The CHAIRMAN. The gentleman from Texas has that right.

The unanimous consent request of the gentleman from Tennessee [Mr. FORD] is objected to.

Objection is heard.

Mr. RANGEL. Mr. Chairman, I ask unanimous consent to address the chairman of the Committee on Ways and Means.

The CHAIRMAN. The time is controlled on both sides by the managers of the bill, and one of them must give the gentleman time to do that.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent that this debate be equally divided and we have an hour and a half on these 10 amendments. I do not even know what the amendments are. This comes as such a bolt out of the blue. It is a gag, and I ask unanimous consent that we have an our and a half.

The CHAIRMAN. The Chair is not going to recognize that unanimous consent request. The original unanimous consent request for 1 hour has already been objected to, and it strikes the Chair they will continue to be objected to.

Mr. GIBBONS. Can I ask for less than an hour, Mr. Chairman?

The CHAIRMAN. The gentleman may propound a request.

Mr. GIBBONS. I am sorry?

The CHAIRMAN. The gentleman may propound a request.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent for 59 minutes, to be equally divided——

Mr. EMERSON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. GIBBONS. Mr. Chairman, I ask unanimous consent for 58 minutes.

Mr. EMERSON. Mr. Chairman, I object.

Mr. GIBBONS. Mr. Chairman, I ask for 57 minutes.

Mr. EMERSON. Mr. Chairman, I object.

Mr. GIBBONS. Mr. Chairman, I ask for 56 minutes.

Mr. EMERSON. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Florida [Mr. GIBBONS] has made his point, that he disapproves of the time frame. The gentleman from Missouri has appropriately objected.

Objection is heard.

PARLIAMENTARY INQUIRY

Mr. FRANK of Massachusetts. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FRANK of Massachusetts. Mr. Chairman, the gentleman from Texas said we had time constraints. Could someone tell me what the legislative calendar is for next week, because my understanding is that we have a very light schedule for next week and that, in fact, we could have this bill go over, and we have plenty of empty days for next week.

The CHAIRMAN. The Chair will respond to the gentleman from Massachusetts [Mr. FRANK] that that is not an appropriate parliamentary inquiry, and at its appropriate time the majority leader will be discussing the schedule for next week.

The Chair recognizes the gentleman from Texas.

Mr. GIBBONS. Mr. Chairman, I ask for 57 minutes and 49 seconds.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. GIBBONS. Mr. Chairman, I ask for 57 minutes and 49 seconds of time to be equally divided.

The CHAIRMAN. The gentleman from Florida [Mr. GIBBONS] has not been recognized.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as I mentioned, these amendments were asked to be included en bloc by the colleagues involved. The following items are included as numbered in the report of the Committee on Rules:

Amendment No. 2 offered by the gentleman from Missouri [Mr. TALENT] to express a sense of Congress regarding marriage and the negative consequences of out-of-wedlock births; amendment No. 6 offered by the gentleman from Missouri [Mr. TALENT] to increase mandatory work participation rates; amendment No. 4, as modified, offered by the gentleman from Illinois [Mr. HYDE] to clarify that States cannot use Federal dollars to pay for certain types of medical services to reduce the incidents of out-of-wedlock births; amendment No. 10 offered by the gentleman from Texas [Mr. SMITH] to give States flexibility in defining child abuse and neglect as it applies to health care; amendment No. 12, as modified, offered by the gentleman from Indiana [Mr. BURTON] to express a sense of Congress that States should promote adoption; amendment No. 14 offered by the gentleman from California [Mr. CUNNINGHAM] to require nutrition block grants to be equitably distributed to members of the Armed Forces; amendment No. 16 offered by the gentleman from Wisconsin [Mr. GUNDERSON] to limit the Secretary of Agriculture's authority to request certain information; amendment No. 23 offered by the gentleman from Kansas [Mr. ROBERTS] to add criminal forfeiture penalties for violators of the Food Stamp Act; amendment No. 27 offered by the gentleman from New Jersey [Mr. ZIMMER] to clarify the penalties that apply in certain cases of welfare fraud; amendment No. 28 offered by the gentleman from Florida [Mr. SHAW] to broaden the Secretary's waiver powers and to restrict the provisions under which States can establish county disbursement units in the child support program, and amendment No. 29 offered by the gentlewoman from Washington [Ms. DUNN] to require the Social Security number of the deceased to appear on death certificates.

Mr. Chairman, I yield 1 minute to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN of Washington. Mr. Chairman, when I hear the phrase "cruelty to children" I think of the cruelty that has been perpetuated within the current welfare system in the form of the $34 billion owed to children whose deadbeat parents could keep them off welfare but are not willing to pay up. The Republican welfare bill under debate requires that States list the Social Security numbers of applicants for a number of licenses in order to find these deadbeat parents. My amendment simply adds a provision requiring the Social Security number of the deceased, that it be added to the above list. As my colleagues know, Social Security numbers will be used in tracking down deadbeat parents.

Mr. Chairman, after the conclusion of our committee hearings, a case was brought to my attention where a woman had received $25,000 in delinquent funds from the estate of her deceased former husband who had gone into hiding years earlier, and only through luck did she learn of his estate. This amendment would take the luck out of it, Mr. Chairman. I urge the support of my colleagues.

Mr. GIBBONS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the most outrageous procedure that I have ever seen in 32 years here in the House of Representatives. There were 31 amendments made in order by the rule, each amendment to have 20 minutes of debate. The chairman of the Committee on Ways and Means collapsed all that 20 minutes of time on each amendment down to one 20 minutes of time. We cannot even find out what amendments are in this en bloc amendment.

This is outrageous, Mr. Chairman.

Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, as my colleagues know, this is not just a question of rules and regulations in the Congress. Behind these amendments that have been offered en bloc, that are senses of the Congress, are very evil, mean-spirited cuts that are hidden by these sense-of-the-Congress resolutions that are going to be combined in this en bloc amendment. Specifically the gentleman from California [Mr. MATSUI] and I offered an amendment before the Committee on Rules to try and restore $2.7 billion worth of cuts in the foster care and adoptive services programs of this country, $2.7 billion to help 450,000 kids in this country.

Mr. McDERMOTT. Mr. Chairman, I move that the House do now adjourn.

The CHAIRMAN. That motion is not in order. The gentleman from Massachusetts [Mr. KENNEDY] has the floor.

Mr. McDERMOTT. A motion to adjourn, Mr. Chairman, is always in order. It is always a privileged motion.

The CHAIRMAN. Not in the Committee of the Whole.

The gentleman from Massachusetts [Mr. KENNEDY] may continue.

Mr. LAFALCE. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield 5 seconds to the gentleman from New York.

Mr. LAFALCE. Mr. Chairman, since the gentleman from Massachusetts yielded 5 seconds to me, I move that the Committee do now rise.

The CHAIRMAN. The gentleman from Massachusetts [Mr. KENNEDY] is under recognition.

Mr. LAFALCE. He yielded to me, Mr. Chairman, and I have now moved to rise.

The CHAIRMAN. The gentleman from Massachusetts [Mr. KENNEDY] must yield for that purpose.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Massachusetts [Mr. KENNEDY] that the Committee do now rise.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GIBBONS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 188, noes 242, not voting 4, as follows:

[Roll No. 256]

AYES—188

Abercrombie	Frost	Moran
Ackerman	Furse	Murtha
Andrews	Gejdenson	Nadler
Baesler	Gephardt	Neal
Baldacci	Gibbons	Oberstar
Barcia	Gonzalez	Obey
Barrett (WI)	Green	Olver
Becerra	Gutierrez	Ortiz
Bellenson	Hall (OH)	Orton
Bentsen	Hall (TX)	Owens
Berman	Hamilton	Pallone
Bevill	Harman	Parker
Bishop	Hastings (FL)	Pastor
Bonior	Hefner	Payne (NJ)
Borski	Hilliard	Pelosi
Boucher	Hinchey	Peterson (FL)
Brewster	Holden	Peterson (MN)
Brown (CA)	Hoyer	Pickett
Brown (FL)	Jackson-Lee	Pomeroy
Brown (OH)	Jefferson	Poshard
Bryant (TX)	Johnson (SD)	Rahall
Cardin	Johnson, E. B.	Rangel
Chapman	Johnston	Reed
Clay	Kanjorski	Reynolds
Clayton	Kaptur	Richardson
Clement	Kennedy (MA)	Rivers
Clyburn	Kennedy (RI)	Roemer
Coleman	Kennelly	Rose
Collins (IL)	Kildee	Roybal-Allard
Collins (MI)	Kleczka	Rush
Condit	Klink	Sabo
Conyers	LaFalce	Sanders
Costello	Lantos	Sawyer
Coyne	Laughlin	Schroeder
Cramer	Levin	Schumer
Danner	Lewis (GA)	Scott
de la Garza	Lincoln	Serrano
Deal	Lipinski	Sisisky
DeLauro	Lofgren	Skaggs
Dellums	Lowey	Skelton
Deutsch	Luther	Slaughter
Dicks	Maloney	Spratt
Dingell	Manton	Stark
Dixon	Markey	Stenholm
Doggett	Martinez	Stokes
Dooley	Mascara	Studds
Durbin	Matsui	Stupak
Engel	McCarthy	Tanner
Eshoo	McDermott	Taylor (MS)
Evans	McHale	Tejeda
Farr	McKinney	Thompson
Fattah	McNulty	Thornton
Fazio	Meehan	Thurman
Fields (LA)	Miller (CA)	Torres
Filner	Mineta	Towns
Flake	Mink	Tucker
Foglietta	Moakley	Velazquez
Ford	Mollohan	Vento
Frank (MA)	Montgomery	Visclosky

Volkmer	Waxman	Wyden
Ward	Williams	Wynn
Waters	Wise	Yates
Watt (NC)	Woolsey	

NOES—242

Allard	Gallegly	Myrick
Archer	Ganske	Nethercutt
Armey	Gekas	Neumann
Bachus	Geren	Ney
Baker (CA)	Gilchrest	Norwood
Baker (LA)	Gillmor	Nussle
Ballenger	Gilman	Oxley
Barr	Goodlatte	Packard
Barrett (NE)	Goodling	Paxon
Bartlett	Gordon	Payne (VA)
Barton	Goss	Petri
Bass	Graham	Pombo
Bateman	Greenwood	Porter
Bereuter	Gunderson	Portman
Bilbray	Gutknecht	Pryce
Bilirakis	Hancock	Quillen
Bliley	Hansen	Quinn
Blute	Hastert	Radanovich
Boehlert	Hastings (WA)	Ramstad
Boehner	Hayes	Regula
Bonilla	Hayworth	Riggs
Bono	Hefley	Roberts
Brownback	Heineman	Rogers
Bryant (TN)	Herger	Rohrabacher
Bunn	Hilleary	Ros-Lehtinen
Bunning	Hobson	Roth
Burr	Hoekstra	Roukema
Burton	Hoke	Royce
Buyer	Horn	Salmon
Callahan	Hostettler	Sanford
Calvert	Houghton	Saxton
Camp	Hunter	Scarborough
Canady	Hutchinson	Schaefer
Castle	Hyde	Schiff
Chabot	Inglis	Seastrand
Chambliss	Istook	Sensenbrenner
Chenoweth	Jacobs	Shadegg
Christensen	Johnson (CT)	Shaw
Chrysler	Johnson, Sam	Shays
Clinger	Jones	Shuster
Coble	Kasich	Skeen
Coburn	Kelly	Smith (MI)
Collins (GA)	Kim	Smith (NJ)
Combest	King	Smith (TX)
Cooley	Kingston	Smith (WA)
Cox	Klug	Solomon
Crane	Knollenberg	Souder
Crapo	Kolbe	Spence
Cremeans	LaHood	Stearns
Cubin	Largent	Stockman
Cunningham	Latham	Stump
Davis	LaTourette	Talent
DeFazio	Lazio	Tate
DeLay	Leach	Tauzin
Diaz-Balart	Lewis (CA)	Taylor (NC)
Dickey	Lewis (KY)	Thomas
Doolittle	Lightfoot	Thornberry
Dornan	Linder	Tiahrt
Doyle	Livingston	Torkildsen
Dreier	LoBiondo	Torricelli
Duncan	Longley	Traficant
Dunn	Lucas	Upton
Ehlers	Manzullo	Vucanovich
Ehrlich	Martini	Waldholtz
Emerson	McCollum	Walker
English	McCrery	Walsh
Ensign	McDade	Wamp
Everett	McHugh	Watts (OK)
Ewing	McInnis	Weldon (FL)
Fawell	McIntosh	Weldon (PA)
Fields (TX)	McKeon	Weller
Flanagan	Menendez	White
Foley	Metcalf	Whitfield
Forbes	Meyers	Wicker
Fowler	Mfume	Wilson
Fox	Mica	Wolf
Franks (CT)	Miller (FL)	Young (AK)
Franks (NJ)	Molinari	Young (FL)
Frelinghuysen	Moorhead	Zeliff
Frisa	Morella	Zimmer
Funderburk	Myers	

NOT VOTING—4

Browder	Meek
Edwards	Minge

□ 1600

Mr. JEFFERSON changed his vote from "no" to "aye."

So the motion to rise was rejected.

The result of the vote was announced as above recorded.

Mr. GIBBONS. You all sit down and shut up. Sit down and shut up.

The CHAIRMAN. The Committee will be in order.

Mr. GIBBONS. That is what I am asking for, regular order. Sit down and shut up.

The CHAIRMAN. The gentleman from Florida is entirely out of order. The gentleman will suspend.

The Committee will be in order.

Mr. GIBBONS. Mr. Chairman, I have time, and I want to use the time.

The CHAIRMAN. Will those Members in the aisles please repair to the cloakroom.

Mr. GIBBONS. Mr. Chairman, I have time, and I want to use the time.

The CHAIRMAN. Will the gentleman from Florida please suspend until the Chair obtains order in the Chamber.

PARLIAMENTARY INQUIRY

Mr. McCRERY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCRERY. Mr. Chairman, is petulance a proper form of behavior for a Member of Congress?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. GIBBONS. I will be as petulant as I want to be. The American people ought to know what is going on.

The CHAIRMAN. All Members will be in order.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

Mr. ARCHER. Mr. Chairman, inasmuch as I am not comfortable with the amount of time that was given in advance to the minority about this en bloc amendment, I ask unanimous consent that the time for debate on this amendment be extended an additional 30 minutes, 15 minutes on each side; coupled with the 10 minutes on each side and the motion to strike for an extra 5 that will give 30 minutes to each side. I ask unanimous consent for that.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. GIBBONS. Reserving the right to object, Mr. Chairman, I am the second ranking Member of this House. I have been here longer than any other person except one Member.

This procedure that is being used on this outrageous piece of legislation is the most unusual, outrageous maneuver I have ever seen.

Mr. Chairman, reserving the right to object, had these amendments not been handled like they are being handled by the chairman of the Committee on Ways and Means, the House of Representatives would have 3½ hours of debate on these amendments, 3½ hours.

The gentleman from Texas [Mr. ARCHER] collapsed our 3½ hours down to 10 minutes on each side for a whole group of amendments that I have yet to figure out what is in them.

There are 31 amendments before the House. I do not know nor do I think any Member on this side of the aisle knows what is in the en bloc amendments, as the gentleman from Texas [Mr. ARCHER] has put them forward.

Now, I have said that this is a mean bill. It is mean to children.

Boo if you want to. Boo if you want to. Make asses out of yourselves for the American people. Let them boo, Mr. Chairman.

Mr. Chairman, reserving the right to object, this is a cruel, mean bill to children. It takes $70 billion, reserving the right to object, it takes $70 billion from children.

The CHAIRMAN. Regular order has been ordered for every Member of the Chamber.

Let the Chair just say that the gentleman from Florida, under his reservation with respect to the unanimous consent request, is going rather far afield in discussing the bill, but the Chair is going to be as lenient as he can be and let him discuss his reservation.

Mr. LIVINGSTON. I demand regular order.

Mr. GIBBONS. I have the floor, Mr. Chairman.

The CHAIRMAN. Once regular order has been demanded, the gentleman may not continue to reserve.

Is there objection to the request of the gentleman from Texas?

Mr. GIBBONS. Reserving the right to object, Mr. Chairman——

The CHAIRMAN. The gentleman may not reserve the right to object. He lost the right to object when regular order was demanded.

Mr. GIBBONS. I think I have established the point, Mr. Chairman, that we are proceeding on a cruel bill in an unusual manner.

Mr. Chairman, I withdrawn my reservation of objection because I do not want to be an obstructionist.

The CHAIRMAN. Without objection, the unanimous-consent request is granted.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. ARCHER].

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I am not sure this is the greatest time to talk about anything, but I have an amendment that is designed solely to ensure that the funds in this block grant program do not get spent for abortions. That is simply what it does.

Mr. GREENWOOD. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Pennsylvania.

Mr. GREENWOOD. Mr. Chairman, I thank the gentleman for yielding so we may engage in a brief colloquy.

An essential purpose of this bill is to reduce out-of-wedlock, unintended, and teenage pregnancies. Clearly the strategy to help us reach this goal is to ensure that poor families have access to family planning services. The gentleman's amendment states that "notwithstanding any other provision of this Act, a State to which a grant is made under section 403 may not use any part of the grant to provide 'medical services.'"

I was concerned that the gentleman's amendment might be interpreted to mean that grant funds could not be used to provide family planning services. But the gentleman has assured me in conversations both yesterday afternoon and early this morning that it is not his intent to prohibit the States from using the block grant funds for family planning services.

I hope the gentleman could assure me for the RECORD here, assure the House for the RECORD, as he did in our personal conversations, that his amendment will still permit States to use temporary assistant block grant funds for prepregnancy-related services.

Mr. HYDE. The gentleman is exactly correct. My amendment is to prevent any funds under this legislation to pay for abortions, whether surgical, drug-induced, or otherwise. But in no way is it intended to interfere with access to prepregnancy-related services.

Mr. GIBBONS. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I recognize that the chairman of the Committee on Ways and Means has said that all of these provisions are noncontroversial, but the one line that I have that describes the gentleman's amendment says that it ensures that no funds under the bill can be used for medical services and not for abortion.

Is this wrong, what is being circulated around?

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Illinois.

Mr. HYDE. The gentleman has to interpret medical services. If he would check with the gentleman from Maryland [Mr. CARDIN]——

Mr. RANGEL. Medical services mean abortion. I thank the gentleman.

Mr. HYDE. Mr. Chairman, if the gentleman will continue to yield, we wanted to make sure that it does not mean abortion.

Mr. RANGEL. Mr. Chairman, why is the gentleman circulating this around?

Mr. HYDE. I did not circulate anything, Mr. RANGEL.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I thank the chairman for allowing me to continue after I so rudely interrupted myself my last time up here.

I would like to thank the gentleman from Florida [Mr. GIBBONS] for the time and for the effort that he has made in making this bill at least be heard by the American people. I notice time and time again the Republicans seem to object to strongly when anybody brings up the fact that this bill is mean spirited toward the children of this country.

Let me just explain exactly how it is mean spirited to the children of this country. You cut in this bill $2.7 billion out of a program that provides foster care and adoptive services for the poorest kids of this country, for sexually-abused kids, for children that come out of families where they are being beaten, and you do nothing to provide those services in any other way. You are going to sentence those innocent children to going back into the very families that are abusing them. There is no comment, there is no substitution.

It is cold-blooded and mean spirited. And you ought to recognize what happens.

Sure, we have an amendment that is supposedly noncontroversial that says that we want to provide adoption care services and it is the sense of the Congress that States ought to get $15,000 to people to give to adopted children.

□ 1615

That is wonderful. However, it does not deal with the fact that the kids themselves that are in these foster care situations are in desperate need of foster care. The gentleman from Georgia [NEWT GINGRICH] walks around talking about orphanages. Orphanages cost seven times more money than foster care, yet this bill will send kids into orphanages and take them out of foster care.

The fact of the matter is, Mr. Chairman, that we have a serious problem in this country. There are a number of children that are at risk.

Mr. Chairman, I would like to just make the final point. There are 3.5 million children abused in this country every year. There are only 450,000 foster care slots, and they are cutting them. It is on their conscience that this bill hurts the poor and hurts the kids of America. That is why we are upset. That is why the gentleman from Florida [Mr. GIBBONS] is angry. That is why we want to change this bill.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, one of my colleagues earlier in the afternoon said this ought to be a debate about fact, and that we should not let rhetoric obscure reality. I rise to say that what my colleague, the gentleman from Massachusetts [Mr. KENNEDY], just said about the funding in the child protection block grant is simply not accurate. That block grant goes up to guarantee that every single child predicted to come into the system will have dollars waiting for him for placement.

We have guaranteed that airtight, and CBO figures have always been high.

Furthermore, we have gone a step further. We have not kept that money segregated. We do not say "You only get that money if you take that child out of the home." We say "You get that money, and you can use it to preserve families, to prevent out-of-home placement, but if you need to place the child out of home, you will have the resources to do so."

I just want to point out that over the years of this bill that account goes from $3.9 billion to over $5.5 billion, an increase of $1.6 billion over 5 years, or an increase of 25 percent. This is not mean-spirited.

There are 22 States that are under court order because their programs are so lousy, so there is not anyone that testified before my subcommittee when we had the oversight hearing on the child protective services section, that maintained that this was a system that was working.

The gentleman may differ with the solution of putting these funds in a block grant, but I can go through in line and detail why this section of the bill is far more tightly governed than any other section of the bill, and why I think it will work. But to say that it cuts funding for children for foster care is simply false.

The CHAIRMAN. The gentleman from Florida [Mr. GIBBONS] and the gentleman from Texas [Mr. ARCHER] control the time.

Mr. GIBBONS. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, if children were not being hurt, I would think this is the best political thing that could happen to the Democrats, to really expose what is going on here, where we take 10 of these amendments, and each time someone stands up and asks "What does it mean," then the gentleman's time has expired.

We have all of these amendments that Democrats have put in to really guarantee something for the children, and the gentlewoman knows that there is no guarantee here except to the Governors. Everything that is in this bill guarantees the Governors that they get the package on the block grant, and there is nothing that is guaranteed to the child, because the entitlements are shattered which we had before.

Take a look at some of these great things in this en bloc amendment. The first one is here, by the gentleman from Missouri [Mr. TALENT], where he says "Every problem the United States of America has in crime, in welfare, in

poverty, in drugs, is due to the fact that we have a single parent." What is this? A sense of the Congress?

Then we have a gentleman that comes here from Illinois and he has language circulated in all of the documents which says that "403 of the bill is to ensure that no funds under the bill can be used for medical services." The chairman of the Committee on Ways and Means said this is not controversial, but the gentleman from Illinois [Mr. HYDE] claims it only means to stop abortions.

Then we have another provision, that deadbeat dads who die are still liable under the bill. This is very important.

Another provision provides that if you are a fugitive of justice you are denied welfare. Give me a break.

What we should have is debates on the good parts of the bill, which say this: "We want people to work." We ask that our Members, what, give them the training, give them the opportunity, and put them to work. If there is no job available to them, do not make that child suffer.

We ask Members to take a look at the 18-year-old, and we say if she made a mistake, do not punish the child. Make certain that she lives with adult supervision, that she gets training, that she gets a job, but no, they say that they have a better way to do it because we did not do it right.

Mr. Chairman, all we are asking is this. They have the votes. They know darned well that the substance is not on their side. The whole world now looks at this bill and they know now what the other side are really trying to do. That is to get the Federal Government out of caring, to get them out of education. They are going to abolish the whole department, to get them out of welfare, to get them out of Medicaid. All of the problems of the poor their leadership said should be handled by orphanages and by the private sector and by charities.

All we are saying is one thing: Give us a chance to debate these things. Do not shove it down the American people's throat.

Mr. ARCHER. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would just like to bring attention to one amendment included in the en bloc amendments that I believe even the gentleman from New York [Mr. RANGEL] will find agreeable. It clarifies and expands the language that was adopted in the Committee on Ways and Means, to make it clear that if anyone simultaneously collects welfare payments in two separate States, that person will be prohibited from collecting means-tested welfare payments for ten years thereafter.

This is a serious problem. It is a national problem. It came to light in my area when it was discovered that people were jumping the turnstiles for the trains connecting New York and New Jersey. They were found to have dual identifications. They were collecting welfare in New Jersey, going to New York, establishing themselves as homeless in New York, and collecting benefits from both States.

Obviously, this is ripping off the system. It is taking money that should go to the needy and should go to those who are deserving. This amendment extends the 10-year prohibition to all needs-tested programs.

Mr. GIBBONS. Mr. Chairman, I yield 6 minutes to the gentleman from Missouri [Mr. CLAY], and I ask unanimous consent that he may be allowed to control that time and to yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from by Florida?

There was no objection.

Mr. CLAY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, let me say that this is one of the worst gag rules that I have seen in my 27 years here. A great Supreme Court Justice once said that shouting to the top of your voice in a telephone booth is not exercising free speech. Limiting speech to 30 minutes to discuss measures affecting the lives of millions of people is not full and free debate. It is a charade, a sham, a disgrace.

The reason Republicans want to limit debate on this issue is because they know that they are not telling the truth. They get incensed every time somebody mentions Nazi Germany in relation to what they want to do to poor people in this country. Let me say, Hitler had a minister of propaganda that said "Tell a lie, tell it big enough, tell if often enough, and it will become the truth."

Yes, they get incensed, because they are telling the biggest lie in the world, that they are going to help poor kids, that they are going to help mothers, pregnant mothers. What they are saying is that they are going to block grant this money, reduce the amount of it, give it to the Governors. It is a big conduit for passing money on to Governors with no responsibility, no strings attached.

I say they ought to be ashamed, and they ought to go back into history and look and see if it is close to what Adolph Hitler did to people in that country.

Let me say, if their level of frustration is such that they think that all of the problems of this country depend on what is happening in welfare, and if this does not work, if their frustration stays there, what is next? Castration? Sterilization? After that, I hate to say what is next, if they continue to be as frustrated as they are today.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, as I understood the debate on the rules, there was an intent on the part of the majority to permit extensive debate on the amendments that had been agreed to for discussion, so it comes as a great shock to me that out of 26 amendments that the majority is to offer, nearly a third were put together in an en bloc amendment without even the Members of the committees affected by this consolidation having been consulted, and even knowing what it was all about.

There is one amendment that I want to address attention to, particularly, that is included in this en bloc amendment offered by the gentleman from California [Mr. CUNNINGHAM]. It has to do with an amendment which attempts to set aside specific monies for children going to child care facilities under the Defense Department on military installations, as somehow carving out a preferential category for child care food programs for these youngsters on military bases.

I would like the House to know that what happened in the bill that is coming up to the floor for consideration is that the block grants for all of the children of America in child care facilities, outside of school programs, have no guarantee whatsoever for any participation in any food or nutrition program whatsoever, so it is a real farce.

Talk about setting aside money specially for military children, obviously we want to see that they are fed in the child care programs, but the very heart of the legislation that we are dealing with in terms of nutrition carves out that guarantee for children in child care programs that are not in a school situation, so I think that putting this into an en block situation, not allowing us time to fully debate it, really makes it impossible for the Members of this House to understand the cruelty of the Republican bill and how it is killing child care nutrition programs outside of the school.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, it has become very clear that the Republicans do not want a debate or a discussion on this bill because they understand how quickly and clearly the American public is coming to understand what they are doing, how terribly mean they are being to children of this Nation. This goes far beyond pregnant women and young children. This goes to disabled children, to abused children.

The gentleman from Massachusetts [Mr. KENNEDY] was absolutely right. The block grants here for Federal protection of children, abused children,

are greatly diminished, and those children are placed at risk. There is no guarantee of that funding being there.

If Members read the letter they received from the American Bar Association, it simply states that we are now taking the most vulnerable children in this Nation, that now have the Federal protection, where we have gone into the court, and we have over 20 States who now have their foster care systems run by the courts because the States have refused to administer the system for the protection of these children.

Those are the States that the gentlewoman from Connecticut [Mrs. JOHNSON] wants to give more say to, fewer protections for these children. Those are the very States that the gentlewoman wants to give these children back to.

Those States, like the District of Columbia, they cannot find their children. States like New York, they cannot find their children. Why? Because they refuse to comply with the law. It is not the Federal law, it is the law they refuse to comply with, so now we are going to take these States with a history of abusing these children.

We have all been treated to the headlines of children being killed, maimed, sexually abused, scalded, burned, axed up, all of this? Why? Because they have some notion that the States can do it better, the very same States that are constantly in court for failing to protect the most vulnerable citizens.

That is why they do not want to discuss this amendment. That is why they gave away the debate time. That is why they put these amendments into a block grant, because they refuse to discuss what this bill does, far beyond the question of mothers on welfare: what it does to disabled children, what it does to abused children, what it does to children in child care, all of which has nothing to do with welfare reform as the American people understand it.

No wonder they are trying to hide the facts from the American public. No wonder they refuse to debate this bill. No wonder they do not want to talk about this bill. No wonder they do not want to deal with it on an up-and-coming basis.

□ 1630

This was supposed to be one of the most important parts of the contract. Yet when it came to the most important part of the contract, you chose to close down the debate. You just continued to close down debate. I don't get it.

You said you wanted open rules, you said you wanted free debate, and now you are closing it down because you don't want America to find out what you are doing to the children of this Nation.

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it does no credit to this House that the tone of the debate has been what it has been so far. Extra time was asked for and was granted on the en bloc amendment.

The amendments, themselves, all of which are in the en bloc amendment, were printed and made available to everyone last week. This is not a new set of amendments. The only thing that was not made public far in advance was that 11 of these would be included in one amendment. There is nothing unusual about that.

But it is sad to me that the minority has taken over half of the time that they said they needed to discuss these amendments to talk about what should have belonged in a discussion on the rule or a discussion in general debate and it is not even related to what is in these en bloc amendments. They are free to use their time in whatever way they wish. But debate would be better served by talking about the amendments that are here en bloc.

Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. I thank the gentleman for yielding me the time.

I know the gentlewoman from Hawaii did not want to mischaracterize what the gentleman from California is doing with his amendment. I know she wants it to be exactly as it is.

It does not carve out anything. What it says is, "on an equitable basis with assistance provided in accordance with such subsection to all other child care programs carried out in such State." It does not carve out anything special. It merely says "on an equitable basis."

I am sure everybody would want that to happen. Just because children are in one State, because they are in the military, they should not be penalized because they are in that State but it may not be the State of their normal residence, but that is where they are stationed at the present time.

What the gentleman from California [Mr. CUNNINGHAM] is merely saying is that it should be handled on an equitable basis with assistance provided in accordance with such subsection to all other child care programs carried out by the State.

I think that is pretty plain and does not carve out anything particularly.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, we have 2 programs that we are using right now that work very well. One promotes the adoption of special needs children. These are children that have physical or emotional difficulties and it is very hard when they are up for adoption to find a home for them. This program finds a loving home for these children.

The second program is adoption assistance and it helps a family cope with the additional costs associated with problems with children having to find a permanent home and parents who want to adopt them can afford it and this program helps them afford adoption.

This program also works. These two programs are rolled into a block grant that cuts child welfare funding by $2.6 billion over 5 years.

What happened today? We had these amendments put en bloc and one of the amendments, amendment 12 says, "It is the sense of Congress."

We all know a sense of Congress is only worth this paper, a sense of Congress to strongly urge States to allow sufficient funds under the Child Protection Act.

What is happening here is these good programs are being rolled in with other programs. It is a block grant. As people well know, it is not only a block grant back to the Governor, before it goes back to the Governor, it goes to the Committee on Appropriations and has to compete with every other program such as veterans programs and elderly programs.

Therefore, we cannot promise anything under this situation. A sense of the Congress does not promise. We getting rid of these programs means children who need homes will not get them. I really wish this could be taken out of this bill.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Chairman, I have heard speakers before me talk about being here for 20 and 25 years. I have been here just 2 months. But I came from a State legislature where we took the time to debate these kinds of issues.

I have heard the majority say that they are frustrated that we Democrats are raising our voices, that we Democrats are saying that this is an injustice.

You know why we are doing it? Because we are not being given the time truly to debate each of these amendments.

Real quickly, let's just tell the American people something. When the Republican Contract With America signers get up and say they are not putting children at risk, just remember, these block grants. It does not make sense to people in the real world what a block grant is. A block grant is saying that there is no entitlement for children to eat or to be cared for by society.

I think while we need to deal with entitlements, we need to remember there is an entitlement for children in this country. It is not to be block-granted. It cannot be given 4 percent a year and told to go away.

Mr. SHAW. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this has I think gotten to be one of the most bizarre debates that I have ever heard.

The other side raised all kinds of points that we did not have enough

time on this amendment. I do not think that they have spent 2 minutes of the time on this particular amendment. They are going back and trying to disturb the whole issue. I think that it is important that this committee realize that under the 40 years of stewardship of the Democrats, nothing happened.

I would hope that it is not the motivation right now or the objective of the minority to disrupt the process so that we cannot go ahead with welfare reform. This is desperately needed.

I believe and I hope that the committee will focus on let's get a bill out. If they want the Deal bill, let's get into a regular order and let's go forward. Let's bring dignity back to the House.

Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. I thank the gentleman for yielding me the time.

Mr. Chairman, what this debate is revealing is the fundamental underlying difference of visions about what we need to do in this country to care for the poor.

Let me just say very briefly before I talk about my two amendments in the en bloc, 30 years ago, the Federal Government basically preempted the field of welfare. Took it over. In doing that conditioned the receipt of assistance on people doing things which undermined the values that are necessary to lift people out of poverty. Conditioned assistance on people first and foremost having a child without being married. Punished people if they worked, because the size and the incentives in the welfare package became such that it was more attractive financially. It was rational in the short term for people not to work and to receive welfare.

These facts, I do not think, are disputed. Everybody has said. The President has said these things. The Federal Government progressively took over control. Took the welfare system in a lock grip and has maintained it ever since.

As a result, Mr. Chairman, poverty has not gone down in the last 30 years. It was declining for the 20 years before then. It has gone up slightly. That is not for want of the taxpayers trying. We have spent, depending on how you define welfare, at least trillions of dollars on welfare. It is not owing to a lack of generosity in the American people of either party. It is owing to a system that is at the same time as it is trying to give people material wealth and lift them out of poverty, is luring them into a kind of spiritual poverty by destroying their families and their incentives to work. That is what this bill is designed to change. I think everybody here wants to do that.

Let's take the en bloc amendments we are talking about as far as illegitimacy is concerned. Yes, I put an amendment in here which is on the en bloc, it is a sense of Congress, it says the out-of-wedlock birth rate is one out of three and that is leading to an awful lot of terrible social pathologies, drug use, alienation crime.

We cannot do anything about that unless we reduce the out-of-wedlock birth rate. I do not know a sociologist who disagrees with it.

I have an amendment in here which increase work participation requirements. But the bill is focused on people who are closest to employability, two-parent AFDC families, single parents with kids school age or older. If you are able-bodied and your child is at school or you have another parent at home, there is no reason you cannot work. That is not punitive. That is good for you. If you work, you will be able to get off the welfare rolls. That is good.

The other thing the bill does broadly is it takes control away from the Federal Government and returns it, not to the States but closer to the people of the United States. That is what the bill expresses trust in. It says the people of the United States if they have control over this system will do a much better job of providing for the needy amongst them than the Federal Government has done.

It is a conflict in visions here. I understand people who sincerely, deeply believe in the existing system, but it is not working.

Mr. GIBBONS. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. The gentleman from Misouri [Mr. TALENT] said all of these problems that society is facing is because the children are born out of wedlock.

You describe it a crime, that drugs, that poverty is all due to this. But it could very easily be said that it is poverty that has driven the very same things that you are talking about.

It is so unfair for you to pick one of these things, and you are right. You are right, that these things are all there together. But if a person was working, they would not be making the babies.

Mr. GIBBONS. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. DEAL], who has spent hours and hours and hours and hours working on this subject.

Mr. DEAL of Georgia. I thank the gentleman for yielding me the time.

I would like to commend the gentleman from Missouri [Mr. TALENT] for one of his amendments that is a part of en bloc, and, that is, the criticism that we have raised about the original Republican bill and, that is, that it was weak on work. The gentleman from Missouri [Mr. TALENT] does raise those percentages. In the process he has caused me to have to amend my chart, but I have done so rather hastily and I think I reflect the changes in the percentages that his amendment addresses.

It increases, as you will see, over the time period a cumulative increase of 52 percent from the original percentage in the work program as contained in the original bill.

However, during that same time period, I would point out that there is only one of those years in which they exceed the percentages that are included in the Deal substitute.

But I think it does raise some very legitimate questions. First of all, by block-granting, which includes the work program, the bill proposes to save some $8 billion.

It is fine to say on paper that we are raising work percentages, but I do not see any equivalent increase in the funding to make sure that these work programs are able to be implemented. The question then is, if there is no additional funding to achieve this 52 percent cumulative increase in percentages over the years, if there is no additional funding, then is it saying that it does not cost the States anything? If it does not cost the States anything, then why not let us all put 100 percent for every year?

I think that is the fallacy that exists in this proposal.

Mr. TALENT. Mr. Chairman, will the gentleman yield?

Mr. DEAL of Georgia. I yield to the gentleman from Missouri.

Mr. TALENT. I would say this to the gentleman, and I appreciate his work in this area. Work is not expensive if you focus on people who are close to employability. It is expensive if you have huge day care requirements, if work is used as an excuse for vast new expansions of the welfare state, training, day care, et cetera. But if you focus on, say, two-parent families, then you do not need day care. And there are States which are doing——

Mr. DEAL of Georgia. Reclaiming my time, I appreciate the gentleman's statement, but the obvious fact is that it does cost money to put in place programs to move people from welfare into the work force. If it does not cost any money, then we ought to just say the percentages should be much higher for everybody from the outset. If it does cost money, then it is a hollow promise or the largest unfunded mandate we have ever sent to our States.

□ 1645

Mr. SHAW. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding. Like my colleagues, I am concerned about how this legislation will touch, will affect individual child and family. Some have said this is mean legislation, it does not consider the welfare mother.

But let us take a look at what really happens. It is easy to talk in generalities. Let us take a look at how your

particular system, the present system operates. Here is right out of the newspaper: Kids go hungry while parents buy drugs. Three children live in a house of roaches, without food, while the parents spend their monthly welfare benefit in narcotics. In 1988 this woman had six children taken from her, put in foster homes. Now she has three more children after her boyfriend moved in, one 15 months, one 2½ weeks.

I am asking my colleagues who is tough on kids? It is your present system. How could you be tougher on kids and families than the present system?

Here is a woman with her boyfriend who took $440 a month on AFDC, $916 of SSI, and all wasted, and the kids are at home starving. Who is tough on kids? Who is tough on families?

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Chairman, let me just pick up on the point of the gentleman from Georgia [Mr. DEAL]. You raise the participation rates. But two things: You do not provide a single dollar more; and second, your participation rate is not based on people going to work, your participation rates can be based on knocking people off the rolls.

I care so much about the link between welfare and work. It is the critical link here. We are darn worried about the children. We also have to help the parent and make sure the parent gets out of the cycle of dependency for the sake of the parent and the children.

And it is not a question of vision. Whatever your vision is, you are not willing to act and the Deal bill and the rest of us are willing to act and say we are going to link welfare and work and put resources behind it to make sure it is done, and to grade States not on the basis of knocking people off the rolls but getting them to work.

We are proud to stand for work.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, let us talk about something positive that we are working on right now. There are 600,000 children in foster care in this country, 30,000 to 35,000 of these kids are up for adoption or available for adoption right now. There are problems with getting them adopted. It costs about $10,000 for a prospective adoptive parent to adopt a child, and because of that, there are a lot of kids that are not adopted that would be.

And many of these kids are shuffled from foster home to foster home and they lose hope, they become full of despair, and many of them turn to crime as they get older. So we need to do something to provide incentive for people to adopt.

In the tax bill that is coming up before this body in about 2 weeks, there is going to be a $5,000 tax credit for parents that adopt children who are in foster care. Now it costs $15,000 to $20,000 for each child that is in foster care. If we get them out of foster care into loving homes by using this tax credit we are going to save $15,000 the first year, $20,000 a year each year after that, the taxpayers are paying to keep those kids in foster care, that is a positive.

In addition, there is an amendment in the bill right now we are talking about which I have sponsored which provides additional incentives to adoptive parents to adopt children who are handicapped, who are having problems being adopted. It provides all kinds of methods for the States to employ incentives to get these children out of the foster care system and in loving homes.

In addition to that we are also going to provide a computerized network if we can get the States to work with us by adopting this amendment I am proposing. And children will be able to be in that computerized system where prospective parents can see their faces, find out a little bit about these kids and decide whether they would like to have them in their homes. There may be a prospective parent in California who cannot find a child they would like to have, an adoptive child that may be handicapped, and through this computerized national system they will be able to find a child in Massachusetts or New York.

So there are some very positive things in the legislation that we have been working on and we should look at the positive and not just negatives.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I thank the gentleman for yielding the time. I want to also follow up on the comment made by the gentleman from Georgia, Mr. DEAL,, about the unfunded mandates and what it does when we make these requirements and do not provide funds for it.

In the Committee on Agriculture I think they have the good fortune to recognize that we at least need to pay people the minimum wage and find that in fair work when we require the poor to work we should not expect them to work below the standard which the law is now.

Here is this participation when we require them, this does not only provide money for the implementation of the program, nor does it assure that minimum wage is there.

Please understand, block grants is not a magical word in and of itself. When we block grant and reduce a fund we give the inability of States to implement these programs. This can be a hoax. States need to wake up. Block grants is no magic to all of their problems now.

This certainly is not to be expected to cure the minimum wage or the participation in work.

Mr. SHAW. Mr. Chairman, I yield 4 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], a member of the committee.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I want to take a moment to respond to the comments of my colleague from California whose impassioned attack on this bill's child services block grant is heartfelt but in my estimation misguided.

The gentleman from California [Mr. MILLER], and I have long disagreed in the area of foster care. It goes back fundamentally to his belief that the 19 pounds of regulations and the 50 programs currently in place could protect children. They cannot, and they are not.

Listen to the testimony, read the papers, listen. Abuse is exploding, children are being beaten to death. Our programs are not working.

Under this bill for the first time, for the very first time, we will know how many children in America are in foster care; with all of our 50 programs we have never known that. For the first time under this bill States will have to identify quantifiable goals to be achieved that year. That will be easy to oversee, easy to impact.

The current program requires States to write a plan, and you know what happens? My colleague from Connecticut and I spend hours every year trying to get our State relieved of millions of dollars of penalties because the Federal Government and the State of Connecticut disagree on what an administrative expense is.

Under current law, team suicide prevention dollars have to be accounted for separately from family preservation dollars. Let us get with it. We cannot do it that way. The administrative overhead is far too great, the ability to address the holistic needs of a family is far too compelling.

One of my best child services agencies was in to see me only a couple of weeks ago, and I started talking to them about this section of the bill, its accountability, its governance, and I said, "You know what we want you to do is to develop the kind of integrated networks that are based on the model of total quality management and deliver continuous improvement and service that is family-oriented." And she said, "We are doing it, and you are right; one of the barricades and blockades is all of the Federal programs, each with its own bookkeeping, each with its own stream, each with its own interlock."

So I know it is frightening to make change, I know there is risk involved. As chairman of the Oversight Subcommittee, I can tell Members we have put annual quantifiable achievable goals in there because annually they are going to be there defending why they did or did not achieve their goals.

We have provisions in this bill that will look at best case, worst case, so we can help States see where they are going. The old system has failed. We must have the courage to try something new, and we must commit ourselves to something better than the old way we used to proceed, which was do something for 5 years and do not look around until the 5-year reauthorizations came up.

Mr. SHAW. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, I would like to commend the gentlewoman from Connecticut for the wonderful work she has done in this area.

What we have here, though, are some 40 of these programs dealing with taking care of kids, 40 Federal programs each having its own set of regulations. The point has been made that some of the States have been called to task on them. Is there any wonder, each having their own sets of bureaucrats here in Washington, tons of regulations? We have taken 23 of them and folded them into this bill, and I think the cries of hysteria we are hearing is about the decrease in the bureaucracy.

Mrs. JOHNSON of Connecticut. I agree.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, while we all agree that welfare must be reformed, I rise in opposition to the en bloc amendment. I am proud of the just anger that my Democratic colleagues have demonstrated on this floor today in defense of children because, Mr. Chairman, this Republican proposal is cruel, yes, cruel to children.

Why? Because it cuts nutrition, child care and opportunity for children. How can we, the greatest country that ever existed on the face of the Earth, come here together on this floor today with the leadership Republican proposal to take food from the mouths of children, take heating oil from senior citizens in order to give a tax break to the wealthiest Americans? This is cruel to children because 2 million children will no longer receive school lunches by the year 2000; it denies SSI benefits to hundreds of thousands of children with disabilities.

And on the subject of abused and neglected children that our colleague from Connecticut just addressed, abused and neglected children are victims of this bill which cuts $2.7 billion of funding over 5 years.

Vote against this bill which is easy on the rich, tough on children, and weak on work.

Mr. SHAW. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Chairman, I appreciate the gentleman yielding me the time.

Mr. Chairman, they have said that the Republican welfare reform bill is weak on work and hard on kids. It is neither. What is hard on kids is this existing system and it must be changed and indeed it is not weak on work at all.

And this amendment toughens the work requirements even more. For those who want tough work requirements as I do, they want this amendment.

It is total caseload figures that are used so they are real and they are meaningful and they are honest numbers. Three Governors in this country are already meeting these goals, and so in fact they are quite achievable.

We not only provide tough work standards but we aim them and we target them at those who are most employable, one-parent families with older children and two-parent families on AFDC. This is a good amendment. It toughens it; it should satisfy those who have said that this bill is weak on work. In almost half of AFDC families the youngest child is over 5 years old. Those people ought to be working.

I hear every day, every time I have a town meeting, the resentment of the working poor, the resentment of those who look at able-bodied welfare recipients who are receiving a very generous package of benefits while they go to work every day. If a person is able-bodied they ought to be required to work. It will help to solve the welfare dilemma and it is good not only for society, it is good for those individuals who heretofore have been required to go out and provide productive employment.

Promoting a work ethic increases education aspirations and achievement and over 90 percent of the American people support that.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. HUTCHINSON. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I just want to compliment the gentleman for his work on this part of our legislation that came from our committee and for his amendment which will even make what he did in committee better.

Mr. HUTCHINSON. I thank the chairman, and I appreciate his leadership in bringing a very meaningful and comprehensive welfare reform bill to this House.

□ 1700

Mr. GIBBONS. Mr. Chairman, I yield myself such time as I may consume.

The problem with the gentleman's argument that has just been completed is the Republican bill is notoriously weak on work. The Democrat substitute is hard on work.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, this bill and the amendments continue a pattern that the Republicans have played out in many of our committees of contempt for work, the work ethic treated with great contempt, downgraded, degraded. The gentleman before said work is not expensive. No, work is not expensive if you want to take people back to the days of the plantation.

On the plantation everybody had a job. Plantations had full employment. But plantations are not where we want to go. We do not want to reduce people to involuntary servitude or slavery. We do not want to cheapen the labor market in such a way that the thousands of people out there who are unemployed and not on welfare also have their jobs threatened.

We have a situation here where the State becomes the slave master if you are going to have inexpensive work as was just described before. What is the rate of wages? What hourly rate are you going to pay? If a person is receiving $300 or $400 a month for welfare, do they have to work 120 hours? What is the hourly rate there? That is involuntary servitude, or it moves toward slavery.

What are the working conditions? Are you going to have health care provided at the same time? Are they going to have decent conditions to work in, or are we going to have a situation where there is a competing cheap labor pool in every State so that people who are employed in regular jobs are going to find themselves being laid off, being considered undesirable by the government that they work for because there is a cheap pool of labor that can be employed for almost nothing?

Let us clarify in this bill what we mean when we say we are going to make people work 30 hours a week, which means 120 hours a month. What does that mean? What kind of wage rate are you using? How are you judging that? For what will they be exchanging their labor? Are we going to go back to the plantation and not have them have decent health care provided, no job training?

You said you do not want to provide day care, so that means only people who do not have children can go to work. Everything about work is hanging loose in this bill. It is not about moving from welfare to work.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Texas for his leadership in the House Committee on Ways and Means.

Mr. Chairman, I have listened with great interest today to the arguments being articulated on this floor, and it is certainly true that good people can disagree on the best methods to redress the problems in our society.

But I have listened with great alarm to a positive program for change being maligned, harkening back to the days of the Plantation South or the Third Reich of Nazi Germany. Mr. Chairman, that is inexcusable.

How can we in the name of freedom and decency stand by silently when we see examples just as we saw a couple of years ago in Chicago during the drug raid when police found 19 children living in squalor in a cold, dark apartment, 2 children in diapers sharing a bone with a family dog, the children belonging to 3 mothers and 6 different fathers who were getting $4,000 in cash benefits per month from the Federal Government? It is this system that is wrong, and when people come here to the well of the House and say that we are trying to take food from the mouths of children, nothing could be further from the truth.

We embrace a program of compassion and positive change, and all the malingering, malicious theatrics of the other side are inexcusable.

I rise in support of the en bloc amendment, and I ask my supporters to do so, and, yes, fair-minded people from the other side of the aisle to change this program for the better to get away from the bankrupt policies of the past that are bankrupting us not only fiscally but morally.

Mr. GIBBONS. Mr. Chairman, I yield 15 seconds to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Chairman, would the gentleman stay at the mike and let me ask him one question?

I just want to point out that he is absolutely correct when he talked about the 19 kids in Illinois, but I also want him to know under this Republican bill with neglected and abused kids, the same 19 kids that he made reference to would not be protected under this Personal Responsibility Act.

Mr. GIBBONS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Chairman, what is wrong with this en bloc amendment is the same thing that is wrong with the underlying bill. It covers up the fact that what is being done here is to take away precious resources from the most needy of our citizens and to give them to those who already have more than they know what to do with.

In every civilized society worthy of the name, the first mandate is take care of women and children, protect the women and children, look out for the women and children, except under this new majority in this House.

Here, the mandate is to abuse the women and children, make them suffer, suffer the women and children, make them pay for the cuts, cuts in resources that will go from the most needy people, women and children in this society, to the richest members.

Give them tax cuts while you take away from those who need it the most, and in New York alone, over 5 years, you will deny $8.5 billion to needy children. Nearly a half a million children in the State of New York alone will not get the needs and attention that they deserve under this bill and these en bloc amendments obfuscate that fact.

The amendment should be defeated as well as the bill.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. SHAW], the chairman of the subcommittee.

Mr. SHAW. Mr. Chairman, I thank the chairman for yielding me this time.

You know, it is very interesting, in listening to the last speaker speak out against the en bloc amendment, he never, never made any specific reference to any one of these amendments that he is criticizing. This is truly an uncontroversial en bloc amendment.

The gentlewoman from Hawaii [Mrs. MINK], I think, is the only speaker on the other side that came down and made reference to one having to do with nutrition programs on military bases.

I, for the life of me, cannot understand. I mean, it is perfectly obvious here that what has happened is procedurally the hysteria that has broken out on the minority side has been geared toward not this amendment. We could have done half the time on this amendment. In fact, I do not think we have argued 6 or 7 minutes on the en bloc amendment.

The gentleman from Missouri [Mr. CLAY], whose name I am often referred to, came down and was making speeches with regard to the big lie. And then we find people coming down on the minority side saying we are cutting funding, where the gentlewoman from Connecticut [Mrs. JOHNSON] got up and showed where we were actually increasing it 25 percent. Nobody comes back down to the well to talk about it again.

Yes, we are talking about the big lie, and the question is how many times can you say it, and how many times do you expect it to get through.

The truth of the matter of what we are doing in this bill is we are cutting down the bureaucracy, and if you want to know where the cuts are, that is exactly where it is. We are simplifying the law. We are taking 40 years of chairmanship held exclusively by the Democrat side, 363 means-tested Federal programs, each having their own regulations.

We are taking a large number of them and we are combining them. We are downsizing government. We are the ones that are truly reinventing government. We are the ones that are getting the money to the people who need it. We are going to stop the trickle-down bureaucracy that has been mandated by existing law.

Mr. GIBBONS. Mr. Chairman, I yield 10 seconds to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. All I have to say to the gentleman from Florida [Mr. SHAW] is each time we try to deal with this document, the gentleman's time has expired. You say it is noncontroversial. You explain the Hyde amendment which says that no funds under section 403 are to be used for any medical services. Then the gentleman from Illinois [Mr. HYDE] says he only means abortion.

That is not controversial?

Mr. ARCHER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding.

I wanted to point out something in relationship to what is in our jobs program, because I have heard some people allude to the fact that perhaps we are not doing anything, providing any money. We provide the States $15 billion to help move people from the welfare roll to the job roll.

Now, we have 163 programs, job-training programs, on the book at the present time. Anytime we have a problem, somebody says, well, let us just pass another job-training program. The problem is they have not been successful. Even JOBS has not been successful. Most people would say it is not successful. Yet we require States to put up 50 percent of that money for something that is not successful, but 163 programs are now on the books for jobs training.

Should we not try to do something about that? Should we not try to consolidate? Should we not try to make them work?

It seems to me that is what we need to do, and I would hope that we can do that, and if we cannot do it through this legislation, we surely have to do it.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. HEFNER], a member of the Committee on Appropriations.

Mr. HEFNER. Mr. Chairman, there are two things that you can go back to your district and you can always know that you are going to get real positive response for, if you run against your colleagues, and if you run against welfare, and it is fertile ground for the talk shows to pick out isolated instances, and there are many instances, there is no doubt about that.

The gentleman pointed out a couple here a while ago, the gentleman from Arkansas pointed out some abuses, and there are many, but there are many success stories, and there are many people that have been helped through

programs that have been instigated by the Federal Government.

Let us make no bones about it, let us make no bones about it, this program, the savings that are going to be from this program, and the gentleman from Ohio [Mr. KASICH] admitted sitting here, they are going to be used for a tax cut and to his credit, the chairman says we are going to pay for this tax cut, and we are going to use these moneys that we get from this welfare reform, we are going to use it to pay for these cuts.

And my three grandchildren at some point in time are going to have to pick up the bills. But let me just tell you this, let us do not hasten to do block grants, because you are not assuring that there is going to be any more efficiency.

Just a few years ago, and my colleagues from North Carolina will bear this out, in North Carolina we could not even find the money to inoculate our children against rubella. So do not tell me that when the tough time comes that they will belly up and do the responsible thing for our children.

So do not be misled that these block grants are a panacea and are going to solve all welfare problems, because it just ain't going to do it.

So let us be very careful what we do, and let us work very hard, and let us support the Deal proposal here, because what it does, it uses the money that we save to pay this deficit down for my grandchildren and for your grandchildren, and it does responsible things for welfare reform in this country. That is what we should all be about.

Mr. GIBBONS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, the chairman of the subcommittee rather unfairly, it seemed to me, criticized us for not talking enough about the amendments.

The Republican Party has not succeeded at much lately, but they have succeeded in making this debate the most disjointed one possible. Because they have clearly decided that this is not going as well as they would like.

They miscalculated. Attacking welfare recipients is usually more popular than it has been under their leadership, and maybe they will learn as they keep doing it.

But I have an example of an amendment I want to talk about that we have not been to able to talk about. The chairman of the Committee on the Judiciary offered a noncontroversial amendment which said none of these funds can be used to provide medical services. The gentleman from New York raised that question.

When he was asked about it, when the gentleman from Illinois was asked about the phrase medical services, he said it meant abortion.

Mr. Chairman, this is a wonderful, truly wonderful thing. The chairman of the Committee on the Judiciary is empowered apparently not only to change legislation involving the judicial code of the United States, he can change the language. He can say "medical services" and really mean "abortion."

Well, if we had a decent amount of time to debate this, I think we might have been able to pursue this. I do not regard it as noncontroversial when we get an amendment that says none of this can be used for medical services, and one of the moderate Members on the other side, one of the very pliant moderates that they have, got up and said, "Well, do you really mean everything?" He said, "No; I just mean abortion."

Well, the power of the chairman of the Committee on the Judiciary to change the plain meaning of words simply by what he says on the floor contradicting what will be written into statute does not exist. What we have is language that was offered that says medical services. We were told it means only abortion. We do not have time to explain it. We get 11 amendments, and the gentleman graciously gave us an extra half-hour, so we have 4 minutes per amendment.

It is an example of the shambles they have managed to make of this debate.

□ 1715

Mr. GIBBONS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I do not blame the Republicans for trying to hide what they are doing. They have collapsed what was 3½ hours of debate into—well, I get 40 seconds here now and a few others for other Members around here.

To do what? They are hurting 15 million infants and children by this legislation. To do what? To pick up $70 billion. To do what? To buy the crown jewel of the Contract On America, as Mr. GINGRICH calls it, to pass—to help pay for that notorious, stinking, lousy tax bill that they will bring to the floor next week.

Mr. ARCHER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, at times today this debate has been illuminating, but more often it has been emotional, bordering on hysterical. One must wonder why. Yet when you cut through it, you must believe that it is the dying throes of the Federal welfare state that has been built block by block over the last 30 years and which has failed after the expenditure of $5.3 trillion.

I do not believe that the American people will buy off on the rhetoric, if it is repeated over and over and over again, in high emotional decibels, "Mean-spirited, Hitler, cruel, noncompassionate," over and over and over again. That is not talking about facts. The gentleman from Massachusetts knows, because he is very bright on this subject, that the law under the Hyde amendment already prohibits the use of any HHS funds for the purpose of abortion. That is why this amendment by the Mr. HYDE today was noncontroversial. It meant nothing. The law was already there. He knows that.

Mr. Chairman, we have listened today on what has been, as the gentleman from Florida [Mr. SHAW] has said, not discussion on the amendments to elucidate, but more rhetoric that should have been conducted and completed in general debate. That is why they wanted the extra time. Not to learn about this en bloc amendment. That is very, very clear. These amendments in here, I repeat, are relatively noncontroversial and strengthening to the bill.

We hear again the rhetoric, the broken record of cuts, cuts, cruel cuts. The reality about this bill is that it spends 43 percent more than we are currently spending in the next 5 years, $73 billion more than is currently being expended. Under the vocabulary of the average American family, a 42-percent increase in spending over 5 years is an increase, not a cut. But we hear cut, cut, cut. It is time for the American people to know the truth.

The truth is we have a broken, a failed state welfare system laden with Federal bureaucracy, and we are going to start anew. The American people deserve that. Both those that are trapped into the environment of dependency as welfare recipients and the American workers who have to pay the money that goes to keep people who are able to work not working. That is what this is all about; personal responsibility, individual initiative and thrift and sacrifice. I believe that is what the American people want to hear across this great country. And that is what we mean to deliver; a new way, a new approach where we can eliminate fraud and abuse, where we can no longer give cash benefits to drug addicts, so it is available to spend on buying more drugs; no longer give cash to alcoholics so it is available to spend on more alcohol.

The Democrats do not want to talk about this. They built this program. It is out there. They want the status quo. We believe compassion is to help people to help themselves to develop personal responsibility and individual initiative, the great character traits on which this country became the greatest country in the world.

Mr. Chairman, I yield back the balance of my time.

Mrs. LOWEY. Mr. Chairman, I would like to state my opposition to the Hyde amendment and to raise serious concerns about the effect of the amendment.

The author of the amendment states that the amendment would prohibit states from using funds under the bill for any medical services.

But it seems to me that the amendment could have two effects—both of which would hurt the health of women and children.

First, the amendment would seem to broadly prohibit funds under the bill for medical services. While the author of the amendment states that the amendment does not prohibit the use of funds for family planning services—and I am pleased that the author does not intend the amendment to cover family planning services—the amendment still raises numerous questions that could pose grave problems for women and children.

For example, would medical services to disabled children be denied by this amendment? With the cash families receive under the temporary assistance block grant, would families be prohibited from meeting the medical needs of their children? If any of the amendment has any of these effects, it clearly hurts the health of children and women.

If, on the other hand, the intent of the amendment is more narrowly focused on abortion, as the author stated, I am concerned that the amendment could set a precedent for denying coverage of abortion services to poor women. If this is the case, we must beware. If a subsequent decision is made to block grant the Medicaid Program, would this Hyde amendment then apply to Medicaid? By passing this Hyde amendment now—as part of welfare reform—are we forfeiting the opportunity to fight on behalf of the rights of poor women who are victims of rape and incest? I don't think we should take that chance.

Again, the amendment's intent is unclear—but regardless of intent or interpretation, the amendment would seem to hurt the health of women and children. I strongly oppose the Hyde amendment.

Mr. Chairman, I do, however, support the Roberts Amendment which is part of this package. That amendment takes a strong first step toward dealing with the true problems facing the Food Stamp program: fraud and abuse.

All too often in the past several weeks we have heard our colleagues calling for cuts in the benefits provided by the Food Stamp program. These cuts—including a cap on the program approved by the Agriculture Committee—will undermine the ability of many American families to put nutritious meals on their tables and that will have a real impact on the health of those families. But while doing that, these misguided cuts do not get at the fraud and abuse in the Food Stamp program that is really wasting taxpayer dollars. This fraud is the true crime against this important program.

To be sure, Mr. Chairman, the perpetrator of this crime is not the single mother trying to feed her children; it is not the parents who work all day, every day, and still do not make enough to send their children to school with nutritious lunches; and it is not the family that saves up for a month to treat themselves to their favorite cereal. The real perpetrator of this crime is the bogus produce retailer right here in Washington who bought over $50,000 worth of food stamps for a reduced, cash price and tried to redeem them for full value; it is the owner of an Atlanta restaurant who illegally redeemed over $1.6 million in food stamps; and it is the restaurant owner in Maryland who bought almost $250,000 in food stamps from undercover Federal agents in exchange for cash and guns.

Under this amendment, these criminals, who are taking food away from American families and dollars from American taxpayers, would be hit where it hurts the most—in their wallets. Forfeiture programs have proved to be a dramatic success in other Federal agencies, and it is time we create a disincentive for those who would traffic in food stamps. This amendment will tell these criminals, in no uncertain terms, that when they steal from the American taxpayers, we are going to get back all that was lost.

Make no mistake, the Roberts Amendment is not about cutting the budget blindly, and it is not about punishing American families. It is about protecting food stamps for those who need them. It is about ensuring that American families do not go hungry. And it is about declaring our commitment to protecting the American taxpayer.

Mrs. MORELLA. Mr. Speaker, I rise in opposition to the Hyde amendment included as part of the Archer En Bloc Amendment. The Hyde amendment would prohibit the use of any block grant funds to pay for medical services. It would also strike the section of the bill which would require State plans to address how they intend to reduce teenage pregnancy, including—at the option of the State—the provision of education, counseling, and health services.

I understand that supporters of the amendment argue that they are simply trying to prevent the funding of abortions through the block grants. However, this language would go further than just abortion funding. It would bar States from using any funding in the bill to pay for family planning services. Longstanding language in the Social Security Act requires that States provide family planning services to recipients. While the Committee bill deleted this requirement, language was adopted that encouraged States to reduce teen pregnancy, especially through education, counseling and health services. The Hyde amendment deletes this section and adds the language prohibiting the provision of medical services through the bill.

Family planning services have consistently been considered medical services in Federal programs, and these services are critically important to reducing unwanted pregnancies. For almost 30 years, family planning services have been provided to AFDC recipients, and States should continue to have the flexibility to do so through the block grant funding. Indeed, the fate of Medicaid and Title X funding has not yet been decided, and States must have some source of Federal funding to provide family planning services to poor women, if they so choose.

In addition, it is important to remember that the funding to implement the welfare block grants will be provided under the Labor-Health and Human Services Appropriations bill, which already is restricted by the Hyde Amendment. Thus, the restriction on abortion funding is already addressed.

We must protect the right of States to provide family planning services to low-income women—these services are a vital component of the effort to reduce unwanted pregnancies, and we must give the States the resources to provide those services. I oppose the Hyde amendment, and I will work to ensure that it is not part of the final welfare reform legislation.

The CHAIRMAN pro tempore (Mr. HOBSON). All time having expired, the question is on the amendments en bloc, as modified, offered by the gentleman from Texas [Mr. ARCHER].

The question was taken, and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. GIBBONS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to the rule, further proceedings on the amendments en bloc, as modified, offered by the gentleman from Texas [Mr. ARCHER] will be postponed.

Mr. GIBBONS. Mr. Chairman, do I get a recorded vote when that time comes up?

The CHAIRMAN pro tempore. The Chair has postponed the request for a recorded vote.

Mr. GIBBONS. I did not ask for—I asked for a recorded vote.

The CHAIRMAN pro tempore. Under the rule, the Chair has the authority to postpone recorded votes.

PARLIAMENTARY INQUIRIES

Mr. HEFNER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. HEFNER. Did the gentleman [Mr. GIBBONS] ask to make a point of order that a quorum is not present?

The CHAIRMAN pro tempore. The gentleman from Florida did not.

Mr. GIBBONS. I will make a point of order that a quorum is not present. Obviously, one is not present.

The CHAIRMAN pro tempore. The point of order is not in order at the present time. The Chair is not now putting a question.

Mr. HEFNER. Mr. Chairman, a further parliamentary inquiry: Has the chairman ruled that there would be a recorded vote, that it would be ruled? I am a little bit confused here. What is the procedure?

The CHAIRMAN pro tempore. The Chair has merely postponed the question for a recorded vote until a later time.

Mr. HEFNER. A further parliamentary inquiry: What the Chair is saying is that at some point in time the gentleman from Florida [Mr. GIBBONS] will have to ask for a recorded vote at a later time when the vote on the amendments en bloc takes place.

The CHAIRMAN pro tempore. He will not have to renew his request.

Mr. HEFNER. He will not have to?

The CHAIRMAN pro tempore. The unfinished business will be that request.

Mr. HEFNER. A further parliamentary inquiry: Could we have any idea, for some of us who have things to do, when we may begin to have some votes on the legislation that we are considering.

The CHAIRMAN pro tempore. It is the understanding of the Chair that after the consideration of amendment No. 8, that votes will then be taken.

Mr. HEFNER. After the consideration on amendment No. 8?

The CHAIRMAN pro tempore. Number 8.

Mr. HEFNER. A further parliamentary inquiry: When does that come? When does that amendment come up?

The CHAIRMAN pro tempore. The Chair cannot give a definitive time. We have to consider numbers 3, 5, 7 and 8, and each of those is 20 minutes each, with 10 minutes on each side.

Mr. HEFNER. A still further parliamentary inquiry: What is the estimated time of adjournment for the evening?

The CHAIRMAN pro tempore. The Chair is not presently aware of that information.

Mr. HEFNER. A further parliamentary inquiry: Is there anybody in the sound of my voice that would have any idea when we might could expect to be finished with the business for today?

The CHAIRMAN pro tempore. The gentleman will suspend. That is a matter for leadership consideration.

Mr. ARCHER. If the gentleman will yield, I will simply say——

The CHAIRMAN pro tempore. Without objection, the gentleman may proceed.

Mr. ARCHER. We are at least going to go through title I and vote on the amendments to title I.

Mr. HEFNER. A further parliamentary inquiry: Just in the spirit of being family-friendly, I was just curious to know what time we might be able to go home and watch the Andy Griffith reruns, if it would be possible.

The CHAIRMAN pro tempore. It is now in order to consider amendment number 3, printed in House Report 104–85.

AMENDMENT OFFERED BY MR. TALENT

Mr. TALENT. Mr. Chairman, pursuant to the rule, I offer amendment numbered 3, printed in House Report 104–85.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. TALENT: Page 7, strike line 24 and all that follows through line 3 on page 8 and insert the following:

"(B)(i) Require all adult recipients in a 1-parent family which includes only children age 5 or older and who have received benefits for more than 24 months (whether or not consecutive) under the program to engage in work activities (as defined in section 404(a)(1)(C)(iii)) for at least 30 hours per week. If a State classifies a family as such a 1-parent family on or after the date which is 10 months after the date of enactment of the Personal Responsibility Act of 1995, the family shall continue to be so classified regardless of whether an additional child under age 5 becomes a member of the family.

"(ii) Provide exemptions at the option of the State for not more than 20 percent of the adult recipients of assistance under the program who are described in clause (i) from the requirement set forth in clause (i) for reasons set forth by the State.

"(C)(i) Require 1 adult recipient in any 2-parent family who has received assistance under the program for more than 24 months (whether or not consecutive) to engage in work activities (as defined in section 404(a)(1)(C)(iii)) for at least 30 hours per week.

"(ii) States may exempt up to 10 percent of the adult recipients described in clause (i) from the requirement set forth in clause (i) for reasons determined by the State.".

Page 8, line 4, strike "(C)" and insert "(D)".

Page 8, line 7, strike "(D)" and insert "(E)".

Page 8, line 10, strike "(E)" and insert "(F)".

Page 8, line 14, strike "(F)" and insert "(G)".

Page 8, line 22, strike "(G)" and insert "(H)".

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Missouri [Mr. TALENT] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Mr. GIBBONS. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN pro tempore. The gentleman rises in opposition?

Mr. GBBONS. Yes, I do, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Florida [Mr. GIBBONS] will be recognized for 10 minutes.

Mr. SHAW. Mr. Chairman, I also oppose the amendment. May I ask under the rule is the opposing time divided, or does it belong to the minority?

Mr. GIBBONS. Under the rule, I control it, Mr. Chairman.

The CHAIRMAN pro tempore. The chairman has recognized the ranking minority member of the committee to control 10 minutes of time.

The Chair recognizes the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, I yield myself 4 minutes so that I may explain my amendment.

Mr. Chairman, this amendment strengthens the 2 years and work requirement in the underlying bill and it strengthens it in two very important respects. I would like to lay those before the House.

The underlying bill requires that the States have plans to make everybody on welfare work in 2 years, but it does not define work nor does it give the States any direction as to what that would entail. It needs changing and strengthening in two respects.

In the first place, Mr. Chairman, it is very important that when we have work requirements we be up front about what works means. Work means work. It should not mean cart blanche job searching, it should not mean carte blanch education or training. Those are not work. The advantage of work is—there are several advantages to it. One of the chief advantages of it is that people on welfare are working in return for the welfare. It makes welfare a two-way street.

My amendment defines work and harmonizes that with the definitions already in the bill, definitions that relate to the sections about required work participation as far as the States are concerned.

Those sections have been strengthened also, or will be strengthened if the House ends up approving the en bloc amendments.

So what the amendment does is it defines work as work. So when we say people are working, they are actually working.

The second thing that the amendment does which is equally important—and we discussed this before in the debate on the en bloc amendments—it focuses the work requirements on people who are closest to employability. It says the two year-and-out provisions apply specifically to two parent AFDC families. About 10 percent of the caseload consists of families where both parents are at home. One of those families—one of these parents should be working and can be working. And the amendment requires high percentages of those families work.

The second set of families that the amendment focuses on, single parents with kids school age or older: The advantages of focusing on those families are severalfold: First of all, since they are the closest to employability, the burden of work is easiest on them in the short term. It is much easier for them to go out and work. In the second place, when the experience of the State shows when you focus work requirements on those families, work becomes a very effective tool for determining who needs welfare and who does not. It is a nonbureaucratic, nonhumiliating tool for determining who is closest to being in the private sector and off welfare.

Mr. Chairman, States that have experimented with these models have shown when you have real work requirements for those families and have work built into it, they get off welfare rolls. It is reducing the welfare rolls and putting those people to work, which is what we should be trying to do.

There are several advantages to this. It is also much less expensive. We heard talk this evening about work being expensive. It is expensive if you are focusing on single parents with infant kids because they cannot work without day care and probably without extensive training and education, and work does cost an awful lot of money. Work becomes then an excuse for expanding the welfare state, programs that we tried and failed, and it ends up being that nobody is working.

□ 1730

Nobody works. Now sometimes the States spend a lot of money, sometimes they do not, but nobody works. So what this amendment will do is harmonize this portion of the work provision in the bill with the other portion

of the work provision in the bill and will make an honest work requirement. We know that these people can work, the States have worked in this kind of field, and I have had good success, it is less expensive, and it is really a way of shifting the system to one that relies on work rather than on dependency.

Mr. Chairman, I reserve the balance of my time.

Mr. GIBBONS. Mr. Chairman, I yield 3¼ minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Chairman, let us have a good, rational discussion of this amendment.

There is a lot of emotion in these issues when we are talking about tough on kids; we can understand that, and I very much share it. When we talk about weakness on work, I think there should be some emotion, too, and I have said forcefully, I think respectfully, that the Republican bill is weak on work, and I think the gentleman is trying to shore it up. But here is the trouble.

I say to the gentleman, Mr. TALENT, your amendment has put in a provision regarding a State plan, and it isn't at all clear, its impact, as a result. I think it's unenforceable. You don't put any more resources into the States so they can meet this if it's meaningful. Just a few months ago you were the second name on a bill, H.R. 4, that had $9 billion in resources for the States. You were the second name. This bill has no resources whatsoever. It really has less for linking people on welfare to work, and I feel strongly that is the key linkage.

No one is excusing, or apologizing, or justifying the status quo; it is gone. How are we going to make it better? We desperately need to do that.

Now CBO, in its now-not-under-Democratic-control says this:

> The literature on welfare to work programs, as well as the experience with the jobs program to date, indicates that States are unlikely to obtain such high rates of participation.

Mr. DEAL's bill puts some resources for the States to meet meaningful participation rates that are based on work, and I say to the gentleman, you have participation rates that don't require the States to put anybody to work, and then you come in with this amendment that is probably unenforceable.

The last point I want to make is it is probably unduly federally bureaucratic. We are telling the States how they can best meet work participation requirements, taking parents with kids under five now. In a sense that makes sense, but in a sense it may not. Some of the most trainable people may be people who have a kid who is three. The gentleman is trying to save money for day care, I guess.

I say to the gentleman, You're trying to do this on the cheap, and you bring in this unenforceable requirement. I suggest you face up to the fact your bill is fatally flawed in being work weak.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. LEVIN] has expired.

Mr. TALENT. I yield 30 seconds to the gentleman from Michigan [Mr. LEVIN] if he needs the time. My response is going to take longer than 30 seconds. If the gentleman wanted to finish up his remarks——

Mr. LEVIN. I just think the gentleman realizes there is a weakness here, and he is trying to shore it up, but it is not enforceable, likely, and it says Washington has all the answers. I thought we were going to give the States flexibility to carry out linking people on welfare to work, and here comes the gentleman with a very inflexible provision that is probably unenforceable.

Mr. Chairman, I think the Deal bill is a much better deal for the American people.

Mr. TALENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman certainly for the tone of his comments. Let me just address his remarks.

With regard to CBO, they were referring to the two-parent aspect of this. I would simply say that Utah has had strict work programs in the past focused on two-parent AFDC families. Not only do they work, but we find very large percentages of those families get off welfare because they are able to go into work. The gentleman says it is unenforceable, it sets limits that the States have to meet. It is the underlying bill, which is three sentences, and just says basically that States have to have everybody working in 2 years that I suggest is not going to work. The gentleman says that we are federalizing this whole system. We are setting targets that States have to meet and then allowing them to meet it in any way that they see fit. That is not federalizing. That is consistent with the rest of the bill. The gentleman says it is very costly. My whole point was it is costly if we focus work on single moms with infant kids. Then we have to pay for day care. I say, if you abstract a day care component of work, work is very affordable. In fact, I've talked with Governors who say it saves them money because it moves people off of welfare, which is supposed to be the point. Finally the gentleman makes a good point with regard to moms with younger kids. We are not prohibiting the States from trying to help those moms find work. We are just saying in terms of what we are requiring to focus on the families that are closest to employability. I say, sure, if you can find a mom with an infant kid who is close to work, yes, by all means help her. We're not prohibiting the States from doing that, but we're trying to shift the focus away, to other families which are closer to work.

Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Chairman, I just want to underscore how important this amendment is. It is critical for three reasons. The gentleman went over these, but I want to reiterate them.

It is important that we replace the current symbolic requirements in which there are weak definitions of what work really is in which one could have job search being included as work with a real work definition, and this amendment harmonizes those definitions of what work is all about. So, it is very critical from that standpoint, that the very sections of this bill have a common definition of what work is all about.

I think it is important, this amendment is important, because it cuts, rather than increases, total welfare spending by focusing those work requirements on mothers who need little day care. Too often in the past the jobs programs that have been included in welfare reform programs have only been an excuse to expand child welfare, child day care, and, as a result of that, it has become more and more expensive, and, instead of seeing welfare spending controlled, we have seen it exploding.

So, by focusing on those who are most employable or upon those moms who are least in need of child care, we can cut total welfare spending. I think that this is a very critical amendment that the gentleman has brought forward. Work cannot just be symbolic.

In the 1988 welfare reform bill there was great talk about workfare. There was great talk about putting those on welfare into the workplace, and it did not happen. The American people have become cynical about even the terminology of workfare, and if this bill is to be meaningful, and if it is to work, it must be more than just symbolism. Work must mean work, and those work requirements, in order to be best implemented, must focus on those who are most employable. It only makes sense that an AFDC recipient with older children should be required to get into the workplace. It only makes sense that a two-parent AFDC family ought to have one of those parents out in the workplace.

So this amendment focuses, places the focus, where it should be. Work requirements should be implemented in the least expensive way, and this gives the States the kind of guidance to move them in the most productive way in meeting the work participation requirements.

Time and time again I have heard two-parent families who are working hard, trying to make ends meet, trying to be productive members of society,

and they come to me, as their Congressman, and say, Well, what about this couple, a man and a woman, on AFDC, able-bodied and yet drawing their package of benefits, drawing their welfare, neither one of them required to work under the current system.

I do not blame the American people for being cynical. I do not blame them for resenting this kind of a system, and it is time that we change it. We have got an opportunity to strengthen a good bill by adopting this amendment.

Mr. CARDIN. Mr. Chairman, on behalf of the gentleman from Florida [Mr. GIBBONS] I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I also believe work should be work, and I believe the best welfare reform is a job at a liberal wage, and for that, Mr. Chairman, I rise in strong opposition to this amendment. The bill, as it is currently written by the majority, requires as much as 80 hours of work for as little as $69 worth of benefits. That is $69 worth of benefits, the smallest amount they will get under food stamps——

Mr. TALENT. Mr. Chairman, will the gentlewoman yield?

Mrs. CLAYTON. I yield to the gentleman from Missouri.

Mr. TALENT. Mr. Chairman, I say to the gentlewoman, "Lady, that's the second time I've heard that. The average welfare package is worth, AFDC, Medicaid, food stamps, et cetera, about 8 to $15,000 a year. Now let's suppose it's in the low end, about $10,000 a year. The work participation requirements in this bill mean, if you're working for that, you're getting paid about $6.50 an hour, not 60 cents an hour."

Mr. CLAYTON. There are people who receive only food stamps, only food stamps. They do not receive any rent, any AFDC, and I say to the gentleman, "If you require them to work, reclaiming my time, if you require that person only receiving food stamps, and the average recipient is receiving $69, this is less then $1 an hour. Now your amendment, your amendment, goes further than that. Your amendment would increase the work requirement to 120 hours of work for the same benefit. This is about 20 cents an hour for that person that only receives the food stamp, and these sometime may be people who temporarily are out of work."

Now I filed an amendment which would have made clear that mandatory work, which I support, would be at a liveable wage. We would not be requiring persons to work any less than the law requires now. Again I repeat, the best welfare reform is indeed a job at a livable wage. This amendment does not allow that. It treats welfare workers different from other people. It really borders on servitude.

Mr. Chairman, I think the gentleman from New York [Mr. OWENS] is correct. We are moving backward, not forward. This is the wrong way to treat human beings in America.

Mr. TALENT. Mr. Chairman, I yield myself 15 seconds to say that this bill only requires people on—applies to people on AFDC, which means they are eligible for Medicaid, eligible for food stamps. They are getting a package of benefits worth $8,000 to $15,000 a year. The work requirements would mean in effect they are paid about 6½ to $7 an hour——

The CHAIRMAN. The time of the gentleman from Missouri [Mr. TALENT] has expired.

Mr. TALENT. Mr. Chairman, I yield myself an additional 15 seconds.

Mr. Chairman, a whole lot of people are working at that level. It is not punitive, and here we have the differences in visions. It is not punitive. It is good for them and their families.

Mr. CARDIN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE. Mr. Chairman, I wish we had the kind of time to deliberate the way the American people would want us to do so. The Republican bill, and I appreciate the gentleman from Missouri [Mr. TALENT], his offering of this amendment, but let us talk about the legislation that is on the table. That bill would not ensure safe child care for parents who work, and we would be punishing some 401,600 children.

Now we have mentioned the Deal bill and the Mink bill, and I would hope that, as we debate those substitutes, we will find a way to answer the questions that have been raised by the gentleman's amendment, allegedly to assist in decreasing the amount of dollars we spend on child care.

□ 1745

But I ask the question to the gentleman as to whether or not he has ever sat with welfare mothers. Has he ever had any real experience in understanding what the need is here? The need is that people want to work, and they want to work if their little one is 2 years old or 3 years old.

Do they want to leave them in an abusive situation? No, they do not. They want to have reasonable, safe child care. And the bills by DEAL and MINK and the amendment that I offered to the Committee on Rules dealt with providing child care for those who need it.

This is a discriminatory amendment. What it says is that our young mothers who can most benefit by job training, most benefit by high-technology training to get them into the work force, most benefit by the eagerness with which they want to go and provide for their children, they want to cut them off and discriminate because we are into slashing and burning and cutting off child care.

Child care has to be a realistic component of this welfare reform bill or in fact, Mr. Chairman, we will punish over half a million children. You cannot discriminate against these young women and these young parents, for they have told me face-to-face, for I live in these neighborhoods with these young women, and what they want most of all is to set a role model for their children, whether they are 15 months old, 2 years old, or 4½ years old.

You are not speaking the language of the American people that says we want welfare reform, not welfare punishment. I will not discriminate against young women who want to have a chance and opportunity, and I will not discriminate against their children. It is time to support the bill that this side of the aisle has, because we believe in work programs that do not discriminate and provide child care for our children.

The CHAIRMAN. The gentleman from Missouri [Mr. TALENT] has half a minute left, the gentleman from Maryland [Mr. CARDIN] has 2¾ minutes left and has the right to close because he represents the committee position.

Mr. CARDIN. Mr. Chairman, in order to extend debate, I move to strike the last word.

The CHAIRMAN. The gentleman from Maryland [Mr. CARDIN] is recognized for 7¾ minutes.

Mr. CARDIN. Mr. Chairman, I yield 7 minutes to the gentleman from Missouri [Mr. CLAY] and ask unanimous consent that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] controls the time.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment offered by my colleague from Missouri. It seems everyone is trying to prove how tough they are on welfare recipients, to show how many people they will force to work and how fast they will be required to work. But all of these get-tough amendments ignore reality.

The reality is there is not an endless pool of unfilled jobs for unskilled workers. If there were, we would not have 6 million unemployed Americans waiting for jobs. The reality is that most of the jobs being offered do not pay a living wage that can support a family. If we really cared, we would be creating jobs that pay living wages. I tried to offer an amendment to increase the minimum wage to a mere $5.15. But the Committee on Rules refused to make it in order, refused to make it in order.

They asked me whether I checked with the Parliamentarian to see if it was relevant. Of course it is relevant, Mr. Chairman. We cannot talk about welfare reform without talking about raising the minimum wage.

Let me remind my colleagues of these statistics: 4.2 million Americans, half of them women, work for the minimum wage or less; 11 million Americans currently earn less than $5.15. Currently, the poverty level for a family of three is $12,300 a year, yet the minimum wage pays only $8,500 a year, two-thirds of the poverty level. The Contract With America promises an unconscionable tax cut of $11,450 for those earning $200,000. this bill will take the money from the poor, from the welfare recipients, to pay for that tax break for the privileged.

Mr. Chairman, the Talent amendment will do nothing to provide jobs as a living wage, and I urge my colleagues to oppose this amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. GENE GREEN].

Mr. GENE GREEN of Texas. Mr. Chairman, I thank the ranking member of the committee for yielding to me.

Mr. Chairman, I had hoped last year when we talked about welfare reform and the President announced his plan that we would have a bipartisan welfare reform bill. But having served on the Committee on Economic and Educational Opportunities, I realize this is not a bipartisan welfare reform bill.

This amendment increases the work requirements, but will it lift a person out of the web of Federal assistance? No, it will not. The best way to end welfare as we know it is to provide a job. If a worker puts in 40 hours a week, 52 weeks a year, their gross pay under our current minimum wage is $8,800. For an individual that is just barely over the poverty level. But if they have just one child, just one child, they are $1,000 under the poverty line. For an average family in the 29th Congressional District in Houston, which I am proud to represent, a family of three, for that amount of money they would be $3,500 below the poverty line without a minimum wage increase.

That is why a minimum wage increase should be part of our welfare reform bill. This would make them eligible for assistance at this 3,500 less for many of the programs that we want to reform. If Members on the majority side wish to save on welfare and wish people to work, we should increase the minimum wage so full-time workers would not be eligible for that assistance.

Over half the workers earning the minimum wage are over 26 years old. We are not just talking about teenagers or young people, we are talking about people who have to support a family on the minimum wage. The purchasing power of the current minimum wage has declined by 40 percent since 1990 due to inflation.

We must end this shell game, this Republican shell game, and this partisan bill to give tax cuts and take our children's lunch money. We need to stop paying for tax cuts with infant formula money. The best way to stop welfare is to provide a job, and a job that lifts people out of welfare at a decent wage.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank my friend from Missouri for yielding.

Mr. Chairman, you know, it really boggles the mind. We have 31 amendments, only 5 Democratic amendments, and nothing on child nutrition, and the amendments I had hoped to offer are not around. Now we are talking about participation and how many welfare recipients are going to participate in work.

Well, people will participate in work only if you pay them a living wage, only if you pay them a fair wage, only if you provide them with the job training so that they can get a job, and if you provide them with the child care so that they can leave their children while they work. This bill does none of that, and that is why I believe it is a farce and a sham.

Today's minimum wage is worth 30 percent less than what is was worth in the 1970's. An increase in the minimum wage is a necessary step in providing people with the tools they need to bring themselves out of poverty. We cannot move welfare recipients into a position where they join the growing number of working poor. Again, my amendment, which was not allowed to be brought to the floor, would have allowed working poor to continue to get child care to keep them off welfare, but the Republican majority did not even want to let that happen.

Thirty-eight percent of all poor children under six have parents who work full or part-time. They are working to support their families, but cannot make enough money to live above the poverty line. In 1992, a full-time worker only grossed $8,800. That is $3,500 below the poverty line for a family of three, $11,186. How can we expect to move welfare recipients into this subsistence level of employment with no health care and no job training? But the Republicans do not care about that either.

We must create a system that rewards work and does not punish someone for trying to be independent. We must make the tough decisions. We must say that job creation, training, and increased wages are national priorities. We must commit to programs that will help us reach a goal of a stable, self-sufficient employment for all Americans, not the farce that the Republicans are trying to pass off as welfare reform.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentlewoman from Hawaii [Mrs. MINK].

The CHAIRMAN. The gentlewoman from Hawaii is recognized for 30 seconds.

Mr. SHAW. Mr. Chairman, at the appropriate time, I intend as the designee of the gentleman from Texas [Mr. ARCHER] to move to strike the last word, which under the rule will give me 5 minutes of time. I believe the minority has the right to close debate on this particular amendment. I do not want to preempt that right.

The CHAIRMAN. The gentleman has the right to do that.

Mr. SHAW. Mr. Chairman, I move to strike the requisite number of words, and would ask unanimous consent to be able to divide my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentlewoman from Hawaii [Mrs. MINK] is recognized for 30 seconds.

Mrs. MINK of Hawaii. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the issue really is the question of forcing people to work without a standard of compensation. That is what the chairman on our side has been trying to say to the majority. If you are going to make an individual work, and under your amendment they are going to be required to work for 30 hours in order to stay on their welfare cash assistance, then, for heaven's sake, pay them at least a living wage and make it comparable to the Federal minimum wage; and, better yet, increase the minimum wage, as the President has requested.

Mr. SHAW. Mr. Chairman, I yield 1½ minutes to the gentleman from Missouri [Mr. TALENT].

The CHAIRMAN. The gentleman from Missouri [Mr. TALENT] is recognized for 2 minutes.

Mr. TALENT. Mr. Chairman, I thank the gentleman for his generosity.

Mr. Chairman, let us define what we are talking about here and what this amendment does. We are talking about people who are receiving the range of welfare benefits, cash, food stamps, Medicaid, maybe subsidized housing, a package of benefits worth conservatively about $10,000 a year. That means if they have to work under the hours this bill requires, they will be working for between $6.50 an hour and $9.00 an hour. There are a whole lot of Americans doing that.

What the bill says is if you are on welfare for 2 years, if you do not have a young child at home that requires day-care and you are able-bodied, you have got to work. And what we are dealing with here again is a difference of visions, because some people here think that is a punitive. I think that is the way out of welfare.

Here is what the amendment does not do. It does not do what the 1988 bill does and what most work provisions purport to do. People say we need to provide a job. What that really means is we need to spend thousands and

thousands of dollars trying to train somebody to be a vice president.

What we need to do is just provide work. Work is available for people. It does not provide day-care for people. We focus on people that do not need day-care. That does not increase the cost of the bill by billions of dollars.

We have heard from the other side the Republican bill is weak on work. If you want to strengthen the bill on work, and I do, vote for this amendment, because it is going to require that people work. It is not going to cost billions of dollars. It will save money, move people off welfare, and mean that when people are on welfare they are getting a paycheck and their kids are seeing them get a paycheck. That is what this bill is about; work, responsibility, and family.

Mr. SHAW. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, there are some real misunderstandings about this amendment, and, with all due respect, I would like to point out that it actually weakens the work requirements of current law. Current law requires you to work once your youngest child is 3 years old. This raises that threshold so you do not have to work until your youngest child is 5 years old. That weakens the work requirements in current law, and it weakens dramatically the work requirements in the bill before us.

Sixty-three percent of all families on AFDC have children under 5. Sixty-three percent. However are States going to meet the work standards in the bill if 63 percent of the people on AFDC are exempted from the mandatory work requirements?

Now, remember, as a society, we allow low income working people only 3 months leave after their baby is born. I have always felt it was a serious inequity that people on welfare got to stay home 3 years, when people working got to stay home 3 months. And now this bill is going to allow you to stay home 5 years.

Now, that is one point. The other point is, and I feel this very strongly, what you are saying is to those young girls who have had a baby, stay home. Stay home. The studs are hanging around outside the door. Have a good time.

Nothing could be more destructive. Nothing could be more contradictory to the fundamental message of this bill, which is take personal responsibility. We are saying you have that baby, you do not have to take responsibility.

□ 1800

Frankly, this bill is about personal responsibility.

Lastly, let me say the research does show very, very clearly that the programs that cream do not matter and those are the women whose children are already in school. The programs that really matter in terms of dependence are the programs that take those young girls who dropped out of high school, those young girls who had babies when they were very young and really make them go through the education, training and work performance that alone will enable them to change their lives.

Finally, this amendment is going to add complexity. This is exactly what the spirit of the block grant opposes and what the governors have time and time again driven my amendments off the board about, because they do not want this kind of micro management.

Mr. TALENT. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Missouri.

Mr. TALENT. Mr. Chairman, the gentlewoman said that current law requires that everybody with a child three or under, is it, work. How many people are working now?

Mrs. JOHNSON of Connecticut. Anyone with a child, once a child reaches 3, you must be in a managed work program.

Mr. SHAW. Mr. Chairman, I yield myself the remaining 30 seconds. I would like to say that I am opposed to this particular amendment. I think the work provisions, I think, are good and well thought out, but I think the problem that we have, very eloquently pointed out by the gentlewoman from Connecticut, it puts, it divides people up into several classes. It raises the work requirement from the present 3 years old up to 5. I think it also takes away a lot of the flexibility that we intend to hand down to the States and, therefore, I would urge a no vote.

The CHAIRMAN. The gentleman from Missouri, [Mr. CLAY] has one-half minute remaining.

Mr. CLAY. Mr. Chairman, I yield myself the balance of my time.

I rise to once again say that we ought to defeat this amendment. This is an amendment that is not in the best interest of welfare recipients, taxpayers, or this country. I urge the defeat of the amendment.

Mr. CARDIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. CARDIN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I rise in opposition to the Talent amendment. The Republican welfare reform proposal needs work. This amendment does not provide it. I urge my colleague to vote "no."

Mr. CARDIN. Mr. Chairman, I yield myself the balance of my time.

In closing, let me urge my colleagues to vote against this amendment. It discriminates against parents with young children. There is no enforcement in this bill or by this amendment or the work requirements. There is still a reward in the bill for failure of a State that just knocks people off the rolls and does not provide job opportunity. And, lastly, this amendment does nothing to cure the fact that this bill provides requirements on our States without any funding to take care of it. It is really a large unfunded mandate.

I urge my colleagues to defeat the amendment.

Ms. PELOSI. Mr. Chairman, I rise in opposition to the Talent amendment. The Republican welfare reform plan is weak on work, and this amendment does not solve that problem.

This amendment provides neither enforcement of its work requirements or resources to meet them. This amendment has no guarantees that those who get work will make a living wage.

The Talent amendment would not lift people out of welfare and into work. It would create an even larger class of working poor in this country than we have now.

Real welfare reform should emphasize self-sufficient employment that provides a liveable wage, that can create a long-term solution to the crisis of poverty.

The Talent amendment does not strengthen the work requirements in the Republican bill or provide real job opportunity. I urge my colleagues to vote "no" on the Talent amendment.

The CHAIRMAN. All time has expired on the amendment.

The question is on the amendment offered by the gentleman from Missouri [Mr. TALENT].

The question was taken; and the Chairman announced that the "noes" appeared to have it.

Mr. TALENT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Missouri [Mr. TALENT] will be postponed.

The point of order no quorum is considered withdrawn.

The Chair would like to take this opportunity to remind Members that under the rule, the authority granted under the rule for this bill, the Chair is merely postponing requests for recorded votes until after consideration of amendment No. 8.

At that time the request for a recorded vote on amendment No. 1 will be the unfinished business of the House. Twenty-five Members will need to stand at that time in order to obtain a recorded vote on that amendment as well as the other postponed questions in turn. There is no need for a Member making a request for a recorded vote to renew the request.

The Chair would also like to remind the Members that the first vote taken on the first amendment will be a 15-

minute vote, and subsequent votes may be reduced to 5 minutes, if no business interferes between the votes.

The CHAIRMAN. It is now in order to consider amendment No. 5 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. KLECZKA

Mr. KLECZKA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KLECZKA: Page 16, strike line 8 and all that follows through line 15.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin [Mr. KLECZKA] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Mr. SHAW. Mr. Chairman, I am not aware of any Member on the floor who is opposed to the amendment. I ask unanimous consent to claim the 10 minutes.

The CHAIRMAN. Is there any objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Florida [Mr. SHAW] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I bring forth this amendment with my colleague, the gentleman from Rhode Island [Mr. REED]. And if I might briefly explain what the effect of the amendment would do, the bill, as reported by the Committee on Ways and Means, provides for a temporary assistance block grant in title I.

As part of setting up that block grant, we permit States to amass up to 120 percent of the block grant in what we call a rainy day fund. I think there is a lot of support for the rainy day fund.

I think there is lot of logic to establishing the rainy day fund for a State that comes on hard times. If there is an economic downturn, there will be ample funds available for the block grant programs to take care of the needy within that State.

I should also add that the bill provides that States can transfer from other block grants up to 20 or 30 percent into the rainy day fund.

The problem I have with this section is that after the State has amassed this 120 percent, it then has the opportunity to call the Governor or the legislature to shift funds out of the rainy day fund anything above and beyond 120 percent, into the State's general fund.

As I indicated to my colleagues on the Committee on Ways and Means, the bulk of us in Congress today were former State legislators. And surely they are not going to look a gift horse in the mouth. They are going to see these funds as being available for their disposition. It will alleviate their need possibly to raise taxes. If, in fact, a State has some particular road needs, they could take moneys from this rainy day fund into the highway program of the State. And clearly that is not why we are sending the States these dollars.

These dollars are for specific programs in these various block grants. I think it is ill-advised to permit the State the latitude to take federally-raised dollars sent to the State for a specific purpose and use it for their general purpose needs. So the amendment would delete from the bill that particular section of the bill.

Mr. Chairman, I yield such time as he may consume to the gentleman from Rhode Island [Mr. REED], the author of the amendment.

Mr. REED. Mr. Chairman, I rise in strong support of this amendment offered together with my colleague the gentleman from Wisconsin [Mr. KLECZKA. I also want to commend him for his leadership on this amendment.

We are talking about creating a block grant structure. I have some very serious concerns about that. But if we are going to pursue a block grant strategy, this amendment must be adopted.

We want to ensure that the Governors and the State legislatures not only have flexibility but also that we have accountability. As the gentleman from Wisconsin [Mr. KLECZKA] so well explained, the underlying bill provides for a rainy day fund so that in good times moneys can be built up to face more difficult economic times.

At present the bill requires the states to run this account up to 120 percent of the title I moneys but after that there is no clarification or determination of what excess funds should be used for.

As the gentleman from Wisconsin pointed out, under the present law, these funds could be used for any general State purpose. And having served in a general assembly, I never underestimate the ingenuity and the imagination of state governors and state representatives to find ways to spend Federal moneys. So as a result, I think it is incumbent upon us to insist upon accountability, to require that when this 120 percent fund level is met that any additional funds be either returned to us or used for the purposes that we provide them for these welfare programs.

This is a very good amendment. It gives flexibility but it does not ignore accountability by the states.

I urge this amendment be adopted. And again, I commend the gentleman from Wisconsin for his leadership.

Mr. SHAW. Mr. Chairman, I understand that the gentleman from Wisconsin has no further requests for time. I have no requests on this side. I support the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. KLECZKA. Mr. Chairman, I ask Members to support the amendment, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLECZKA].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 7 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. BUNN OF OREGON

Mr. BUNN of Oregon. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BUNN of Oregon:

(C) STATE OPTION.—Nothing in subparagraph (A) shall be construed to prohibit a state from using funds provided by section 403 from providing aid in the form of vouchers that may be used only to pay for particular goods and services specified by the state as suitable for the care of the child such as diapers, clothing, and school supplies.

The CHAIRMAN. Under the rule, the gentleman from Oregon [Mr. BUNN] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Is the gentleman from New York [Mr. RANGEL] opposed to the amendment?

Mr. RANGEL. Mr. Chairman, I am.

The CHAIRMAN. The gentleman from New York [Mr. RANGEL] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Oregon [Mr. BUNN].

Mr. BUNN of Oregon. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, although I would have liked to have seen us go much, much further than this amendment does, this amendment does one crucial thing, and that is to provide a floor for teenage mothers. Again, I would have liked to have seen us do more, but we do at least have the ability to give the States the flexibility so that they can provide vouchers for things such as diapers, clothing, school supplies, cribs and, instead of simply turning our backs on those with a crisis, with this we can actually step in and meet their basic needs.

I think that it improves the bill drastically. And I would hope that every one would be supportive of this.

Mr. Chairman, I reserve the balance of my time.

Mr. RANGEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to congratulate the gentleman for attempting to improve this bill. But it does not improve it dramatically. Somewhere somebody got the idea that when someone is 18 years old and they have a child that you punish the child. You just say that has to stop somewhere.

And so they said, no cash benefits would go to the child, not even if the

child was under some type of adult supervision or that the child was kicked out of the home or the child had no place to go. Arbitrarily they said that just being 18 years old was enough by itself to deny benefits. A mandate, a mandate to the States.

My God, the Council of Catholic Bishops said that this would encourage abortion. The cardinal is concerned about it. I do not know whether buying diapers is going to clear this thing up at all. I mean, we are saying to the kid that if you really think that it is the cash incentives, then maybe some of the people on the other side would think that the mother would have the child in order to get the diapers and school supplies, since you have this irrational logic that they are making babies for the cash assistance.

No, I do not really think you can perfect this dramatically by just being kinder and gentler and the amendment does do that by providing for vouchers. But I think the whole world ought to see what is the intent behind the bill.

Just being 18 years old, how long does the mother get for vouchers for school supplies or diapers? Does it go into clothing? Does it go into any other things? I mean, I will wait until the gentleman finishes, because I would like to yield to him and ask him. Since it is not written out here, you are going to dramatically improve this bill by allowing the mother that is 18 to get diapers and school supplies and what else?

Mr. BUNN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Oregon.

Mr. BUNN of Oregon. Mr. Chairman, it would be for particular goods and services specified by the State as suitable for the care of the child, and then such as diapers, clothing, and school supplies.

Mr. RANGEL. Well, suppose there were some other need? How long does this go on? Is there a time certain that it is cut off?

Mr. BUNN of Oregon. Mr. Chairman, if the gentleman will continue to yield, this would provide the State with the option of providing the services for the child.

Mr. RANGEL. Will it give the State the option to provide cash assistance, if in its wisdom that is what they wanted to do? After all, we have to realize that the government does not have the answer for everything.

□ 1815

The gentleman trusts the Governors, doesn't he? Why will the gentleman not allow them to give cash assistance?

Mr. BUNN of Oregon. Mr. Chairman, if the gentleman will yield, I did offer an amendment that was not ruled in order, and would have done exactly what the gentleman is advocating. However, because we did not pass that this morning, I am more than happy to step forward with something that provides a level of care providing for vouchers, which is filling a gap in the bill.

I do not disagree with the gentleman. I would just thank him for observing the need, and hope that he would support the amendment, which would step in and fill what I see is a very large gap in the bill. I think the amendment does take one step. I would like to take a second step, but that was ruled out of order this morning.

Mr. RANGEL. Mr. Chairman, I cannot congratulate the gentleman enough for being sensitive to the fact that we do not have the right to just arbitrarily pick some year in someone's life and deny that child benefits.

Somehow the gentleman has reached a point that he feels that maybe just allowing them, the States, to do the right thing, that that would dramatically change the bill. However, Mr. Chairman, I hope we see the way this is treated.

That is the reason why I took time to oppose this, and probably in the final analysis my conscience will not allow me to do it, just to show the depth of the mean-spiritedness that is involved here. For the gentleman to have to come forward in the majority party and say "Can the kid get some diapers, some clothes, or just something that the Governor may think is in the best interests of the children, of the child born to a teenager 18 years old," and then to be knocked down by his own majority party, because what did he want to do, the right thing?

Mr. Chairman, I will yield to the subcommittee chairman, because I know in his heart he, too, wants to do the right thing. We were not governed by conscience here, we are governed by a contract. The gentleman signed that contract, by golly. It does not make any difference how many children, how many aged, how many sick are going to be hurt, he signed the contract and he has to keep it.

Mr. Chairman, I yield to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, I thank the gentleman from New York for yielding to me.

Mr. Chairman, I am delighted I caught him in such a good spirit here this evening. It is my opinion under the bill, and I hesitate, but I have to correct the gentleman from New York. This applies to only the 17 years and under. It is 18 years and older that are handled quite differently, so it is under 18, it is not the 18-year-old mother.

I would say here that under the present bill, it is my opinion when we say that the cash can be spent for the mother, that perhaps this could be done anyway.

I would like to compliment the gentleman for his amendment. I think it is a good clarifying amendment. There has been a lot of disinformation out there.

Mr. RANGEL. Mr. Chairman, I yield my time to the gentleman from Florida to answer some of my questions. I have already complimented the gentleman enough. I want to know why he did not see fit to support the gentleman who thought that if a baby came from someone 17 or a baby came from someone 18, that the child should not be discriminated against because of the age of the mother. That is why I thought the gentleman stood up.

Mr. SHAW. Mr. Chairman, if the gentleman will continue to yield to me, the reason we are talking about mothers under 18 being treated different than mothers over 18, through the hearing process we had witnesses that came in and they said that giving mothers under 18, and now we are talking about 15-, 13-, and 14-year-olds as well, to give them cash benefits is nothing less than child abuse.

We are talking about children the gentleman would not leave his cat with over the weekend, and we as a Federal Government are giving them cash, we are setting them up in housekeeping, and this is wrong. We need to correct it. These kids themselves should be in foster care, or in some type of group housing.

Mr. Chairman, all we said was that mothers under 18, under 18, the monies can be spent for their benefit but they cannot be just handed out as cash. We strongly believe, and our witnesses have backed us up on this, that there is great evidence showing that the cash benefits are a lure to get pregnant and to really ruin their lives.

Mr. Chairman, this was done out of kindness, not to save money, believe me. We will not save money through this. It will actually probably be more expensive, but it will be much more responsible and will help the person rather than hurt them.

Mr. RANGEL. Mr. Chairman, the gentleman ought to know that some of the witnesses were here, like the Cardinal of the Archdiocese of New York and the Council of Bishops, Catholic Bishops.

Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. DEAL].

Mr. DEAL. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I understand what the gentleman's amendment is attempting to do, and that is to overcome one of the negative mandates contained in the major bill. That is that the gentleman would prohibit any revenue or resources being given to those underage mothers.

If the gentleman would like to clean up that part of the bill, if he would pardon the pun, boy, have I got a deal for him, and that is the Deal substitute, because we do exactly what the gentleman from Florida [Mr. SHAW] has

suggested. Our bill says that we do not pay cash benefits to underage mothers, that they must be with an adult, a parent or a supervising adult; that they are required to go back to school to complete their education.

This effort to simply in part address that issue with baby diapers or clothes is only a partial solution to it. We believe that these underage mothers need to have the leverage placed upon them to make sure that they complete their education, to make sure that they do not establish independent households.

Mr. Chairman, I would just simply suggest that the Deal substitute addresses this problem in a more thorough and complete manner.

Mr. RANGEL. Mr. Chairman, I reserve the balance of my time.

Mr. BUNN of Oregon. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I want to commend the gentleman for his amendment. I think it does clarify that the base bill does in fact allow the States to spend their block grant money on services to women under the age of 18 who have babies out of wedlock, so I think that it is commendable to have that made clear for everyone.

With respect to the bill of the gentleman from Georgia [Mr. DEAL] I think it is a huge mistake to say that we are not going to give cash to the teenaged mother, but we are going to give cash to the mother of the teenaged mother.

That to me is an even more insidious offer than the current system, when we have a young teenaged mother who is probably living in a home that is already on public assistance, and we tell the head of that household "We will give you more cash; in fact, not just $70 more for you having another baby, but $500 more for your daughter having a baby." That makes no sense at all.

I think the Deal bill, however well-intentioned, is even further off base than the current law, so I am glad the gentleman from Georgia [Mr. DEAL] cleared that up for us, too.

Mr. BUNN of Oregon. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I strongly support the Bunn amendment. I congratulate the gentleman from Oregon for his very, very strong sensitivity to the plight of teenagers and those who may find themselves pregnant.

His amendment, and I would have hoped that the rule would have made in order the cash payment as well, particularly as it went through, as he would have envisioned, a responsible adult, a guardian, a grandmother, perhaps, or a mother, so that it would act as a magnet to keep that child under the roof of that family and help to keep families together.

Regrettably, that is not to be, but this amendment as it is offered will provide tangible assistance to these teenagers, and I think it is a very appropriate amendment.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, the gentleman has brought up the point that the other gentleman just brought up. Admittedly, the bill is not clear on that. I can assure the gentleman that it will come up in the conference and there will be no doubt about that.

Mr. SMITH of New Jersey. Mr. Chairman, I thank the gentleman for that clarification.

Given the issue of why, especially for teenagers, cash assistance is in their best interests, we are hoping to keep our young people in school. One of the costs associated with that goal is babysitting. A voucher, as best I can read it, is not going to accommodate that, so I would hope that that issue would be revisited, as well.

Again, I want to thank the gentleman from Oregon [Mr. BUNN] for his leadership. It is very much appreciated, I think, by everyone who cares deeply, as we all do, about the plight of these teenagers. The gentleman needs to be congratulated.

Mr. BUNN of Oregon. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, to conclude my comments on this, and I have no other speakers, I would like to say that this amendment, although it does not go as far as many would like, including myself, it does provide a solid base to meet the needs of teen mothers, whether it is clothing, diapers, school supplies, and it gives the States some of the flexibility that they need. I think it does improve the bill. It may not make the bill what many want, but it goes in the right direction. I do not see any reason to oppose the amendment. I would encourage support.

Mr. Chairman, I yield back the balance of my time.

Mr. CARDIN. Mr. Chairman, as the designee of the gentleman from Florida [Mr. GIBBONS], and to extend debate, I move to strike the last word.

Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Chairman, I rise in opposition to the amendment. I think it is clear that when we had this provision of the bill before the committee, the Democrats tried very much to make sure that the cash benefit would not leave the child. I do not think that it is proper for us to try to fault the child for the parent's behavior. I just do not think that is an answer to this problem. Instead of guaranteeing that this money goes to the children, instead we are going to guarantee that it goes to the Governor, and hope for the best.

This amendment that is offered here on the floor today recognizes that there is a problem by cutting off the cash benefits from those children who are born to unmarried women under the age of 18. That is a problem. We know that the teenaged pregnancy problem in America must be addressed, but there is no solution to this problem in the Personal Responsibility Act.

If we look at the children that are born, born out of wedlock in this Nation, we know that that is a problem. It is a problem in other countries in this world. However, I do not think that we can point and say that a majority of these children born out of wedlock or the problem of children born out of wedlock, illegitimacy, as the Republicans refer to these kids, I do not think that that is a problem that we are trying to solve in this Personal Responsibility Act today, or the welfare problems of this country.

Mr. Chairman, I believe that it is a fundamental mistake to walk away from our commitment to the children of this country. That is basically what we are doing. The Deal bill will offer another alternative, as the gentleman from Georgia has said earlier. He certainly treats this differently, like the Democrats on the Committee on Ways and Means tried to get our colleagues on the Republican side to say yes to an amendment that would pass those cash benefits on if that mother of that child lived in the household, or under some supervised gathering in a house or a group home that the mother and the child both could live in.

Instead, we now have an amendment before this House saying that what we want to do is pass on diapers and some other clothing for these kids. A good gesture, yes, we appreciate that, but what we should not be doing with this bill today in the Personal Responsibility Act is saying to the children of this country "You are going to be held responsible for the behavior of your parents." that is wrong. The bill is very cruel to those children, and snatching and taking away the cash benefit is not what we ought to be doing.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. FORD. I am happy to yield to the gentleman from Florida, my distinguished subcommittee chairman, who has refused all day to yield to Members on this side of the aisle, but I will be more than happy and gracious at this time to yield to him.

Mr. SHAW. Mr. Chairman, with that gracious introduction, I would say to the gentleman that if my recollection is correct, in the committee the Democrats offered a substitute that would

take away benefits if the young mother did not attend school. Is that not the same thing, that he is punishing the child for the actions of the mother or omissions of the mother?

Mr. FORD. Let me reclaim the time, Mr. Chairman. I have been kind enough to yield to the gentleman. I thank him for bringing that point out.

We absolutely indicated strongly that we certainly wanted that mother to participate. If she was not willing to participate, to live at home with her mother, go back to school and graduate from high school, and also make sure that that child is taken care of, if she did not meet that self-sufficiency plan that would be set out by the Democrats, certainly we would do that. We would give her a chance.

Mr. SHAW. Would that not be punishing the child?

Mr. FORD. Not giving her an opportunity and a chance to go back to school, because we know that two-thirds of all high school graduates go into the work force on their own, that we would not have that problem today with these kids being dependent upon welfare.

We think it would make them self-sufficient. But to cut the funds off from that child, to be that cruel and to be that mean, like the gentleman is being with his subcommittee bill, Mr. Chairman, that was wrong. We told the chairman then that it was wrong. It is still wrong today, Mr. Chairman.

Mr. SHAW. If the gentleman will further yield, would that not be taking the benefits away from the child? Would that not be terribly cruel? Would the gentleman not be penalizing the child by the omission of the mother to go back to school?

□ 1830

Mr. FORD. But there were about 70 scholars and researchers in this country that suggested very strongly to us that there was no evidence that would suggest in any way that these teen mother were having these babies for the purpose of welfare benefits. There is no evidence to suggest that at all. You heard only the witnesses that I heard before the full Committee on Ways and Means as well as our subcommittee on ways and means.

Mr. Chairman, in closing I would just simply say I am opposed to this amendment.

Mr. RANGEL. Mr. Chairman, I yield myself such time as I may consume.

I cannot find it in my heart to be as cruel to the gentleman for Oregon as his party has been to him, and as small as this token is, I want to thank him for having the courage to stand up with these people and at least to offer diapers, clothes, or something because the mother happened to be 17.

It does not make any sense on our side of the aisle, but since you are courageous enough to stand up against the people on the other side, especially those from the committee that is finding ways to be mean, then what I will do is just support this amendment and hope that perhaps this feeling might be generated among your colleagues to such an extent that they would be prepared to do the right thing and spare the children for whatever faults they find in his or her mother.

The CHAIRMAN pro tempore (Mr. WALKER). The question is on the amendment offered by the gentleman from Oregon [Mr. BUNN].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. FORD. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Oregon [Mr. BUNN] will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment number 8 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SMITH of New Jersey:

Page 34, strike line 1 and all that follows through line 15 and insert the following:

"(5) NO ADDITIONAL CASH ASSISTANCE FOR CHILDREN BORN TO FAMILIES RECEIVING ASSISTANCE.—

"(A) GENERAL RULE.—A State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for a minor child who is born to—

"(i) a recipient of benefits under the program operated under this part; or

"(ii) a person who received such benefits at any time during the 10-month period ending with the birth of the child.

"(B) EXCEPTION FOR VOUCHERS.—Subparagraph (A) shall not apply to vouchers which are provided in lieu of cash benefits and which are provided in lieu of cash benefits and which may be used only to pay for particular goods and services specified by the State as suitable for the care of the child involved.

"(C) EXCEPTION FOR RAPE OR INCEST.—Subparagraph (A) shall not apply with respect to a child who is born as a result of rape or incest.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SMITH] and a Member opposed will each control 10 minutes.

Mr. McDERMOTT. I rise in opposition, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Washington [Mr. McDERMOTT] will be the Member opposed.

The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I support the general thrust of welfare reform and I sincerely commend the gentleman from Florida [Mr. SHAW] and the gentleman from Texas [Mr. ARCHER] for their efforts in drafting legislation designed to end welfare as we know it.

Mr. Chairman, some of us, however, opposed the rule this morning because we fear certain provisions of this bill will encourage abortion. But there is at least one other danger, that these provisions will trap children in the very cycle of perpetual poverty that the bill seeks to end.

I am concerned that unless amended in some significant ways, H.R. 4 will have some very dire, albeit unintended consequences.

I admit that the family cap exclusion has enormous surface appeal. Many Americans are fed up with people being on the dole. Americans want the abuse of the system to end. But I fear that one purported remedy, a cap on assistance for any additional children born to a woman on welfare, will severely hurt the weakest and most vulnerable people in our society, children. No one wants to do that.

The two most predictable outcomes of the family cap child exclusion as written are the likely increase in the number of babies aborted by indigent women, many of whom will feel financially trapped and abandoned, and the further impoverishment of children born to women on welfare. Both scenarios are unacceptable.

Over the years, numerous studies have shown that money, or more precisely, the lack of it, heavily influences a woman's decision to abort her child. A major study that was done by the Allen Guttmacher Institute, a research organization associated with Planned Parenthood, found that 68 percent of women having abortions said they did so because they "could not afford to have the child now."

Among 21 percent of the total sample, this was the most important reason for the abortion. No other factor was cited more frequently as "most important."

Demographers have pointed out that "young, poor and minority women are more likely to have abortions than older more affluent women even though these same groups are more likely to oppose the right to abortion."

Seven in 10, 70 percent, of women with incomes of less than $25,000 disapprove of abortion compared with 52 percent of the more affluent women. Yet the poorer women account for two-thirds, 67 percent, of the abortions.

One expert observed, "Few would say that an abortion is a good thing, but many women who believe that abortion is wrong found themselves unable to support a child when they became pregnant." This information backs up the Guttmacher study as well.

The family cap in my view is likely to tip the balance for each poor woman who feels that society has no real interest in the survival of her baby. She will get a powerfully negative message that her child has little or no value, especially from those States like my own where Medicaid is available for abortion on demand.

Then one of two things will happen. The woman will have an abortion, or the family will descend further into poverty.

Mr. Chairman, the family cap child exclusion might present a close question if one could argue that the incremental payment for a new baby were really so high that it might encourage women and girls to get pregnant to have babies just to get welfare. But this concern simply evaporates when we look at the facts.

The facts are that the additional assistance per child varies from State to State. But the median is about $57 per month. Out of this, the mother must pay for the child's clothing, shoes, diapers and other baby supplies, laundry and bus fare for medical checkups.

According to statistics compiled by Catholic Charities, the low end cost for these items total about $88.50 per month, so the mother is $31.50 in the hole even before she begins paying for the child's other expenses. We simply mislead ourselves when we assume that this constitutes an incentive to have more babies.

Mr. Chairman, there is much about the welfare system that needs changing, much that does serve to trap people in the cycle of poverty and despair. But allowing the States to pay modest per child benefits is not one of those terrible things. On the contrary, it is a true safety net, a safety net against abortion under duress, a safety net against a descent further into poverty.

My amendment would allow the States to provide goods and services designed to assist the child, it targets it, and it does so in a way that is practical and is tangible.

Mr. Chairman, I do strongly hope that my colleagues will support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. McDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a very interesting amendment that the gentleman from New Jersey [Mr. SMITH] brings forward. It raises a very interesting question. He spends a lot of time telling us that people do not have babies to get more money out of the welfare system. My understanding that this whole business of a cap is designed to deal with these people who say, "You know, I need a few more bucks, I think I'll go have a baby." Anybody who would say a dumb thing like that has never had a child.

In Texas, you get a second child, you get $25. I think if you asked most women if it is worth going through having a child for $25, it is pretty hard to find anybody who would say that that is the reason why they have a child. Most people get pregnant not because they choose to a second time, failure of birth control, whatever, and the child is there. Then to say, well, let's give a voucher.

Why is it that you will give a voucher to them but you will not give them the public assistance to actually rent an apartment with an extra bedroom? You are not going to let them have any cash. You are going to say, "Well, we know that you need diapers and we know that you need formula and we know you need these things." This is micromanagement of the very worst sort.

You say to the States, "Here's your money. You decide what you are going to do." And then in this bill, you turn around and you want to start micromanaging down to the level of the number of diapers that a woman needs to buy for a child.

That in my opinion is precisely what you say you do not want to do but you wind up doing it and kids are the ones who suffer from this.

This whole idea that somehow children born to kids, and I say kids because they are under 18, that those children should not be affected, that they are somehow going to have the money taken away from them, or that they are not wedded to somebody, somehow we are not going to care for them is the guts of what is wrong with this whole proposal.

You have people here who are simply poor. Those people need some money to deal with the situation. But you are now saying, "Well, we've put this cap on, it doesn't make any sense, but let's put a little provision in here for vouchers."

I think despite the argument of the gentleman from New Jersey [Mr. SMITH], if I were a young woman and I thought, "Well, I've got one baby and I've got another one, now I'm pregnant, but I'm not going to have any money to take care of this kid, I think I'm going to get an abortion." What would prevent a woman from thinking that? Seems to me if she is halfway reasonable, she would say, "Why not get an abortion? There's no way that I can take care of this kid. My parents don't have any money, I was raised in poverty," whatever.

We assume that all these children are going to go home to middle-class families making $75,000 a year, I guess.

When you do this kind of stuff, you are simply promoting abortion. Those of you who care about abortion and want to prevent it ought to be looking at this family cap business and all this chicanery that is in this amendment to try to avoid that issue are simply promoting that. I think that you ought to reconsider this and vote "no" on this amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I am a mother of 5, a grandmother of 15, and a great grandmother of 3 and I am well acquainted with the cost and sacrifices involved with raising a family. Diapers, bottles, blankets, booties, clothes, car seats, the list goes on and on.

This is why I am very concerned with the so-called family cap.

Although it is imperative that we discourage out of wedlock pregnancies, increasing the financial pressure on women faced with a crisis pregnancy lacks compassion and will undoubtedly cost the lives of many innocent unborn children.

In addition, we should not go about the business of requiring States to discriminate against a child simply because of his or her place in the family birth order. Once the choice is made to have a child we should ensure that children raised by welfare mothers are not unfairly penalized and suffer further the dire consequences of poverty.

This is why I support the Smith amendment. This amendment would retain the essence of the family cap provisions by restricting direct cash benefits but would allow States the option of providing vouchers to pay for particular goods and services specified by the State as suitable for the child involved.

I urge my colleagues to support this amendment. It is a kind and compassionate choice to make.

Mr. McDERMOTT. Mr. Chairman, I yield 1½ minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Chairman, we on the Ways and Means and the Subcommittee on Human Resources, we proposed to let States decide the circumstances under which cash benefits are paid and to let States choose to limit benefits when a child is born to a family already on welfare. But you rejected that, the Republicans, and giving the States the flexibility in order to administer this provision of the welfare program itself.

One of my colleagues just leaned over, and I totally agree with him. What we are talking about on the amendment before and what we are talking about with these vouchers, I have enough K-Marts and other stores in my community back home in the district and I am sure that most of these mothers can find diapers and other commodities that they will need in the neighborhood stores. I do not think that we need to set up these big State bureaucracies to buy Pampers for the babies. I think we are dealing with the wrong issues here today.

I do not have a problem in giving States the flexibility to choose and decide how they want to have all these benefits for these children, but I do not think we ought to be doing what we are doing today.

Mr. Chairman, the Children's Defense Fund, I was just reading a pamphlet that says, "When it's budget cutting time, they always start with the easiest targets." They have a Pamper on this baby with a target going right at the back of this baby.

I think that exemplifies what the Republicans are trying to do to these babies in America. As you talked about the Pampers being put on vouchers and giving the authority to States to set up this bureaucracy, I just want you to know that these are the Pampers that you would be targeting.

□ 1845

Mr. McDERMOTT. Mr. Chairman, I yield 1 minute to the gentlewoman from Arkansas [Mrs. LINCOLN].

Mrs. LINCOLN. Mr. Chairman, I thank the gentleman for yielding me this time and I certainly understand the objective of what our colleagues on this side are trying to do in terms of cleaning up the bill that is before us. But once again I will just say, "Have we got a deal for you." This is already in the Deal substitute.

As we look at what we are trying to do in the modifying the family cap provisions in the bill giving these States the options, we already give the States the option to do this. We give them the option of setting a family cap if they choose so to do, we give them the option of initiating voucher programs if they choose so to do, and I just think it is really important that we do not mandate upon these States family caps which they have to then operate through again 50 State bureaucracies. We give them the option; we give them the parameters to work within.

And that is exactly what the bill does, the Deal bill does. So I certainly would encourage my colleagues to look closely at what is already out there.

We all enjoy talking, but it is important to know it is already there.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, there are a lot of things we are divided on in this House, as you can tell from listening, if you have been listening out there on C-Span. But one thing most Americans feel strongly about is that we need to reform welfare. We are divided about abortions and issues such as a pro-life amendment or pro-life vote, but most of us believe if we do not do something to stem the tide of illegitimacy in this country we are going to ruin the fabric of our society. I do not think any culture can sustain itself when you have an illegitimacy rate at the levels we do now.

Having said that, the question always becomes: What about the children? I am a pro-life candidate, I am a Republican, I want to reform things I think for the good of my country. But what about the children? To me this accommodation is a realistic, real world accommodation that meets the needs of the children. Nobody wants to subsidize immoral or illegitimacies in the country, nobody wants taxpayers' money spent for having one baby after another out of wedlock. But the same people as myself want to make sure those children have a start in life, and I then do not want to foster abortions trying to reform welfare.

This amendment allows the money and products to go to the child's needs, and it is not a blank check by the Federal Government to say go do what you want to, have another one if you want to. This addresses the needs of children, it is a directed amendment that I think accommodates a lot of competing interests, and I am very proud to support it because I care about the children.

Mr. McDERMOTT. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, again I cannot turn my back on those people who have the courage to try to find a decent theme in this type of thing. I cannot see, however, how this really changes the direction in which the bill would be going, just to give the vouchers to these additional children.

But I do hope that we recognize that the bill that is before us is really taking the Federal Government out of all responsibility to take care of our poor, of our children, of our sick and our aged, and I guess it is a part of an overall scheme to say that those people on the local level, those in the cities and those in the State, that they know better than we in Washington. And if that is so, why do we not give them full discretion to do everything? Why is it that we see fit to say that we do not want any strings attached to the governors when it comes to doing the mean-spirited things, but we are just saying that they may provide such vouchers? Why can we not say if they want to a provide cash assistance, let them do that too?

Mr. SMITH of New Jersey. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding me the time. I just want to say that I think this is a superb amendment and I congratulate the gentleman from New Jersey.

This is very important, not to transfer more serious problems on the kids of the poor than they already have.

So I salute the gentleman. I hope everyone supports it.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has 1½ minutes reminding, the gentleman from Washington [Mr. McDERMOTT] has 2½ minutes remaining, and the gentleman from Washington has the right to close.

Mr. McDERMOTT. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. MR. Chairman, I just want to bring to your attention on February 23, 1995, there was a letter signed by the Governors who have been, in fact, in support of your bill. However, on this particular issue they have asked us to oppose it and give the flexibility to them to do this.

So I think my colleagues should take that into consideration, that they want the flexibility, and that, in fact, was why it was put the way it was in the Deal bill.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I was in the other room watching it on TV and all of a sudden I thought, you know, we are talking about bureaucracy but what we are really talking about is a program somewhat like one that I have heard over and over touted from the opposite side. WIC. A voucher program is what we use in WIC. For those who do not know, that is where we give that voucher. It says you can go to the local store, your K-Mart or whatever and you pick up the things you need, and this is where you get diapers or whatever and you just send that in through the system and they say it works real well. In fact, I have heard from my Democrat colleagues now for over a month how great the WIC Program is.

I think when we look at this we need to realize that we are telling the States you have another great option as you need to meet the needs of those little children and we want to make sure that money gets to kids, not to drugs. And this will get to kids, not to drugs.

The CHAIRMAN. The gentleman from New Jersey [Mr. SMITH] has one-half minute remaining, and the gentleman from Washington [Mr. McDERMOTT] has 2 minutes remaining.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself the remainder of the time just to strongly urge Members to vote yes on this amendment. Those who would have preferred cash payments, that is not what is in the underlying bill. It is very likely not going to be an option.

On a dollar-for-dollar basis, empowering the States with the Flexibility

we are saying the voucher is targeted to help assist the child, to help the mother who is the custodian of this voucher to provide the best available care. It is a modest amount of money.

I was one of those who led the effort when my Democratic Governor, Jim Florio, led the effort to stop the cash payments in New Jersey, and that is what sensitized me to this voucher to at least provide support to the children.

Mr. McDERMOTT. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, I think what people need to understand is this is a fig leaf. After you slash in the rescissions bill the WIC Program to bits, then I get the gentlewoman from Washington standing up here and saying the WIC Program is a great program when she voted and all of the rest of you voted to slash that program.

The next thing we come to is food stamps. It is a voucher program but in this bill you want to get rid of it. Now this is a fig leaf on the issue of whether you are going to punish women who get pregnant. People who get pregnant are not doing it to get 25 extra bucks in the State of Texas. People are getting pregnant for a whole lot of reasons, but it is not because they want to get more money out of the system, and when you punish the woman you are punishing the kids. And there is no way around it.

This whole bill is directed at punishing children. And I say we ought to vote against this, and of course against the bill, because this bill is unfair to kids.

If you want to pick on adults you ought to pick on adults some other way, but not pick on adults and think you are not picking on kids. You are picking on them; you are going to hurt them. Anything that takes away in those first years what kids need hurts, stunts their development. You are going to pay for it in the long run. It is like the Fram commercial, you either pay for it up front or you are going to pay for it forever.

I hear all of those people talk about the costs of prisoners and prisons, $27,000, $30,000, $40,000 a year. You do not mind that because that is not in this year's budget. That is in about the year 2015 when you pick up this kind of stuff.

I say that this kind of punishment should not go on on this floor.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Mr. McCRERY. Mr. Chairman, as the designee of Chairman ARCHER, I move to strike the last word.

Mr. Chairman, I just wanted to strike the last word to clear up a few things that have been said about the bill in general. The gentleman from Washington [Mr. McDERMOTT] earlier implied that we are through this amendment micromanaging the States' program. That is nowhere close to the truth.

In fact the language of the amendment is as follows: "Subparagraph (A) shall not apply to vouchers which are provided in lieu of cash benefits and which may be used only to pay for particular goods and services specified by the State as suitable for the care of the child involved." As specified by the State; we are not micromanaging a thing, we are giving that power to the States.

I want to commend the gentleman from New Jersey for his amendment, not because it adds anything to the bill but because it clarifies that the underlying bill gives States the right to use their block grant money to provide services, not cash, but services to children, to women under 18, to women on welfare who have another baby. The bill already allows that, but I congratulate the gentleman for his amendment and making it clear that we do allow that.

I want to clear up a couple of other things, one of them is the WIC Program.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. McCRERY. I am glad to yield to the gentleman from Kansas for that purpose.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for yielding. I had not intended to take part in this debate but the gentleman from Washington indicated that the WIC Program was slashed in regards to the rescission program. Let me point out there was $125 million in that account, and the rescission program cut $25 million. There is still $100 million in the account. That is within the agriculture budget.

Most of us on the Committee on Agriculture, if not all, understand that the WIC Program is a very important program. Most of us also understand they have an 86 percent participation rate. They are advertising on national radio to encourage more people to participate. There has to be some level there where you are spending money on advertising hopefully to get it up to all people who are deemed eligible, but there is $100 million in there right now that is not even spent.

It was under the WIC Program that we took money from the crop insurance program to spend more on WIC. Nobody is slashing this program; $500 million in authorization, subject to appropriations, more in the WIC Program than last year. This is simply not accurate.

I thank the gentleman for giving me the opportunity to set the record straight.

Mr. McCRERY. I appreciate the gentleman making it clear that the rescission package did not slash the WIC Program, and I would like to point out this bill does not slash the WIC Program. In fact, just the opposite. We provide more money for WIC, not less, even more money than the CBO baseline predicted would be required for WIC.

So I appreciate the gentleman's comments.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. McCRERY. I yield to the gentleman from Florida [Mr. SHAW] for a little explanation.

Mr. SHAW. Mr. Chairman, I thank the gentleman for yielding. I would like to compliment the gentleman from New Jersey, as I did earlier the gentleman from Oregon, in putting in what I consider to be clarifying amendments.

For the life of me I cannot understand the opposition we are getting from the other side when if there was any question as to how this money could be spent for the benefit of this person, this is moving it, by clarification we are showing we are not as far apart from the minority as it would appear. So for the life of me I cannot understand. Some people may think we are moving toward the minority position and they stand up and oppose it. I do not understand, but I guess that is politics, but politics is one thing I wish we would get off of this floor for the moment and take care of the poor of this country and take care of the children of this country and get on with the business at hand.

Mr. McCRERY. I appreciate the gentleman's comments.

With respect to the comments of the gentlewoman from Arkansas [Mrs. LINCOLN] one more time about what a sweet deal the Deal substitute is, again, the Deal substitute would allow cash benefits to be paid to women and welfare to have an additional child. We think it is simply too important to send the correct message for a change in this country to women who are on welfare, to tell them we are not going to give you cash for additional children. We think that is so important that we must dictate to the States that they cannot use the block grant funds to give additional cash benefits to women who are already on welfare and choose to have another baby. That message has got to be sent; we choose to send it.

Mrs. LINCOLN. Mr. Chairman, will the gentleman yield?

Mr. McCRERY. I am glad to yield.

Mrs. LINCOLN. We already give that option to the States. And certainly many States have already pilot projects like the State of Arkansas.

□ 1900

Mr. McCRERY. Reclaiming my time, I understand that. We made it clear the States will have that option, but we say our system has failed for too long by encouraging people on welfare to

continue in that status, by holding out the lure of cash benefits from the Government to have more children. That is wrong. We are going to correct it.

Mr. McDERMOTT. Mr. Chairman, to extend the debate, I move to strike the last word, and ask unanimous consent to merge that additional time with this time I am currently controlling.

The CHAIRMAN. The gentleman has that right.

Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. McDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just have to respond.

The gentleman from Louisiana [Mr. McCRERY] is one of my favorites on the other side, because he is real honest. He stands up, and he says right out, "We, the Federal Government, have decided that the States cannot give money."

Now, I say to the gentleman from Louisiana [Mr. McCRERY], that is micromanaging what the Governors and the State legislatures can do, and you and I do not disagree on that, I guess. We are telling them, "You cannot do it." We are reaching down into those State legislatures and making that decision for them.

My view, and the amendment that I offered in committee, was to say let the States decide what they are going to do. We are giving them a lot less money.

I listened to all of these people say we are giving more in this program and giving more in that program and giving more in this. How are you saving $70 billion if you are giving more in each section of the bill? I mean, it sort of defies logic that you can give more everywhere and not in the end wind up taking it away from somewhere.

Mr. McCRERY. Mr. Chairman, will the gentleman yield?

Mr. McDERMOTT. I yield to the gentleman from Louisiana.

Mr. McCRERY. I thank the gentleman for yielding, and certainly we are micromanaging to that extent. However, I was responding earlier to the gentleman's comments about us specifying in this amendment the number of diapers that can be purchased. We do not do that, and you know that.

Mr. McDERMOTT. Reclaiming my time, what you do is take away the State's ability to decide with the limited amount of money they are now going to have; the State of Washington is now working on a budget, thinking what they are going to get from us. Suddenly they are going to get a cut. They are going to have to go back in session and decide with a limited amount of money how they are going to deal with this.

One of the things you are saying to them is, "You cannot give cash benefits." I object to that. If you are going to give limited money to the States, let them have the full responsibility.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. McDERMOTT. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I would just ask a couple of questions for my own clarification here. We hear a mixed signal here. We are going to give block grants. To me when you give a block grant, you say to the Governor and the State legislature, "OK, here it is, guys, you have got to cover all of these contingencies. You have got to cover the WIC programs, the refundable programs," and what have you, and now, as this amendment says, not unlike the food stamp program, and I do not mean to be clever on this, but it would seem to me there is room for abuse if you give vouchers for diapers or what have you. You know, there are certain things you cannot buy with food stamps. If you have vouchers for diapers or what have you, what is to keep unscrupulous people from taking a voucher for diapers and trading it for a six-pack or what have you? Just because you have restrictions it only can be used does not mean it is going to guarantee that that is what the money is going to go for.

So to me, I am a little bit confused about the concept of total, total block grants, and then when you get back to the situation where you are going to micromanage, here is what you can do, here is what you can do, here is what you cannot do. If you are going to give block grants, for God's sakes, do the block grants and say, "Guys, do the best you can, if you want to do the programs." That is the reason we had such an uproar, and we are so concerned about making a pool of money to give tax breaks to folks at the expense of children.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. McDERMOTT. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Just to respond briefly, the gentleman raised the potential for fraud or misusing the vouchers as food stamps are often misused or at times misused.

I would submit to you that cash lends itself to misuse to a greater degree than a voucher. The voucher would be harder to sell and to peddle on some kind of black market than the misuse of cash. So we would be more apt to target the money towards the child with the voucher.

Mr. McDERMOTT. Reclaiming my time, that is a value judgment about these young women which I do not think you have a right to make. I do not think you have any evidence to support that.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. McDERMOTT. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, I thank the gentleman for yielding.

Just very quickly in one sentence, let us not forget that what we are doing right now, we are talking about a choice between what is in the bill and adding this to the bill. If you are against adding this to the bill, then vote no. If you think that this brings the Republican side a little closer, even though it might be millimeters closer to where you are, then vote for it.

Mr. McDERMOTT. I am sure you will support the amendment.

Mrs. KENNELLY. Mr. Chairman, will the gentleman yield?

Mr. McDERMOTT. I yield to the gentlewoman from Connecticut.

Mrs. KENNELLY. I would just like to add to the comments by the gentleman from Washington [Mr. McDERMOTT]. As I went back to my office, people were asking questions about the debate we were having. We have to make clear we are comparing apples and oranges. We have current law, a program that has had a great deal of attention. School lunches, you have current law, what current law would spend next year. We have block grants, and that is less. We are dealing with two different things. We should not forget, and I would like to say this, is that when you go into block grants, you cannot say what you are going to do. The Committee on Appropriations will.

The CHAIRMAN. All time has expired on this amendment.

The question is on the amendment offered by the gentleman from New Jersey [Mr. SMITH].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from New Jersey [Mr. SMITH] will be postponed.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the rule, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 1 offered by the gentleman from Texas [Mr. ARCHER]; amendments en bloc offered by the gentleman from Texas [Mr. ARCHER]; amendment No. 3 offered by the gentleman from Missouri [Mr. TALENT]; amendment No. 7 offered by the gentleman from Oregon [Mr. BUNN]; and amendment No. 8 offered by the gentleman from New Jersey [Mr. SMITH].

PARLIAMENTARY INQUIRY

Mr. McDERMOTT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. McDERMOTT. Did the Chair say the first amendment to be voted on is the amendment offered by the gentleman from Texas [Mr. ARCHER]?

The CHAIRMAN. That is correct. That will be No. 1.

The votes will be as follows: a 15-minute vote on amendment No. 1 offered by the gentleman from Texas [Mr. ARCHER], a 5-minute vote on the en bloc amendments offered by the gentleman from Texas [Mr. ARCHER], a 5-minute vote on amendment No. 3 offered by the gentleman from Missouri [Mr. TALENT] a 5-minute vote on amendment No. 7 offered by the gentleman from Oregon [Mr. BUNN], and a 5-minute vote on amendment No. 8 offered by the gentleman from New Jersey [Mr. SMITH].

One of the amendments offered was agreed to without a recorded vote being required.

AMENDMENT OFFERED BY MR. ARCHER

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 1 printed in House Report No. 104–85 offered by the gentleman from Texas [Mr. ARCHER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 228, noes 203, not voting 3, as follows:

[Roll No. 257]

AYES—228

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—203

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Laughlin
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Whitfield
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—3

Doyle
Edwards
Flake

□ 1924

Mr. NEUMANN changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FLAKE. Mr. Chairman, I would like to be recorded as voting no on No. 257, the Archer amendment. Due to a delay in getting back, I missed the vote.

The CHAIRMAN. It is now in order to consider the first of a series of four 5-minute votes.

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. ARCHER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendments en bloc, as modified, offered by the gentleman from Texas [Mr. ARCHER] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendments en bloc, as modified.

The Clerk redesignated the amendments en bloc, as modified.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 249, noes 177, not voting 8, as follows:

[Roll No. 258]

AYES—249

Allard
Andrews
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham

Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manton
Manzullo
Martini
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Oxley
Packard
Paxon
Petri
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tejeda
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—177

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
Cramer
Danner
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Hoyer
Jackson-Lee
Jefferson
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lofgren
Lowey
Luther
Maloney
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Nadler
Neal
Oberstar
Olver
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—8

Bachus
Christensen
Doyle
Edwards
Flake
Rush
Tauzin
Taylor (NC)

□ 1933

Mr. BREWSTER, Mr. COSTELLO, and Ms. MOLINARI changed their vote from "no" to "aye."

So the amendments en bloc, as modified, were agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. CHRISTENSEN. Mr. Chairman, let the record reflect that I would have voted yes in favor of the en bloc amendment offered by the committee chairman, the gentleman from Texas, [Mr. ARCHER]. I was unavoidably detained. Had I been here, I would have voted aye.

PERSONAL EXPLANATION

Mr. DOYLE. Mr. Speaker, during rollcall vote Nos. 257 and 258 on H.R. 4, I was unavoidably detained. Had I been present I would have voted "no" on H.R. 257 and "no" on H.R. 258.

PERSONAL EXPLANATION

Mr. RUSH. Mr. Speaker, I was unavailable to cast my vote on the Archer en bloc amendment, rollcall No. 258. I had been in a meeting off the floor during this 5-minute vote, and was unable to return to the floor before the 5-minute period had ended. Had I been present I would have voted "no" on the Archer en bloc amendment.

AMENDMENT OFFERED BY MR. TALENT

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Missouri [Mr. TALENT] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The CHAIRMAN. The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A record vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 96, noes 337, answered not voting 1, as follows:

[Roll No. 259]

AYES—96

Allard
Andrews
Armey
Baker (CA)
Barr
Barton
Bateman
Bilbray
Boehner
Brown (OH)
Bryant (TN)
Burr
Buyer
Canady
Chabot
Chambliss
Christensen
Chrysler
Coble
Coburn
Cooley
Crapo
DeLay
Dickey
Doolittle
Duncan
Emerson
English
Ewing
Fawell
Foley
Funderburk
Gephardt
Goodlatte
Goodling
Graham
Gutknecht
Hall (TX)
Hamilton
Harman
Hastert
Hayworth
Hilleary
Hoekstra
Hoke
Holden
Hutchinson
Inglis
Istook
Johnson (SD)
King
Kingston
LaFalce
LaHood
Largent
Latham
Lightfoot
Linder
Lipinski
Lucas
McHale
McInnis
McIntosh
McKeon
Metcalf
Mica
Minge
Norwood
Paxon
Pombo
Roemer
Roth
Royce
Sanford
Scarborough
Schroeder
Seastrand
Sensenbrenner
Shadegg
Smith (MI)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Talent
Tate
Taylor (NC)
Wamp
Ward
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker

NOES—337

Abercrombie
Ackerman
Archer
Bachus
Baesler
Baker (LA)
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilirakis
Bishop
Bliley
Blute
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brownback
Bryant (TX)
Bunn
Bunning
Burton
Callahan
Calvert
Camp
Cardin
Castle
Chapman
Chenoweth
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crane
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Dreier
Dunn
Durbin
Ehlers
Ehrlich
Engel
Ensign
Eshoo
Evans
Everett
Farr
Fattah
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hancock
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hefner
Heineman
Herger
Hilliard
Hinchey
Hobson
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kleczka
Klink
Klug
Knollenberg
Kolbe
Lantos
LaTourette
Laughlin
Lazio
Leach
Levin

Lewis (CA)
Lewis (GA)
Lewis (KY)
Lincoln
Livingston
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Miller (CA)
Miller (FL)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Reynolds
Richardson
Riggs
Rivers
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Serrano
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Spratt
Stark
Stenholm
Stokes
Studds
Stump
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
White
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—1

Edwards

□ 1942

Mrs. CHENOWETH and Messrs. BONO, BARRETT of Nebraska, and BEREUTER changed their vote from "aye" to "no."

Mr. WARD and Mr. ISTOOK changed their vote from "no" to "aye."

So the amendment was rejected.

The results of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BUNN OF OREGON

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Oregon [Mr. BUNN] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 351, noes 81, not voting 2, as follows:

[Roll No. 260]

AYES—351

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bellenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Everett
Ewing
Farr
Fawell
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pastor
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stockman
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Tiahrt
Torricelli
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—81

Abercrombie
Becerra
Bishop
Bonior
Brown (CA)
Brown (FL)
Clay
Clayton
Clyburn
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
Deal
Dellums
Dingell
Dixon
Evans
Fattah
Fazio
Fields (LA)
Foglietta
Ford
Frost
Gejdenson
Gibbons
Gonzalez
Gutierrez
Hastings (FL)
Hefner
Hilliard
Hinchey
Hostettler
Jefferson
Johnson, E. B.
Kolbe
Laughlin
Levin
Lewis (GA)
Lincoln
Lofgren
Martinez
Matsui
McDermott
McKinney
Meek
Miller (CA)
Mineta
Mink
Nadler
Orton
Owens
Parker
Payne (NJ)
Pelosi
Peterson (FL)
Reynolds
Rose
Roybal-Allard
Rush
Sabo
Schumer
Slaughter
Smith (MI)
Stark
Stenholm
Stokes
Studds
Tanner
Thompson
Thurman
Torkildsen
Torres
Towns
Tucker
Velazquez
Waters
Watt (NC)
Waxman
Yates

NOT VOTING—2

Edwards
Frank (MA)

□ 1952

Ms. BROWN of Florida, Mr. SCHUMER, and Mr. FIELDS of Louisiana changed their vote from "aye" to "no."

Mrs. CUBIN, Mrs. ROUKEMA, and Messrs. WILLIAMS, SHAYS, ENGEL, and SERRANO changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

The CHAIRMAN. The pending business is the request for a recorded vote on amendment No. 8 printed in House Report 104–85 offered by the gentleman from New Jersey [Mr. SMITH] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 352, noes 80, not voting 2, as follows:

[Roll No. 261]

AYES—352

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coleman
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Everett
Ewing
Farr
Fawell
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McKeon
McNulty
Meehan
Menendez
Metcalf
Mfume
Mica
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Tiahrt
Torres
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—80

Abercrombie
Becerra
Beilenson
Bishop
Bonior
Brown (CA)
Brown (FL)
Clay
Clyburn
Coburn
Collins (IL)
Collins (MI)
Conyers
Coyne
Deal
Dellums
Dingell
Evans
Fattah
Fazio
Fields (LA)
Ford
Gephardt
Gibbons
Gonzalez
Gutierrez
Hall (TX)
Hastings (FL)
Hefner
Hilliard
Hinchey
Hostettler
Istook
Jefferson
Johnson, E. B.
Johnston
Kolbe
Lewis (GA)
Lincoln
Lofgren
Matsui
McDermott
McIntosh
McKinney
Meek
Meyers
Miller (CA)
Mineta
Mink
Neumann
Owens
Payne (NJ)
Pelosi
Peterson (FL)
Pickett
Reynolds
Rose
Roybal-Allard
Rush
Scarborough
Schumer
Shays
Slaughter
Smith (MI)
Spratt
Stark
Stokes
Studds
Tanner
Thompson
Thurman
Torkildsen
Torricelli
Towns
Tucker
Velazquez
Waters
Watt (NC)
Waxman
Yates

NOT VOTING—2

Edwards
Frank (MA)

□ 1954

Mr. GEJDENSON and Mr. SANFORD changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 9 printed in House Report 104–85.

AMENDMENT OFFERED BY MR. WYDEN

Mr. WYDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYDEN: Page 60, line 8, insert ", using adult relatives as the preferred placement for children separated from their parents if such relatives meet all State child protection standards" before the semicolon.

Page 72, line 4, insert "(a) IN GENERAL.—" before "Each State".

Page 72, after line 20, insert the following:

"(b) PLACEMENT OF CHILDREN WITH RELATIVES.—A State to which a grant is made under this part may consider—

"(1) establishing a new type of foster care placement, which could be considered a permanent placement, for children who are separated from their parents (in this subsection referred to as 'kinship care') under which—

"(A) adult relatives of such children would be the preferred placement option if such relatives meet all relevant child protection standards established by the State;

"(B) the State would make a needs-based payment and provide supportive services, as appropriate, with respect to children placed in a kinship care arrangement; and

"(2) in placing children for adoption, giving preference to adult relatives who meet applicable adoption standards (including those acting as foster parents of such children).

The CHAIRMAN. Pursuant to the rule, the gentleman from Oregon [Mr. WYDEN] will be recognized for 10 minutes, and a Member in opposition will be recognized for 10 minutes.

Mr. BUNNING of Kentucky. Mr. Chairman, I know of no opposition to the amendment, and I would claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from Kentucky [Mr. BUNNING] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Oregon, Mr. WYDEN.

Mr. WYDEN. Mr. Chairman, this amendment would encourage our States to utilize the Nation's grandparents, with their vast treasury of love and practical experience, to help our youngsters who might otherwise be abandoned or put in foster care facilities, or put up for adoption.

From across the country in recent months I have heard from grandparents who often are not informed at all by child protection agencies in their States when their grandchildren are moved to foster care facilities or put up for adoption.

We all know that when children are separated from their parents, it is usually a painful and traumatic experience. Living with grandparents they know and trust gives them a better opportunity in the world.

This amendment would strengthen the ability of families to rely on their own family members as resources, and would promote self-reliance within our families and within our communities.

Mr. Chairman, I would like to emphasize that this amendment is not prescriptive. It is a permissive one. It would simply offer to the States to use the Nation's grandparents when those grandparents meet child safety protection standards. This amendment is supported by the American Association of Retired Persons, the National Coalition of Grandparents, and grandparents organizations from across the country.

Mr. Chairman, I would like to say that the majority has been extremely helpful in the developing of this amendment, for which I appreciate their assistance.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, I would like to compliment the gentleman for a very wise amendment. Being a grandfather of five myself, I can certainly appreciate the full impact to which the gentleman speaks, and I think he brings a very good element to the bill. I plan to support it.

Mr. WYDEN. Mr. Chairman, I thank the gentleman for his assistance.

Mr. Chairman, I yield back the balance of my time.

Mr. BUNNING of Kentucky. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of a provision in this bill that will make a dramatic difference for the kids in this country who are waiting for placement in adoptive homes.

Since the early 1980's, adoption placement agencies have been discriminating against these kids and prospective parents because of their race. Under guidelines that the Department of Health and Human Services sent out to State agencies back in 1981, race is one of the factors that can be used in placing children in adoptive homes.

In practice, when the actual placement is made by the agencies, race often becomes the sole matching factor that social workers use in making these decisions.

The result of this has been that minority children end up waiting twice as long in foster care as white children. And black children, while only constituting 14 percent of the child population, now account for over 40 percent of the children in foster care.

Since black families only make up 12.5 percent of the population, this has led Randall Kennedy, the black Harvard law professor, to note that "even if you do a super job of recruiting, in Massachusetts, where only 5 percent of the population is black and nearly half the kids in need of homes are black, you are still going to have a problem."

This is not an indictment of the black community. Black Americans have a long tradition of "taking care of their own" through informal adoption, kinship care, and other arrangements that are not made public and do not show up in official counts.

But, given all that the black community has done, and given 20 years of Federal money going for minority recruitment, we still have a large number of black children with no place to call home.

A provision in the Republican welfare bill will help solve this problem. It would deny Federal funds to any agency that uses race as a criteria in placing children in adoptive homes. It is a color-blind provision that will help a lot of children get out of foster care into permanent loving homes, and I think is consistent with our Nation's civil rights laws.

Last year, Senator METZENBAUM got a provision included in the minority health amendment bill that originally would have done what we are trying to do in this welfare reform bill. But by the time the so-called child advocates got a whiff of this and helped get it watered down in conference, the provision only codified the then-current practice that Senator METZENBAUM was originally trying to overturn.

Since the Metzenbaum bill passed, 43 States have interpreted this law to mean that they can use race to hold up children in foster care. But, now Senator METZENBAUM has indicated that he would like to see his bill repealed so that kids are not tied up in foster care just because of the color of their skin.

Back in the late 1960's and 1970's, more than 10,000 black children were adopted by white parents. Research and countless studies clearly show that these children know who they are, feel good about themselves, and do well in school. Until HHS handed down the deluded 1981 guidelines, this was a practice that was working.

I know that this is true because I have personal experience in this matter. Two of my daughters have adopted minority children—one that is Korean, one that is biracial. And I can attest to how well this has worked out for my family. The children are happy and doing well, and they have made my family a brighter and happier one.

Mr. Chairman, there is a difference between a policy that is based on race and one that is sensitive to race. A policy that prohibits delaying the placement of a child into an adoptive home because of race is not insensitive to race as a cultural issue, but cognizant of the fact that the defining variable here is not race but a loving home.

Potential parents should be judged by the love in their hearts, not the color of their skin. Potential adoptive children should be judged not by the color of their skin but by their needs as children.

The new policy in this welfare reform bill would accomplish an end to the sacrifice of tens of thousands of minority children, on the altar of political correctness. It is one of the best provisions in this entire bill, and one that I believe will really help improve the race relations in our country.

But, most importantly, it will help the kids who are in limbo now, stuck in foster homes only because of their skin color. That is sad, Mr. Chairman, and it is wrong. I urge my colleagues to support this bill and make a difference in these children's lives.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. BUNNING of Kentucky. I yield to the gentleman from Tennessee.

Mr. FORD. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, when the gentleman offered this amendment, basically what he was doing was repeal the Metzenbaum provisions that were passed in the last Congress, is that correct?

Mr. BUNNING of Kentucky. That is correct.

Mr. FORD. Therefore, we would go back to language prior to the Metzenbaum bill passed last year?

Mr. BUNNING of Kentucky. The Civil Rights Act of 1964.

Mr. FORD. Mr. Chairman, basically, we know there are many, many kids of minority who are trapped into foster care simply because they cannot find parents who will adopt them, and I also would like to make note that it was the Personal Responsibility Act by the Republicans, under the tax cut plan, that gave a $5,000 tax credit, but it is nonrefundable.

Many of the kids that the gentleman takes reference to today will remain in foster care facilities simply because people who are working and making $20,000 and $30,000 a year will not be able to receive that tax credit.

Once again, only the wealthy and rich of this Nation will be able to receive the tax credit to adopt these kids that the gentleman is trying to help, and I support the gentleman's concept. I am not in opposition to it.

I think those in the country of biracial adoptions, I have no problem with that, but in the gentleman's tax cut bill, he comes back and creates a problem for minorities who are working and other people who have low incomes who are making $20,000 and $30,000 a year.

The tax cut plan under the Republicans, under their Contract With America, it does just what the gentleman is trying to do for rich people, but it takes it away from the working poor of this country.

Mr. BUNNING of Kentucky. Mr. Chairman, the gentleman from Tennessee [Mr. FORD] realizes we are discussing the welfare reform bill, and when we get to the tax bill I will be more than happy to debate the issue with the gentleman on the $5,000 credit for adoption.

Mr. FORD. If the gentleman will continue to yield, absolutely, Mr. Chairman. I appreciate that, and I understand that. However, $69.4 billion in this 5-year window that will be saved will go to offset the $189 million tax cut for a 5-year period as well.

Mr. BUNNING of Kentucky. It is possible that that could be, but it is improbable that we will need it.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. BUNNING of Kentucky. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I want to commend the gentleman for his amendment. I think this is what we were trying to do in the conference committee last year with

Senator Metzenbaum, and I think we got some bad advice from HHS on some language.

I just want to thank the gentleman for bringing this amendment to the floor.

Mr. BUNNING of Kentucky. I thank the gentleman, Mr. Chairman.

Mr. WATTS of Oklahoma. Mr. Chairman, children need love. Children need families. Children need consistency and unity as they grow up.

The best place to get the fundamentals of life is with their own families, if possible—if not, other permanent measures for the children's stability should be the primary objective.

In most cases, the two-parent family, along with other family members contribute positively in a child's life. Family should be considered as a major factor in the equation of solving the welfare problem. Before making the automatic assumption that people should be swept into the welfare trap, the State should be given the flexibility to consider the eligibility of a member of the kinship care network—a grandparent, a noncustodial parent perhaps, or even an aunt or uncle.

I urge you to support this very pro-family proposal as an important and integral part of the House welfare reform package.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. WYDEN].

The amendment was agreed to.

□ 2015

The CHAIRMAN. It is now in order to consider amendment number 11 printed in House Report 104–85.

AMENDMENT OFFERED BY MS. WOOLSEY

Ms. WOOLSEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. WOOLSEY: Page 74, line 8, strike "Secretary" and insert "Attorney General of the United States".

Page 74, line 9, insert "by contract" after "operate".

Page 74, line 15, strike "Secretary" and insert "Attorney General of the United States".

The CHAIRMAN. Pursuant to the rule, the gentlewoman from California [Ms. WOOLSEY] and a Member opposed will each control 10 minutes.

Mr. SHAW. Mr. Chairman, I do not see any opposition on the floor, but I would claim the time in opposition.

The CHAIRMAN. The gentleman from Florida [Mr. SHAW] will be recognized for 10 minutes in opposition to the amendment.

The Chair recognizes the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, I yield myself such time as I may consume.

The Woolsey/Ramstad amendment is a technical amendment that corrects an inadvertent error made during the drafting of H.R. 1214.

Mr. Chairman, it is obvious that it is in our bipartisan best interest to protect programs for missing and exploited children. I thank the gentleman from Texas [Mr. ARCHER] for his support.

Mr. Chairman, in October of 1993, 13-year-old Polly Klaas was abducted by a stranger from her home in Petaluma, which is in my district. I know that many of my colleagues are aware of this tragic story. But what many of my colleagues may not be aware of is that an important role was played by the National Center for Missing and Exploited Children in the search for Polly.

The Center alerted 17,000 police departments nationwide. They broadcast public service announcements on all the major television networks. they distributed sketches of Polly and her abductor through the network of nearly 400 private sector partners. The Center has provided these same crucial services in searches for almost 40,000 children nationwide. This amendment preserves the effectiveness of the Center's programs by keeping these programs in the Department of Justice where they now reside. This is necessary because H.R. 4 repeals the Missing Children's Act which among other things establishes the National Center for Missing and Exploited Children.

In order to ensure that the Center continues to operate, H.R. 4 also authorizes the Secretary of Health and Human Services to establish and operate the Clearinghouse and Hot Line for Missing and Runaway Children. However, under the current congressional mandate in the Missing Children's Act, it is the Department of Justice which works in partnership with the Center to operate the clearinghouse and hot line.

The Woolsey-Ramstad amendment moves the authority back to the Attorney General, in the Department of Justice, and gives her continued authority to contract with the National Center for Missing and Exploited Children to operate the clearinghouse and the hot line. This amendment is strongly supported by both the National Center for Missing and Exploited Children and the Department of Justice.

Mr. Chairman, it is crucial that the Center and the Department of Justice continue their 10-year partnership to protect our most precious national resource, our children.

Mr. Chairman, I yield to the gentleman from Minnesota [Mr. RAMSTAD].

Mr. RAMSTAD. I thank the gentlewoman for yielding and also for her cosponsorship of this amendment.

Mr. Chairman, I rise in strong support of this amendment.

As the author of the Jacob Wetterling Crimes against Children Act, I know the importance of maintaining a partnership between the Justice Department and the National Center for Missing and Exploited Children.

Last year alone, Mr. Chairman, the Justice Department reported that over 114,000 children in this country were targets of attempted abduction. Fortunately, the National Center is doing an outstanding job to both recover abducted children and prevent abductions in the first place.

The Center's toll-free hot line has logged over 750,000 calls since 1984. Each week the Center distributes literally millions of photographs of missing children and many of these are high-tech, age-enhanced photos. In fact right now the photo of Jacob Wetterling, the young boy from Minnesota who was kidnapped a number of years ago, Jacob would have just celebrated his 17th birthday, Mr. Chairman, and that photo of Jacob, how he does look now at 17, has been circulated around the Nation. The center has also printed 8.3 million publications and trained over 130,000 police and other professionals.

Here is the main evidence that our investment in the Center is worthwhile. After working with law enforcement on over 40,000 cases, more than 26,000 children have been recovered.

Again, Mr. Chairman, this amendment as the gentlewoman from California said is technical, it simply restores the authority for the Justice Department to retain the 10-year partnership with the Center rather than start anew with another agency.

Let us pass this important amendment and preserve this important sponsorship. Our children and our families deserve nothing less.

Mr. SHAW. Mr. Chairman, we both agree with the amendment and we are very pleased with the gentlewoman from California for bringing it to our attention. She is quite correct, it was a drafting error, we compliment her for bringing it to our attention and we support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Ms. WOOLSEY].

The amendment was agreed to.

Mr. REED. Mr. Chairman, I rise in opposition to the rule before us today. Welfare reform is one of the most important issues we will consider in this Congress, and yet, of the more than 150 amendments filed with the Rules Committee, only 30 amendments have been made in order. And furthermore, most Democratic amendments have been shut out of the debate.

I had filed an amendment, not allowed to be considered under the rule before us today, that would have made the two nutrition block grants more flexible to changing economic conditions within states. My amendment would have established a trigger which would have made States with rising unemployment eligible for increased funding to expand its nutrition programs during economic downturns.

I offered this amendment in markup of the Opportunities Committee, and it has received bipartisan support. In addition, both Republican and Democratic Governors are on record as supporting a block grant trigger.

I urge my colleagues to vote against this restrictive rule.

Mr. CRANE. Mr. Chairman, throughout my career in Congress, I have watched as Democrat majorities sat idly by and watched the welfare system destroy the lives of millions of Americans. I have watched as these failed liberal policies have burrowed a deeper and deeper hole of dependency, abuse, and fiscal irresponsibility for our children and their children.

Democrats argue today that they are in favor of change. They claim to recognize the fact that welfare has not only failed to solve problems, but it has actually made them worse. Unfortunately, this realization comes too late. Last year, Democrats who then controlled the House of Representatives, the Senate, and the Presidency, could not reform the system. In historic numbers, the American people embraced the Republican reform proposal, and Republicans will reform the welfare system.

While I strongly support this bill, I must admit to some reservations. I believe it is unfortunate that we have left untouched some programs that States could much more efficiently administer as block grants. I have concerns about the expanded use of Social Security numbers under the child support provisions. Finally, I believe there are understandable fears that this bill could adversely impact the number of abortions. But the vast majority of this bill will be beneficial and will help those in need.

Opponents of this welfare reform package have chosen to call supporters mean spirited, and they claim that the bill puts children at risk. I believe that it is far more uncaring and callous to put children and their parents into a welfare system that offers little hope of escape. I do not wish to leave future generations with the social and fiscal responsibilities of cleaning up our mess.

This bill does not, as some on the other side have argued, need a jobs program. Welfare reform, along with other provisions in the contract, is in and of itself a jobs program. By reducing the size of Government, by getting Government out of people's lives, and by cutting the tax burden felt by the American public, jobs will be naturally created. In fact, I would argue that we would today have more jobs with higher wages were it not for Government intrusion into the market.

What we do need is to end the cycle of dependency that has been created by the current welfare system. In too many cases, the current system has created what amount to reservations. So long as beneficiaries stay within certain boundaries, they will be given food and clothing and shelter and other benefits. The system not only does not reward those who try to move off of the reservation, it actually punishes them. This bill provides substantial incentives for States and individuals to make real efforts at moving beneficiaries to self-sufficiency and reducing the welfare rolls.

Perhaps most importantly, this bill gives the States the flexibility to reach those goals. While Governors across the Nation have been experimenting with innovative programs and finding great success in giving beneficiaries the opportunities and incentives they need to become independent, the Federal Government has been largely static, watching without acting. In this bill, we will give States the opportunity to push those experiments even further. We will give States very real incentives to adopt successful programs from other States, without imposing Federal mandates from on high.

Today, we begin to move in the right direction, but I hope that this will be only the first step. I hope that we will be able to implement further reforms in the future to give States more resources and more responsibilities. Some may see this bill as too large a step, others may call it too small. But it is a step. And it is one step more than Democrats ever made. I urge my colleagues to support this bill.

Ms. PRYCE. Mr. Chairman, I rise in strong support for the important provisions contained in this en bloc amendment offered by Chairman Archer. I commend the chairman for his hard work on this bill and for his willingness to accept amendments that strengthen H.R. 4, the Personal Responsibility Act.

Few disagree with the fact that our present welfare system is failing. Our Nation's 30-year-old, $5.3 trillion war on poverty has done little to improve the plight of the poor. America's current welfare system encourages illegitimacy, nonwork, and dependency. Those whom we are fighting to protect have instead been imprisoned in a cycle of poverty that is passed from generation to generation. America's campaign against poverty has claimed many victims—most notably, and tragically, our children have suffered.

For this reason, I have joined with my colleague from Indiana, Mr. BURTON, in offering a sense-of-Congress resolution regarding the use of funds under the Child Protection Block Grant. Our resolution, which has been included in the chairman's en bloc amendment, encourages States to allocate sufficient funds under their Child Protection Block Grant to promote adoption. I think we can all agree that a loving family is the best social structure in which a child can be raised.

As an adoptive mother of a 4-year-old, the issue of adoption is very important to me and has a permanent place in my heart. In the debate about policy, it is sometimes easy to lose sight of those about whom we speak. They are, after all, our children.

Today, too many children are abused and neglected in their home environment. Our child welfare systems are charged with the task of protecting these innocent victims and providing them with substitute care when necessary. Ideally, these children would be placed with a family that can provide a stable environment and a consistent caring relationship. Instead, many children end up in the often unstable and lonely foster care system, including group homes and orphanages. The adverse conditions faced by these children in an abusive home and then in institutionalized care hinders their ability to develop positive social skills and succeed in adulthood. There are tens of thousands of children waiting to be embraced into caring families willing to raise them in an atmosphere of love, self-respect, and responsibility. Adoptive families are 100 percent functional, happy, and whole.

The Burton-Pryce amendment stresses to States the importance of facilitating the permanent placement of children into loving families, and strongly urges States to devote child protection funds to adoption for that purpose. Specifically, it encourages the facilitated adoption of special-needs children and suggests a tax credit to families to make these adoptions more affordable.

I encourage my colleagues to support this sense-of-Congress resolution which seeks to protect our children and provide them with hope for the future by voting in favor of Chairman ARCHER's en bloc amendment.

Mr. PACKARD. Mr. Chairman, our current welfare system strips the American people of economic opportunity and fosters a society dependent on government handouts. For far too many Americans the welfare system no longer serves as a safety net, it is a hammock. Our Republican welfare reform proposal offers real change, not false security.

Welfare clearly represents the biggest, most costly policy failure of our time. The current system encourages social behavior that destroys families, fuels skyrocketing illegitimacy, and impoverishes millions of children. It is a heartless system that blocks incentives for people to lift themselves out of poverty.

Our Republican Personal Responsibility Act offers compassionate approaches that promote personal responsibility, require work and strengthen families. It works to lift families and their children out of the government's hammock and back on to their own feet. Our proposal brings the welfare system closest to the people that need it most by giving block grants to the States.

Welfare has become a way of life for millions of Americans. Our current system traps people in a cycle of dependency and despair and offers little in the way of hope and opportunity. It is responsible for spawning crime, drug use, problem-ridden schools and other social ills, forcing taxpayers to subsidize these.

Mr. Chairman, restoring America's work ethic, a sense of self-respect and community responsibility will alleviate much of the social decay we see today. Our Republican welfare reforms will leave a more civil and compassionate society for our children and grandchildren. The Personal Responsibility Act replaces the Federal hammock with family security and responsibility.

Mr. SANDERS. Mr. Chairman, this is an extraordinary week for the House of Representatives and for the American people.

What we are seeing on the floor of the House of Representatives constitutes a war on the poorest women and children in our country in order to pay for tax breaks for the wealthy. The Republican Party, which recently held a fundraiser and raised $11 million dollars in one night from some of the wealthiest people in this country are now, under the guise of welfare reform, savagely cutting back on a wide variety of programs which are desperately needed by the weak and defenseless—by children, by the elderly, by the hungry, disabled and the sick.

Sixty-nine billion dollars are being cut back on low-income assistance programs over a 5-year period in order to serve as a down payment for tax breaks for the rich. Robin Hood in reverse. We take from the poor and give to the rich. We take away school lunches from hungry children and serve up two martini

lunches to corporate bosses. What courage. At a time when this country, before these cuts, already has the highest rate of childhood poverty in the industrialized world it is clear that the major problem facing low-income children is that they do not fully understand the working of the entrepeurial system. If only the low-income children, who are going to see cut backs in nutrition programs, health care and child care—had the sense to pay $1,000 a plate for a Republican fundraiser, things would be different.

The Department of Health and Human Services estimates that 6 million children will be thrown off welfare as a result of the Personally Responsibility Act. Conservative estimates show that in the year 2000 close to 400,000 or 40 percent of disabled children will no longer receive SSI benefits; 14 million children would continue to receive some food stamps, but at a reduced level; over 2 million children would no longer be eligible for school lunches; 1 million children would no longer be fed in child care settings; close to 400,000 children would be denied child care; and 60,000 children would lose access to foster care and adoption assistance.

In the year 2000 the State of Vermont will lose $10 million in cash welfare and education, training and employment programs for welfare recipients and 2,450 children will be dropped from assistance. In the same year, Vermont will lose $5.1 million in aid for blind and disabled children and 500 children will be dropped from the rolls. Vermont will lose close to $1 million in school lunch funds and 4,100 children will no longer receive free or reduced price meals. Vermont will lose $1.6 million in child care funds and 990 children will be denied care. Vermont will lose $3.5 million in funds for the child and adult care food program and 4,150 children will lose their daily meals. Vermont will lose $9 million in food stamp funds and 25,386 children would receive reduced food stamp benefits.

We all recognize that the current welfare system is not working well, but in reforming the system we do not want to punish some of the most vulnerable people in our society.

This House just passed an unfunded Federal mandate bill and, as a former Mayor, I supported that bill. This welfare reform bill is one of the largest unfunded Federal mandates that the State of Vermont will ever experience.

If we are serious about real welfare reform than we must be talking about a jobs bill which can employ those people who are leaving welfare. We must be talking about increasing child care, job training, and educational opportunities. If our goal is to get people off welfare and into jobs, then we must provide the infrastructure for that transaction. Not to do that is to simply punish poor people for being poor.

Mr. TORRES. Mr. Chairman, last week we saw how the Republicans eagerly take from working families, senior citizens and children.

When I went home to my district I stopped by an elementary school—I wanted to see for myself the importance of Federal nutrition programs and to learn what these meals mean to the children.

What I saw were children being fed a hot and nutritious meal—the only decent meal they eat the entire day.

The cold and heartless attack we are witnessing is appalling.

Hunger afflicts up to 30 million Americans, 12 million of them are children. My congressional district, the East San Gabriel Valley of Los Angeles County, will be the most heavily impacted in all of California. 41,000 children, in my district alone, will be negatively impacted by the Republican proposal to cut nutrition programs.

We all know that hungry students are fatigued, cannot concentrate and end up doing worse than their peers on standardized tests.

I urge my Republican colleagues to visit their schools before denying this small but essential program from our children.

You cannot disguise the fact that block granting nutrition programs is taking food out of the mouths of children, to fill the trough that feeds corporate subsidies.

Ms. PELOSI. Mr. Chairman, I rise today to oppose this welfare reform bill. It contains provisions which discriminate against legal immigrants by denying them access to programs that they have paid for with their taxes and their contributions to the Social Security and unemployment insurance systems.

This extreme Republican legislation would bar legal immigrants from receiving Medicaid, Food Stamps, disability aid, and other critical programs which provide a safety net to citizens and noncitizens alike.

Mr. Chairman, it seems un-American to deny legal residents access to programs that they have already paid for through taxes and payroll deductions.

Indeed, it should be noted that legal immigrants pay far more in taxes than they receive in benefits. According to the Urban Institute, legal and undocumented immigrants pay approximately $70.3 billion per year in taxes, but receive only $42.9 billion in services such as education and public assistance.

Mr. Chairman, like the other bills in the Republican contract, this bill targets the weak and defenseless.

This bill punishes those who came here legally and waited years to obtain legal residency, played by the rules, paid their taxes, and contributed to the Social Security and unemployment insurance systems.

I urge my colleagues to vote no on this bill.

Mr. SHAW. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. LATOURETTE] having assumed the chair, Mr. LINDER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence, had come to no resolution thereon.

WELFARE REFORM IS ABOUT INDIVIDUAL HUMAN BEINGS

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. SKAGGS. Mr. Speaker, the welfare reform debate that we are engaged in is not about politics, and it is not about abstract policy; it is about people, about human beings.

And one person in my hometown of Boulder, Colorado recently had this to tell me: Five years ago I was pregnant and abandoned by my husband. I had no home, no job, no money but I had a goal in my life—to be an education specialist. Today I have reached my goal. I have a happy 4-year-old daughter. I have a job that I love, teaching young children. If it weren't for government programs such as Self-Sufficiency, WIC, section 8, immunizations, Medicaid, food stamps and LIHEAP I would not have reached my goal.

"We can't know," she goes on, "we can't know the individual circumstances of all who ask for assistance. I don't think anyone plans to or wants to beg for help. Thanks for not giving up on me."

We have got to reform welfare but as we do it, we cannot give up on decent young women like this.

Mr. Speaker, here is the full text of what this young woman told me:

Five years ago, I was pregnant and abandoned by my husband who was, in his own words, "not ready" for the responsibility of parenthood. I had no home, no job, no money, and no insurance. And I was worried. I had a goal for my life—to be an environmental education teacher. How was I going to do this and be a single parent? I still had to complete my education!

Today, I have reached my goal. I have a happy 4-year-old daughter who, contrary to an article in U.S. News and World Report which states that fatherless children were more likely to have learning disabilities and behavioral problems, is well-adjusted and has been tested as having an above average IQ. I have a job that I love, teaching young children about our environment and how to take care of it. These are children of taxpaying citizens who, through their taxes, supported me during hard time. I feel that, by educating their children, I am helping to repay that debt. If it weren't for State and local government programs such as Project Self-Sufficiency, WIC, Section 8 Housing, Free Immunizations, Medicaid, Food Stamps, and LIHEAP, (low-income energy assistance program), all of which I have received benefits from, I would not have been able to reach my goal. I qualified for and received these benefits while working full time and taking a full course load at the University of Colorado.

Today I am happy to know that some of my taxes are going to help others like myself who are trying to reach their life goals, in spite of difficulties, obstacles, and hardships which are beyond their control.

We can't know the individual circumstances of all who ask for assistance. I don't think anyone plans to or wants to beg for help. I also don't believe that two years of assistance is long enough for most people to complete education or job training and find a job that is going to pay all their bills. I would like to take this opportunity to thank all the taxpayers, friends and family who have helped me over the past five years to reach my goal. Thanks for not giving up on me.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WESTERN COMMERCIAL SPACE CENTER LEASE SIGNING

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

Mrs. SEASTRAND. Mr. Speaker, last Friday the 25-year lease agreement between the Department of the Air Force and the Western Commercial Space Center—better known as the California Spaceport Authority—was finally signed. It was an arduous process that tested the commitment to commercial space development on all sides.

Although this agreement had been agreed upon in principle for months, it was nearly derailed by an overzealous civilian bureaucracy within the Department of the Air Force. In essence, what would have taken less than 30 days in the private sector took several months because of the arcane manner in which the Federal Government tends to operate.

There were two key issues at work: First, the release of $3 million in previously awarded fiscal year 1994 Department of Defense grants to the Space Center; and second, signing the lease itself which would then allow construction to begin on the first polar orbit commercial spaceport in America.

The DoD grants were awarded in fiscal year 1994. They were awarded independently of the 25-year lease with the Air Force. On October 28, 1994, when Secretary Widnall announced the Air Force's intention to negotiate a lease with the Space Center, no mention was made of a link between releasing the grants and signing the lease. Yet, for some reason, release of grant funds became tied to the lease signing.

This lease had been agreed upon in principle for more than 4 months. During a December 15, 1994, meeting between the Air Force general counsel's office and the Space Center, the Space Center was told they would have a draft of the lease by January 1, 1995—and that the lease would be signed by January 15, 1995.

On January 30, 1995—30 days after it was promised by the Air Force general counsel's office—a 76-page lease with 26 conditions was submitted to the Space Center.

For weeks, the lease was traded back and forth. Signing was set to take place twice, yet both deadlines passed because civilian bureaucrats kept adding new conditions. For example, condition 15 of the original lease addressed liability and stated that damages were not to exceed $10 million. But the bureaucrats decided to add environmental language to the lease—despite the fact that the environmental issues had been addressed and resolved during three review processes and the fact that no launches would take place for 2 years thus eliminating the possibility of an environmental problem.

Then the civilian bureaucrats decided that the Space Center would have 60 days to submit a certified insurance policy. Clearly unreasonable because insurance companies rarely, if ever, issue certification of policies within 60 days.

Then, the bureaucrats decided that there should be no cap on the amount that could be sought and awarded in a liability suit—the Spaceport could be sued for any amount of money. Obviously no reasonable insurance company would issue a policy where they would be required to pay unlimited damages.

In the end, due in large part to bipartisan support and participation, the primary lease between the Space Center and the Air Force was signed.

Mr. Speaker, the process by which this lease agreement came to be signed should not be a model for future negotiations. It should have never reached an 11th hour deadline. It should have never reached a point where the Space Center was in danger of shutting its doors. It should never have reached a point where hundreds, and ultimately thousands of jobs, could have been lost. It should never have put tens of millions of dollars in private sector investment in jeopardy. It should never have put the future of commercial space development in California on the line.

One of the reasons the voters of America responded as they did during the 1994 elections was because of problems such as this. The American people have demanded a smaller and more efficient Federal Government that puts the interests of its people ahead of everything else. This, ladies and gentleman, is the essence of the Contract with America.

While spaceport development and commercial space are not part of the 100-day agenda, they are very much in line with the goals and spirit of the 104th Congress. Our Government must be willing to make America a strong and vibrant competitor in the international commercial space market. Further, the Government must demonstrate to private industry that they are committed to making America a leader in the international commercial space market.

Mr. Speaker, the time for action is now. All of our international competitors—France, China, Russia, Canada, Japan, Australia—are moving forward in the commercial space arena. We cannot fall behind. Spaceport development must go forward in conjunction with an aggressive U.S. commercial space policy.

And who stands to benefit from this approach? Certainly space States such as Alaska, California, Florida, Virginia, New Mexico, Colorado, Texas, Hawaii, and others. But, more importantly, our Nation stands to benefit. There is enormous economic potential if we are willing to do what is necessary to successfully compete.

As we saw at crunch time on the Vandenberg lease, commercial space is not a partisan issue—it is an American issue. It is an issue where Republicans and Democrats can come together and unite behind a cause that ultimately benefits all Americans.

□ 2030

WELFARE REFORM: SHELL GAME

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, I rise to join my colleagues once again in exposing the myths that the Republicans keep repeating about their welfare reform proposal and its impact on child nutrition programs. Later this evening, two of my colleagues will demonstrate how the Republicans are misleading the American people and how this block grant plan clearly cuts funding for essential child nutrition programs. But before they begin, here are the facts.

The Republicans claim their block grant does not cut funding for child nutrition programs, only the growth rate of these programs. They would like everyone to believe that their proposal increases funding for programs, such as school lunch, by 4.5 percent each year.

The truth is their 4.5 percent increase in funding for school lunch is a fabrication. In fact, the bill doesn't even designate funding specifically for the school lunch, breakfast, or any other school-based meal program. The Republicans' numbers are nothing more than assumptions—I repeat, assumptions—of how much States may choose to use for lunch programs.

Even if States spent all of the money they receive under this block grant, this mythical funding increase would fall $300 million short of the amount necessary to meet real needs. That is because the Republicans' plan won't keep pace with expected increases in program enrollment, inflation, or a possible recession. These needs require a 6.5 percent increase, so even the mythical 4.5 percent increase falls woefully short.

The Republicans' mythical funding also includes only cash assistance and not the value of direct purchases of food goods such as cheese and fruit. These direct purchases of food are a critical part of the school lunch program. In the first year, Republicans

cut $51 million from direct food assistance. Over 5 years, they cut $600 million. That is a total shortfall of $1 billion even if they live up to their hollow promise of a 4.5 percent increase in cash assistance.

That 4.5 percent promise comes with all kinds of trap doors that will drop even more kids from the school lunch program.

The first trap door is that States would be required to use only 80 percent of the school block grant for school meals. Governors may transfer 20 percent to other programs. That means a potential additional loss of $5 billion dollars from the program—$1 billion a year. In my home State of Connecticut, if the Governor had this kind of discretion today and exercised it, the School Lunch Program would lose $2 million in 1995 alone.

The second trap door is that these funding increases are not guaranteed—they will be subjected to the political whims of the annual budget process. So the Congress each year will be able to vote to reduce funding even more and drop even more kids from the program.

The Republicans also claim that their bill will cut bureaucrats, not kids. They couldn't be further from the truth. If Republicans were only interested in cutting administrative costs they would have done their homework: The entire administrative budget for all USDA feeding programs is $106 million per year. The Republican plan would cut $860 million in 1996 child nutrition programs alone. The bottom line is their cuts far exceed what is needed to control administrative costs.

The truth is, if the Republican proposal is enacted, 3,600 kids will be dropped from the School Lunch Program in Connecticut in the first year alone, and over half a million kids will be dropped nationwide.

The Congressional Budget Office has concluded the Republican proposal will cut $2.3 billion over 5 years from school based nutrition programs and $7 billion from all child nutrition programs over 5 years.

Republicans though don't want to admit this. They actually believe that these are not cuts. They boast that their plan provides savings. I ask you, how can you have savings, if you don't have cuts? This is the biggest Republican myth of them all.

The tragedy in this debate, Mr. Speaker, is that these Republican myths are being perpetuated so that drastic cuts can be made in a program that everybody agrees is working—and working well. And the savings—the money that will no longer be used to pay for a child's school lunch—will be used to pay for a tax break for the wealthiest Americans. It's shameful. It's mean spirited. It's just plain wrong.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. WAMP] is recognized for 5 minutes.

Mr. WAMP. Mr. Speaker, as we enter into this debate on welfare in this country, I think it is important to recognize that my colleague from west Tennessee, the Honorable JOHN TANNER, told me not long ago when I first got here that he really believed that neither party had an exclusive on integrity or ideas, and I agree with that Congressman. And this should not be a Republican or a Democrat issue. This should be an American issue.

It is clear in my heart that this country wants this welfare system to change, not to be reformed but to be replaced. They want a working opportunity society. They do not want the continuance of the status quo with regard to welfare.

The Washington Post this morning—we all know the tendency politically of the Washington Post—editorialized and said about welfare: "Besides, what's the choice? The existing approach has failed and the public has no appetite for vast new social programs even if there were evidence they worked, and there isn't."

You know an outstanding Tennessee Congressman, Colonel Davey Crockett on the very floor of this House said about welfare, "We have the right as individuals to give away as much of our own money as we please as charity; but as Members of Congress we have no right so to appropriate a dollar of the public money" for charity.

Franklin Roosevelt said in 1935 about welfare: "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."

There is a great article in this month's Reader's Digest. It is called "True Faces of Welfare." In it is a case study of a welfare recipient whose story appeared. Her name is Denise B.

"Denise says she would like to work. But she would have to earn a lot, she says, for it to be a better deal than welfare." She talks about how she would have to go to school, and work her way up to a higher salary. "'It's a lot of work and I ain't guaranteed to get nothing.'*** Welfare by contrast, is guaranteed—(in her words) 'until they cut it out, until they say no more.' Denise knows politicians are talking about that now and she does not believe they are wrong."

"Welfare," she offers, 'is an enabler. It's not that you want to be in that situation. But it's there. We always know."

This has become a national attitude about this system, and it hurts children, and true compassion is what I want to discuss here tonight in my short time and as I rise to my feet to talk about welfare.

In my home city a social worker who I will leave unnamed came to me several times in the last few years to tell me of a story in Chattanooga, TN, where multiple children were being born for one reason and one reason only, and that is financial, to gain more benefits.

You know that system creates the worst form of child abuse imaginable, in my estimation, because children then are not born for the right reasons. They are not born because their parents want to love them and sacrifice for them and set aside their own ambitions, and give to them and nurture and educate them. They are born so that they can receive financial benefits. And the stories continue to roll in of how many situations we have like this across the country.

The neglect that those children are suffering because this system promotes this kind of activity is what we need to focus on as we say listen. Everyone agrees, it is time to eliminate the welfare system and replace it with an opportunity society.

In the last 30 years we have spent $5 trillion on welfare in this country, and we have got more illegitimacy, more poverty, more problems, more crime than you could ever buy with $5 trillion. It has not worked and it is time to move on. And I believe from the very core of my experience, Mr. Speaker, that true compassion means having the guts to replace welfare at this critical moment in America's history.

TAKING CARE OF AMERICA'S CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, America is asking the question that Congresswoman DELAURO just answered, and that is how is it that the Republicans can say they are not hurting the School Lunch Program when they take over $2 billion away from the School Lunch Program and over $7 billion away from the nutrition programs for the children of this Nation?

The fact of the matter is they cannot. They cannot fulfill the promise of this Nation to feed hungry children, to take care of children in need, and at the same time remove these funds. The mythical increase as she referred to simply does not provide for the element of growth in the program that takes into account the ever increasing cost of food, the increasing number of children unfortunately in this country who continue to be eligible for this program, and what happens in the downturn in our economy.

So the result is that in fact the school breakfast program, the lunch program, the after school program, and the commodities program simply cannot be taken care of.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I am happy to yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Speaker, I think the gentleman is referring to this Republican plan to block-grant all of these different feeding programs into one single grant of money, and they are arguing that they are not cutting back.

Mr. MILLER of California. The gentleman is quite correct. What we see here is the block grant. This is what you need, this is what you are trying to cover. This is the block, ladies and gentlemen, that you have to cover to take care of America's children. You have got to provide lunches for children who need lunches, you have to have food assistance in order to provide the commodities and fresh fruits and vegetables necessary so you can have a healthy lunch, and an after school and summer program because many children unfortunately, when school is out they still require food. It is necessary that they eat, they are still hungry. And of course the breakfast program has become more and more important as we see this is the key if children learn in the early hours of their school day and this is what is necessary.

But unfortunately you will see here that the Republicans do not do that. If you take care and provide full funding for lunches and you provide full funding for food assistance, and you do the breakfast program, you can see that the block grant does not cover the block because there is no funding available for summer programs which so many of our children rely on.

Mr. DURBIN. Mr. Speaker, if the gentleman will further yield, the Republicans argue they are not killing these programs at all, in fact they are providing more money for them. And yet you have one of the blocks there, if I am not mistaken, the after school and summer program that is not provided for. How does this work?

Mr. MILLER of California. What the Republicans would do because they did not provide the increase for the commodities program, they would suggest the commodities is really taken care of, so there would be money left over to take care of after school and summer breakfasts, but there is, as is apparent readily to anyone in the audience, of course nothing here in the commodities program, and the commodities are a key component and that is why when Republicans say they are going to give a 4.5 percent increase for the nutrition programs they did not figure in the cost of commodities into their escalator. And once again there we find out that the block grant they talk about to feed American children is not fully covered and children now go without the commodities portion of that program.

□ 2045

Mr. DURBIN. If the gentleman will yield, the school districts I represent in Illinois, their commodity assistance which they receive actually is a way that they are feeding the kids in terms of lunches and breakfasts and so forth.

Now, if the Republican block grant does not provide enough money for the food assistance, which kind of recourse does the school district have?

Mr. MILLER of California. Well, your school district could take another action. It could take away the breakfast program and provide the commodities that are so terribly important for the school lunch program where they make up a large bulk of the school lunch program menu, but because there is no increase in the food assistance, they would have to take that from the breakfast program or one of these other. No matter how you move around the plates, of course, what you see is that the Republican proposal for child nutrition in our school lunch programs simply does not cover the needs of the children currently enrolled.

And we are now estimating that almost 2 million children that otherwise would be served will not be served because one of them, it is just sort of like musical chairs. One of them is going to show up for one of these programs. There is not going to be funding for that program. They are going to go unserved. That estimate is now 2 million children in the next 5 years.

Mr. DURBIN. If the gentleman will yield, what do you make of the Republican claim? They keep saying, "Wait a minute, we are giving a 4½-percent increase every year for school lunch; how can you complain? Four-and-a-half percent ought to be plenty."

Mr. MILLER of California. That is really similar if I were to cut your wages by $20,000 and then say I am going to give you a 4½-percent increase over the next 5 years. You start out in the hole, and you never get well, and because they do not provide a 4½-percent increase on inflation, on the price of commodities, the price of food, the increase in enrollment, the 4½ percent turns out to be fraudulent. Under the Republican program, you can do this. You have no lunches, no food assistance, no afterschool program, and no breakfast. What a shame, shameful thing for America's children who were expecting a block grant to take care of their needs.

The plates will be available after the show.

SCHOOL NUTRITION PROGRAMS

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

Mr. HOKE. Mr. Speaker, tonight we are going to talk a little bit more about the school nutrition programs, because this seems to be the Democrats' favorite topic of the topics de jour.

Somehow, somewhere along the line the Democrats have decided or believe that somehow they can make, by telling the same lie over and over and over, that they can somehow get a wedge with the American people. And the fact is that in some ways the opposition does understand politics perhaps better than the Republicans do. They understand that politics is about power, and when it is about power, you stop at nothing to try to regain it.

Republicans are still under the impression that politics is about ideas and ideals. But this is about the politics of deceit and the politics of the big lie.

I yield to my friend, the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. I thank the gentleman for yielding.

You know, I have been standing here for 2 days listening, in fact, nearly 2 weeks, to untruths.

My mom used to say, you know, it would be awful nice if people would just turn purple when they started stretching the truth, shifting words around and using wiggle words. There would be an awful lot of purple people here tonight if that were the case.

I think what we need to do is just make sure the American people understand that a 4½-percent-a-year increase is not a cut. Now, if you are used to being in Congress where you guys all have been spending more than we out there have been earning, you think a 4½-percent increase is a cut. The American people, I do not think, will agree with that.

So let us take a look at the actual members of how much the food programs are going to go up.

Mr. HOKE. Only a liberal could call a $200 million increase a cut. Only people that think the way the people think inside of Washington could call that a cut.

I would like to draw attention just for a moment to the CRS study that was published just today. We got a copy of it just today—Congressional Research Service, [CRS] completely independent, nonpartisan.

Mrs. SMITH of Washington. Not a Republican group.

Mr. HOKE. Not a Republican group, not a Democrat group. It is a completely nonpartisan group.

Here is what they say about what is going to happen in Ohio, a State close to my heart. What we are going to find in Ohio with respect to the school-based block grants, school-based nutrition programs, is that in 1995, fiscal 1995, under current law, $190 million is being spent. Under the school-based block grant program, our Republican program, that will go up to $202 million, an increase of $11 million.

Mrs. SMITH of Washington. That is in one State.

Mr. HOKE. That is in one State, just the State of Ohio, an $11 million increase. Now, for those who like baseline budgeting, which is to say we will take into account demographics, that is, changing populations, plus an inflation number, not the way that America thinks. I mean, this is the way that you get the phony numbers. But the fact is even using those numbers, the 1996 fiscal year current baseline would be $199 million, a $2 million increase over that.

Mrs. SMITH of Washington. That is a real increase in food.

Mr. HOKE. A real increase. This is food, and not only that, is there not a difference in the way that these programs get administered?

Mrs. SMITH of Washington. You know, what is amazing about it is the closer you get it to home, from what I can see, the less waste there is. We do not seem to hear much about that. The closer the States have control, the less we are going to take the money here. I think the thing that surprised me the most when I flew into D.C., and I am from the west coast, did not even have a very long campaign, all of a sudden I was here as a write-in candidate. I fly in, and I see all of these buildings. I get here and find out they are all filled with bureaucrats. Those bureaucrats are deciding one layer of how money is spent, then the States decide, and then the locals, to where by the time the money gets down to food, it has a lot of red tape and rules around it.

What I like about the school lunch program is we unwrap it from a lot of that red tape and make sure the food gets to kids.

Mr. HOKE. And kids who really need it, the kids who need it most. We give them the opportunity; we make it possible for that money to get to those that need it the most. How? By making sure it goes to parents, administrators, and teachers and people right there in the neighborhoods locally making those decisions as opposed to Washington bureaucrats making those decisions.

Mrs. SMITH of Washington. You know, those other bureaucrats are going to whine, and that is the State superintendents of public instruction. They are going to whine, too, because we tell them you cannot spend any more than 2 percent on administration.

FACTS CONCERNING CHILD NUTRITION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

Mr. DURBIN. Mr. Speaker, I am sure the people who are following these proceedings are really at a loss to figure out which side of this aisle is telling the truth. I am not sure my 5 minutes here will convince anyone one way or the other.

I would like to lay out a few of the facts which my friends on the Republican side just do not want to point to. The fact is if you took the time to go speak to a local school principal in your hometown or perhaps one of the people who runs the local school lunch program, they would tell you, as we have all heard on the Democratic side of the aisle, that the Republican idea is a very, very bad idea

You would think, if the Republican position was so good and was going to give this authority to the local school districts and to the States, these people would be jumping up and down, and they are not. And do you know why? Because fundamentally what the Republicans are offering them is not enough money to do the job.

The Republican plan, yes, does provide additional funds in years to come. Let us concede that point. They just do not provide enough money, because we know as sure as God made green apples that each year the cost of food is going to go up a little bit in each of our school lunch programs. We know there will be more kids enrolled in school, and we know, God forbid, if we have a recession, there will be more families that will be eligible for school lunch.

The Republicans do not build any of those possibilities into their block grant scheme. They assume none of that is ever going to occur. They think the cost of food, the increased number of kids, and the possibility of recession, the most that could ever increase the program in any given year is 4½ percent. That is it.

Then they say to the school districts, "Listen, if that is not enough, you find a way to economize. You find a way to cut costs."

Do you know what principals tell me at these schools they are going to have to do? They are either going to have to cut the money that they put into classrooms, teachers, computers and microscopes and the like or basically are going to have cut kids off the school lunch program.

That really gets to the bottom line here. Is it not curious when the Republicans finally got in the majority, the first place they turned to start cutting was not waste, fraud, and abuse? They were, in fact, on the floor of the House just a couple of weeks ago asking us for $40 billion more for Star Wars, $40 billion for that loony idea under President Reagan that might have made some sense when the Soviet Union was a powerful missile threat to the United States, but does not make sense anymore. They wanted $40 billion more for Star Wars. They lost it, thank goodness. Then they turned around and said, "We will tell you how we will save some money. We will cut school lunches." School lunches? Do you remember reading, I sure do not, about scandals and waste and abuse in school lunches? You do not hear about it. The reason you do not is it is being run by your local school districts, your local principals, the folks who work for them in the cafeteria. It is a good program. It is a program that most of us saw when we were growing up as a way to have a good meal each day when we went to school, and unfortunately for a lot of kids today, it is the best meal of the day. We even offer a little breakfast to the school lunch program, and the Republicans are willing to cut that, too. They think it is unnecessary. Maybe it is a frill they can do away with.

You ought to see some of the kids I have seen. You ought to talk to some of the teachers about kids who get to school who do not get enough to eat and what their school day starts out like. It is not very pretty.

My friends on the Republican side turn first to school lunch programs, which I think frankly has been a big embarrassment to them to try to explain across America. They you ask the bottom line, surely, there must be something critically important they would cut America's school lunches for, it really must be the highest possible priority.

Well, what is it the Republicans want to cut school lunches for? Why do they want to cut the food available to kids in schools? So they can pay for a tax cut, a tax cut for these same families? Well, a little bit of it, sure. But the most of the money that goes in that tax cut goes to the wealthiest people in this country. The privileged few will get the break from the Republican tax cuts. It is the kids of working families, it is the kids of middle-class families that will find their school lunches being cut.

I went into Quincy, IL, and sat down with a group of mothers and their kids and talked about the Republican plan. Mothers came forward to me and said, "Congressman, let me tell you my story. I am not on welfare." This mother said, "I am working for a living." One of them said, "I am working two jobs." Another works 45 hours a week at fast food. They had their kids in day care. They are doing their darndest to stay off welfare. We gave them a little helping hand. You know what it is? We help pay for the meal at the day care home which the Republicans would cut.

Now, is that the way to end welfare in America, to heap more expenses on working families who are struggling every single day to make ends meet? I do not think so.

Let me offer a helping hand, whether it is the WIC program for the new mother, whether it is the day care center lunch or the school lunch, and make sure those struggling families, those working families trying to make ends meet get a helping hand to stay off of welfare and move in the right direction, the right family values, the right kind of personal responsibility.

We have to resist the Republican plan. It does nothing but cut the most vulnerable people in America. You cannot have a strong America without strong kids and strong families.

MORE FACTS ON CHILD NUTRITION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. MYRICK] is recognized for 5 minutes.

Mrs. MYRICK. Mr. Speaker, if you watched TV lately, read a magazine or a newspaper, surely you have seen photographs of Democrats surrounding themselves with children and claiming that Republicans are out to cut school lunches and be cruel and mean to little kids.

Mr. Speaker, the policy of this historic Chamber should be set based on the fact they are not on photo ops that make one party look like they love children more than the other. The American people are smarter than that, and I know they can see through it.

Between 1962 and 1992 welfare spending increased by over 900 percent, while the poverty rate only dropped less than 5 percent, and illegitimacy has increased over 400 percent.

I ask you, is that progress? My mom always told me you do not get something for nothing. But in this case, after spending $5 trillion, we have got just that. Nothing.

I do not understand, why are the Democrats defending a system that has literally enslaved its recipients into a cycle of dependency? If Democrats feel so strongly about welfare reform, why did they not do something about it during the 40 years they controlled this House?

The Republicans are talking heat right now, but it is because we are picking up the mess left behind by the failed welfare state. But that is OK. It takes leadership to make hard choices.

The current welfare system should be arrested for entrapment, because it traps its recipients in a web of dependency.

Listen to the following facts: There are 5 million families with 9.6 million children on AFDC right now, and more than one-half of those families remain on AFDC for more than 10 years. Of the 5 million families receiving that help, only 20,000 people work, and children born out of wedlock have three times greater chance of being on welfare when they grow up.

You know, we are hearing a lot of talk right now about Head Start and WIC also. Well, not one penny is being withheld from Head Start, and as for WIC, this rescissions bill merely recouped $25 million out of the $125 million the programs was unable to spend in the previous fiscal year.

Our bill does not take a single person off the WIC rolls and leaves in place the $260 million increase for the program in fiscal 1995.

□ 2100

And the School Nutrition Block Grant Program actually grows at a 4.5 percent rate. Over 5 years that is $1 billion more than is currently being spent.

As a former mayor, I spent a lot of time with programs to help people get out of the dependency cycle and learn to help themselves. My experience has taught me that people want their self-respect and their dignity restored, and the current system does not do that. In fact, it works against that goal. I trust the American people can see through the smoke screens and deception that we have heard here tonight from the other side.

Mr. Speaker, I am finished.

Mr. OLVER. Would the gentlewoman from North Carolina yield?

Mrs. MYRICK. Yes, I will yield.

Mr. OLVER. Yes, thank, you very much.

I recognize that the gentlewoman and I both serve on the Budget Committee, and the Budget Committee has had to deal with scoring the items that we are talking about here tonight and that the gentlewoman has just finished speaking about.

The two nutrition programs that the gentlewoman has spoken of show savings by your own party's count and by the Congressional Budget Office of $6.6 billion over the next 5 years. That is the school-based nutrition program and the family nutrition program. How can you be claiming savings on those programs if in fact there has not been something cut?

Mrs. MYRICK. We are talking about, what you are talking about, the only thing that has been cut is the increases that were requested that are not being increases in the same point.

Mr. OLVER. How can you get savings if you have not cut something?

Mr. HOKE. Would the gentlewoman yield?

Mrs. MYRICK. Yes.

Mr. HOKE. You get savings when you are using a baseline that is phony to begin with and you define savings as being a cut from an inflated number in the first place.

The fact is that we are going from some $6.7 billion a year up to come $7.8 billion a year in the year 2000. That is clearly an increase in spending. Only in Washington.

BASELINE BUDGETING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, let us talk a little bit about phony baselines, which is where the gentleman on the other side of the aisle left off before the time expired. That is a funny place here inside the Beltway in Washington, DC.

The Pentagon gets its own special baseline. That is, at the Pentagon things are very expensive, you know, over there at the Pentagon. So they get not only the inflation that seniors get on Social Security or the inflation that anybody else might think about, they get their own special inflation index. And at the Pentagon a cut is a decrease in the increase.

So say next year the Pentagon determines its own little special inflation index is 6 percent. If they only get a 5 percent increase in their $271 billion budget, that is if they only get an increase around $11 billion, if they only get $10 billion, that is a decrease, and we would hear screams from that side of the aisle. We heard screams earlier.

We have appropriated more money for the Pentagon this year. God forbid we should ask them to produce something. It costs extra.

We had to come up with a supplemental bill to pay for the Pentagon to do something. They couldn't squeeze it out of their $271 billion budget.

Now with the nutrition programs, of course, they apply a different ruler. That is, are there going to be more kids going to school next year? Yes; is food going to be more expensive next year? Yes.

There might even be a little bit of an increase in the wages for the people who cook those meals in the schools. A lot of them are getting minimum wage, and if we increase the minimum wage they will get a little bit more. Now in their world those increases don't count. Only increases in inflation for the Pentagon count.

So here is the world we are looking at. We know there will be more kids in school. We know there will be more need for those kids.

I visited a school lunch last week and talked about it last Monday night on the floor. So I won't repeat the stories about how hungry those kids are on Mondays and Fridays and what the needy really is. But the point is, in their world we will only give them enough money to increase it just a little bit. And if there are more kids, the portions get smaller. Or if there are more kids, ketchup becomes a vegetable again, whatever. We are just—can't afford those things.

But we can afford an infinite amount of money for the Pentagon. That is what is wrong with this debate. Let's put our priorities in order here. This debate is about priorities.

What will make America stronger tomorrow? Is it hungry kids who can't learn because we cut back on the school lunch program, the school breakfast program? Or is it imaginary programs like star wars and the fat defense contractors taking people out to dinner every night on the Federal

budget, which we all know goes on with these Pentagon lobbyists.

So I would like to put it in that perspective. And let's just remember, when it comes to the Pentagon, a decrease and an increase is a cut, but when it comes to school lunches, a decrease in a real need is not a cut.

That is what the Republicans are trying to feed us here. It is about as real as feeding people ketchup and calling it a vegetable

They talk a lot about the bureaucrats. I checked that out. I was disturbed about that. I thought, well, maybe they are right.

We could eliminate some of these administrative cuts if we eliminated every administrator. That is from the woman who runs the program downtown here in Washington, DC., down to the person who takes the little lunch tickets, to the person who cooks in the school. That is if Congress could miraculously appropriate the money and deliver the food straight to the kids with no one in between. That would be one-eighth of the cuts the Republicans are making in the real needs of these programs.

So it is a lie. It is a lie to say we just want to eliminate the bureaucrats. No, you can't just eliminate the bureaucrats. Where are you going to get the other seven-eighths of your cut?

The gentleman, Mr. OLVER, made a great point. How is it they can talk about $7 billion, "b", billion dollars, in savings in school nutrition programs, WIC programs and other children's nutrition programs and then tell us there aren't any cuts.

I would like to make $7 billion in savings over at the Pentagon, and I would be happy to tell the Pentagon that those things don't constitute cuts. But we would hear screams from that side of the aisle because it is a different standard. It is a different ruler when it comes to kids. They come after the Pentagon.

STATE FUNDING AND CHILD NUTRITION

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

Mrs. SMITH of Washington. Mr. Speaker, you know, every once in a whole you have to come back to real numbers that will buy real groceries. And I am starting to even get confused listening to the other side. So what I want to know, and I would like to ask this of your, Representative HOKE.

I know where we are now, and I can't go home and tell anybody that we have increased the school lunch program unless it is in hard dollars. I know we are at $6.296 billion right now a year on school lunches. I want to know how much it will take to feed those kids in later dollars, how much we put in the budget, and I want to make sure we feed those kids as many lunches as we are feeding now. You show me that.

Mr. HOKE. Okay. This has got to be so incredibly confusing to the American public watching this and trying to discern what is really going on. I can't imagine what could be more confusing until finally you are going to have to decide somebody is telling the truth and somebody is lying. Let me review.

Mrs. SMITH of Washington. I just want real numbers. I don't want anything spun. How much are we going to spend in this budget compared to the last budget?

Mr. HOKE. March 20, 1995, from the Congressional Research Service. Let me just read the preamble.

Mrs. SMITH of Washington. That is the nonpartisan group?

Mr. HOKE. Yes, that is the nonpartisan group. It is anybody, any Member of Congress can ask them to do research. Let me read this. Then I will go directly to the numbers.

Mrs. SMITH of Washington. Thank you.

Mr. HOKE. All right. This is from Jean Yavis Jones. She is a specialist in Food and Agriculture Policy in the Food and Agriculture Section. The subject is Child Nutrition: State funding under current law and block grants proposed in H.R. 1214. That is what we are talking about, the nutrition block grants.

This memorandum responds to numerous congressional requests for information on the effect that recent proposals to block grant child nutrition programs would have on the States. The attached tables compare estimates of fiscal year 1995 and fiscal year 1996 funding to States under current law to the estimated amount of funding that States would receive under the child nutrition block grants contained in H.R. 1214 as introduced on March 13, 1995.

Now, let me go to the table. Here is the table. This is school-based block grants and current law funding by States and the total. I am going to give you the total. The total for all the school-based nutrition programs for fiscal year 1995 was $6.295 billion.

Mrs. SMITH of Washington. Does that include breakfast and the feeding programs?

Mr. HOKE. That is breakfast, that is after school, that is school lunches, school snacks, all. There are five programs in all. The amount that is estimated by CBO for fiscal year 1996 under current law is $6.607 billion. That takes into account, and I will read it to you exactly.

What it does, it says that those amounts are based, it takes into account the adjustments that will show the projected and actual changes in overall Federal obligations, and it takes into account the number of students that will be in the program and also inflation. So it takes into account exactly what my friends on the other side of the aisle are talking about.

Mrs. SMITH of Washington. So increases in food and increases in kids?

Mr. HOKE. Precisely. Precisely. So that is what the current law is, okay? $6.296 billion in fiscal year 1995 to $6.607 billion in fiscal year 1996.

Mrs. SMITH of Washington. Now that is what they say we will need to keep up, to make sure we don't get behind?

Mr. HOKE. We need to get to $6.607 billion in 1996.

Mrs. SMITH of Washington. Where are we then in the budget?

Mr. HOKE. The school-based block grant is at $6.681 billion, $6.681 billion. The difference between the block grant and the fiscal year 1996 CBO estimate that takes into account the demographic changes as well as the inflation is $73 million.

In other words, under the block grant program, the Republican program that is being criticized here in a bombastic way, that doesn't begin to square with the facts. We are increasing the funding for school nutrition programs by $73 million in fiscal year 1996.

Mrs. SMITH of Washington. Actually, we are increasing it $384 million, but part of that is to keep up with costs of inflation and new children. So we are going over what it costs and kicking in $74 million, sending it back to the States and saying get your grubby hands off it at the State level, don't spend much on administration, get it back to kids?

Mr. HOKE. You are absolutely right, Linda. We are, in fact, increasing it by $384 million over what we are spending in 1995. We are increasingly it by a third, more than a third of a billion dollars.

Mrs. SMITH of Washington. Well, this grandma likes that. I think we have done a great job.

NUTRITIONAL PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, we have had some protestations, particularly from the gentleman from Cleveland or just outside of Cleveland, with respect to baselines. Mr. DEFAZIO spoke of baselines.

And the question and answers, we pretend that there can be a savings which is going to be applied to a tax cut and for the wealthiest in America, but that somehow this savings doesn't cost anybody anything. It is a free lunch. It is sort of like supply-side economics that was brought to us in 1981, and we were told that the budget would be balanced as a result of supply-side economics by October 1, 1983.

Mr. HOKE. Would you yield for one single question?

Mr. HOYER. Four and one-half trillion dollars later.

Mr. HOKE. Have you, have you seen the CRS report?

Mr. HOYER. I have not.

Mr. HOKE. Would you like to have a copy of it?

Mr. HOYER. I would love to have a copy of it.

Mr. HOKE. It is working from the baseline. It shows the increase off the baseline.

□ 2115

Mr. HOYER. The gentleman asked me to yield. Will the gentleman yield?

Where does this savings, this magic savings come from that Mr. KASICH is applying to the tax cut?

Mr. HOKE. It is not in this school-based nutrition program.

Mr. HOYER. Where does it come from then? Let me show a little chart that we have.

Mr. HOKE. Charts are good.

Mr. HOYER. Charts are good. We have agreed that charts are good, and it is confusing.

You did not like baselines. At the beginning of this session you wanted honest budgeting, no baselines.

Now, Mr. DEFAZIO is right. I happen to be someone who supports the Defense Department, believes we need a strong defense, have supported many of, frankly, Ronald Reagan's increases in the early 1980's. But the fact of the matter is Mr. DEFAZIO is correct.

On the one hand, if buying weapons costs you more year to year, buying food also costs you more year to year. So the baseline is no more than phony for one than it is for the other.

Now, because you think charts are good, let me show you these charts.

Mr. HOKE. I totally agree with you about baselines. The problem with baselines is not taking into account the increases. It is deceiving the public about those increases.

Mr. HOYER. Reclaiming my time.

What you are saying, whether you are talking about defense or children's breakfast and lunch or whether you are talking about food for women, infants, and children so that mothers can be healthy in their prenatal period and babies can be healthy in the postnatal period and grow up healthy and able to learn, either way, you are talking about maintaining effort unless you have a decreased need.

And although I have not seen that, you responded that the number of kids increased, and you say that report shows that we are taking care of it.

Here is the chart that shows the difference between, and we use perhaps more programs here because the number is larger for all the programs that are included on this chart, which includes expenditures under current law for school meals, child care food, summer food, and the WIC program. 11.6, fiscal year 1995. 12.1 by the same products.

Mr. HOKE. Are you using home-based day care? Is that one of the programs you used?

Mr. HOYER. Yes.

Mr. HOKE. There is the difference. That is a program we are cutting. It is a program that the administration called to cut. It is a program that the President wants cut. You are absolutely right. That is an area that is going to show a difference because we are cutting.

Mr. HOYER. So we have agreement. There is a cut.

Mr. HOKE. That is right. And the reason that the administration wants to have that cut is that it is not means tested. Everybody gets it. And we believe that only people that really need it should be getting these nutrition programs.

Mr. HOYER. We are going to run out of my 5 minutes real soon.

Mr. HOKE. I will give you more time. We have got all night.

Mr. HOYER. Reclaiming my time.

The fact of the matter is that those five nutritional programs, if they grew as the need would require to stay even, that is all we are talking about, to stay even. You would be at 15.9. But you are at 13.6, a two billion difference. Seven billion. That is where we get that seven billion. These years are a $7 billion cut. Now, it is a cut, and you use it.

Mr. KASICH and the Budget Committee refers to this as we have got some savings from what they call, of course, a phoney baseline.

But the fact of the matter is, I want to tell you in Maryland our folks have reviewed this program and 37,000 children, real people, will have to be cut off the program if your program passes.

Now, that is what they say. They haven't seen CRS. That is what they say. Thirty-seven thousand kids are going to be cut off the rolls in Maryland.

SCHOOL-BASED NUTRITION PROGRAMS

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

Mr. GREENWOOD. Mr. Speaker, I had not intended to participate in this evening's special orders, but I was sitting in my office answering mail and became a little vexed about the discussion and decided I needed to come over and maybe engage someone on that side in some discussion, on the same subject of child nutrition programs.

I am a member of the Committee on Economic and Educational Opportunities that worked very carefully to try to craft this bill, particularly as it relates to the school-based nutrition programs.

It angers me to hear over and over again the use of the term "cut" for these programs. It is not fair. It is not accurate. And if we want to elevate this argument to a place maybe we could find some agreement, we have to start agreeing on what is indisputable.

What is indisputable is that we are not proposing a cut of one penny in the school lunch program, not a penny. In fact, we are proposing an increase that far exceeds, frankly, what your side of the aisle did when you had all of the tools available to you to set the budget.

Mr. GENE GREEN of Texas. If the gentleman would yield.

Mr. GREENWOOD. I will be happy to yield.

Mr. GENE GREEN of Texas. Mr. GREENWOOD, like you, I was waiting for my turn, and I also serve on the committee with you. And let us talk about that "not cut" a minute because we served on that committee, and we tried to take away, and there was an amendment in committee to eliminate the block granting of the school nutrition.

And it was generally a party line vote, as I recall, to take away the school lunch in this process and say, okay, let us do welfare reform without touching school lunches. And it was defeated on a party line. So the Republican majority in our committee said school lunch is a part of the welfare reform bill.

You say you have an increase, but let me talk about and ask you about if this is correct.

Mr. GREENWOOD. Let me reclaim my time for a moment to state my case, and then I will be happy to engage you in further discussion.

Last year when the Democrats controlled the House and the Senate and the White House, what you did in your budget was increase the school lunch program by 3.1 percent. We are proposing 4.5 percent for 5 years, which is about 50 percent better for the kids that we are doing in our proposal than you ever did.

The President in this year's budget proposal, the President of the United States, the one who went to visit the school children in Maryland for lunch, he proposed a 3.6 percent increase this year. And we proposed 4.5 percent.

Now I want to know who has the gall to call the difference between the President's 3.6 percent and our 4.5 percent a cut.

Mr. GENE GREEN of Texas. If you would yield again to me.

Mr. GREENWOOD. I would yield if you would respond to my question.

Mr. GENE GREEN of Texas. The difference between the President is 3.1.

I will give you an example. In the State of Texas, we are actually growing 8 percent instead of 4.5.

Mr. GREENWOOD. Reclaiming my time.

Mr. GENE GREEN of Texas. I will let you reclaim your time since Mr. HOKE wouldn't let some Members reclaim their time.

Mr. GREENWOOD. I will be happy to have anyone respond to me if they will indeed respond to me.

The issue is this. I have heard Members from your side of the aisle all night tonight talk about a cut in the child nutrition program, particularly the school lunch program. I just want to know how you square that with these facts.

When you ran the show here, you did 3.1 percent more in the current fiscal year for school lunch programs. The President of the United States proposes 3.6 percent, and we offer 4.5 percent for 5 years. I want to know what you have to complain about compared to what you did when you were in control and what the President proposes.

Ms. PELOSI. The difference, my colleague, and thank you for yielding, is that we are talking about a block grant versus an entitlement. When you are talking about a block grant you are talking about a limitation on the number of children and the kind of nutrition they would get.

Mr. GREENWOOD. Let us talk in those terms.

Ms. PELOSI. That is an important point because when you are talking about an entitlement, then the money will be there for the children.

You are talking about a block grant that has several shortcomings. First of all, it is a limitation on the amount of money that will be spent regardless of the growth and need for children who are hungry.

Second of all, your block grant requires that the Governors only spend 80 percent of that money on the school lunch program.

Third of all, your block grant removes the nutritional requirements so what the children are getting does not relate to what the children may need nutritionally. So you can spread it out among more kids so that they meet certain criteria for the block grant, but it may not be more kids who need the school lunch. Therefore, the nutrition that the really needy kids are getting is good.

Fourth of all, you are talking about the school-based lunch program, and you are cutting out the summer program and the afternoon program and the child care program.

The SPEAKER pro tempore. The time of the gentleman has expired.

PARLIAMENTARY INQUIRY

Mr. GREENWOOD. Mr. Speaker, may I request a point of order? Am I able to request two more minutes?

The SPEAKER pro tempore. The Chair is unable to entertain that request during the 5-minute special orders.

CHILD NUTRITION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BECERRA] is recognized for 5 minutes.

Mr. GREENWOOD. Since I yielded half of my time last time, would the gentleman yield me 30 seconds?

Mr. BECERRA. I would be more than willing to yield if I have some time at the end of my remarks, and I probably will have. If I do, I would be more than happy to yield.

I think the gentleman from Illinois a while back stated it best, Mr. DURBIN, when he said folks probably watching this do not understand what is going on. Is there a cut? Is there not a cut? Are the Republicans providing less? The answer is yes.

I visited some elementary schools and high schools recently, and I was talking to those that do provide school lunch programs, and the principals will tell you the price of food is going up. The number of kids in schools is growing.

When you tell that principal that today the dollar that that principal has to provide a school lunch to a child is the same dollar or just a slight bit more than the principal will have to feed that same child or the child's younger brother or sister coming up, that principal will tell you, "If the school population has grown and inflation is cut into the value of my dollar, there is no way that I as a principal will be able to feed the number of students that need free or subsidized school lunches."

Let us not make any mistake about that. The Republican proposal cuts the amount of moneys that would be available for child nutrition programs in this Nation. It cuts them because it does not square the fact that we have inflation in this country and we have growing student populations. If they kept pace, then we would be okay.

And the problem that a number of us have as Democrats is that the current law says that whether or not we in Congress play political games with the moneys for our school kids, it makes no difference because the law protects children. The law preserves that opportunity for the child to be able to pay a subsidized price for that school lunch or, if the child is very poor, then to get the lunch free because the law provides that right now.

But under the new Republican proposal, not only would there not be a keeping of the pace with inflation and the growth of school population but at the same time the Republican bill guts that protection for children under the law that says you will get fed. Because we understand and have recognized under the law that it is important to make sure that you have the nutrition you need to be able to learn.

The Republican bill says, no, you will get fed if the Committee on Appropriations in the House and if the Committee on Appropriations in the Senate agrees that they will fund certain levels.

So when the Republicans talk about their funding levels of 4.5 percent increases, they are speculating because they haven't provided those moneys. Those aren't there, and they will not be there until the appropriating committees in each House each year decides that they will allocate the moneys.

Let me tell you, I have very little faith that future Congresses will allocate the moneys that are authorized to be spent.

Why do I say that? Well, last week we just finished, and I voted against this, proposing and adopting a bill that cut moneys. Where did it cut? Well, it did not do much to defense. It did not do anything to programs that are out there to subsidize the wealthy.

What it did do was it cut from students, from the elderly, from veterans. And if I look at how they were able to make cuts in those programs, I have very little faith that a program like school nutrition, which will no longer be protected under the law, will be protected from cuts in the future, especially if anyone in this Congress is serious about trying to balance the budget.

So whether we want to say we are providing more money or not, the reality is that under current law our kids are protected from the shenanigans and politics of Members of Congress under the Republican proposal that is gone, and we have to hope that not only will they provide the money they say but they will see the light and provide the actual dollars needed for that principal to provide not just the same meal but provide it to the growing number of kids in the school.

What does all this do to a place like Los Angeles, CA, a place that I represent? Well, if in fact we are going to lose the $2.3 billion over the next 5 years that the Republican bill will cost us, which is about a 6 percent cut, then I know in Los Angeles, the Los Angeles Unified School District, which is the second largest school district in the Nation with something over 600 and some odd thousand students in it, close to 550,000 of those children who receive subsidized or free lunches will not be able to eat, will not be able to eat the same amount, or will be told to wait until tomorrow.

That is a lot of meals. That is a lot of kids. I think we have to start doing something differently.

□ 2130

MORE ON WELFARE REFORM

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

Mr. JONES. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Chairman, I thank the gentleman very much for yielding to me. I simply asked for the time so I could respond to the comments of my very good friend, the gentlewoman from California, because frankly, she brought the debate back to where I think it should be and that is a fair debate.

The previous speaker raised legitimate issues about the difference between an entitlement program and a block grant. That is the level of the discussion that we ought to have. If we have that level of discussion, then we can talk about different strategies to balance the budget.

I came over here fairly upset because I am so angered to hear over and over again the use of the term "cutting" the funding for this program. It simply is not true. It really should not be said.

The level of debate will be elevated tremendously if we talk about different strategies, whether it is entitlements or block grants. We can do that. We can have honest differences of opinion. We might actually learn from each other and find some common ground.

I really would encourage my friends on the other side of the aisle to stop using the terminology of cutting funding for this program, when in fact the facts are, and I will repeat them, when the Democrats controlled the House and the Senate and the White House, they provided this program with a 3.1 percent increase and the president, in this year's budget, proposed 3.6 percent, and we have offered 4.5 percent for the next 5 years.

If the appropriators do not do that, that is a discussion for another day. And perhaps we will join some of you in voting against an appropriations bill that does not live up to the 4.5 percent authorization. But let us be honest about where we are in the process.

Mr. JONES. Mr. Chairman, I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, in the spirit of debate, I would like to respond to the gentleman's comments. What we have to do, if we are going to debate this in a way that is clear to the American people, is to define our terms. The gentleman from Ohio was waving the CRS report before and saying how much of an increase that the Republican proposal was of the school-based lunch plan versus, as you are referencing, President Clinton's increase on an entitlement program as opposed to a block grant.

The point I want to make is that what the gentleman was waving was already a cut, yes, a cut, because it is only referring to the school-based lunch program. It does not provide funding for the afternoon program or the summer school program. So you have already cut children's nutrition plans.

Mr. JONES. Mr. Speaker, I appreciate the debate on both sides as it relates to the nutrition program. I wanted to touch on welfare and the need for welfare, but first I have to make these comments as a former Democrat, that today I was interviewed by the Washington Post wanting to know why in the State of North Carolina that we went from 8 Democratic Congressmen, four Republicans to four Republican Congressmen and four—excuse me, eight Republican Congressmen and four Democrats. The whole purpose is simply because the new minority party was out of touch with the middle-class working American.

People in America are paying, the working family will spend half of what it makes on paying taxes and actually spend more on paying taxes than it will spend on clothing, housing and food. And this debate tonight about children is extremely important, and on our side we believe we are doing what is right for children.

I can tell the other side, after hearing the debate today and yesterday, that the American people are ready for downsizing Government. They are ready to see efficiency in programs. They are ready to see less taxes coming out of their paycheck. That is what I think the Republican party has done.

Let me talk just briefly, I know my time is short, about the facts on welfare. Since the 1960s, Washington has spent approximately $5 trillion of taxpayers' money on the war on poverty. It is the most expensive war our Nation has ever waged, and it is a war we have lost. The amount we spend in a year on welfare is roughly three times the amount needed to raise the incomes of all poor Americans above the poverty income threshold. Nearly 65 percent of the people on welfare at any given time would be in the welfare system for 8 years or longer.

A record 14.3 million people now receive welfare benefits, a 31 percent increase since 1989. Funding for welfare programs is estimated to increase from $325 billion in 1993 to $500 billion in 1998.

My colleagues, the people of America are demanding welfare reform. We can debate as we should debate, being a democracy, but when we really come down to it, the working people of America are tired and fed up of seeing their money wasted. It is our responsibility and obligation to pass welfare reform.

THE DEAL SUBSTITUTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. DEAL] is recognized for 5 minutes.

Mr. DEAL. Mr. Speaker, I agree with my colleague from Tennessee, who joins me along the Tennessee-Georgia border, Mr. WAMP, on the Republican side. He said that we do not need partisanship in this issue. I would come here tonight to suggest that we have a solution that breaks the status quo, that changes the existing programs, and we do it in a way that we think works.

We ought to all be seeking solutions that work, rather than political rhetoric. I have listened to the debate all day today, and I have come to one conclusion. We probably need fewer speech writers and more mathematicians. The only trouble is, I am reminded of the saying that "figures don't lie but lies sure can figure." We seem to be caught up in that business of arguing about figures.

Now, there is something that is true, and I think my colleague made the point earlier, and that is this, you cannot have it both ways. In your welfare reform package you are either going to make cuts to have the savings to offset the tax cuts that are coming or you are not. You cannot have it both ways.

Now, we have talked about various aspects of this plan, and we focused just recently on talking about the child nutrition programs. I am looking here at a document that came from the majority leader's office in which he is talking about the savings from the Republican bill. Now, they are either savings or they are not savings. And according to this, it says that there are $66.3 billion of savings over 5 years. I understand that figure may have increased now because of some other changes.

And the one area of title III of the bill of child care and nutrition, according to the majority leader's office, saves $11.8 billion over 5 years. Well, I do not know whether you are talking about cuts or whether you are talking about cuts from base line. The point is, either you have savings or you do not have savings. They are either cuts or they are not cuts. You cannot have it both ways.

Now, let us talk about a few of the things that I think are significant, and I pointed this out today. My chart has had to be amended as a result of an en bloc amendment that came on the floor today. But this is a chart that compares and contrasts the Republican version of welfare reform with a substitute that I, along with several of my colleagues, will be offering. It talks about the concept of work.

I think all of us should agree that work is the best solution to breaking the welfare cycle. And the question is, how do you get people off welfare and into work and how do you achieve that goal of keeping them in a work force?

We both have in our plans percentages of the population that must move into the work force at certain levels. As you will notice, the Republican plan started off at 4 percent. It is has now been amended up to 10 percent. Ours starts in 1997 with 16 percent going to a total of 52 percent at the final termination in the year 2003 and thereafter.

As a result of the amendments on the floor today, the work percentages of the Republican plan have now been increased significantly. In fact, cumulatively those percentages are about 52 percent, I believe. But the interesting thing to me is that if it costs to put people into a work program to move them off of welfare into the work force, if it costs money, and it obviously does, if it did not cost any money all of us would say 100 percent from the first day must be in the work force.

I would point out, however, that under the Republican plan, they allow people to stay on welfare for 2 years and do not require anything of them.

We require within 30 days that they must sign a self-sufficiency plan and they must begin the job search process. We also have a 4-year limit once they enter a work first program. Two years in work first, at the most 2 years in a community service plan, and then a State option if they choose to put them with a voucher system for 2 years at the maximum.

Now, if it does not cost any money to move people from welfare to work, then we ought to all put our percentages at 100 percent from the word go. If it does cost money to up the percentages, we have seen the percentages on work under here by an amendment but we have not seen any revenue flow to the States to pay for that. It does not work both ways. It either costs money to do this or it does not cost money to do this. If it costs money to increase your percentages, then we ought to have some reflection in the funding proposal to pay for it. We do not see that.

WELFARE REFORM IN ARIZONA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. SALMON] is recognized for 5 minutes.

Mr. SALMON. Mr. Speaker, for the last 4 years I have been serving in the Arizona State legislature prior to coming to this noble institution.

One of the privileges that I have had is to co-chair the Joint Select Committee on Children and Family Services. What I have seen over the last several years has really frightened me.

I think that government has become the great enabler. Those of us that have dealt with programs with alcoholics, people that we have tried to help to get off the problem, recognize that first of all, they have to have a desire deep inside that they want to change that terrible situation that has been plaguing them for probably many years. But if they do not decide that they want to change, it is not going to happen.

I think government has become the great enabler with welfare programs in that we have basically robbed people of self-dignity. We have told them, we do not want you in mainstream society. We will pay you to stay at home because you really have no value to society. I think it is a very counterfeit type of compassion. Just as it would be with the alcoholic that is going through detox, when they are writhing in agony and going through the pain, to offer them a bottle of scotch to solve their problem, I believe that the government programs that have really trapped people in a snare of government dependency and replaced it with nothing, which has robbed people of their self-dignity. They have got to be replaced. We have to flee from those programs as fast as we can.

I do not mean to belittle the efforts tonight of the minority party in trying to reform the system. But I will say, with all due respect, you have had 30 years to do it so I am not sure that the sincerity of the effort tonight is truly noted.

I really feel that it is time for us to get off of our duff. It is time for us to help people to help themselves.

It was a great President on his inauguration that said, ask not what your country can do for you, ask what you can do for your country. How quickly, it has only been three short decades since that prophetic declaration was made, and here we are today trying to be mother and father to people that really on their own are crying for dignity and they want the ability to be able to help themselves and get out of the trap that they are ensnared in, the destructive trap that they are ensnared in.

In Arizona, we were able to pass some really key reforms within the last couple of years. In fact, I would like to talk a little bit about one of my favorite people in Arizona. It is Charles Barkley.

Mr. Speaker, there are at least two huge differences between President Bill Clinton and Arizona's own Charles Barkley. Sir Charles, for one, backs up his big talk with big action. We have no such luck with Bill Clinton.

In my home State, we have been waiting for the Clinton administration HHS to grant us a waiver so we can implement our State's innovative welfare reform proposals.

Let me tell you about one of the pilot programs which would cash out the value of food stamps and give it to an employer to subsidize them to hire an employee, to hire a welfare recipient. It is a win/win. They get a job. They get dignity and self-respect and the employer gets a valued employee.

Our bill was signed by the governor a year ago but the waiver paperwork was done last August. I personally wrote the President in February, the first of the year. Still nothing. But there he was, just a few days later, talking big before the National Association of Counties, while the President's waiver application grows cobwebs on the President's desk, Bill Clinton declared, to applause in fact, here it is in the paper, in the Washington Times, "Clinton wants States to have freedom to adjust welfare."

□ 2145

He basically said, to applause, that we should abolish the waiver system altogether. Well, Mr. Clinton, we are waiting.

Mrs. LINCOLN. Mr. Speaker, will the gentleman yield?

Mr. SALMON. No, I will not yield.

Approve the waiver now, President Clinton.

Mr. Speaker, I also forgot to say that there is one other crucial difference between President Clinton and Charles Barkley. I still believe Charles Barkley somewhere in the country could win an election.

Mr. Speaker, I yield to the gentlewoman from Arkansas.

Mrs. LINCOLN. Mr. Speaker, I would just like to tell the gentleman we will have a great deal for you tomorrow, because in the Deal substitute plan we give the flexibility to the States to not have to deal with those waivers. It is a wonderful proposal that will be presented tomorrow and it is an opportunity for you to take a look at things that we will be able to offer to the States, flexibility to deal with their own plan.

Mr. SALMON. Mr. Speaker, I reclaim the balance of my time, and I would like to say I believe in private sector jobs and in more government-funded programs.

Mrs. LINCOLN. That is exactly right; that is what we do.

Mr. SALMON. I do believe people ought to have the dignity to be able to go out into the private sector to be able to get jobs, and really, if sincerely you do believe that this is a good idea, would you call President Clinton for me tomorrow and tell him to pass that waiver?

DIGNITY OF WORK IS WHAT WELFARE REFORM IS ALL ABOUT

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

Mr. TANNER. Mr. Speaker, let me just say as I start here, I have been here 6 years and we have been working on this welfare reform program almost from the day I got here.

The people who have been working on the Deal substitute have been working tirelessly for the last 3 years that I know of, and we appreciate the opportunity to come to the floor tomorrow and offer the Congress, the House, a chance to vote with us.

I have been disappointed in the debate tonight. I still have trouble determining why a school lunch program has anything to do with helping people

go back to work. When we started our welfare reform plan, we went from the principle that work is dignity, work is what people need, work will make this country stronger, and we insist that if you want something from the Government you must do something for yourself.

For people who are talking about the school lunch program, the school lunch program started 49 years ago and it was a national program. The reason it was started by President Truman was because so many kids from around the country in poor, rural States were unable to pass their draftee physical.

School nutrition, what kids have for lunch is not what we are about. We are about reforming the welfare system so people can go back to work and earn their own way.

We give more State flexibility in the Deal bill than anybody does. Right here, provisions, AFDC benefits, State option; mandated in H.R. 4. Families, States option, mandated in H.R. 4. Child support pass-through, State option for Deal, mandated in H.R. 4.

It is ironic that on the day the President signs the unfunded mandates legislation, which many of us have been working on for 2 or 3 years, and again we thank the majority for bringing that to the floor, that we have seen a bill now come before the floor on welfare for mandating to the States many of the things that we leave to State flexibility on the wonderful theory that many Republicans have professed through the years that local people know best.

We have work first. We give States flexibility in how they do that, and we do one other thing for those people that are just barely getting by and they are working, they are living by the rules, playing by the rules and that is this: We include public assistance for purposes of taxable income on the basic fair theory that a welfare dollar should not be worth more than a work-earned dollar. We are the only plan that does that.

Now we have, many of us who have been voting for some of the contract provisions as conservative Democrats, have asked some of our moderate Republican friends to join us on the theory, as the gentleman said earlier tonight, neither party has a monopoly on wisdom and virtue, and I think anybody who does not subscribe to that theory is fooling themselves. We asked for some bipartisan support on our plan. The Deal plan is the best plan in this Congress. You would not have had to have all of these amendments today you have had to put up. It is already in our package, if you would just give us the same consideration you ask from time to time from us, and it would be bipartisan. Come on over, read the Deal bill. If you have not, you ought to, because what we do in this substitute is exactly what many of you all have professed you want to do, and that is bring back the dignity of work to the American people and help them get off of welfare.

That is what welfare reform is about. We can talk all night about whether there is a cut in the child school lunch program or not. It does not have much to do with helping someone get back to work, an adult, and that is what we try to do, and that is what we will do. And we know this: Real welfare reform has to be a Federal-State partnership and you cannot just block grant it and say States, here is some money, do the best you can with it. That will not work. That will not put people back to work. And that is why we got this letter today from the United States Conference of Mayors. They know what is going to hit them and they do not have the equipment or the ability to handle it, quite frankly, and you cannot just say block grant it and let the States do it any way they want to.

We do, and we enter into a true Federal-State partnership and we clean up the mess here in Washington in the Deal bill before we turn it over to the States. And I believe, and I would ask everybody here to read our bill and to give us serious consideration tomorrow.

I think you will find it is by far the best approach.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I want to pick up on the comments of the last speaker. I think it is important to note that the gentleman from Tennessee thanked the majority party for getting the unfunded mandates legislation to the floor of the House as has the majority party brought welfare reform finally to the floor of the House. And I will say this to my moderate Democrat friends over there, that we are glad you have a plan.

I was real disappointed when the President decided to end the welfare debate as we know it by not offering a plan. I thought he was going to end welfare, but it was just end the welfare debate. So I am glad you all have stepped in and filled what is obviously a leadership vacuum and tremendous void over there both from the White House and I would say the party leadership. I am glad to see the Deal plan is on the floor. A lot of a good aspects on the Deal plan, a lot of good aspects in it and I am looking at it.

Favor H.R. 4 though. It is a bill that offers hope and independence and opportunity for people. I think it is important.

Today I had an opportunity to meet a lady named Felicia Patterson from Savannah, GA. She had been on welfare. She is right now living in public housing and she has now got a job. She is independent, she is raising three children. She is asking for a little help on something that to my knowledge the Deal plan does not address, H.R. 4 I hope will address in the future. It is something I think both parties ought to come back and work on and that is the subject of rent reform.

You know in a public housing unit when somebody is making money, as Ms. Patterson is, and their income goes up, their rent goes up, so what they find themselves doing is running faster just to stay in place; and in a situation where they get married or the father decides to live at home, they get thrown out completely. Or if, as in Ms. Patterson's case, you have a 16-year-old child who wants to go to work but knows that all of the money is just going to go to additional rent, it is kind of hard on them. We have to make it so that the transition to getting off of public assistance in its entirety is a little bit smoother.

Now the Republican plan has a lot of flexibility. It allows States to work with people like Ms. Patterson and it grants some waivers, and I think stuff like that is important. I will not say it is totally complete. But all of these bills we are going to have to come back. After all, the current welfare system is one of despondency and dependence probably as a result of 40 years of negligence and political payoffs and so forth. We did not get here overnight. We got here slowly. And we are probably going to pull out of this thing slowly.

The thing I do like about the Republican plan is it consolidates 45 different welfare programs into 4 flexible block grants. Anytime I her the idea of eliminating duplication of consolidating Federal programs I get excited, because as a member of the Committee on Appropriations, I cannot tell you, Mr. Speaker, the number of government agencies that come in day after day, doing the exact same thing, but have a little bit different title, and of course it is a tad bit different turf and they are all saying please keep us alive, we are the only agency that can deliver such service. That is not true. The Republican plan consolidates services, it consolidates a number of different things that will free up money by eliminating bureaucrats' jobs and free up money to help create more flexibility to States, and lowers the tax burden for taxpayers so that the private sector can go out and create jobs.

One of the aspects I like about the Republican plan is the idea of requiring work. I think that that is important because we have got to give people the opportunity to end the cycle and become independent, and have that hope that you and I have when we get our paycheck and buy our own car and buy our own food and put a down payment

on a House and so forth. I think all of that is very important.

The other thing that I like about it, I am not sure if the moderate Democrat plan addresses it or not, but illegal aliens, one of the problems particularly in California, Texas, and even in Georgia, we have 28,000 illegal aliens. This restricts benefits to illegal aliens. I am sick and tired, as I know my constituents in Georgia are, of going out and earning a living and then seeing a percentage of your paycheck go to people who are illegal aliens who have never paid American taxes and do not even have proper citizenship cards. I am glad to see the Republican Party addressing that.

Stopping the welfare payment and the new benefit for having a baby, we have interviewed people who have said listen, there is in fact to some women out that and some people a motivation to have an additional child if they are going to get paid for it.

These things, Mr. Speaker, are addressed in the Republican plan. I think it is a good plan. We will look at the Deal plan; I think it has some good aspects, but I hope you all will look at ours.

WELFARE REFORM

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

Mrs. THURMAN. Mr. Speaker, we have another chart and I am glad to know that the gentleman is looking at the Deal plan because I think that that is very important, because I think it does do many of the things that the gentleman talked about, particularly in simplification, folding in waste, fraud and abuse. We are all trying to meet that same criteria. I think where we really get into the fights is over some of the funding issues and specifically because of some of the entitlement issues.

But I heard some remarks tonight that I really took exception to and that was that some of us may have lost or gotten into the Beltway kind of feeling up here. Let me tell you, I have never done that and I can tell you that the people that work in my office every day are out there helping people every day with problems that they have. So I am going to give you some facts, and some real-life situations, and not just about numbers, first of all, and then I am going to go to the numbers.

Mr. KINGSTON. Mr. Speaker, if the gentlewoman will yield, I will never accuse you of being an inside-of-the-Beltway person because I fly home with you every weekend. I will say this: I hope you tell some of the stories to the leadership in your party who do tend to be a little bit more inside the Beltway than someone like yourself.

Mrs. THURMAN. I think we can all take some credit for that, and I will leave it at that. I want to talk about a man and woman who live in Horsehoe Beach, Thomas and Pam Wright, and they have five children, four of which are of school age. Tom was a long distance truck driver who made $600 to $800 a week. He was diagnosed with diabetes and can no longer be certified as a truck driver and now is working as a security guard, and he makes $200 a week and he is now receiving $230 per month in food stamps. He does not like where he is at, but he does not know what to do if this is cut off.

Danielle Plummer, a 30-year-old single mother living in Holder, FL considered herself lucky because she inherited a 40-year-old A-frame house which was paid for. So she does not have to pay rent anymore. Imagine that.

Miss Plummer recently lost her job at a McDonald's restaurant because she lost her source of transportation and if you know where this area is of Florida, there is no transportation. She receives $212 in food stamps and $214 in AFDC monthly for her 10-year-old daughter. Miss Plummer has been in and out of court fighting for child support and cannot receive benefits owed for her daughter.

□ 2200

She admits welfare is not where she wants to be, nor is it where she plans on remaining. However, when I asked her what she would do if her assistance she now receives was suddenly discontinued, she said, "I don't know. My God, how would I take care of my daughter?" Those are real people. Those are people that live in my district.

But in the Deal plan, I was asked to look at some situations as how the purchasing power, and I will admit, you do go up 2 percent for purchasing power for food every year, but what happens is that that power actually goes down. And this is what happens here.

In the Deal plan we keep 102 percent, the safety net, very safety net. This is the package that President Nixon and President Ford worked on, and they said, "We have got to have a thrifty food plan. We have got to make sure there is a nutritional program out there," kind of like we do with food and breakfast and those kinds of things, that very basic nutritional need. What happens is, if you look at what happens traditionally in food prices, they have gone up 3.4 percent every year. In your plan it goes up 2 percent. So what we are doing is we are notching that down every year, and not leaving it so people get good nutritional value. This is what happens.

Deal leaves it 102 percent. Republicans, under H.R. 4, actually, as you see it, it declines. So think about it this way, think about this woman who is on food stamps who has to go to the grocery store next year, because she does not have a job, she is trying, she is trying to do all the right things to raise her daughter, she goes to the grocery store, and now all of a sudden she has got to start pulling food out of the bag, because she cannot afford to keep up with prices as they have increased. It may mean a loaf of bread. It may mean some eggs. It may mean that milk. It may mean one of those basic nutritional value foods that we talk about.

And that is what you are going to end up doing here.

Now, let me tell you about Michael and his family to finish this. Well, I do not have time, but let us just remember in this debate, this is not about numbers. This is about people with real problems, and we need to be careful.

IN SUPPORT OF THE DEAL SUBSTITUTE BILL

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentlewoman from Arkansas [Mrs. LINCOLN] is recognized for 5 minutes.

Mrs. LINCOLN. Mr. Speaker, I would certainly like to say to my colleague from Georgia and the others over there that, yes, we do thank your leadership for bringing up some of these issues that we have worked very hard on over the past 3 years. And I guess I can say that, as a newer Member, I also think it is important that we shed our pettiness in terms of who is bringing up the issues and look more at what is happening to the American people. I think that is one of the objectives that I and many of the other colleagues that I have shared this bill with, the Deal substitute bill, in trying to put people above politics, and that is a very important issue that we have to do right now.

Mr. KINGSTON. Will the gentlewoman yield?

Mrs. LINCOLN. I yield to the gentleman from Georgia.

Mr. KINGSTON. I thought it was the Democrat chart that had a T shape on our plan versus your plans. I was only responding to your plan.

Mrs. LINCOLN. I just think it is very important for the American people to know our group and the bill that we have produced is very nonpartisan. It is a very practical bill. It is very realistic. And we are here because we want to put people before politics. That is what is important, taking the American people, looking at what their needs are.

Tomorrow we will have the options of looking at the bill offered by the gentlewoman from Hawaii [Mrs. MINK], the Deal bill, and the Republican Contract bill.

We have worked hard. We have produced a bill that is really realistic in terms of what it does for the American people and in terms of what it does for this Nation in long-term getting people

off of welfare, and that is what we want. We do not want to just throw them off of welfare. We want to get them off of welfare, get them off of the generational dependency and put them into a constructive, contributing life style.

People have a tendency really to ignore the voice of reason, and I think really that is what we have got to present in the Deal bill is real reason, looking at what people need to survive and to become independent.

It is time that we finally hear what that voice of reason is. We have talked about priorities tonight. Are you going to talk about food and making sure children get fed, or are you going to talk about $20 billion to $40 billion of increases in military spending? Are you going to talk about putting people back to work and giving them the opportunity to provide for themselves? That is what is important. We have got to look at where this Nation is spending its money.

In terms of percentages, if you look at the money we are spending on both military, on interest, on the debt, the talks we have had here tonight in terms of nutrition, less than 0.1 percent are a drop in the bucket in what we need to do, and our voice of reason, the Deal substitute, puts more people to work than the alternative bills that will be offered tomorrow.

The Deal substitute is the only one that devotes its entire savings to deficit reduction, and if you are serious about deficit reduction for your children and your children's children, you have got to realize that we have got to put those savings toward deficit reduction. We realize the same amount of savings roughly that the Republican plan does, but we direct our savings to deficit reduction, because we are worried about the future of our children, not only in welfare reform, but also in deficit reduction.

The Deal substitute recognizes that it is impossible to work without proper job training and child care. You cannot ask a single mother to work for her benefits if she has nowhere to take her children.

And, yes, you are right, the family structure in this Nation is deteriorating, and that young woman does not have the support network of a family, a grandparent or a parent to look after that child. She has got to depend on some child care, and we have got to provide it, and we do in the Deal substitute. We not only provide it, but we pay for it, and that is an important part of what we do.

The Deal substitute identifies the problems that have been created in the crazy checks abuse, and it solves the problem. I have seen a tremendous amount of that problem in my district, and I have been working hard over these past years to look for a reasonable solution that does not throw out the baby with the bath water. It does not put that child with cerebral palsy out on the street, but it makes sure the disabled children, especially those that are multiply disabled, are going to be helped, but the ones that are abusing the programs, those loopholes will be closed.

The Deal substitute is the only one that sets a 2-year lifetime limit on welfare benefits, the only program that is going to be offered that sets a 2-year lifetime limit.

We give the States the option of extending benefits for 2 more years with community service, and that is what we have heard from most people is that the States know better how to craft and to recraft those programs to get their people back into the work force.

The Deal substitute gives States more flexibility than any other proposal without passing massive costs on to the States, no unfunded mandates. We do not produce the unfunded mandates, because we know it is unrealistic, and in the long run it will not work.

The Deal substitute does not demand family caps. Instead, we give that flexibility to the States, that option of denying additional benefits to mothers who have more children while on welfare.

The Deal substitute includes welfare benefits as taxable income. It is the best alternative you are going to get, and I encourage my colleagues to support it.

WELFARE REFORM AND DEFICIT REDUCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. HAYWORTH] is recognized for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, it is good to see my good friend from Ohio in the chair tonight.

At the outset, I yield to my good friend from Georgia for a moment.

Mr. KINGSTON. Let me say one thing about the Deal alternative. I do agree, Mr. Speaker, with the previous speaker. It is the best alternative that is out there, not as good as H.R. 4, the Republican plan, but in terms of an alternative, I agree that the moderate Democrats are showing some leadership over there, and I hope maybe you can inspire your official leaders to show some leadership, too.

One thing though I do want to say about the Democrats' newfound interest in deficit reduction is that, you know, for since 1969, the Democrats have controlled the House, and each year we have a new debt. Now, I say since 1969; that is the last time we had a balanced budget, but year after year the deficit has gone up.

But I say this: It is a Republican and a Democrat obligation to address it, because I believe both parties created the deficit, and I am glad now that both of us are talking about it, and let us have this one-upmanship. Let us see who can top each other's deficit-reduction plan. That is what two parties are all about.

Mrs. LINCOLN. Mr. Speaker, will the gentleman yield?

Mr. HAYWORTH. I am happy to yield to the gentlewoman from Arkansas.

Mrs. LINCOLN. I just wanted to reemphasize the fact if we are really truly talking about deficit reduction that all of what we have been talking about in terms of cuts, rescissions, and certainly in the welfare reform and the moneys that we can save should be going to deficit reduction, and I would certainly encourage the gentlemen when those amendments are offered and certainly when we talk about the lockbox aspects of putting those moneys towards deficit reduction, that we will see that.

Mr. HAYWORTH. Reclaiming my time, I note with interest the gentlewoman from Arkansas preceded me in this Chamber by one term, part of the 103rd Congress, I know not her voting record personally, but I do not know the former majority is on record as voting for the largest tax increase in history, a tax increase which hit so many Americans in the wallet as to be just grossly unfair, and went on with the gasoline tax the average impact of which being in excess of an average of $400 per year in additional energy payments for every family in America, regardless of their socioeconomic status. So I would contend with the lady and my other good friends on the other side of the aisle, I do not believe we can tax ourselves to prosperity, and nor, although there are certainly some noble aspects to the notion of a deficit lockbox, I believe we have to return the money to the people who earned that money in the first place.

If I could speak for just a few moments on the 5 minutes I have, I thank my good friends on the other side for their restraint. I would also add that I certainly welcome tonight's meaningful dialog in stark contrast to the hysterics we heard earlier today.

I mentioned that earlier today during the debate I cannot for the life of me understand why anyone from any political party would choose to compare their opposition to the Third Reich of Nazi Germany or to slave holders. I believe that was inexcusable, but I welcome certainly the tone tonight which has changed.

You and I just happen to have a difference of opinion. I think we also have a different interpretation on some of the numbers, but let me yield in the interests of fairness to my friend from Arkansas.

Mrs. LINCOLN. I just want to say that we have also seen three consecutive years of deficit reduction. I would just like to encourage the gentleman

to make sure that he knows that there are those of us who are speaking out for deficit reduction.

Mr. HAYWORTH. Reclaiming my time, I would point out that deficit reduction came at the expense of hard-working taxpayers who would like to keep more of their money in their own pocket, and if we cut taxes and cut the deficit and build this economy, then that will be the answer for everyone including those trapped right now in the prison, if you will, of welfare, and a system that is broken, and we all agree is in need of some radical change.

We asked for that type of change, and that is what we are working to do with your majority bill, H.R. 4. We welcome your thoughts on it, but we would ask you to take a much closer look at the numbers you purport with reference to the Federal lunch program. One is tempted to recall the words of our good friend from California, "There you go again," not talking about the real numbers. We call for increases in the school lunch program of 4.5 percent over the next 5 years, an increase over 5 years of $1.1 billion in expenditures, and we are getting the job done while we are hearing a lot of rhetoric.

Ms. PELOSI. Mr. Speaker, will the gentleman yield?

Mr. HAYWORTH. I yield to my friend, the gentlewoman from California.

Ms. PELOSI. I thank the gentleman very much.

I would like to reference your remarks where you just said there was an increase in school lunch program, and I want to, and I appreciate the time to respond to that, there is not an increase in the school lunch program. There is a cut.

Mr. HAYWORTH. The gentlewoman has to understand how on Earth can you increase a program, now, in fairness, if you are saying there is a reduction in anticipated increases, I would certainly contend that is an interesting way to define a cut.

Ms. PELOSI. I wish the gentleman would wait until my time so we can continue.

THE CURRENT WELFARE SYSTEM DOES NOT WORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. PAYNE] is recognized for 5 minutes.

Mr. PAYNE of Virginia. Mr. Speaker, I would like to talk about something that I think we all agree upon. There has been a lot of discussion, a lot of debate today, and it seems that one thing that we do agree upon is the current welfare system simply does not work, and instead of requiring work, it actually punishes those who go to work. Instead of instilling personal responsibility, it encourages dependence on the Government, and instead of encouraging marriage and family stability, it penalizes two-parent families and rewards teenage pregnancies.

We all agree welfare must be drastically changed, and that welfare should only offer transitional assistance leading to work, not leading to a way of life.

Now, I am one of the cosponsors of the Deal substitute, and we are committed in our bill to making some pretty major changes. Our bill is the only bill that will be considered which ensures that its savings are used for deficit reduction.

Now, I think that is an important goal that many of us share, and our bill is the only bill that ensures that our savings will be used for that purpose. We support welfare reform that emphasizes work. It emphasizes personal responsibility. It emphasizes family stability.

The Deal substitute imposes some pretty tough work requirements while providing opportunities for education and training and for child care and health care to support working people.

□ 2215

It provides States with the resources necessary in order for welfare reform to succeed without shifting costs to local governments or without creating unfunded mandates, and it gives the State the flexibility to design and administer welfare programs they need without sacrificing accountability of the Nation's taxpayer's dollars. We believe that real welfare reform must be about replacing a welfare check with a paycheck.

The Deal substitute's time-limited work first program is designed to get people into the work force as quickly as possible by requiring all recipients to enter a self-sufficiency plan within 30 days of receiving their benefits.

The Republican welfare bill allows recipients to receive cash benefits for up to 2 years before they are required to work or even to look for work.

The Deal substitute also encourages welfare recipients to leave welfare for work by providing adequate funding for safe child care and by extending transitional medicaid assistance from 1 year to 2 years.

The Deal substitute provides the necessary resources for welfare recipients to become self-sufficient, but it also requires recipients to be responsible for their own actions by setting clear time limits on benefits. No benefits will be paid to anyone, and this is extremely important, no benefits will be paid to anyone who refuses to work, who refuses to look for work or who turns down a job.

In addition to making individuals responsible for their own welfare, we demand that both parents be responsible for their children. The Deal substitute includes the toughest child support system ever to make sure that the noncustodial parents simply don't walk away from the children that they helped bring into this world.

The sponsors of the Deal substitute recognize that in order to reform welfare States must have the flexibility to design and administer welfare programs that are tailored to their unique needs, to the unique characteristic of their States. And we believe that States should not have to go through any cumbersome Federal waiver process in order to implement innovative reforms in their welfare programs.

The Deal substitute, in fact, puts into place a Federal model for the work first program, but it really encourages States to develop their own work programs. And, unlike the Republican bill, the Deal substitute does not remove some existing mandates only to replace them with different mandates regarding payments for children born on welfare or payments to teenage mothers.

I believe that the Deal substitute offers the best approach to welfare reform. It takes a tough approach by setting time limits, and it requires people to be responsible for their own actions. It provides the necessary resources for welfare recipients to realistically achieve self-sufficiency, and I believe that the Deal substitute is the only welfare reform bill which gives the American people what they really want, which is a plan that makes work the number one priority, individuals responsible for their own actions, and welfare reform that gives the States the flexibility they need.

I thank the gentleman. I am sorry I am out of time.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WATERS] is recognized for five minutes.

Ms. WATERS. Mr. Speaker, I have said maybe on two occasions today that this is one of the most important debates that this 104th Congress will be engaged in, and it is important for us to understand what we are about to do here.

I know there are a lot of unhappy folks in this country, unhappy about the fact that there are too many families and too many children on welfare. I know that most people want change.

We must be fair in our representations about who wants change. Republicans want change. Democrats want change. Workers want change, and recipients want change. I think it is one thing that we can agree on.

No one has the corner on wanting reform. We would all like to see reform in the system, and it is absolutely incorrect to say that the President or Democrats did not have a bill, did nothing about reform.

The President had a comprehensive piece of legislation that he attempted

to get into this Congress, the 103d Congress, and we got caught up in the health debate, and it turned into a nightmare, and there was not the opportunity to move on welfare reform as the President had planned. So it is not true that the President did not want welfare reform.

The difference between the Democrat and Republicans is the question of implementation. How will we do welfare reform? Will it be a plan that will offer real opportunities for people to get off welfare or will it simply be a plan to punish folks because for whatever reasons they have found themselves on welfare?

I think it is time for us to try and speak about this in a language that the American public can understand. No, they don't really understand block grants and waivers.

Let's put a face on this discussion. We are talking about, for the most part, just plain old poor people and working people. We are talking about people, some of whom were born into situations through no choice of their own that keeps them locked into the cycle of poverty, and there have been no real guidelines, rules by which they can get out of the cycle of poverty.

We have some folks who work everyday, and they are poor. They can't take care of their families. They need food stamps. They need some help with their health care needs.

And so these are real people. These are not pawns that should be used by politicians to gain favor with people who are very vulnerable at this time. This should not simply be a political issue where some politician stands up and says vote for me. I am going to save you money. I am going to get rid of all these bad people.

And we should not have politicians simply defining all of America's problems by talking about the welfare state. And we certainly should not have politicians who talk about taking America's children and putting them in institutions, in orphanages.

We need to talk about these problems in a real way. Yes, there are teenage pregnancies, too many of them, and most of us don't like the idea that babies have babies. But we live in a society where sex is glamorized, where it is promoted, where it is expected. In order for young women to be looked upon with favor, they must be sexual. Young women are sought after by young men and old men, some of them in their neighborhoods, some out of their neighborhoods, some of them who are poor young men who have not very much to offer, some of them politicians and others. We know what is going on in American society.

We need sex education. We need jobs. Jobs have been exported to Third World countries for cheap labor. We need jobs for educated people and not-so-educated people. We need a better education system. We need to deal with the root causes of this problem, and we need to build into welfare reform the real opportunity for people to become independent by offering real jobs, job training and child care.

The SPEAKER pro tempore. The gentlewoman's time has expired.

FOOD ASSISTANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, this is a sad day in American history. The Republican Majority, with brute and brutal force, has begun a process to undo a half century of laws—laws that have taken this Nation from the depths of depression and malnutrition to soaring heights of health. This process threatens the very strength of America. Federal nutrition programs were first started when it was realized that many of those poor upon whom we depended to join the military and defend us came to the job undernourished and poorly fed. If they could die for America, we reasoned, we should feed them while they were young.

This Personal Responsibility Act is irresponsible. It is irresponsible, for many reasons. I want to share five of those reasons with you. First, this Bill penalizes children. It penalizes children because, beginning immediately, fewer children than we now help and who need our help, will be helped. More than fourteen million children will receive less in food stamp benefits. More than six million children, born to younger mothers, will be denied benefits altogether. More than three million children, who do not know their fathers, will get reduced benefits, through no fault of their own. But, worse yet, more than 700,000 of those disabled children who received benefits last year will not receive benefits next year, under provisions of this Bill.

The Republican Majority will say they are making the system more efficient. The children born to children, without fathers and with disabilities, will simply suffer.

Second, this Bill has unfair work requirements. Because it does not clearly define the amount of compensation for the requirement to work, it could mean eighty hours of work for sixty-nine dollars in benefits—less than a dollar an hour. That is not fair. That is not just. That is not humane. At the very least, forced labor should require payment of the minimum wage. The Republicans will say that these workers may get a package of benefits worth as much as ten thousand dollars a year. That is deceptive. What about those who do not live in public housing? What about those who do not receive Medicaid? What about those who only get food stamps? What about child care costs? Those recipients will be forced to work for compensation far below the minimum wage. That does not encourage self-sufficiency. Third, the Bill puts people off welfare, without putting them to work.

Time limits for benefits, without job opportunities will not work. If an individual is able to work, we must insure that a job is available. Fourth, reasonable child care options should be a part of any work program. The Majority recognizes this by offering an amendment to increase the amount of money in the Bill for child care. But, the amendment falls far short. Under the Bill, there is a twenty percent cut in child care, affecting some 400,000 children. The amendment, if it passes, will put a small dent in those affected children. And, finally, but certainly not least, The Personal Responsibility Act creates block grants out of federal food assistance programs, thereby shifting the burden of nutrition programs to the States. Instead of one nutrition standard, we will have fifty different standards. Instead of promoting our children-our future-we punish them.

Mr. Speaker, the Republican Majority has the votes to force this Bill upon the American people. But, what they want and what we want are clearly different. They want block grants. We want healthy Americans. They want cheap labor. We want fair labor. They hurt children. We want to help children. They call the seventy billion dollars in benefit reductions "savings". We call them "cuts". They want to use that money to give tax breaks to the wealthiest Americans. We want to use that money to give a break to the children of America. They want change. We want change. Their change is mean and cruel and will cause misery. Our change is for improvement. We want to put people to work, get them off welfare, prevent teen pregnancy, nourish infants, feed needy children and prepare our young for a productive future.

When the record of this period in our Nation's history is written, we want it said that we took people off welfare and put them to work, at a livable wage. We want it said that we fed children in their stomachs so that we could feed them in their minds. We want it said that while some wanted to hurt the people, reason prevailed, and we helped the people. I urge my colleagues to reject the Personal Responsibility Act. It is irresponsible.

□ 2230

CHILD NUTRITION IN THE WELFARE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. CLYBURN] is recognized for 5 minutes.

Mr. CLYBURN. Mr. Speaker, I stand here today utterly and totally appalled

by what I am reading in the bill H.R. 1214, the so-called "Personal Responsibility Act."

If this bill passes, and it just might—judging by the rapid-fire way this and other ill conceived "Contract With America"-inspired legislation is making its way on and off the House floor—the GOP itself should be held "personally responsible" for creating a measure that could create the specter of millions of hungry American children.

Let us take a close look at what will be cut and, if I may, let us use South Carolina as a case study on just how these cuts will affect some of the nation's neediest children.

First, the bill proposes to cut almost $70 billion over 5 years in low-income assistance programs. As a part of these cuts, the bill will end the entitlement status of all federally funded child nutrition programs in lieu of State block grants, for the States to do what they will.

On the surface, this may sound like big government savings. But a closer look at this bill reveals that these savings are being made at the expense of our children.

On the chopping block are school breakfast and lunch programs, summer feeding programs, the special milk program and the commodities portion of school nutrition programs.

In South Carolina alone, the absence of the school lunch program could mean that 400,000 children will be denied what may well be their only balanced meal of the day.

Further, the bill repeals the Supplemental Nutrition Program for Women, Infants and Children, better known as WIC.

In South Carolina, the WIC caseload is close to 124,000. WIC has been proven to be highly successful in meeting nationally standardized nutritional needs of women and children.

All totaled, South Carolina would receive $96 million less in Federal funding for the school lunch and WIC programs.

Also on the cutting board are food stamps. This bill will cut spending by $20.3 billion in the Food Stamp Program over 5 years. This portion of the bill would impose a rigid cap on food stamp expenditures, with no adjustments for inflation. It would also require certain recipients to go to work without providing any funds to States for job creation.

This portion of the bill would affect over 350,000 food stamp recipients in South Carolina and the State would receive $174 million less in Federal funding for food stamps over 5 years.

Mr. Speaker, I have had a steady stream of visitors to my office in the past few weeks—bipartisan visitors—from the South Carolina PTA, the South Carolina Guidance Counselors, the South Carolina Food Service Association, the South Carolina Dietetics Association—people who are horrified at what this bill contains because they know first-hand what the true affects would be on children if this measure were to pass.

What is the impetus behind the GOP trying to pass a measure that has raised the ire of such diverse groups as the National School Board Association, the United States Conference of Mayors, the American Heart Association and the National Education Association?

Why are they so bent on passing a plan that would literally take food out of the months of the Nation's young?

It is not secret that Republicans intend to use the revenues raised from cuts to welfare programs to pay for tax cuts for the wealthy.

Well, this "steal from the poor to pay for the rich" Robin Hood-reversal scheme has come under fire from all corners.

And the fact of the manner is, even though the Republicans would like to pretend that welfare mothers and their children are the bane of the Federal budget, the realities do not bear them out.

For even if the entire welfare program were totally cut today, it would make only a dent in deficit reduction.

So, this mean-spirited attack on welfare, and in particular, this hatchet job being waged against child nutrition program, is totally unnecessary and will not make any significant cuts in the Federal budget.

Mr. Speaker, when this 104th Congress began, much reference was made to the orphanage heralded in the movie "Boys Town" as a model for the Nation on how to deal with children born to poor mothers.

Now, the Draconian measures proposed in this bill brings to mind another movie image, that of young poor and hungry "Oliver Twist," his small child's hands cupped, standing before a scowling orphanage director, piteously pleading, "More, sir?"

SACRIFICES IN THE PERSONAL RESPONSIBILITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. OLVER] is recognized for 5 minutes.

Mr. OLVER. Mr. Speaker, we have debated for many hours today on the welfare reform bill, the so-called Personal Responsibility Act, and it is a very important piece of legislation indeed.

The Republicans say that this bill is about sacrifices. And indeed there are going to be 5 million families, and in those 5 million families there are 9.5 million children who are indeed going to make some sacrifices. Because for each one of those families, for each of the next 5 years on average, they will use nearly $2,000 worth of income and food and care for children while the parents go to work and care for abused children and such.

And every one of those 5 million families has under $15,000 of income at the present time from which they are going to sacrifice at least $2,000.

Why are we doing that? Is it to balance the budget? No, not even the first step on that. Not a single economist of some 20 or so, mostly chosen by the Republican majority for their willingness to say what the majority wanted them to say, not a single one of those economists supported the tax cut as a way to get about balancing the budget.

Is it to reduce the deficit? Well, here is a chart that shows indeed what the deficit is and what it has been over a period of time. And you can see this massive deficit that was built up during the Reagan years and the Bush years, year after year, after many years of nearly balanced budgets and then slowly rising, but this huge deficit in the Reagan and the Bush years, year after year after year.

But, no, it is not going to reduce the deficit. Because after the amendment that we adopted today which allows the savings to come from the welfare bill, the welfare reform bill, those savings are not to be used for reducing the deficit. They are, in fact, to be used to give a massive tax cut to the richest among us.

Fifty billion dollars of monies from families, from the 5 million families with under $15,000 a year is going to be transferred. Fifty billion dollars is going to be transferred to the 2 million families who have now presently over $200,000 per year. Each one of those families is going to see almost $5,000 per year for the next 5 years on average of tax reductions.

Now, where is the sacrifice here for those 2 million families who presently make over $200,000 per year under the present tax laws? Where is the sacrifice there? I know, if you hadn't already guessed, there is not a single family of a Congressman or Congresswoman who is going to be sacrificing a penny in that process.

And what are we as Americans going to be gaining from this? Are we going to get growth in the economy by putting people to work or a lower unemployment rate?

Well, every time the economy looks as if it is going to take off and grow a bit or the unemployment rate goes below 6 percent, the Federal Reserve Chairman, Alan Greenspan, raises the interest rate to cut the growth rate and to put people out of work.

Where is the sacrifice for all of those 2 million families that are going to be given $50 billion in tax cuts that is going to be taken from the 5 million families and their 9½ million children, families that have less than $15,000 a year of income?

Well, there is a sacrifice here ultimately, even if it is a little hard to see.

And it may take a few years to see it, and it comes in crime particularly.

Because we are going to see in a few years down the road thousands more people in prisons, prisons that cost $60,000 a cell to build and $20,000 to maintain a prisoner in one of those cells. We are going to see more drive-by shootings and more thefts and robberies and house breaks and drug abuse and sales of drugs. And it will only take a few more years. That is a few years down the road.

In all of my years in the legislature of my State, and there were quite a number of those, and my few years, 4 years now, in the Congress, that is the most vicious and the most far-reaching attack on children that I have ever seen, and I have seen more than a few of those in my years in government.

Because whenever you need to cut revenues, whenever you need to cut expenditures, children are targeted. They can't fight back. They can't vote.

But some of us are going to fight back for them.

SCHOOL LUNCH PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, yesterday I visited or 2 days ago I visited in Sheffield Lake in Lorain County in my district the Tennyson Elementary School to see the School Lunch Program up close and to talk to students and teachers and parents and administrators and cafeteria people.

I was taken around by a couple of third graders, Will Emery and Zach Russell, and met with lots of students, Jennifer Ward and her two sisters, who had some things to tell us, with Mrs. Armstead, the principal, and with several other people that all agreed on one thing. People, whether it is from a PTA or from school administrators or teachers or parents, the one thing they agree on about the School Lunch Program is that if it ain't broke don't fix it.

And perhaps I shouldn't use grammar like that talking about a grade school, but when you think about all the talk, that the Republicans say it is block grants and the Democrats say that these are very real cuts as they are about nutrition programs for children and about school lunches, the fact is, as my friend from North Carolina [Mrs. CLAYTON] said a few minutes ago this has been a program in existence for 49 years.

It works. There is simply no reason to fix something that is not broken. It is a government program that works. It is for the future of our children.

Why mess with it? Why make these radical, divisive kinds of changes that Republicans are suggesting about school lunch? It simply doesn't make sense.

PRESSLER AMENDMENT

Mr. BROWN of Ohio. I would like, Mr. Speaker, to shift gears and talk about another matter, different from the school lunch issue that people have been debating tonight.

In 10 days, the Prime Minister of Pakistan, Benazir Bhutto, is coming to Washington to meet with the President.

Business Week magazine reports that one of Bhutto's key goals in courting President Clinton is to ease enforcement of the Pressler amendment. The Pressler amendment, Mr. Speaker, prevents Pakistan from obtaining 60 F-16 fighter jets.

The Pressler amendment made good sense when it was enacted, and it makes better sense today because of the political and social upheaval that is wracking Pakistani society and threatening the stability of the Bhutto government.

Pakistan is in a chaotic state. Just in recent weeks, we have witnessed:

The murder earlier this month of two American diplomats in Karachi;

A show trial in which two Christians, one of them a 14-year-old boy, were sentenced to death for blasphemy against Islam and narrowly escaped Pakistan with their lives; and

A stunning piece of journalism by the New York Times Pulitzer Prize-winning reporter, John Burns.

Mr. Speaker, I will include in the RECORD the article from the New York Times by Mr. Burns.

At considerable risk to himself, John Burns has traced a good deal of the world's terrorist activity to the University of Dawat and Jihad in Peshawar, Pakistan. Roughly translated, it is the University of the Community of the Holy War. It is simply a school for terrorism.

According to Mr. Burns, "Just about everyone has a hidden Kalashnikov assault rifle."

The university is a haven for Muslims militants from throughout Asia and the Arab world. The University of Dawat and Jihad is under investigation as a possible training ground for terrorists who have struck in the Philippines, Central Asia, the Middle East, North Africa and now investigators believe the World Trade Center bombing in New York 2 years ago.

Burns says that the area in and around Peshawar represents, "One of the most active training grounds and sanctuaries for a new breed of international terrorists."

According to high-ranking U.S. diplomats, students are taught that the Islamic renaissance has to be born out of blood and by only striking at the West will Islam ever be able to dictate events in the world and events have been dictated up to now by the West. Burns says intelligence reports in recent years have suggested that militants trained here have taken part in almost every conflict where Muslims have been involved. For instance, the Philippines, where there was an attempt on Pope John Paul II's life; the Middle East; of course, Bosnia; Tajikistan; and certainly in Kashmir, where the Kashmiri Pandits have been the target of ethnic cleansing carried out as part of a campaign of terrorism.

□ 2245

Pakistan supporters cite the threat posed by Islamic terrorists as a reason not to pressure from us the Bhutto government. But then they turn around and say that Pakistan is a stable government and that the extremists represent only a tiny fraction, a tiny minority of the population.

Mr. Speaker, I do not believe that supporters of Pakistan can have it both ways. We should insist that Prime Minister Bhutto stand up to Islamic extremists and repeal the biasphemy laws that are the method of choice for abusing the human rights of Christians and abusing the human rights of other Pakistani minorities.

We should insist that Pakistan bust up the terrorist network operating on Pakistani soil, a network that is spreading violence and frustrating political solutions throughout South Asia, the Middle East, North Africa, and even here in the United States.

We should insist that Pakistan crack down on extremists. And, Mr. Speaker, in closing, until Pakistan demonstrates that it is ready to participate in the world community as a responsible player, any consideration of waiving the Pressler amendment must simply be out of the question.

The article referred to follows:

[From the New York Times, Mar. 20, 1995]

A NETWORK OF ISLAMIC TERRORISM TRACED TO A PAKISTAN UNIVERSITY

(By John F. Burns)

PESHAWAR, PAKISTAN, March 19.—Glimpsed from a taxi, there is nothing obviously sinister about the University of Dawat and Jihad. Like much of the sprawling Afghan refugee camp that surrounds it, the campus crouches unobtrusively behind high walls of sun-baked clay. Beyond a guardhouse, clusters of young men in Afghan tribal garb move about languidly.

The scene could be anywhere in this tense and often lawless region along the frontier with Afghanistan. There is no police presence for miles around, and no sign of any other Government authority. In the bazaars that line the road running past the university, the name of which translates roughly as "University of the Community of the Holy War," just about everybody has a hidden Kalashnikov assault rifle, and a sharp eye for anything deemed intrusive, especially Westerners.

But nothing in this atmosphere of suspicion and imminent violence compares with the university, which for years has had a reputation as a haven for Muslim militants from Arab and Asian countries. Now, top Pakistani police officials say, it is under investigation as a possible training ground for terrorists who have struck in the Philippines, Central Asia, the Middle East, North

Africa and even, investigators now believe, in the 1993 explosion of a 500-pound bomb in the basement of the World Trade Center in New York that killed six people and wounded more than 1,000.

This weekend, American investigators were working behind the scenes here with Pakistan's intelligence services, scouring for links to the bombing as well as the recent attack on Americans by gunmen who leapt from a taxi 12 days ago in Karachi, Pakistan's largest city, shooting to death two Americans who were driving to work at the United States Consulate.

Officials interviewed here said today that the questioning of six suspects captured a week ago has led to further arrests. A top police official said details of the newest arrests would not be made known for "a couple of days."

"But," he said, "these are not innocent citizens, I can tell you."

So feared has the university become that even men reared in the harsh gun culture of the Afghan frontier wilt at the sight of its gates.

"Don't go in there, sir, it is too dangerous. They can kill you," said Syed Gul, the taxi driver, watching anxiously in his rearview mirror for any sign that a black pickup truck idling at the campus gates might decide to give chase. Mr. Gul, one of 1.5 million Afghan refugees living around Peshawar, then sped away from the campus at Babbi, 20 miles east of Peshawar.

With its obsessive secrecy and hostility to outsiders, Al Dawat, as it is known, remains little but a name to most people in Pakistan's North-West Frontier Province. But what has not been so much of a secret is that Peshawar, and the wild valleys and passes of the tribal areas along the Afghan border, have emerged as one of the most active training grounds, and sanctuaries, for a new breed of international terrorists fighting a jihad—a holy war—against Governments and other targets they regard as enemies of Islam.

Until the 1990's, Peshawar received scant notice among known terrorist training centers like Beirut, Teheran or Tripoli in the search for groups who hijack aircraft, assassinate public figures, and plant bombs.

But the two terrorist attacks involving American targets, have swung the spotlight on this ancient city at the eastern end of the Khyber Pass, where violence and intrigue are as much a part of the city's legacy as the towering battlements of its 19th-century fort.

Investigators, including a 50-member team from the F.B.I., are working in the knowledge that almost all the groups that have punctuated life in Karachi with drive-by shootings and mosque bombings have ties to Peshawar, either to the Arab-led terrorist underground or to gangs of gun-runners and heroin-traffickers who are based in the frontier province's tribal districts, historically ungovernable areas along the border with Afghanistan.

In the World Trade Center bombing, the clues being followed by the investigators are clearer. Beginning last weekend, Pakistani police working with officials of the C.I.A. and the F.B.I. began a round of arrests in Peshawar that have flowed form the discovery that Ramzi Ahmed Yousef, a prime suspect in the New York attach, used Peshawar as a base for several years. He was seized in a joint American-Pakistan's capital, on Feb. 7, and immediately deported to face trail in New York.

RAID IN ISLAMABAD SHAKES MILITANTS

The arrest of Mr. Yousef in Islamabad set off a chain of events that has rocked the Peshawar underground and resulting this weekend in the issuing of a police alert for two men identified as Abdul Karim and Abdul Munim, who the officials said are Mr. Yousef's brothers.

The six men seized a week ago are being held at a jail at Adiala, outside Islamabad, on suspicion of involvement in the World Trade Center bombing and a botched attempt to assassinate Pope John Paul II during his visit in January in Manila, the capital of the Philippines. They included three Arabs, an Iranian, a naturalized Pakistani born in Syria and a native-born Pakistani.

Nervousness among American officials over the possibility of revenge killings led the top diplomat at the United States Consulate in Peshawar, Richard H. Smyth, to announce on Friday that the American Club in the city, long a favorite gathering place for diplomats, relief workers and others, would be closed temporarily, as would the American school. Similar steps were taken in Karachi.

The risks for Americans seem unlikely to diminish, at least in the short run, especially if Pakistan follows through on another move that top officials here hinted at today—closing Al-Dawat University.

"It has to go," one official said, noting that the questioning of Mr. Yousef, and of others seized since, have confirmed that his links in Peshawar were mainly to an Afghan group headed by Abdul Rab Rasool Sayyaf, the university's founder. Mr. Sayyaf, a militant Muslim with strong anti-American leanings, established the school and recruited its staff and students in the mid-1980's.

In many ways, Al-Dawat serves as a symbol for the events that turned Peshawar into a terrorist haven. The a law-abiding reputation, going back to the days when Britain, as the colonial power in what was then India, fought fierce battles against the Pathans who dominate both sides of the border with Afghanistan, and eventually allowed them a broad degree of autonomy. In the idiom of 19th-century Britain, "the frontier" became synonymous with fierce warriors, banditry, and a culture of guns and revenge.

A FLOOD OF ARMS AFTER SOVIET SWEEP

But the uneasy balance with the border tribes that was achieved by Britain, and later Pakistan, tipped after the Soviet intervention in Afghanistan in 1979. The huge amounts of weapons and money that the United States, Saudi Arabia and other nations poured into supporting Afghan groups established in Peshawar unleashed new levels of lawlessness on the frontier.

This anything-goes atmosphere encouraged large numbers of foreigners—mainly Arabs but also Asians, Europeans and some Americans—to volunteer to fight with the Afghan guerrilla groups. According to a high-ranking Pakistani military officer, 25,000 of these volunteers were trained with assistance from Pakistan's military intelligence agency, Inter-Services Intelligence, during the 1980's.

Some died in Afghanistan, and some went home after Soviet troops withdrew in 1989, but others remained in and around Peshawar or across the border in Afghanistan, "looking for other wars to fight," as the Pakistan's Prime Minister, Benazir Bhutto, put it in Karachi last week.

According to Western diplomats familiar with the investigations, current American estimates of the number of Arabs, Asians and others currently active in terrorist groups with bases here run to about 1,000. Of these, some are believed to have taken sanctuary inside Afghanistan, with Afghan armed groups that have Muslim fundamentalist leanings, including Mr. Sayyaf's. Police officials in Peshawar said this appeared to have been the pattern with Mr. Yousef.

"He'd stay here for a few days, then disappear into Afghanistan for months, then come back," the official said.

Others are said to have taken refuge in what are known here as the "inaccessible" areas of the frontier, meaning regions where no Pakistani laws apply. But a large number, according to diplomats and police officials, still live in and around Peshawar, using as cover some of the 18 Arab educational and relief organizations that registered with the Pakistani authorities during the Afghan war, among them the Al Dawat University. "Some of these organizations actually do what they are supposed to be doing," one diplomat said, scanning a list of the groups. "But others are just fronts for terrorism."

Another high-ranking diplomat said that Pakistani officials had been aware for years that at Al Dawat and other training centers, youths were being taught that Muslims had a duty to join in an international brotherhood that could avenge the humiliations Muslims are said to have suffered at the hands of the west.

"They are taught that the Islamic renaissance has to be born out of blood, and that only by striking at the West will Islam ever be able to dictate events in the world, as events have been dictated up to now by the West," the diplomat said.

A FLOW OF GUERRILLAS TO OTHER CONFLICTS

According to the diplomats, intelligence reports in recent years have suggested that militants trained here have taken part in almost every conflict where Muslims have been involved. The diplomats said Muslims trained here have fought in places including Mindanao, the largest of the Philippine islands, where Mr. Yousef is said to have had links with a Muslim insurgency; the Indian-held portion of the state of Kashmir, where 500,000 Indian troops and police officers are tied down by a Muslim revolt; the former Soviet Republic of Tajikistan; Bosnia; and several countries in North Africa that face Muslim rebellions, including Egypt, Tunisia and Algeria.

Like previous Pakistani Governments, Ms. Bhutto's has responded to Western pressures cautiously, fearing a backlash from powerful Muslim groups within Pakistan.

But many senior Pakistani officials resent Western pressures, saying that the terrorist groups that became established here got their start under politics that the United States and other Western countries eagerly supported, so long as the target was the Soviet Union.

"Don't forget, the whole world opened its arms to these people," one senior official said. "They were welcomed here as fighters for a noble cause, with no questions asked. They came in here by the dozens, and nobody thought to ask them: when the Afghan Jihad is over, are you going to get involved in terrorism in Pakistan? Are you going to bomb the World Trade Center?

"The Afghan War was a holy war for everybody, including the Americans, and nobody bothered to think beyond it," the official said.

MORE ON WELFARE REFORM AND BLOCK GRANTS

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentlewoman from

California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, I wanted to call to the attention of our colleagues H.R. 4. My colleagues who are viewing this from home, our friends who are viewing this from home should read this and weep. This is the Republican welfare proposal. It rewards the rich, cheats children and is weak on work.

But one particular aspect of this proposal is the federal children's nutrition program which I wish to address this evening.

My colleague earlier this evening referenced the fact that the child nutrition programs came into being following World War II, when the military told us that our recruits were malnourished and this took its toll on their physical and mental well-being. Since that time, feeding the hungry has not been a debatable issue in our country. Indeed, President Richard Nixon said, a child ill-fed is dulled in curiosity, lower in stamina and distracted from learning.

This has been our national policy until now. The proposal that the Republicans have placed on the table will take food off the table for America's poor children. And this is why.

You have heard much discussion here this evening about whether the Republican proposal is a cut or is not a cut in what they call the school lunch program. But what we are addressing in this bill is the full federal children's nutrition program. So if we are only talking about school lunch, then you are talking about a situation where the Republicans are saying, we are not cutting school lunch. But what they are cutting are the after-school and summer programs. They are giving the same amount of money and they say with an increase except they are cutting out one very important facet of the children's nutrition program.

In addition to that, they are making this a block grant and not an entitlement. Under the law now, there is a formula for needs-based, a formula that is needs-based for children who are poor. And now the Republican proposal will eliminate that entitlement and call it a block grant instead, which means a definite amount of money will be sent to the states. Why does that create a problem?

For the following reasons: First, in that block grant, there is a reduction of the money for the full children's nutrition program, including school lunch, school-based lunch program, and assistance for after-school and summer programs. These programs are very important to day care, children in day care who have to stay after school because their parents work. And work is the goal that we have for the welfare program. So that undermines that goal there.

Second, in this block grant, it removes eligibility, so you do not have to be poor to be a beneficiary of the Republican proposal, which means that poor children will get less nutrition because more children can avail themselves of the program. This is supposed to be needs-based.

In addition to that, on the block grant program, it only says that a governor must spend 80 percent of the money that the Federal Government sends to the state. The governor only has to spend 80 percent of the money on the children's nutrition programs.

So already we have had a reduction of 20 percent because that is all the requirement is.

This is why people are concerned about what they hear coming out of Washington, DC. People are not fools. People who have received this benefit because it is necessary for children's nutrition know when they are getting cut. And then to hear semantics used about, well, when I said school lunch program, I did not mean after school or I did not mean summer school. Well, we are talking about the children's nutrition program. Let us refer to it there, and that is being cut. And eligibility is being removed and the requirement to spend all the money is being removed.

This is not even a fight between domestic spending versus defense spending, as is classic in this body, because this came from the military, recognizing the deficiencies and the malnutrition that they saw in our troops coming out of World War II. So this is about the strength of our country.

I did not even really get started. What I want to just say is that what the Republicans are doing is a real cut in the children's nutrition program. The welfare proposal they are proposing should not even contain a nutrition cut. Nutrition has never been part of the welfare program. It rewards the rich because that is what this cut is about, giving a tax break to the wealthiest Americans. It cheats children, and it is weak on work.

I urge my colleagues to oppose the legislation.

REPUBLICAN SHELL GAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GENE GREEN] is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, I appreciate the opportunity to address the House tonight. I want to compliment our speaker on his ability tonight, but also when I heard last week that you were fortunate to have Dave Berry sit in your office just briefly as your press secretary, you are a very brave man, Mr. Speaker.

Let me talk about the welfare bill that we are considering because that has been the topic this evening. The Republican shell game continues with the lives of the children hanging in the 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.

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 as a mayor, as a community activist. I want to do what is right for America, but let me tell you the system today does not work.

Over the past 30 years we have had two wars in America. We won one, that was the Cold War. We spent $5 trillion on defense. Today the Berlin Wall is down. We have seen Communism fall and the investment we made worked.

The second war was the war on poverty. We lost that war and we spent about $6 trillion on poverty programs that in inner city areas and in areas where I taught school and grew up actually created disincentives for people and actually took away self-pride, self-initiative and took away the ability of people who were poor to feel good about who they are.

We are trying to change that. We may not get it right the first time, but for someone to question our motives, like somehow we do not care about kids or somehow we do not care about what people eat is absolutely ridiculous. It is not just ridiculous, it is absolutely offensive.

As a Republican who has crossed the party line on many times, to support family and medical leave, strike breaker legislation, efforts to deal with programs serving the working people of this country, environmental legislation, I take exception to the kind of characterization that is occurring on this House floor that says that Republicans do not care about people or people problems. That is not what we are about.

We have a series of programs in this country that are not working. Talking about school lunch. The largest school district in my district, Upper Darby Township, population 100,000, has opted out of the Federal school lunch program for almost a decade; even though they border west Philadelphia and even though they have 100,000 people in the school district, they have chosen voluntarily not to be a part of the school lunch program. Now maybe they know something that we do not know, at least our Democrat colleagues do not know down here about the school lunch program. For almost a decade they have opted out; they do not want any of our money; 100,000 people in an urban school district have chosen in my district not to partake of the school lunch program.

Where are the doom and gloom predictions that were supposed to have occurred in Upper Darby Township? How could a school district that serves a population of 100,000 people that chose not to be in this program have their children dying of hunger and starvation? Where are the answers from our liberal friends?

I would hope, Mr. Speaker, that this debate would be on factual information, and cut the rhetoric and the garbage coming out of Members on both

sides of the aisle in terms of welfare reform.

CHILD NUTRITION

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

Mr. KLINK. Mr. Speaker, I just wanted to rise today to speak on the same topic of child nutrition and really again say that so much of what we are talking about, Mr. Speaker, I can remember sitting on a picket line many years ago when I was a news reporter, and the company that was being picketed had said they were going to open their books to the striking workers, and I asked one of the grizzled old union fellows who was out there, I said, "You know we can go in there and take a look at those figures." This striker looked at me and said, "Well, you know, figures don't lie but liars sure know how to figure."

And let me say a lot of the rhetoric I have heard from the other side of the aisle would remind me you can shuffle figures any way you want to, but the bottom line is when you take a look at the proposal of child nutrition we have given a whole new meaning to the term women and children first. We are whacking women, we are whacking children, and we will see more children going hungry because of this welfare proposal that is being put forward by the majority side.

□ 2310

There is not any doubt about that.

You talk about increases, 4.5-percent increase, yes, there are increases. But they do not account for the fact that food prices are going to go up. They do not account for the fact that in most of our districts we are seeing an increase in the number of children coming into the schools. They do not account for the fact that is spots throughout this country, we currently, because the Federal Government has the ability to adjust when there are recessions in certain areas, when there is a high rate of unemployment in a certain area, to get that additional funding in there.

We are going to see under a block grant program for child nutrition far less money going in to provide the same level of food that we have today. Five million children across this country are going hungry today under the current system. You are right. The current system does not work. It needs to be tweaked, but not giving as much food, not accounting for inflation, not accounting for increased enrollment, not being able to move food where it is needed is certainly not the answer.

I was just at a school in my district on Monday with leader DICK GEPHARDT, who happened to be coming through our area. It happens to be in Aliquippa, PA; now, Beaver County, in which Aliquippa is located, is of those counties in what we commonly refer to now as the Rust Belt of our Nation, that saw a tremendous decrease in the number of jobs in the 1970's and 1980's. In fact, in 13 counties in southwestern Pennsylvania, we have seen a loss of 155,000 manufacturing jobs, and it just so happens that Aliquippa is one of those towns that was hit the hardest. In one day in 1982 they lost 15,000 jobs in one small town when one steel mill went down, a 7½-mile-long steel mill along the Ohio River shut down in 1 day.

Mr. Speaker, I will tell you that causes a lot of problems. Those problems persist today. But through hard work we have begun to get some reinvestment back in that county. We are beginning to see some of those steel industries not adding 15,000 jobs at one whack, but adding a few hundred here, a few hundred there, and our industry is coming back.

At a time when there is a ray of hope, we are going to tell these children in Aliquippa, 80 percent of whom qualify for free or reduced meals, that we are going to change the rules on them now. Many of these kids who are eligible for free or reduced-cost breakfasts, and the teachers will tell you they cannot teach children that cannot eat, and they will tell you on Monday morning many of these children come in and they are famished. You can tell that they have not had adequate meals over the weekend, and the parents will tell you that they have children that they have to depend on the free and reduced meals, and that block-granting will not get it, that the ability to take 20 percent out of the block grant to pave roads, to build sewers, to lay water lines is not going to put food in the mouths of these children.

They will tell you that children do not vote, and there is going to be a temptation in 50 States across this Nation for some people to decide to take more of that money out of child nutrition and put it into projects where people do vote.

What are we going to have, Mr. Speaker? Are we going to have 50 different social laboratories across this Nation? Fifty different social laboratories where we attempt to see if we are able to do a better job than the Federal Government?

Surely, Mr. Speaker, there are people in States that are going to do a better job, but there are some that are going to do worse.

This is not something that we want to risk.

TERM LIMITS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Florida [Mr. MCCOLLUM] is recognized for 23 minutes as the designee of the majority leader.

THE WELFARE ISSUE

Mr. MCCOLLUM. Mr. Speaker, I just was going to talk tonight about term limits. I wanted to respond very briefly and share with the gentlewoman who is here from Washington State some views on the welfare issue.

I cannot help but respond on the question of the block grants that have been talked about all evening by members of the Democrat Party and the minority, how they think that if we block-grant money for child nutrition and other welfare programs to the States, to let the local governments and the States decide how to spend this money in detail and specificity, that somehow all of this is going to mean something terribly harmful to children and to others. That is just nonsense.

Just like with the crime block grants, just like with any other block grant program, where we pass the money back to the States, it seems to me the Republican Party recognizes, and I think the American people who really think about it do, that government closest to the people governs best and knows best. Washington is not all wise. The Federal Government is not all wise.

But there have been people who were in power for 40 consecutive years in the United States House of Representatives who stand on the other side of the aisle and come to the well person after person tonight to talk about why Washington knows best and what great harm is going to occur because we let the money go back to the States and to the local governments to decide exactly how to use it, and within the framework of the parameters we give them, they have got to use it for child nutrition, in the child nutrition area, they have got to use it for certain specified reasons in welfare, for assistance to those who really are deserving of it.

Why should we in Washington be dictating all the minutiae, running the program, doing it in these old-fashioned ways with entitlements where we know lots of people on welfare today are abusing that system and will continue to abuse it?

The worst case of all, of course, is the situation of the illegitimate mother and welfare mother whom we have heard about many times over who gets on the system and stays on it for year after year after year.

And with that, just for a couple of minutes with the time we have got, I yield to the gentlewoman from Washington. I think you have got a great illustration of Sally, I believe you call her.

Mrs. SMITH of Washington. If it were not so sad, you know, Sally is a happy name. I have known Sallies who were happy, but the Sally I am going to talk about is not happy.

Sally is 18 yeas old, but you know, Sally is probably the reason we are in the welfare debate today, because

America's people sent a group of us here and said, "Change welfare, change the system."

Sally, when she was 15, did what a lot of little girls do. They thought if they got out of their home and got a baby, got in their own place, that they would be happy, because they would be independent. And Sally saw a couple of other girls in the housing close to us do that, and she thought that looked good. She had not seen the misery yet.

But you know, once she got pregnant, and she did know how to get pregnant and how not to get pregnant, she got into that housing, and about when she was 16, and she got scared, and I think the interesting thing about Sally is you go visit Sally, is she was brave, and then scared, and she was still a little girl, and all I could think about was this little girl out on her own by herself under the name of compassion with this baby. If she had not been pregnant, we would have put this little girl in a foster home or group home, if she was unhappy at home, but because she was pregnant, we put her out in tenant housing.

You know, that tenant housing, that group housing, is not always the nicest place to be. It was not for Sally. You know, Sally got scared. Before I knew it, Sally had a guy shacked up with her. He was not young. He was in his twenties. Still Sally was still a kid.

But, you know, once they are out there, there is nobody to watch. She felt safer. You could not convince this little kid it was not going to be a good life, because she felt safe with him, and not too long, Sally had another baby, and Sally is 18, and this guy is gone.

Now, Sally, there are over 500,000 Sallies we have identified, and this bill is about Sallies. Sally is going to be on welfare over 10 years average. Actually many Sallies will be on most of their lives.

What is even worse is what is going to happen to her kids. Sally's little kids are only going to see, unless we can find some way to get her out of welfare and onto her feet, all they are going to see is her mom who goes to a post office and picks out a check and does not work for it. That is what we have to do with this welfare bill. That is why I like the welfare bill we are working on, because it would not have put Sally on the street. It would not have given her money.

It would have taken care of her and foster care, if she needed it. It would have encouraged her to stay home, but I bet Sally would not have gotten pregnant to begin with.

Now that Sally is there, we have to do something to help Sally, and this is a tough love for Sally. Sally is scared. She is going to stay there unless we figure out a way to say, "Sally, you are just going to stay here so long, and you are going to get off."

That is what I like about what we are doing. I like the child care supplement. I like the idea the health care going on so she can get off. Mostly I like the idea that says, "Sally, you have got 5 years total. You are going to work on it. You know, your kids get big enough, you're going to have to go to work. But there is an end."

And I think the best thing we can do for Sally now that we have trapped her on welfare by an unfeeling system is to help her off, and so I wanted to share Sally tonight with you, because I think what we have gotten into is numbers and rhetoric, and the people sent us here to fix the system that they know has trapped people in welfare.

Do you know that most of them start as teenagers? Over 50 percent that are now on welfare are kids, and if we do not stop that level, then they grow up, and they stay on welfare, and they are on long-term welfare, not the safety net, but that safety net becomes a spider web, a trap that holds them and literally sucks the very lifeblood out of their life and destroys their children.

□ 2320

Mr. McCOLLUM. Well, now how does the Republican bill that we are offering out here, welfare reform, very briefly in your judgment change this for Sally?

Mrs. SMITH of Washington. Well, for right now, now that Sally is there, she probably wouldn't be there to begin with under this bill because we wouldn't give her cash assistance and put her in her own home.

We would tell the States, she is a kid. Treat her like a kid. She gets pregnant, help her. Help her at home. Do whatever. And if her parents are needy, make sure you supply medicaid, medical care for her, food, but don't put her out on her own.

But now that Sally is there, under this bill we get done amending it, she will have the ability to get child care to help her get back on her feet while she is starting to go to work. She will get health care ongoing. And Sally again will know for certain that she can't stay on forever.

One thing I found with these young girls, and I have worked with several, is they get out there and they lose all their self-esteem. They just believe after a few years there is nowhere to go. And it is awful hard each day to want to go out, but if they know they have to, that is going to make a lot of difference.

It will mean that they will see hope as they are pushed out a little bit, but we will carry them out and help them out the door of poverty. And that is what we will be doing for Sally, a compassionate hand up and a little push out as we bring her back into freedom from the poverty and slavery of welfare.

Mr. McCOLLUM. Well, far from being anything radical, the Republican proposal actually is a common-sense approach to trying to correct a very bad deficiency in the welfare system that has allowed the Sallys of this country to continue down a hopeless road, and a hopelessness not just for themselves but for the offspring that they produce who then become a part of the welfare system.

It seems for those who want to criticize this, they offer no real meaningful alternative. I cannot hear on the other side of the aisle in all the rhetoric tonight anything more than wails of, hey, you guys are bad guys. Somehow you are going to, by trying to correct this problem for Sally, do some gosh awful evil out there.

We are not about that. You are as compassionate a person as I have heard out there tonight, and I know you are.

Mrs. SMITH of Washington. The American people know this makes sense. They know it makes sense. They sent us here for change.

With all you are doing on term limits, I feel they sent you here to continue to beat the drum for term limits in spite of the fact that you get beat up on it occasionally. You fought for it real hard. Tell us where are we at tonight and how did we get where we are and what is the hope for term limits?

Mr. McCOLLUM. I would like to do that a little bit. I would certainly be glad to share with the gentlewoman. I know you have had the experience in Washington State. I have had it in my State.

The history of term limits goes back a long way. The limited time tonight doesn't allow us to go all the way back into delving into it.

I would say rotation in office or term limits was something that way back in the days of England was conceptualized. And when our Founding Fathers began to look at our Constitution and our way of government, we had term limits for legislators. In the original kind of Congress that we had before the Constitution was adopted, there were limits on the length of time somebody could serve.

James Madison, who wrote a good deal of the Federalist papers we are familiar with, was a big believer in term limits. Somehow in the debates over the Constitution that got left out. And for quite a while in our country it didn't really make much difference, but the history shows that around the turn of this century we began to see careerism, professionalism creep into government, and we began to see Members serve long periods of time in the House, not just a couple of terms and then go home.

The length of time that somebody had to spend in a period of a given year for serving in Congress stretched as we began to reach the middle of this century much longer than anybody could have conceptualized.

We are now today virtually a year-around Congress. We have a very big

government. We have a lot of things we have to do as an institution. Now, many of us, you and I, I guess, would like to shrink the size and scope of the Federal Government, and I believe over time that will occur, but it will never return to the days that our Founding Fathers envisioned where Members of Congress came perhaps here for a month or two at the most each year and then went back to their jobs, served maybe one or two terms in the House and went home again. We have long since passed that.

Today I think there are some very valid reasons which have been put forward why so many across this country, nearly 80 percent of the American public, have come to support term limits. They don't always recognize why, but I would put them in about three categories. I don't know that these are necessarily in the order of importance. In fact, I am going to save the one, I think perhaps the most important one, to the end.

One of them is the fact that we have had power vested in the hands of a very few people who served as committee chairman for years and years and years, and that power emanates to the point that they decided what would come to the floor for votes, what came out of the Rules Committee. Just a handful of people determined a great deal about what happened in this government of ours.

Now, when we Republicans took over with our new majority and your freshman class came along, that ended in terms of the rules. We changed the rules of the House so that you can only serve for 6 years as a committee or subcommittee chairman.

But that is not permanent. Who knows what is going to happen next year or the year thereafter? The only way you can permanently end the kind of potential problems and abuse that comes from a handful of people holding power for years and years and years in this Congress through chairmanships of committees and leadership posts is by a constitutional amendment to limit the length of time somebody can serve in this House and Senate. That is one reason.

The second reason why I think the term limits has been a very important concept and grown in popularity is because of the fact that we have a need to reinvigorate this body with fresh faces regularly.

Yes, we had a big turnover this time. We have had it for a couple of times in a row in the House of Representatives, but that has not been the norm over the past century, and it probably won't be the norm over the long haul unless we limit terms so that we can bring new voices from the community in here.

And, yes, we will give up a few experienced people who we would like to have here, but I am confident, as I think most term limits supporters are, that there are literally thousands if not hundreds of thousands of Americans out there ready to take their place with creative new ideas that can give us a spark and more than make up for the absence of the experience we might lose with a few people who leave.

And then the third and perhaps the most important reason we really need to have term limits is to end this careerism I mentioned earlier. The fact of the matter is that only if we limit the length of time somebody can serve in the House and Senate will we take away what has become the compelling reason about this place for all too many of us, and that is to try to get reelected, to spend time pleasing every interest group, every faction, as James Madison would call it, in order to be sure that the next time around we will get back to coming back to Washington again to serve and to stay here for that length of time. You cannot end it altogether, but we can mitigate it by term limits and only by term limits.

Now, I would like to relate this into the present situation in the very limited period we have. I am going to ask the gentlewoman a question or two about that in a minute, but in perspective from a Washington, DC, standpoint, I think it needs to be understood that just two Congresses ago in the 102d Congress there were only 33 Members of the House of either party willing to openly embrace the idea of being a term limits supporter.

In the last Congress, in the 103d, the number grew to 107. In the eve of what is going to happen here next week, it is certainly monumental. We are going to have a vote, a debate and a vote on the Floor of the House of Representatives for the first time in the history of this Nation on a constitutional amendment to limit the terms of Members of the House and Senate, and I fully expect us to have well over 200 members voting for one term limits proposal or another.

Now, I think that is truly remarkable. Now, it takes 290 to get to the two-thirds required in order to send the constitutional amendment to the States for ratification. But it is remarkable whether we get to the 290 or not, A, that we are just having the debate and, B, that we are going to have the numbers probably double or better than double who announce support for term limits in the last Congress to this Congress.

A lot of that comes because of the State initiatives, like your State and mine, Washington State and Florida, we have, what, 22 States now, I believe, who have passed term limit initiatives.

Mrs. SMITH of Washington, I think so.

Mr. McCOLLUM. Tell me briefly how has it gone in Washington State, your home State with regard to term limits?

Mrs. SMITH of Washington. Term limits was passed, and we were sued on the congressional portion, but the rest of it for the legislature is going on. And it is a 6 year for the House. And, let's see, what is it for the Senate? I think it is three terms for the Senate.

Mr. McCOLLUM. For the State legislature?

Mrs. SMITH of Washington. Yes. Then it is for the Congress and the Federal also, I always say Congress and the Senate, the House and the Senate at the Federal level. You can tell I have been in the State level too long. That is a good reason for term limits at the State level.

□ 2330

But we passed term limits, and it became real important last year in our elections because the Speaker of this body that stood there for many years in the majority decided to sue the State of Washington over term limits, the people of the State of the Washington.

They didn't take it lightly. As you can see, he is no longer here. He was defeated.

We saw him as a rock. Nobody would ever move this man. But what he did is show the people the arrogance of this place by suing the Washington State people who had passed this initiative.

Now, we are still in court over the Federal portion, but he is out of office. And the people sent us with a very strong message Do not mess with what the people did.

So that is probably part of the mix here that is a little bit difficult for some of us. Anything that does not protect our State's rights gives us a little bit of a problem.

So tell us how are we going to overcome that hurdle.

Mr. McCOLLUM. We are going to have several options out here on the floor next week. And while many of us are going to debate which one is the preferable one, a lot of us are going to conclude, I think rightfully so, that if we are ever going to get to 290 and do what the public wants and have a national constitutional amendment that limits the terms of the Members of the House and Senate, we are going to have to pull together on a common bond on whatever emerges out of the great debate that will take place.

Next week, we are going to have a rule that brings to the floor three hours of general debate where we can talk about it like this among ourselves like this. It is going to bring us an opportunity to vote for four different options.

There will be a base bill, which is something I have sponsored for a number of years. It will be known as House Joint Resolution 73. And that bill will propose that we have an amendment to the Constitution that limits the length of time Senators and House Members serve to 12 years in each body: Six 2-year terms in the House, two 6-year terms in the Senate.

And that they be permanent limits. That is, you cannot sit out a term and run again. Once you serve 12 years in one body or the other, that is it.

There is no retroactivity to this particular proposal, and there is no touching of the question of whether or not the States-passed initiatives are to be held inviolate or whether they are to be disturbed by this amendment.

Which means that the Supreme Court, which is now hearing the case involving Arkansas and may hear the Florida and Washington State cases eventually, when it makes its decision, it will make its decision.

According to former Attorney General Griffin Bell, who represents both the Arkansas State issue and the Washington State issue, it will make its determination under the McCollum amendment free of any burden. Whatever they decide will be the law of the land.

If they decide the States presently have the power to make the decisions that they have been making and that is upheld as constitutional, then the State individual initiatives will still bind the term limit issue. But if they decide that the State initiatives are unconstitutional, then the 12-year limit that I would propose would be a national total limit across this country. That would be uniform.

Now, there will be three other options.

One of those options will be an option for a 6-year term in the House and 12 years in the Senate.

One of the options that will be offered out here will be to include a provision that allows specifically, regardless of the Supreme Court decision, that the States can decide under a 12-year cap for the House lesser limits, perhaps 6 years, eight years or whatever it might be, but ingrain that in the Constitution, something that is not there now, but that some Members really should be actually placed there regardless of what the court decides.

Then there will be an effort to try to establish retroactivity, that is to apply term limits, whenever they become effective, to Members now and say if you served however many years, bang, that is it.

Those will be the proposals.

Mrs. SMITH of Washington. Does this have any votes, that last one, the retroactivity?

Mr. McCOLLUM. I think there are probably some, but I think the biggest problem is it is going to be proposed by some Members of the other side of the aisle who really do not believe in term limits.

There is a good deal of cynicism out here, and the problem with that is that we have not really seen yet what all is going to come forward, but there are certain Members who really do not believe in term limits, and they are going to try to figure ways to be able to vote and have cover and hide behind that vote.

And I think retroactivity is probably a device to do that. It is one that many of the term limits organizations believe is that kind of a device. They are very worried, I think, because they do not want to be criticized for being opposed to them, but they are not willing to vote for whatever comes out at the end.

As you know from your experience in Washington State, no State initiative in the 22 States that have passed term limits has had the retroactive feature. And the one that did try it was your State of Washington, and the voters defeated that, and you came back with one that was not that way.

I would like to wrap up by pointing out something that I think is important, particularly to my proposal on 12 years.

I personally do not think that it is good and healthy to have the length of time the Senate serves and be limited to different from what the House serves. I think it will make the House an inferior body. I think it will make it a weaker body vis-a-vis the Senate.

So I think whatever we determine, whether it is 12 years or 6 years or any other number of years, the Senate and the House should serve the same number of years. That is true because of conference committees and a lot of other reasons.

I also think that 6 years in particular is too short a period of time. We need people who are experienced in this body in order to serve as chairmen of committees, And we need people who can be in leadership who have had some experience here. Otherwise, you do fall into the trap the critics of term limits say, and that is that there will be staff who will dominate that place.

I think there is a call and a good reason to say when we have finally decided with a constitutional amendment that goes to the States that three-quarters have to ratify a constitutional amendment on it, that at that point in time we really should have uniformity. It should be the same throughout the country at that point in time.

Although my version of this amendment that is proposed out here today would still leave open the opportunity for the Supreme Court to decide that there could be a hodgepodge out there, it is unlikely in my judgment that that side will come out. If the proposal that is being offered that will give the States an absolute right to make that decision were to be adopted, then forever it would be ingrained in the Constitution that we would have a hodgepodge of some States having 6-year terms, some 8, some 12.

I personally believe, and I think a lot of people do, that it does not make good sense, and it is not good government. And it is the Federal Government's responsibility to make this kind of decision, just as we did with the 17th amendment when we decided direct election of U.S. Senators was preferable to the old system of electing those Senators through the State legislatures, even though there were those at that time who debated the issue who wanted the question of elections left to the State as a States' rights matter.

Ultimately, the States do decide any constitutional amendment. Three-quarters of the legislatures have to ratify. That is States' rights. Once that is there, once they have decided, it seems to me that the best bottom line is whatever they do decide.

The key thing, though, is we are going to get the first-time-in-history vote on term limits out here next week. All of us who support term limits, regardless of our view on the variations, ought to vote for the final passage, and we ought to encourage people to help get this movement going and pass the word that we are really going to have the vote and, by golly, whoever is for term limits ought to be here for the last word when the final version, whatever it is, is left standing at that point in time.

WELFARE AND CHILD NUTRITION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 23 minutes as the designee of the minority leader.

Ms. JACKSON-LEE. I yield to the gentleman from Louisiana.

Mr. FIELDS of Louisiana. I thank the gentlewoman for yielding.

I just wanted to respond to some of the comments that the gentleman from Florida made in terms of term limits.

It is very popular to stand in the aisle or stand up in the well and talk about how one is for term limits, but it is very interesting to know that the gentleman who is for a proposal to limit a Member's term to 12 years he himself has served in that body for 15 years and about to serve one more year which would be a total of 16 years and is not for retroactivity.

I just find it amazing that Members of Congress, those who speak the loudest about term limits, are those who have served in this Congress for 16, 20 and some have served as long as 25 years.

If the gentleman is really for term limits, then I would suggest to the gentleman that he not run for reelection and commit to the American people and basically practice what he preaches and say to the American people here tonight that since he is so committed to this term limit ideal that he is not going to seek reelection.

Mr. McCOLLUM. Would the gentleman yield on that point?

Mr. FIELDS of Louisiana. I do not have the time, but I would be happy to

engage with the gentleman on the debate of term limits. But I do not control the time, but I would certainly suggest to the gentleman that if he really wants to be true on the issue of term limits and true to the American people he himself ought to not seek reelection.

Mr. McCOLLUM. Would the gentlewoman yield just on that one point?

Ms. JACKSON-LEE. I can yield you 15 seconds.

Mr. McCOLLUM. I just want to respond that I am ready to walk out of here voluntarily when every other Member of this body is willing to do it. Other than that, I am penalizing my district.

I do not think that is a good, logical thing to do, but when we have uniform term limits for everybody, whether it be voluntary or otherwise, I am ready to go out. I think that is the logical thing to do, but I do not believe we are going to do it voluntarily. That is why we need a constitutional amendment.

□ 2340

Mr. FIELDS of Louisiana. We are never going to do it voluntarily, because you have decided not to do it yourself.

Ms. JACKSON-LEE. Mr. Speaker, I do thank you and I know that we have had a vigorous debate this evening, a myriad of issues which include term limits.

I want to just, for the brief time that I have to really speak to the American people, I might imagine that some would say that they have been spoken to, but there has been a fury, if you will, and a flurry of discussions today dealing with welfare reform and dealing with where this country needs to go in the 21st century.

One of the great concerns, when you involve yourself in great debate, is, of course, the rising emotions. Today I have heard a number of examples of people who pull themselves up by their bootstraps, individuals who looked over on this side of the aisle, the Democratic side of the aisle, and talked about African American illegitimacy in terms of babies. I know that this is not a castigating of one race of people over another or one group of Americans over another. We know this whole question of welfare reform is not a question of African Americans, White Americans or Hispanic Americans or Asian Americans or any other kinds of Americans.

It is a question of people. What I say, Mr. Speaker, is that in fact all of us are looking for the best way to deal with the issue of welfare reform.

I have maintained since this debate has started, and let me offer to say to those who might be listening, that I am a new Member. So I think it pales worthless to be able to talk about what happened in 1982 and 1983, which I hear many of my Republican colleagues talking about. We now have before the American people the agenda that they want us to have. And that agenda has been an agenda supported by Democrats and Republicans. I imagine Independents. And I imagine all people. That is an agenda that moves people from welfare to independence, the ability to be Americans and stand up and be counted and to be responsible but to also have dignity and self-esteem.

The debate that we have gathered this evening and over these last hours points decidedly by the Republicans to undermine and to cause the lack of self-esteem to come about in people who are now on welfare. By those stories of talking about how people should be independent and how they pull themselves up by the bootstraps, it is accusatory and it is not helpful.

I spent time in my district, as many people have, and I have touched those who are experiencing the need to be on welfare. And I can tell you that the mothers have told me, one and all, this is not the way I want to run my life. This is not the way I want my children to live. I really want to be part of the all American dream.

I hear from people like Alicia Crawford who said, to go and ask a person for assistance, this is a welfare mother, age 30, and she said, is as if you are giving up everything, your dignity, your self-esteem, your ability to walk about. She said, your self-esteem is low. With the help of the welfare system, you can find a job which will give you a sense of independence, self-esteem and self-worth.

But you know what, the program that is being offered by the Republicans that they call welfare reform takes away job training, has a sense of mean spiritedness that does not include child care and certainly blames the Government but yet has no way of creating jobs.

Three amendments that I offered to the Committee on Rules and offered to be presented to this House, and that was an amendment that included job care, job training, rather, child care, and a unique, I think perspective, that many of my colleagues have supported in the past and are supporting even now, and that is to provide a reasonable incentive for the private sector to provide those welfare recipients who have been trained and are able to work.

Is that not fair? Is it not fair to recognize that Government cannot be the only employer of those seeking independence? Unfortunately, the Republican plan does not include any of that sense of understanding.

Able-bodied parents who are on welfare two to one have said, We would like to work. But yet there is no recognition in the present legislation that is before us to allow that to happen.

Mr. Speaker, I, again, say we are not asking for a handout. We are asking for a hand up. But I tell you what we get with the Republican bill, major cuts for the state of Texas. Our comptroller has already indicated what rescissions will bring about. Let me tell you what would happen to the State of Texas over a 5-year period if we have the present welfare reform package passed in the U.S. House of Representatives.

Title I would block grant cash assistance for needy families resulting in $323 million less in federal funding for Texas over the next 5 years. Title II for abused and neglected children, in foster care or adoptive placements would lose $196 million for Texas. What does that actually mean?

I served on the Harris County Protective Services Administration's Foster Parent Retention Program. I lived and breathed the stories of foster parents in terms of the great need, one, that we have in our communities to retain foster parents and what foster parents go through to mend the broken spirits and sometimes broken bodies that come into their homes. Are you telling us that we will block grant them and when there is no money in the bottom of the pot we then say to those abused and neglected children, we have nowhere for you to go, stay and be abused. And if happenstance, you are maimed or killed, so be it.

That is what we are saying. Foster parents who are sometimes at their very last rope because we do not have enough across this Nation. We did not have enough in Harris County, and we are looking for different resources to be able to allow them to hang on because they were doing such a wonderful job. But yet we are telling them in this new welfare reform, which I really call welfare punishment, that we will tell those in the state of Texas and many other States that you will have 196 million. That is abusive in and of itself. That is child abuse. That is not being responsive to the needs of our community and of our children.

Title III would consolidate child care programs into a block grant that would cut $172 million from Federal funds that would be provided for Texas children over the next 5 years. That is 29,000 fewer Texas children that would be served.

I heard a discussion here today that saddened me for it failed to realize the excitement of a young woman. First off, the young woman has not gotten pregnant to get welfare. It has been documented that that is not the case. In fact, most Americans do not believe that. And I would say that primarily because we have documentation that says, and it is refuting all of what the Republicans are saying their mandate has given them.

It says, they asked the question of the American people, should unmarried mothers under the age 18 be able to receive welfare? Interestingly enough, 57 percent of the Republicans said yes; some 63 percent of the Independents

said yes; and 67 percent of Democrats. Should welfare recipients in a work program, should they be allowed to receive benefits as long as they are willing to work for them? Same high numbers: 63 percent Republicans said yes; 70 percent Independents and 66 percent Democrats.

I do not know what the mandate is that the Republicans are saying that they have in order to be able to cut off people who are trying to rise up.

My point about child care is, these young energetic mothers who happen to have babies are looking for job training to prepare them for the 21st century. They want to work in high tech jobs. They want to work in clerical jobs. They want to understand the new computer age, the new superhighway. And they are prepared to go out to work. Yet child care is costing any of them, no matter what wages they are getting, particularly if they are at the minimum wage, they are getting some one-third of whatever their wages might be for child care.

Here in the Republican bill we find out that they do not want to give child care to anyone with children under 5. These are young women and possibly young men who are at the prime of their life, who want to have training, who want to get out and work, who want their babies who are 15 months old and 2 years old and 3 years old and 5 years old to understand that mom or the parent, whoever it might be, has the dignity to go out and want to be something and someone.

And then we find title III and title V repealing the nutrition programs, the school lunch programs. And, oh, the stories we have been told about the school lunches.

First we are told that there are really people who are working-class people who really do not want the lunches. Then we are told that bring the old fashioned bag lunch and go back to the good old days. I can tell you that I truly came from a family, a mother and father, lived with my grandmother. We worked to pull our bootstraps up, if you will. We were looking for the shoes, but we did not have the sadness that people have today, and we were gratified by the kinds of services that were offered to us and my brother. And we made the best of it.

Those were the days that maybe you could bring a mayonnaise sandwich or maybe you could skip, if you will, a lunch for a period of a day or so because things were not as bad as you would find them today, but we go into homes today and we find people living in such degradation, not brought upon by crack and selling drugs but simply because of the poverty, the need of jobs, the lack of education, poor schooling.

□ 2350

So I would simply say rather than maybe getting a good oatmeal breakfast every morning which I got, which even though it was the same old same old, it was a good breakfast, some of these children are not getting any kind of breakfast. And we are told by the American pediatric Association that these children are going hungry in school here, suffering from dizziness; they are not understanding what is going on if they are not on the school breakfast program; that sometimes these meals are the only meals that our children get throughout the week. Kid Care, which is in Houston, a private organization in the city of Houston, has said how many meals children miss. And in fact if they do not get the Kid Care, which is a charitable organization, over the weekend and sometimes during the week, they do not eat all weekend long, and the only time they eat is when they come to the school that Monday morning.

What are you going to say when you block grant child nutrition programs that in fact help our children to learn, help the teachers to be able to control the classroom, and clearly as you can note, the kinds of loss that we are suffering here in Texas, the impact that nutrition block grants will have on WIC programs which have proven to be successful in and of themselves.

If you just look at these numbers, although they go up simply to 1992, you can simply see when we have the prenatal WIC which deals with nutrition and the prenatal care of those mothers that we say have gotten pregnant just to get on welfare, and I have never heard that story, but we notice what has happened: the decline in infant mortality.

Is it not interesting that a community like the city of Houston that has such a high rate of infant mortality is being compared to Third World countries. Can we even stand as an international world power when we are losing infant children at the rate of Third World countries? That is what will happen with the kind of nutrition programs that is in the Republican plan.

I am looking clearly and supporting both the Deal plan that has been proposed, a Democratic plan, and as well the Mink plan. All of those concern themselves with welfare to work. But at the same time, they recognize that you cannot fill a bucket up with water, then let it run out, and when a dying man or child comes for a drink of water you say to them, "I am sorry, we have no more."

This is what the program is that we have. And then title IV talks about the difficulty or the lack of welfare for legal immigrants. Let me simply say something to you. I am reminded of being taught as a child what the Statue of Liberty stood for, and let me share any misconception. Legal immigrants pay taxes. They pay taxes. I think what we need to understand is that welfare dollars come from our taxes, and so it is certainly irresponsible not to consider those who pay taxes and work and fall upon hard times.

Interestingly enough, we find ourselves with the SSI allotment under title VI denying some of our most severely disabled children. What I am bringing to the point of the American people is I think that we have a voting population and a constituency that is certainly more sympathetic than what is occurring on the House floor. They have decidedly said that if people are willing to work, let them continue to get benefits so that they can bridge themselves to independence. Do not cut off 18-year-olds. Help them get to the point of independence by job training, by child care, and certainly job incentive.

It is interesting to find out there are letters coming in from adoption agencies begging my office for children. We feel it is a mistake to make child protection a block grant. There should be a Federal standard to protect abused and neglected children. It should not be a matter of geography that determines how children should be treated.

This is the issue because what is happening in the State of Texas, which has not been traditionally high in its AFDC payments, this new formula that will be utilized as indicated by our comptroller has said that we will be hurt, we will be hurt in the State of Texas, our children will be going to drink out of an empty bucket. There will be known dollars for abused children, there will be no dollars for adoption assistance, there will be no dollars for WIC assistance programs, there will be no dollars for school lunches and breakfast programs, there will be no dollars to help us understand our own children.

I do not understand this. It is frustrating that when I go home and I have to see a headline like "do not short change Texas children." Is this a raving radical, somebody irresponsible? No. It happens to be the President and chief executive of Children at Risk, because before we left home we were pleaded with by the youth commission that is formulated in Harris County, we were pleaded with to remember the children.

Under the proposed legislation Texas would get $558 million annually for our children, but it would indicate that we would lose dollars because of the formula.

This means that Texas has 7.3 percent of the U.S. child population, New York 4.4 percent but we would be losing money because we would not get the number of dollars to serve that population.

Our children are at risk. And it is very important to understand that as our children are at risk, we are in fact suffering the lack of investment in those children.

Where are the family values we talk about and I have heard them discussed in this very emotional debate about grandmothers and mothers and those good people who raised us? I hear the comments saying that the good people who work do not want their tax dollars thrown away. And if I can share with you what has happened in the WIC Program, gain, and to emphasize again, for example, how this program has again been effective, but I hear all of that kind of talk about where we are, and why we are in fact trying to do it this way, the Republicans say.

But let me show you these numbers. WIC prenatal care benefits saved, if we want to save taxpayer dollars, $12,000 to $15,000 for every very low birth weight baby prevented. Is that saving the taxpayers dollars? Is that true investment for the time that we spend?

The gentleman from Louisiana is interested in this issue as well. But, does this save us money? It does save us money; that we would invest to avoid a child that is born that cannot learn, that cannot think and then to have dysfunctional behavior in school because they were a low birth weight baby. This is an investment in our future.

Mr. FIELDS of Louisiana. Mr. Speaker, will the gentlewoman yield?

Ms. JACKSON-LEE. I yield to the gentleman from Louisiana.

Mr. FIELDS of Louisiana. I thank the gentlewoman for yielding. This whole debate is really not necessarily about mothers, it is really about children. And I think all too often we lose sight of the fact that this is really about 15.7 million children who cannot make the decision and could not make the decision about what household they are born in, they cannot make the decision as to whether or not they are handicapped or not handicapped or have some type of birth defect.

But we can help in the area of prenatal care and we still find ourselves in this Congress cutting money for prenatal care where we have babies dying, high infant mortality all across this country, and I just want to commend the gentlewoman from Texas for taking out the time at this very late hour in talking about the need to preserve some of these programs, because these programs actually affect real people and those real people so happen to be children.

Ms. JACKSON-LEE. I thank the gentleman, and let me simply say as I close, I have this picture up because I want to emphasize our children are our future. Our Democratic colleagues know that and they know that Texas will lose 100,000 children who will not be able to eat school lunch and of course this is not a me, me situation, me in Texas, you in Louisiana, someone else in New York. This is really about our children.

I think what we need to do in the U.S. Congress is clearly to emphasize not the stories of yesteryear about what grandmother did for me and how we pulled our bootstraps up because we realize by the year 2000 we will be losing $1.3 million in aid to children, SSI will be losing 348,000 children, in foster care 59,000 while about 14 million children will not have school lunches, 2.2 million under this program, and 14 million children will lose food stamps.

We need to move this agenda forward and vote for legislation that will in fact assure that parents, but yes, children can be able to move with their parents from dependence to independence.

We must ensure our children of a future and we must ensure that the ugliness that has been brought about by the debate or the mean-spiritedness is not the way that we go.

We must ensure that these numbers that I have cited, the 2.2 million in school lunches will not be caught up in the term limits debate, is not caught up in what part of the country we come from, but realize actually we confront that we must represent and govern all Americans. It is so very important.

I hope tomorrow will be a day and Friday will be a day that we vote for legislation that is not a mean-spirited, mishmash, patchwork, but in fact will be a comprehensive and informative piece of legislation that goes to the U.S. Senate that represents all of the people and reflects the polls that are saying Americans are compassionate taxpayers, middle class, rich, whatever you want to call them, working class, poor people are compassionate for our children. That is what we are missing in the legislation that is being proposed. And that is what I had hoped that we would be able to work toward, my colleagues, that that would be the case and that we would be successful in making this legislation effective for all of the people and especially our children.

Mr. Speaker, I rise tonight to again speak against the short-sightedness and apparent spitefulness of H.R. 1214—the Republican welfare reform proposal.

Mr. Speaker, all Democrats unequivocally acknowledge the shortcomings of our current welfare system and are genuinely determined to do the bipartisan work necessary to fix that system.

I, for one, have always believed that welfare should be a hand up, not a hand out.

I want very much to join with all my colleagues in crafting forward-thinking reform that will provide welfare parents and their children with real hope and a renewed sense of individual responsibility.

By promoting the American work ethic with intelligent reform, we can finally make our welfare system live up to its original purposes and promises: To lift people out of poverty; move them into real jobs; and empower them to become independent, self-supporting and productive citizens.

To that end, I offered, in good faith, amendments to this welfare bill that would have accomplished three very important things.

First, so that able-bodied welfare parents ready to work could actually find real jobs in the private sector—as opposed to make-work government jobs—I proposed offering a tax incentive for businesses willing hire them.

I believe corporate America is willing and able to do more when it comes to expanding and preparing our workforce.

Second, so that welfare parents could acquire the training and job-skills private sector employers rightly demand, I proposed that the Federal Government ensure funding for training and education programs needed to prepare welfare parents for the competitive world of work.

And third, so that parents could complete their training and begin a regular work schedule without undue fears about the safety and care of their young children, I proposed that the Federal Government provide assistance for transitional child care.

Mr. Speaker, these common-sense amendments were rejected out-of-hand by the majority on the rules committee.

Unfortunately, the G-O-P proposal before this body makes no job training or child care provisions for welfare parents. And the short-term budget savings it boasts are to be squandered on tax breaks for some of the most comfortable citizens.

For the moment, let's set aside the obvious moral questions the GOP proposal raises. Let us just talk practicality.

If we just begin slashing aid to families with dependent children, emergency assistance for families, childcare assistance, nutrition assistance including the WIC and food stamps program, and supplemental security income for families with disabled children, what will we accomplish beyond tax cuts for the well-to-do?

And what will we do when the bills for our shortsightedness come due?

Will we be forced to raise taxes 5 years from now to pay for costly emergency health care as nutrition-related childhood diseases reach epidemic proportions?

How will we cope with the inevitable explosion of homelessness of women and children?

Are we fiscally prepared to build jails and orphanages to the horizon so that we might incarcerate or house all those Americans who the GOP bill would relegate to futures outside the mainstream economy?

And does corporate America want a workforce that excludes the potential and creativity of millions of Americans who, in some cases, are literally dying for a chance to succeed?

I do not think the American people would answer yes to any of these practical questions?

The Department of Health and Human Services has analyzed the GOP welfare proposal and their findings are not encouraging.

HHS projects that, during the next 5 years, 6.1 million children nationwide would be cut off from AFDC benefits. Nearly 300,000 in my home State of Texas alone.

I will share more revealing numbers in a moment but my point is this: if family values are truly a concern of my colleagues from the other side of the aisle, why won't they work with us to preserve America's safety net for families.

This welfare reform debate is indeed one of values. We must ask ourselves, what kind of

nation shall America become as we prepare for the 21st century?

Shall we wisely seek to nurture the vast potential of all our citizens, or merely those with political clout?

Do we want welfare reform that steers people into productive work, or shall we continue driving them down the dead-end road of dependency?

Mr. Speaker, these are our choices and we dare not consider them lightly?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. EDWARDS of Texas (at the request of Mr. GEPHARDT) for today on account of the death of a friend.

By unanimous consent, leave of absence was granted to Mr. MINGE (at the request of Mr. GEPHARDT) for today until 7 p.m., on account of family illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GENE GREEN of Texas) to revise and extend their remarks and include extraneous material:)

Ms. DELAURO, for 5 minutes, today.

Mr. MILLER of California for 5 minutes, today.

Mr. DURBIN, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

Mr. BECERRA, for 5 minutes, today.

Mr. DEAL, for 5 minutes, today.

Mr. TANNER, for 5 minutes, today.

Mrs. THURMAN, for 5 minutes, today.

Mrs. LINCOLN, for 5 minutes, today.

Mr. CLEMENT, for 5 minutes, today.

Mr. PAYNE of Virginia, for 5 minutes, today.

Mr. KLINK, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. CLYBURN, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. FLAKE, for 5 minutes, today.

Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.

Mr. OLVER, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

Mr. ROMERO-BARCELÓ, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

Mr. GUTIERREZ, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mr. MFUME, for 5 minutes, today.

Mr. STENHOLM, for 5 minutes, today.

Mr. GENE GREEN of Texas, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WAMP for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HOKE, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. MYRICK, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. SMITH of Washington, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. JONES, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HOYER for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. KINGSTON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. SALMON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HAYWORTH, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WELDON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. SEASTRAND) and to include extraneous matter:)

Mr. WOLF.

Mr. COOLEY.

Mr. ISTOOK.

Mr. MOORHEAD.

Mr. GILMAN.

Mr. HYDE.

Mr. BURTON of Indiana.

Mr. PACKARD.

Mr. SOLOMON.

Mr. PORTMAN.

Mr. BATEMAN.

Mr. SMITH of New Jersey.

Mr. YOUNG of Florida in two instances.

(The following Members (at the request of Mr. GENE GREEN of Texas) and to include extraneous matter:)

Mr. UNDERWOOD in two instances.

Mr. DIXON.

Mr. CONDIT.

Mrs. MALONEY in two instances.

Ms. WOOLSEY.

Mr. BONIOR.

Mr. HOYER.

Ms. LOFGREN.

Mr. MONTGOMERY in two instances.

Mr. HAMILTON.

Mr. OBERSTAR.

Ms. DELAURO.

(The following Members (at the request of Ms. JACKSON-LEE) and to include extraneous matter:)

Mr. DOOLITTLE.

Mr. PALLONE.

Ms. PELOSI.

Mr. CARDIN.

Mr. TORRICELLI.

Ms. PRYCE.

Mrs. MORELLA.

ADJOURNMENT

Mr. FIELDS of Louisiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 midnight), the House adjourned until Thursday, March 23, 1995, at 10 a.m.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1994 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, DC, March 14, 1995.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In compliance with Section 4(a) of Public Law 85-804, enclosed is the calendar year (CY) 1994 report entitled, "Extraordinary Contractual Actions to Facilitate the National Defense."

Section A, Department of Defense Summary, indicates that 45 contractual actions were approved and that 5 were disapproved. Those approved include actions for which the Government's liability is contingent and can not be estimated.

Section B, Department Summary, presents those actions which were submitted by affected Military Departments/Agencies with an estimated or potential cost of $50,000 or more. A list of contingent liability claims is also included where applicable. The Defense Logistics Agency, Ballistic Missile Defense Organization, Defense Information Systems Agency, Defense Mapping Agency, and the Defense Nuclear Agency reported no actions, while the Departments of the Army, Navy, and Air Force, provided data regarding actions that were either approved or denied.

Sincerely,

D.O. COOKE,
Director,
Administration and Management,

Enclosure: As stated.

DEPARTMENT OF DEFENSE

EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE (Public Law 985-804), Calendar Year 1994

FOREWORD

On October 7, 1992, the Deputy Secretary of Defense (DEPSECDEF) determined that the national defense will be facilitated by the elimination of the requirement in existing Department of Defense (DoD) contracts for the reporting and recoupment of nonrecurring costs in connection with the sales of military equipment. In accordance with that decision and pursuant to the authority of Public Law 85-804, the DEPSECDEF directed that DoD contracts heretofore entered into be amended or modified to remove these requirements with respect to sales on or after October 7, 1992, except as expressly required by statute.

In accordance with the DEPSECDEF's decision, on October 9, 1992, the Under Secretary of Defense for Acquisition directed the Assistant Secretaries of the Army, Navy, and Air Force, and the Directors of the Defense Agencies, to modify or amend contracts that contain a clause that requires the reporting or recoupment of nonrecurring costs in connection with sales of defense articles or technology, through the addition of the following clause.

The requirement of a clause in this contract for the contractor to report and to pay a nonrecurring cost recoupment charge in connection with a sale of defense articles or technology is deleted with respect to sales or binding agreements to sell that are executed on or after October 7, 1992, except for those sales for which an Act of Congress (see section 21(e) of the Arms Export Control Act) requires the recoupment of nonrecurring costs.

This report reflects no costs with respect to the reporting or recoupment of nonrecurring costs in connection with sales of defense articles or technology, as none have been identified for calendar year 1994.

CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, CALENDAR YEAR 1994

SECTION A—DEPARTMENT OF DEFENSE SUMMARY

SUMMARY REPORT OF CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE—JANUARY-DECEMBER 1994

Department and type of action	Actions approved			Actions denied	
	Number	Amount requested	Amount approved	Number	Amount
Department of Defense, total	45	16,016,149.00	16,016,149.00	5	18,459,908.00
Amendments without consideration	1	16,016,149.00	16,016,149.00	4	3,459,908.00
Formalization of informal commitments	0	0.00	0.00	1	15,000,000.00
Contingent liabilities	44	0.00	0.00	0	0.00
Army, total	1	16,016,149.00	[1] 16,016,149.00	0	0.00
Amendments without consideration	1	16,016,149.00	16,016,149.00	0	0.00
Navy, total	41	0.00	0.00	5	18,459,908.00
Amendments without consideration	0	0.00	0.00	4	[2] 3,459,908.00
Formalization of informal commitments	0	0.00	0.00	1	[3] 15,000,000.00
Contengent liabilities	41	[4] 0.00	0.00	0	0.00
Air Force, total	3	0.00	0.00	0	0.00
Contingent liabilities	3	[4] 0.00	0.00	0	0.00
Defense Logistics Agency, total	0	0.00	0.00	0	0.00
Ballistic Missile Defense Organization, total	0	0.00	0.00	0	0.00
Defense Information Systems Agency, total	0	0.00	0.00	0	0.00
Defense Mapping Agency, total	0	0.00	0.00	0	0.00
Defense Nuclear Agency, total	0	0.00	0.00	0	0.00

[1] Libby Corporation requested extraordinary contractual relief under P.L. 85-804. The request for relief was approved for $16,016,149.
[2] Denials involved Delphi Painting & Decorating Company ($50,000); Farrell Lines, Incorporated ($87,200); Mech-Con Corporation ($2,076,082); and Truax Engineering, Incorporated ($1,246,626).
[3] Southwest Marine, Incorporated requested extraordinary contractual relief under P.L. 85-804. The request for relief was denied.
[4] The actual or estimated potential cost of the contingent liabilities cannot be predicted, but could entail millions of dollars.

SECTION B—DEPARTMENT SUMMARY

DEPARTMENT OF THE ARMY

Contractor: Libby Corporation.

Type of action: Amendment Without Consideration.

Actual or estimated potential cost: $16,016,149.

Service and activity: U.S. Army Aviation Troop Command (ATCOM).

Description of product or service: Tactical quiet generator sets (TQG's).

Background: Libby Corporation (Libby) submitted a request for extraordinary contract relief under Public Law (P.L.) 85-804 requesting an amendment without consideration pursuant to Federal Acquisition Regulation (FAR) 50.302-1. Libby asserted that if it did not receive relief, it would not be able to complete performance on U.S. Army Aviation Troop Command (ATCOM) Contracts DAAK01-88-D-080 and DAAK01-88-D-082 for tactical quiet generator sets (TQGs) which are essential to the national defense.

Justification: Libby was awarded two firm fixed priced requirements contracts on August 30, 1988, for the production of a new generation of tactical generators. Contract D080 called for the production of: 4,498-5KW, and 3,417-10KW TQGs. Contract D082 called for the production of: 1,240-15KW, 1,261-30KW, and 2,436-60KW TQGs. A total of 12,852 TQG were placed under contract. The contracts classified these TQGs as Level III Nondevelopmental Items (NDI). No formal research and development effort preceded the award of these contracts because it was believed that contract performance would require little more than the assembly/integration of existing commercial components into generator sets, meeting military requirements.

Under the terms of the contracts, first article testing (FAT) was set to start in February 1990, production release was set for March 1991, and completion of deliveries was set for May 1993 (Contract D080) and June 1993 (Contract D082). Difficulties were encountered during the preproduction/FAT phase of the contracts. In September 1991, Libby filed a claim alleging Government delay, defective specifications, Government superior knowledge, and impossibility of performance. The contracting officer found that the Government did delay Libby during FAT and revised the delivery schedule to start production in March 1993, with completion by September 1995. While a new delivery schedule was established, the other issues were not fully resolved and a new contract amount was not definitized.

In October 1993, Libby advised the contracting officer that it could not complete production of the TQGs unless it received an additional $46,000,000 beyond the $106,800,000 priced for the production of the two contracts. As of October/November 1993, Libby had manufactured, and the Army had accepted, 3,500 of the 12,852 TQGs under contract. Libby's initial position was that these additional amounts were due under the contract as a result of defective specifications, Government superior knowledge, and impossibility of performance.

During October, November, and December 1993, a negotiation team from ATCOM and the U.S. Army Materiel Command (AMC) conducted a detailed evaluation of Libby's position. The negotiation team reviewed the amount Libby claimed it needed to complete performance of the contracts and evaluated liability for the claimed amount. After intensive negotiations, supported by DCAA, the parties agreed that $32,047,879 was needed to complete performance of the two contracts. However, of this amount, the Army was only legally liable for $16,031,748. The remaining $16,016,149 reflected costs that could not be attributed to the Government and, therefore, the Government was not legally liable for this amount.

On December 11, 1993, Libby submitted its formal request for extraordinary contract relief to the contracting officer. The Army Contract Adjustment Board (ACAB) heard the case on December 22, 1993, and approved relief in the amount of $16,016,149, subject to the execution of a Settlement Agreement between Libby and the contracting officer which reflected the understandings of the parties as to liability. On February 23, 1994, a Settlement Agreement was executed.

Applicant's contentions: Libby contended that it could not complete performance of its contracts for $106,800,000. Libby contended that it needed an additional $32,047,897 to complete performance of the contracts. Of this amount, Libby acknowledged that it

was not legally entitled to $16,016,149. Libby contended that if it did not receive this relief, it would suffer a cash flow problem so severe that by December 1993/January 1994, it would have to terminate its operations and, with that, stop performance of contracts essential to the national defense. Libby cited FAR 50.302-1, Amendments Without Consideration, as authority for relief.

Decision: As of October 1993, Libby's TQGs contracts were priced at $106,852,103. By October 1993, Libby had concluded that it could not complete performance for that amount and had submitted a claim to ATCOM for an additional $46,000,000. Libby asserted that many of the difficulties it had incurred during the early phases of the contracts entitled it to additional compensation to perform the contracts. Libby characterized those problems under various legal theories like: Government caused delay, defective specifications, Government's superior knowledge, and impossibility of performance. Although the Army conceded that it had delayed Libby's performance during FAT, because the contracts called for the assembly and integration of existing commercial components, the Army was not particularly receptive to Libby's claim.

During the period October to December 1993, Libby engaged in negotiations which reached the conclusion that it would take an additional $32,047,879 to complete performance of the TQGs contracts. Of this amount, the Army agreed that it was liable, under different contract principles, in the amount of $16,031,748. Libby agreed that the Army was not responsible for the additional $16,016,149 needed to complete the TQGs contracts.

Before the ACAB, Libby presented detailed financial information which disclosed that without the additional $16,016,149, its cash flow would not be sufficient to continue performance past January 1994. This figure does not include any amount for profit.

FAR 50.302-1(a) provides that:

When an actual or threatened loss under a defense contract, however caused, will impair the productive ability of a contractor whose continued performance on any defense contract found to be essential to the national defense, the contract may be amended without consideration, but only to the extent necessary to avoid such impairment to the contractor's productive ability.

It was found to be essential to the Army and, therefore, the national defense, that it receive the TQGs currently being manufactured by Libby. The Chief of the Combat Support, Combat Service Support & Common Systems Division, Office of the Deputy Chief of Staff for Operations (DCSOPS), verified the need in a memorandum dated December 22, 1993, subject: "Mission Criticality of Tactical Quiet Generators for the U.S. Army." That memorandum detailed the impact on the Army if action was not taken and Libby ceased production of the TQGs. In particular, the following concerns were identified:

(a) A large percentage of the 132,000 Army Military Standard (MILSTD) generators currently in the inventory had two problems impacting on readiness: one, many exceeded their expected useful life of 17 years; and two, about one-third of these generators operated on gasoline instead of multi-fuel. The continued use of gasoline increases support costs and represents a safety concern because of the volatility of gasoline.

(b) Many of the critical major components required to maintain the readiness of the current fleet of generators were no longer available in the supply system. The cost of having to overhaul MILSTD generators was almost twice that of buying comparable TQGs. Delays in fielding TQGs would result in the expenditure of needed operation and maintenance funds at nearly twice the amount of procurement costs.

(c) New weapons systems that were being developed, tested, and fielded depended on the timely fielding of the TQGs. If the TQGs were not fielded as scheduled, these programs may not have been fielded or may have incurred expensive alternative costs.

(d) Modern battlefield requirements had become more sophisticated and had resulted in new needs that MILSTD generators could not fulfill. Most notable was audible and infrared signature suppression. TQGs provided an 80 percent reduction over MILSTDS in both areas, significantly reducing the vulnerability of soldiers to enemy attack. Improved survivability is a high priority on the modern battlefield.

The December 22, 1993, DCSOPS memorandum clearly established the urgent need for the TQGs and the negative impact on the national defense if the TQGs were not delivered as soon as possible.

Libby presented data, confirmed by ATCOM, which indicated that the TQGs being manufactured met the Army's specifications and would be able to meet the current delivery schedule if Libby was provided the $16,016,149 requested under P.L. 85-804.

Conclusion: Under these circumstances, the Army Contract Adjustment Board (ACAB) is of the belief that Libby's continued performance of the TQGs contracts is essential to the national defense. ACAB therefore granted Libby's requested relief. This action will facilitate the national defense. The contracting officer was authorized to amend the TQGs contracts without consideration in the total amount of $16,016,149, as memorialized in the Settlement between Libby and the contracting officer, dated February 23, 1994.

DEPARTMENT OF THE ARMY

Contingent Liabilities: None.

Contractor: None.

DEPARTMENT OF THE NAVY

Contractor: Delphi Painting & Decorating Company.

Type of action: Amendment Without Consideration.

Actual or estimated potential cost: $50,000.

Service and activity: The Department of the Navy, Naval Facilities Engineering Command.

Description of product or service: Removal and disposal of paint that potentially contains lead.

Background: The subject action is an Amendment Without Consideration under FAR Section 50.302-1. Delphi submitted a request for extraordinary relief by letter dated December 21, 1992. Delphi based the request on contractor essentiality and stated that they were entitled to compensation in the approximate amount of $50,000. Within the Department of Defense, P.L. 85-804 is implemented by the Federal Acquisition Regulation (FAR). FAR Part 50, Extraordinary Contractual Actions, Section 50.302, lists the type of adjustments available for relief. The only potentially applicable basis for adjustment in this case is contained under paragraph 50.302-1, Amendments Without Consideration, subparagraph (a). Subparagraph (a) allows Amendments Without Consideration if an actual or threatened loss will impair the productive ability of a contractor whose continued operations as a source of supply is found to be essential to the national defense. The essential nature of the work being performed is the essence of this exception. Upon review of the nature of the work involved in this contract (the removal and disposal of paint that potentially contains lead), it has been determined that this type of work is not uncommon and can not be considered essential to the national defense. Further, the suggestion that future contracts will have to be awarded on a sole source basis is unfounded.

Decision: In conclusion, the Contracting Officer determined, that pursuant to FAR 50.101, the request must be denied in its entirety.

Contractor: Farrell Lines, Incorporated.

Type of action: Amendment Without Consideration.

Actual or estimated potential cost: $87,200.

Service and activity: The Department of the Navy, Military Sealift Command.

Description of product or service: U.S. flag ocean and intermodal transportation service.

Background: The subject action is a request for a portion of the amount which was the subject of a certified claim under the Contract Disputes Act, which was previously denied by the Contracting Officer. Because the basis of the present claim involves some of the same facts as in the certified claim, a brief discussion of those facts follows.

The SMESA contract covered U.S. flag ocean and intermodal transportation services, including combination U.S. flag and foreign flag services, if all U.S. flag service was not available to meet Government requirements between the United States, as well as other parts of the world, and areas in the Middle East. The purpose of the Contract was to support U.S. Gulf War operations. The Contract was solicited and awarded during August 1990, on a firm fixed price basis for a period not to exceed one year. The effective date of the Contract was August 23, 1990. Farrell offered a combination U.S. flag/foreign flag service between the U.S. East Coast (USEC) and the Middle East (ME), including, but not limited to, service to and from Damman. Farrell offered and provided U.S. flag vessel service between the USEC and the Mediterranean, with connecting foreign flag service to the ME.

The connecting service offered and provided by Farrell under the Contract involved the use of a slot charter with Compagnie Maritime D'Affretement (CMA) which, in turn, had entered into various time charters, including one with the owners of the VILLE D'OMAN, Gebr. Peterson Schiffahrtsgesellschaft Westertal GMBH & Co. (Owners). Farrell commenced performance under the Contract in late August/early September 1990.

On January 11, 1991, the owners of the vessel VILLE D'OMAN, asserting the threat of war and reports of floating mines in the Persian Gulf, gave notice of their intent not to permit the vessel to proceed to Damman and discharge its Department of Defense (DoD) cargo. CMA, after several unsuccessful attempts to convince the Owners and crew to proceed to Damman to discharge the DoD cargo under the Contract, directed the VILLE D'OMAN on January 21, 1991, to discharge its DoD cargo in an alternate port. Farrell subsequently arranged for the replacement of the VILLE D'OMAN by another CMA chartered vessel, the TITANA, which was engaged in the European/Far East trade route, to deliver the DoD cargo to Damman, in accordance with the Contract. The costs associated with the diversion of VILLE D'OMAN and the use of the replacement vessel, the TITANA, to deliver the cargo are at issue.

Farrell's certified claim and the contracting officer's final decision: On July 10, 1992, Farrell submitted a certified claim for $485,978 for reimbursement of unanticipated costs (the $87,200 adjustment sought by Farrell was originally part of this claim). Farrell sought recovery of the additional expenses incurred in shipping the DoD cargo to Damman under a clause in its SMESA contract, which provided for reimbursement of unanticipated costs. Farrell claimed that the Contracting Officer had suggested the clause as a means by which Farrell could be reimbursed.

In support of its claim, Farrell asserted that it had considered trying to invoke the Liberties Clause. However, Farrell alleged that it was discouraged from doing so by the Contracting Officer. Farrell further alleged that the Liberties Clause, if applicable, would have relieved Farrell of the duty to ship the DoD cargo to Damman, based on the VILLE D'OMAN's refusal to proceed there out of safety concerns for the ship and its crew, and would have allowed it an equitable adjustment for its services. Farrell further asserted that it was discouraged from alternately imposing a special surcharge increase to the SMESA rates to cover the additional cost.

The Contracting Officer's Final Decision denied Farrell's claim, concluding that the contract clause permitting reimbursement for unanticipated costs was inapplicable. The Contracting Officer noted that Farrell had contracted to deliver cargo safely to Damman and that the performance of its subcontractors were Farrell's responsibility. The Contracting Officer also pointed out that the unanticipated costs clause applied only to costs not otherwise covered in the Contract, and that the Liberties Clause was the appropriate avenue for Farrell to recover its additional expense. The Contracting Officer concluded, however, that no valid claim existed under that clause because the VILLE D'OMAN was not justified in refusing to proceed to Damman. Further, Farrell had failed to seek the Contracting Officer's approval before arranging alternate delivery of the DoD cargo to Damman, as required by the Liberties Clause. Finally, the Contracting Officer was unable to conclude that MSC personnel had discouraged Farrell from seeking relief under the Liberties Clause or through surcharges.

Request for adjustment: Farrell sought extraordinary relief in the form of a contract adjustment under the provisions of P.L. 85-804 for $87,200. Farrell asserted that its loss was directly caused by Government action. To determine whether an adjustment was appropriate, the Government had to determine whether a loss occurred, whether the loss was caused by Government action, and whether that action resulted in a potential unfairness to the Contractor. 48 C.F.R. 50.302-1(b).

Farrell claimed that when they approached the Contracting Officer with the possibility of invoking the Liberties Clause under the Contract because of the VILLE D'OMAN's refusal to proceed to Damman, the Contracting Officer insisted they perform and stated that Farrell would receive no further bookings if the clause were invoked. Based on this, and the Contracting Officer's subsequent demands for assurances of performance capabilities, Farrell claimed they were forced to abandon their rights under the Liberties Clause and were required to incur additional costs to deliver the cargo to Damman.

Assuming that an $87,200 loss existed, it was not caused by the Contracting Officer's actions. The viability of Farrell's service under the Contract was clearly in doubt during the January 1991 time frame due to Farrell's problem with the owners of the VILLE D'OMAN. The Contracting Officer's response to Farrell's comment about invoking the Liberties Clause was legitimate. It was reasonable for the Government to expect Farrell to perform, as contracted, and resort to the clause would have realistically suggested that Farrell was incapable of performing. This conclusion was bolstered by Farrell's responses to the Contracting Officer's inquiries which confirmed the service problems and detailed operational plans to continue performance under the Contract. Considering that the Contract permitted the Contracting Office to suspend bookings with a carrier for its prospective inability or failure to perform, the Contracting Officer's comments to Farrell were entirely reasonable, under the circumstances, in that they only highlighted contract rights available to the Government.

Government attempts to actively ascertain and secure Farrell's commitment to continue contract performance can not be construed as an unreasonable influence causing Farrell to abandon its contract rights under the Liberties Clause. The Government had a legitimate, real, and urgent need to determine Farrell's intent and ability to provide service. If Farrell was unable to perform under the Contract, then the Government clearly would have been entitled to exercise its rights, under the Contract, to suspend the booking of cargo with Farrell for failure to perform or for the prospective inability of Farrell to make good any future bookings. Farrell's decision to abandon any contract rights it may have had under the Liberties Clause and incur additional costs to ship the cargo to Damman is considered an affirmative and voluntary business decision on its part that was not induced by the Contracting Officer. Consequently, any additional expense incurred by Farrell was not caused by Government action.

Decision: After a careful and thorough review of Farrell's case, the Navy did not find that payment of the requested amount would facilitate the national defense. Further, it was concluded that Government action was not the cause of Farrell's loss. The Government had a right and a responsibility to seek full contractor performance under the terms and conditions of the Contract, particularly during a contingency such as Desert Shield/Desert Storm. No contractual relationship existed between the Government and Farrell's subcontractor, CMA. It was Farrell's responsibility to insure that CMA fulfilled its obligations under its contract with Farrell. Thus, it was decided that Farrell must absorb the loss resulting from CMA's failure to perform. Farrell accepted the cargo under the Contract and was obligated to deliver that cargo to Damman. Farrell made a conscious business decision in choosing its subcontractor, and must, therefore, bear the consequences of that decision, not the Government. Accordingly, Farrell's request for extraordinary relief under P.L. 85-804 for a contract adjustment in the amount of $85,200 was denied.

Contactor: Mech-Con Corporation.

Type of Action: Amendment Without Consideration.

Actual or estimated potential cost: $2,076,082.

Service and activity: The Department of the Navy, Naval Facilities Engineering Command.

Description of product or service: Construction of the Propellant Disposal Facility.

Background: By letter of May 29, 1992, Mech-Con Corporation, Pomfret, Maryland, submitted a request for extraordinary relief. The Contractor's request is based on alleged unconscionable and unfair acts by the Government.

Within the Department of Defense, P.L. 85-804 is implemented by the Federal Acquisition Regulation (FAR). FAR PART 50, EXTRAORDINARY CONTRACTUAL ACTIONS, Section 50.302, lists the type of adjustments available for relief. The only appropriate adjustment in this case is contained under paragraph 50.302-1, Amendments Without Consideration, subparagraphs (a) and (b). Subparagraph (a) allows Amendments Without Consideration if an actual or threatened loss will impair the productive ability of a contractor whose continued operations as a source of supply is found to be essential to the national defense. A review of the file does not establish that Mech-Con is essential to national defense. Therefore, contractor has not met the requirements of FAR 52.302(a).

Subparagraph (b) allows relief in instances where the Government directs its action primarily at the contractor and acts in its capacity as the other contracting party, the contract may be adjusted in the issue of fairness. However, any relief under this subparagraph is limited by paragraph 50.203(c), which states that no contract shall be amended or modified unless the contractor submits a request before all obligations (including final release and payment) under the contract have been discharged.

The Contractor claimed monies in the amount of $2,076,082 for legal fees, interest expenses, and other miscellaneous costs under or relating to Contract N62477-74-C-0333, Construction of the Propellant Disposal Facility, Naval Ordinance Station, Indian Head, MD.

A review of the contract file showed that the contact was awarded to the joint venture of Mech-Con and Heller Electrical Corporation on September 26, 1977. The contract was awarded in the amount of $4,258,643, with a contract completion date of 455 days. On June 30, 1981, modification P00029 was issued which terminated the contract for the convenience of the Government. On January 27, 1982, Mech-Con signed a final release on the contract.

Decision: Entitlement could not be granted under FAR 50302-1(b), because Mech-Con signed the final release. Contained within the final release, Mech-Con agreed that for the sum of $6,433,894.38, all liabilities, obligations, and claims had been discharged and satisfied. However, following the signing of the final release, Mech-Con alleged that the Government coerced it into signing the final release. However, Mech-Con did not provide any documentation to support this allegation. Thus, the final release is valid. Therefore, Mech-Con did not meet the requirements of FAR 52.302-1(b) and FAR 52.203(c).

Contractor: Truax Engineering, Inc. (TEI).

Type of action: Amendment Without Consideration.

Actual or estimated potential cost: $1,246,626.

Service and activity: The Department of the Navy.

Description of product or service: Development of a low-cost, reusable rocket.

Background: The claimed potential cost involved in the request is $1,246,626 as of November 1, 1993, plus a claimed $50,000 per month since then. This was TEI's second Government contract, for development of a low-cost reusable rocket to be launched and

recovered from the sea (SEALAR). Funding for the program was limited from the beginning. A subsequent contract modification (P00009) substantially descoped the Contract by deleting all tasks not specifically related to the proof-of-principle launch and recovery. On June 4, 1991, a burst liquid oxygen tank damaged the rocket and caused delays and additional costs. Although later contract modifications increased the estimated cost, the Contract was allowed to expire on its completion date without the proof-of-principle launch and recovery having been achieved.

Justification: As stated, the Contractor's request was for a contract adjustment without consideration. The standard, set by FAR 50.302.1(b), for granting such an adjustment is one of fairness to a contractor that sustains a loss (not merely a decrease in anticipated profit) under a defense contract because of Government action. When the Government directs its action primarily at the contractor and acts in its capacity as the other contracting party, the contract may be adjusted. When this action increases performance cost and results in a loss to the Contractor, fairness may make some adjustment appropriate. A review of the facts in this case, however, indicated that fairness with regard to the Contractor's claimed losses had already operated under an administrative provision of the contract.

Decision: For purposes of this decision, the facts regarding this case are outlined in the Contracting Officer's findings and recommendation dated December 13, 1993. In that document, it is noted that the Contractor's request was based on substantially the same circumstances as a previously settled claim, including nonbinding arbitration, under the disputes resolution process of the contract. The Contractor had misinterpreted the favorable recommendation by the arbitrator and the subsequent negotiated settlement of the earlier claim as "proof" that TEI was entitled to the entire amount claimed under P.L. 85-804. The company's approach is inconsistent with a negotiated settlement. Moreover, TEI's position overstated the arbitrator's findings and recommendation, as well as the role of the arbitrator. In submitting its P.L. 85-804 request for relief without a breakdown of actual costs incurred, the Contractor ignored a provision in the contract modification which settled the earlier dispute, viz., that it ". . . agrees to forgo any further claim or requests for relief . . . except that this shall not preclude . . . relief under Part 50 of the [FAR] for costs or losses not included in the Contractor's . . . claim."

The Contracting Officer's statement also observed that TEI further asserted it had to remain in business at continued losses until its dispute and P.L. 85-804 claims were settled. There was no apparent reason for this except that TEI apparently anticipated further SEALAR-related business from the private sector, and made a business decision to continue operations albeit at a heavy loss. The Contractor calculated its losses by comparing unaudited, undifferentiated balance sheets from December 1991 and August 1993 and requested the difference as relief under P.L. 85-804. Essentially, then, TEI asked the Government to underwrite all its business operations after the expiration of its only remaining Government contract.

Finally, given the facts that (1) the SEALAR program was canceled, and (2) TEI's self-declared principal reason for being in business was the SEALAR program, relief action under P.L. 85-804 would not appear to facilitate the national defense. In addition, information on the Contractor's recent business activity with regard to trying to develop the concept of reusable ICBM's has been evaluated and the same conclusion reached in that situation.

In light of the above circumstances, and under authority delegated by NAPS 5250.201-70, the request by Truax Engineering, Inc., for relief under P.L. 85-804 was disapproved.

Contractor: Southwest Marine, Inc.

Type of action: Formalization of Informal Commitments.

Actual or estimated potential cost: $15,000,000.

Service and activity: The Department of the Navy.

Description of product or service: Drydock overhauls performed at Atlantic Dry Dock Corporation and Southwest Marine, Inc.

I. INTRODUCTION

In the early 1980s, Southwest Marine, Inc. (SWM), and Atlantic Dry Dock Corporation (ADD) invested in drydock facilities in San Diego, California, and Jacksonville, Florida, respectively, expecting to receive more Navy ship repair and overhaul contracts. Claimants asserted that they added facilities because of representations of senior Navy officials of more repair work if increased drydock facilities were available in the homeports of San Diego and Jacksonville, and because of the existing Navy homeport policy, planned changes in the Navy master ship repair policy to require ownership of facilities, as well as planned Navy use of additional multi-ship repair contracts. SWM and ADD asserted that increases in work did not materialize to the extent expected due to Navy alteration of, or failure to implement, these policies. In particular, claimants pointed to the change in the homeport policy from all overhauls performed in the homeport if adequate competition existed, to one third of overhauls reserved for the homeport if adequate competition existed, to later all overhauls competed coastwide. SWM and ADD claimed harm because the expected number of contracts were not competed only in the homeport or for work restricted to the homeport, but due to high debt burden/facilities costs, claimants' prices were not competitive with other companies.

Conference Report No. 103-339 (at 93-94) for the FY 1994 DoD Appropriations Act provides:

The conferees are aware of a long standing dispute between Southwest Marine of San Diego, California, and Atlantic Dry Dock of Jacksonville, Florida, and the Department of the Navy over facility investments made by these two shipyards. Although [] the shipyard owners agree that there is no legal remedy for a claim to be paid by the Navy, they continue to believe that, in fairness, the Navy should pay costs which the yards incurred in making facility investments. The conferees direct the Navy to examine this issue again and inform the Committees on Appropriations of the House and Senate by May 31, 1994, on what course of action it recommends to resolve this matter.

Pursuant to this language, the Navy has conducted a reexamination of the SWM/ADD facility investment claims, making an impartial and independent review of the record. This review has encompassed the Navy Report to Congress of November 1992 on this matter and data considered in that Report, including all SWM/ADD submissions made prior to that Report. As well, the SWM/ADD joint submission of January 29, 1993; SWM 1994 submissions of May, August 8, and September 2; and ADD submission of May 1994 were considered. Additionally, ASN(RD&A) met with claimants on October 24, 1994, to provide them the opportunity to present the issues and facts of the dispute from their perspective. Also, a letter from the shipyards dated October 24, 1994, was reviewed.

II. PRIOR CONGRESSIONAL LANGUAGE AND NAVY CONSIDERATION OF CLAIMS

In 1986, P.L. 99-500, Making Continuing Appropriations for FY 1987, Section 122 of the Military Construction Appropriation (hereinafter referred to as Sec. 122), directed:

The Secretary of the Navy shall enter into negotiations with shipyards located on Sampson Street, San Diego, California, and on Fort George Island, Jacksonville, Florida, to determine what liability (if any), the United States has for damages suffered by such a shipyard resulting from facility improvements made by such shipyard during 1982 in good faith reliance on representations and assurances provided to officials of such shipyards by representatives of the Department of the Navy in 1981 and 1982 with respect to future work of the Department of the Navy at such shipyard.

Pursuant to Sec. 122, SWM and ADD submitted a joint request for relief on October 29, 1987, totaling $59,558,447 for lost profits not realized after the facility investments. In response to questions from the Navy, claimants provided supplemental documentation. The parties held negotiations on January 24 and 25, March 14, and April 26, 1989. By a May 10, 1989, letter to Congress, the Secretary of the Navy determined that the Navy bore no legal or equitable liability to the shipyards and formally denied the request. This position was supported by a 5-page Contracting Officer Memorandum of Decision and a 60-page legal memorandum.

In 1989, Conference Report No. 101-331 (at 422) for the FY 1990 DoD Authorization Act provided:

The conferees desire that the Navy fully explore all equitable and legal aspects of certain claims for relief submitted by shipyards pursuant to section 122 of the FY 1987 Military Construction Appropriations Act (P.L. 99-591).

Accordingly, the conferees direct the Secretary of the Navy to reconsider actively and together with the shipyards all facts and the quantum aspects of the claims and to report to the committees on Armed Services of the Senate and House of Representatives the results of such reconsideration with a definitive analysis of such claims under section 122.

Pursuant to this language, the parties met (first on March 28, 1990) and exchanged considerable documentation regarding the facts and legal issues of the case. On November 2, 1992, by letter to Congress, the Secretary found that the shipyards were not entitled to compensation, either as a matter of law or equity, and formally denied the request. This letter forwarded a detailed 97-page Navy analysis conducted by the Navy General Counsel of the facts, legal and equitable issues, and quantum, including copies of relevant documentation (87 attachments). This analysis will hereinafter be referred to as the 1992 Navy Report.

III. BACKGROUND

SWM and ADD claimed that, in the early 1980s, each invested in certain capital improvements at its San Diego facility and Jacksonville facility, respectively, with the expectation of receiving increased Navy ship repair and overhaul contracts. SWM began serious plans for purchase of a drydock in late 1981. The drydock was purchased in December 1982, with the loan requirements finalized in March-April 1983 with Wells Fargo

Bank. SWM installed a large new floating drydock, new piers, and a new warehouse. In the first half of 1980, ADD began planning for the construction of a 4,000 ton marine railway and made a firm decision to proceed in January/February 1982. The railway was completed in October/November 1982. ADD added a pier extension, begun in June 1983 and completed in July 1984.

Claimants alleged that investments in these facilities improvements were made in reliance on Navy policies in 1982, including the Navy's existing homeport ship repair policy, planned changes in the Navy master ship repair policy, and planned Navy use of additional multi-ship repair contracts, combined with various Navy representations of increased homeport repair work if SWM or ADD invested in increased drydock facilities. The following summarizes these areas.

Navy Representations: SWM/San Diego Homeport. Prior to facility improvements by SWM and National Steel and Shipbuilding Company (NASSCO) in the 1980s, there was a shortage of drydocking capability in the San Diego homeport. The only drydock was the Navy graving dock which the Navy leased to the San Diego Unified Port District, which made the dock available to local ship repair firms doing Navy ship repair work. The Navy dock permitted adequate competition, but only one drydock in the area limited the number of overhauls or other repair work that could be done in the homeport in any one year.

A March 12, 1981, letter from VADM Fowler, Commander, Naval Sea Systems Command (NAVSEA), to Arthur Engel, President of SWM, advised of "* * * an increase in the size of the Navy Shipbuilding Program in the forthcoming years;" that the problems caused by the increase "* * * will be solvable if the Navy and industry embark on innovative, cooperative planning;" and that one of four objectives of the Navy and industry should be to "* * * [s]trengthen the industrial base and enhance the vitality of the shipbuilding industry."

In late 1981, NAVSEA prepared a draft report outlining a business plan for overhaul and repair of Navy ships in the San Diego area which provided:

Addition of another graving dock or floating drydock would enable a significant number of Naval vessels to remain in the homeport of San Diego for repair and overhaul. "In order to foster a robust private sector industrial base, the Navy should investigate immediately all alternatives to relocate a floating drydock in San Diego."

An option for obtaining additional drydock capability would be to provide a "contractual means of providing incentives to a contractor or contractors to make substantial capital improvements in a new drydock and pier" and fully explore all appropriate methods to provide incentives to assist or encourage private development of drydocking facilities, including multi-year contracts, capital investment incentive clauses, capital investment sharing, and contractor consortiums.

"[T]here is little the Navy can do to guarantee future work to individual companies in the private sector to encourage capital investment to expand facilities/capabilities."

Acknowledgment that SWM was seeking to add a 20,000 ton drydock to its facilities.

Recognition that there was a need to establish more stringent qualification criteria for Master Ship Repair (MSR) contract holders to "continually glean contractors with inadequate resources from the ranks of eligible bidders" and that the Navy "should develop quantitative criteria for MSR eligibility that specifies minimum, albeit substantial, levels of technical, management, financial, and facilities resources."

Acknowledgment that there was a need to provide schedule stabilization of ship repair requirements to give the local ship repair industry more certainly in workload demands: "There should be a commitment to retain in San Diego as much depot maintenance repair work as port capability allows. . ." with multiship packages maximized, with minimum concurrence in schedules, for overhauls and Selected Restricted Availabilities (SRAs).

According to a Declaration by Mr. Engel, submitted with SWM's 1987 claim submission in early 1982, Mr. Engel met with Mr. Lehman, then Secretary of the Navy, to discuss SWM's intended capital improvements. "Secretary Lehman indicated that SWM's facilities improvements would be appreciated and encouraged by the Navy." In early spring of 1982, Mr. Engel met with ASN(S&L), Mr. Sawyer. "We again discussed SWM's improvement plans. Mr. Sawyer also indicated that facility improvements would be followed by more repair work in the homeport."

In March 1982, a cost type overhaul contract for USS HENRY WILSON was awarded outside the homeport at a price nearly twice that proposed by two San Diego shipyards. In relation to this award, certain Government statements were reported:

The March 31, 1982, San Diego Union reported that Mr. Carlucci, then Deputy Secretary of Defense, told Congressman Hunter that lack of sufficient drydock facilities in San Diego was the main consideration in this award decision.

The April 2, 1982, San Diego Union reported that ASN(S&L) Sawyer stated that the award was based on a superior proposal in the solicitation's higher weighted factors [presumably, facilities was one of these factors] and that "I would like to encourage some of the local (San Diego) firms to invest in their own facilities. The real bottom line is, if I could urge something on the people of San Diego, looking at the market projections for overhauls and repairs there, is to do it the American way and invest in better facilities." Mr. Sawyer was also reported as saying that improved repair facilities in San Diego would make it easier for the Navy to adhere to the homeport policies on repairs, which "is alive and well."

The June 7, 1982, San Diego Union reported that, in response to a question regarding what was needed to get overhaul contracts in San Diego, ASN(S&L) Sawyer stated: "three good shipyards."

In an undated and unidentified newspaper article provided by SWM, it was reported that a Navy memorandum to Edwin Meese, then Counselor to the President, regarding the WILSON award stated that, in order for homeport firms to obtain greater number of ship overhaul contracts, they should increase facility investment, noting that SWM has no drydock while the awardee does.

On August 12, 1982, Chapman Cox, DASN (Installations) met with San Diego business leaders and the San Diego Port Commission. (This meeting is described by SWM but not mentioned in the 1992 Navy Report.) He stated that the homeport policy was still in effect despite the recent change in policy requiring only one third of overhauls to be restricted to the homeport (discussed below); the overall percent of homeport repair and overhaul work would remain the same; there would be an increase in the number of ships homeported in San Diego there was a need for additional homeport facilities and private investment to that end was encouraged; and endorsed a proposal to build a drydock to be operated by the Port Commission and used by local firms.

The September 22, 1982, San Diego Daily transcript and San Diego Union reported that Mr. Sawyer and VADM Fowler met with San Diego contractors at a September 21, 1982, session organized by the local Chamber of Commerce. Mr. Sawyer emphasized the need to improve the quality of area facilities, noting that with the anticipated 30 percent growth in Navy work over the next two years, there was a potential for $240,000,000 in assured work in the period. Mr. Saywer said that these predictions depended on improved facilities, adequate competition, and local contractors' ability to win one third of coastwide overhaul solicitations. Both Navy officials sought to encourage interest in the Port District obtaining a drydock for the use of area contractors. Mr. Sawyer said that there was no guarantee San Diego firms would receive additional work just because the facilities were there unless a public body were involved in its construction. Mr. Engel pointed out the risk in private investment in the absence of Navy guarantees and asked whether the homeport policy would be eliminated.

According to a Declaration by a Wells Fargo employee responsible for investigating and recommending approval of the drydock loan to SWM, he met with personnel from the Supervisor of Shipbuilding, Conversion and Repair (SUPSHIP) San Diego to discuss the future of Navy ship repair and overhaul business in San Diego. "Although the Navy would not formally commit itself, SUPSHIPS personnel did indicate that there would be a substantial amount of future work in the San Diego homeport and that there was a need for additional drydock capacity and pier capacity." It was the Wells Fargo employee's impression that the Navy was encouraging the development of improved facilities to handle future work. "The anticipation of an increase in the volume of overhaul and ship repair contracts in the San Diego homeport was one of several major considerations in our credit decision."

Navy Representations: ADD/Jacksonville Homeport. Before ADD completed its marine railway, only one contractor in the homeport, Jacksonville Shipyards, Inc. (JSI), had an adequate drydock to repair Navy ships. Consequently, because there was no competition for overhaul work in Jacksonville between at least two sources, overhauls of ships homeported in Jacksonville had to be competed coastwide. A further barrier to repairing ships in the Jacksonville homeport was that JSI did not actively compete in coastwide competitions.

RADM Kinnebrew was Commander of Cruiser Destroyer Group Twelve (homeported in Mayport) from February 1980 to August 1981. According to a Naval Sea Systems Command attorney interview with RADM Kinnebrew on June 7, 1988, at some point during his tenure, RADM Kinnebrew had one or two discussions with Mr. Gibbs, President of ADD, in which he indicated that additional ship repair capability in the Mayport/Jacksonville area would be welcome because it would increase the possibility of accomplishing ship repair in the homeport. RADM Kinnebrew also indicated to Mr. Gibbs that the Navy planned to homeport some FFG–7 Class ships in Mayport and that the Navy would continue to homeport destroyers in Mayport for the foreseeable future. According to RADM Kinnebrew, he did

not make any promises or commitments to ADD regarding future work. The Admiral cannot recall what was said at a particular meeting, but indicated in this interview that these were the general remarks made over the course of the discussions with Mr. Gibbs.

According to a Declaration by Mr. Gibbs, RADM Kinnebrew met with Mr. Gibbs in February 1980 and stated that he wanted ADD to construct facilities that would enable ADD to repair and overhaul destroyers and frigates and indicated that his statements to ADD were authorized by his superiors. After this conversation, Mr. Gibbs "was convinced that the initiation of a substantial facilities improvement program at ADD would result in substantial business opportunities with the Navy."

As reported in Vol. 12, Number 24 of the Weekly Report of the Jacksonville Area Chamber of Commerce (undated), ADM Train, Commander in Chief, Atlantic Fleet, addressed a session of the Jacksonville Area Chamber of Commerce in Norfolk on May 2, 1980. ADM Train indicated that: if Jacksonville expands its ship maintenance and repair capabilities, it will be in line for more Navy work; such additional capabilities in an area ensure more competition which, in turn, could lead to more Navy ship repair and maintenance work in Jacksonville; Jacksonville lacks the drydock facilities necessary for major overhauls of Navy ships; and the Navy wants major overhaul facilities to exist in the ship's homeport to avoid having the crew relocated. As a result of these remarks, the Jacksonville Chamber of Commerce indicated they would contact local shipyards about plans for expansion and help in locating additional ship repair facilities in Jacksonville.

According to a Declaration by Mr. Gibbs, in the summer of 1981, ADD and its consulting firm, SEACOR Associates, made presentations to the Navy in Norfolk and to RADM Nunnelely, Director of the Ships Maintenance and Modernization Division of the Office of the Chief of Naval Operations, regarding the proposed construction of the marine railway. The Navy audience at both sessions "responded favorably" to the proposed improvements and "encouraged continued construction."

On December 18, 1981, VADM Fowler met with a group of Jacksonville area Navy, business, and industrial leaders at the Mayport Officers Club to discuss ship maintenance support for Navy expansion at Naval Station Mayport (NAVSTA Mayport). According to a Declaration by Mr. Gibbs, VADM Fowler ". . . reiterated the notion that, if improved facilities were built, Jacksonville contractors would get work to fill those facilities."

To prepare VADM Fowler for the December 18, 1981, talk in Mayport, RADM Johnston, SUPSHIP Jacksonville, sent VADM Fowler copies of background memoranda. One memorandum (undated), entitled "Growth of Support Capability in Jacksonville," states: current ship intermediate and depot level maintenance support facilities in the Jacksonville area have a maximum capacity of 20,000 man-days per month, which capacity will be "overtaxed" by the Selected Restricted Availability (SRA) workloads projected in FYs 1983, 1984, and 1986; there is a need to expand the current ceiling of industrial capacity to between 30,000 and 35,000 man-days per month to meet long term needs; "the projected maintenance needs are well publicized and discussions with the industrial community have been conducted by local flag officers, SUPSHIPS JAX and CO, NAVSTA Mayport"; "[a]n extensive effort has been and continues in the Jacksonville area to outline the programmed Navy build up and to call for community support. A stable, predictable plan will enhance credibility and reassure commercial activities who will be investing their resources"; ADD is proposing a major expansion of facilities in order to handle FFG–7 SRAs; the problem of assuring adequate depot and intermediate level repair capacity "is real but solvable." Another memorandum (undated), entitled "Background of Current Situation," references a request from the Commander, Naval Air Forces Atlantic to review "community planning in light of Navy expansion" in the Mayport area and develop a program to encourage commercial growth for both ship maintenance support and housing for personnel. It also identifies possible questions for the meeting: "What assurances can be given that SRAs/RAVs [Restricted Availabilities] will be committed to the Mayport area and not contracted out of homeport?"; Will the NAVSEA policy of soliciting most regular overhauls on a coastwide basis continue?"

According to a Declaration by Mr. Hoepner, former President of the bank (Flagship Bank, subsequently acquired by Sun Bank) that provided the marine railway loan, Mr. Lehman and Congressman Bennett met in Washington in January 1982 with the Jacksonville Chamber of Commerce. At that meeting, Mr. Hoepner "was led to believe that existing and proposed Navy policies and practices would result in greater business for ADD if it were to make proposed capital improvements." In other discussions between bank employees and Navy officials, Navy officials reaffirmed the homeport policy and were not equivocal about its policies or the likelihood that ADD's capital improvements would result in more business.

According to a Declaration by a former employee of Flagship Bank involved in evaluation of ADD's loan application, he had several discussions with Navy personnel in which the Navy indicated that, "if another company improved its facilities so that there would be competition in the homeport, the Navy would provide more overhaul work in the homeport." Based on these discussions, he concluded that ADD's market projections were valid and that it was reasonable for ADD to rely upon Navy assurances regarding future ship repair and overhaul work in Jacksonville.

A May 1982 draft report of the Jacksonville Chamber of Commerce Ship Repair Facility Task Force stated that ship repair awards will increase during the 1980s and 1990s as a result of ADD's soon-to-be completed marine railway and JSI's drydock, which will create a competitive situation in the homeport, and that SUPSHIP advised that the Navy will restrict overhaul and SRA work requiring drydock capability when a competitive situation exists. The task force should do all it can to ascertain that this work is indeed restricted to the homeport to provide an opportunity for a fair return on the shipyards' investments in view of the "financial risk being undertaken by these shipyards in anticipation of the needs of the Navy."

The April 1982 Jacksonville Seafarer reported that: by the end of 1984, NAVSTA Mayport will be home to 45 vessels (compared to 25 in December 1981); the expansion "could mean a bonanza of repair and maintenance contracts for area shipyards;" at a March 18, 1982, meeting of local subcontractors chaired by JSI, a JSI representative indicated that Navy concerns expressed at sessions between Jacksonville Chamber of Commerce and Navy officials was that the Jacksonville area have a viable competitive base and that the industrial base capacity be adequate to handle the increase in Navy work; that JSI was encouraging ADD to proceed with the planned marine railway to meet the competition requirements in the homeport; JSI had made commitments of manpower levels to be maintained to support Navy needs; Congressman Bennett stated that, if the community does not have the industrial capacity to meet Navy ship repair needs, he will "see that the ships go somewhere else, and not only for repair, but for home basing"; the Jacksonville area shipyards, business community, and Navy were "working to expand the area's capacity for repairs," and the Navy itself was actively working to encourage capacity expansion; upon assuming his command in the area, SUPSHIP cited three goals: increased Navy housing in Mayport, development of ship repair capacity, and development of industrial capacity in the community to support that ship repair capacity.

The May 1982 Jacksonville Seafarer reported that: the Navy wants three drydock-capable yards in Jacksonville to provide a guaranteed competitive situation for repair work on new and existing ships homeported in the area; over $1.3 billion of work is scheduled to be done on vessels homeported at Mayport and Charleston during the next decade; because there are no drydocks capable of performing this work in Charleston, SUPSHIP Jacksonville indicated that Jacksonville yards can "expect to get much of the work from there [Charleston] if the area has the drydock capacity"; "Navy and Jacksonville Chamber of Commerce Task Force have agreed that if local yards cannot handle the work, it would favor having new companies established in the Jacksonville area to perform the work;" and regarding doubts about the ability of the projected ship repair business volume to support the new shipyard facilities, the Navy "can not guarantee in writing contracts over the long-term, largely because of its inability to award multiyear repair contracts because of budgeting restrictions, though Johnston [SUPSHIP JAX] did assure task force members that the work would be available if the facilities were. . . ."

Navy Homeport Policy. Before 1982, the Navy's homeport policy required that all ship repair availabilities, including overhauls (six months duration or more) or shorter term availabilities (selected restricted availabilities (SRAs), restricted availabilities, or technical availabilities), of ships having crews attached be accomplished in the homeport area when adequate competition was available. The primary goals of this policy were to minimize disruptive effects on Navy personnel and families caused by conducting ship maintenance away from the homeports and to provide industry better predictability of future business opportunities.

In testimony on March 10, 1982, before the House Armed Services Committee regarding the Naval Ship Overhaul Program, VADM Fowler had testified that the Navy policy is to overhaul ships in or near the homeport to minimize family disruption and improve crew morale. Other key factors in determining where a ship will be overhauled include ship complexity, fleet operations schedules and material readiness requirements, shipyard workload and qualifications, shipyard capacity and capability in the homeport area, and contract requirements regarding competition and small businesses. The following statements by the Admiral were also

included in the record: "the long-term effect [of the homeport policy] is expected to be an increase in private sector industrial capacity near major homeport areas. In fact, the industry is already increasing its capability in areas of heavy fleet concentration such as San Diego, California; Norfolk, Virginia; and Jacksonville, Florida."

On July 19, 1982, OPNAVNOTE 4700 directed that at least one third of the regular overhauls of ships having crews attached be reserved for the homeport, with the balance to be competed coastwide and that SRAs be performed in the homeport "where feasible."

In 1985, the homeport policy required unrestricted competition for all overhauls, a change that resulted from Congressional direction (in the Conference Report on Making Continuing Appropriations for FY 1985 dated October 10, 1984) to terminate the policy of reserving one-third of overhauls for the homeport. The direction was based on factors which Congress believed would adversely affect the mobilization capability of non-homeport private shipyards—namely, decline of commercial ship repair workload making private ship repair firms more dependent on Navy work; increased ship repair work being done by shorter repair availabilities (specifically SRAs) that were 100 percent reserved for the homeport area; and corresponding decrease in overhauls available for coast-wide competition above the 30 percent homeport reservation.

In 1987, the homeport policy was codified at 10 U.S.C. 7299a by Sec. 1101 of the FY 1988/89 DoD Authorization Act. This law directs the Navy to restrict to the homeport area short-term repair or maintenance work if there is adequate competition. Short-term is defined as performance of six months or less.

Master Ship Repair (MSR) Policy. The 1981 NAVSEA draft report, mentioned above, noted that about 70 percent of work awarded under MSR contracts was subcontracted and recommended that MSR contract holders be required to meet certain qualifications regarding technical, management, financial, and facilities resources. As reported in the September 22, 1982, San Diego Union, at the September 21, 1982, meeting between the Navy and San Diego contractors, in response to a question regarding MSR contractors, VADM Fowler stated that the Navy had reached no conclusion regarding a requirement for firms to have waterfront facilities.

In the Conference Report to the Continuing Resolution for FY 1983, dated December 20, 1982, Congress directed the Navy to establish a certification procedure to qualify firms as MSR holders to guarantee fully qualified private sector capability. This language led to the Navy's establishment of a MSR recertification program on January 28, 1983, intended to ensure that MSR holders had the necessary facilities, management capability, and technical expertise.

On May 27, 1983, NAVSEAINST 4280.2 was issued to revise policy for MSR contracts. MSR contractors would be required to have the ability to perform an entire overhaul or SRA of a Naval ship of 500 tons or larger, including control (possession or committed access) of facilities (piers, shops, and a Navy-certified drydock), and an organization capable of performing 56 percent of the work for an overhaul in-house.

(In this respect, it is noted that SWM finalized its drycock purchase negotiations in December 1982—before Congressional identification of the MSR recertification program and before the SR policy change in May 1983.)

Multi-Ship Contracting Policy. In the Naval Sea Systems Command Ship Overhaul Policy Statement dated January 18, 1982, VADM Fowler stated that multiple ship procurements will be used, when appropriate, to provide incentives for shipyard improvements and capital investments as well as to obtain benefits of learning and economies of scale. In March 1982 Congressional testimony, VADM Fowler stated that multi-ship and cost type contracting under negotiated solicitations provided incentives for shipyard improvements and other benefits. The 1981 NAVSEA draft report mentioned above had recommended multi-year contracts as a possible way to provide incentives to encourage private development of ship repair facilities.

A July 13, 1982, San Diego Tribune article reported an internal NAVSEA memorandum indicating a NAVSEA desire for "a plan to award in one package in San Diego to the yard that promises to build the biggest and best facility to support this multi-ship overhaul and the Navy: 6 ships." This article stated that Navy officials would not comment on the authenticity of the memorandum or elaborate on ship repair plans in San Diego.

OPNAVNOTE 4700, issued on July 19, 1982, provided that multiple ship overhaul contracts would normally be competed coastwide and that increased use of multiple ship overhaul solicitations was desired to provide incentives for shipyard capital improvements and to achieve improved performance through greater competition. NAVSEA NOTICE 4710, issued September 3, 1982, reflected the policy to compete multiple ship contracts coast-wide.

(In this respect, it is noted that when SWM finalized its drydock purchase negotiations in December 1982, the multi-ship contracting policy provided that such contracts would normally be competed coast-wide. Moreover, multi-ship contracts never were in widespread use (partly because of the inherent restriction on competition) and have decreased in use since 1982. SWM admits that by 1982, the Navy had only awarded one multi-ship contract in San Diego and had canceled another multi-ship solicitation, repackaging the work as single ship contracts.)

IV. CLAIM SUBMISSIONS

The following discusses the SWM/ADD claims by addressing the claimants' submissions made since the last Navy analysis and decision regarding the facility investment claims—the Navy's November 2, 1992, Report to Congress—in relation to the prior record. As noted above, all the claimants' submissions have been reviewed, considered and analyzed as well as prior Navy reports.

January 29, 1993, Submission. Claimants submitted a joint document entitled "Claimants' Response to Navy Report to Congress," Dated January 29, 1993, (forwarded to Congress on February 1, 1993) in response to the Navy's November 2, 1992, Report to Congress which concluded that there was no legal or equitable basis to compensate SWM and ADD for their claims.

In arguing that it is essential that an equitable settlement be achieved and that Congress, if necessary, should give further direction/clarification to that end, claimants include various statements. Claimants identify "Navy barriers" to equitable resolution of the claims, namely: Navy placed a significant burden on claimants to draft a statement of facts, only to subsequently unilaterally draft a Navy statement of facts which raised a "whole host of new issues" and, thereby, delayed agreement on a statement of facts; Navy refused to give weight to sworn statements submitted by claimants or to provide any sworn evidence to contradict these statements; and Navy placed undue reliance on written versus oral exchanges, which denied claimants access to top-level Pentagon personnel and resulted in entitlement analysis being delegated to NAVSEA officials. Claimants also take issue with certain factual and legal conclusions of the Navy Report, which are discussed below; maintain their position that Sec. 122 creates Navy liability, with quantum being the only item to be determined; argue that P.L. 85-804 provides a "mechanism" to provide monetary settlement under formalization of informal commitment or residual powers authority; state that promissory estoppel represents a basis to provide monetary relief; argue that the doctrine and sovereign immunity is not a defense to Navy liability; and take issue with Navy conclusions regarding quantum.

This submission does not provide new facts or legal theories to support the claims but rather primarily consists of rebuttal arguments to conclusions made in the 1992 Navy Report. Those rebuttal arguments are discussed below.

May 1994 Submissions. SWM submitted in May 1994 a revised quantum proposal as a "resolution" to the claim, seeking a $15,000,000 cash payment in 1994, to be repaid $2,500,000 annually over a six-year period (1995-2000) by reducing SWM's depreciation cost pool allocated to current/future Navy cost contracts. This submission does not provide new facts or underlying legal theories to support the claim. Relative to the 1992 Navy Report, SWM's quantum request after discussions with the Navy was $18,600,000 in reliance damages for unrecovered depreciation and facilities capital cost of money, plus profit, from the time of the investment through 1987.

ADD also submitted in May 1994 a revised quantum proposal as a "resolution" to the claim. ADD and North Florida Shipyards (NFS) would form a third company (X Co.) to receive a 10 year lease of Navy AFDM 7 at NAVSTA Mayport for $1 rent per year, in return for yearly drydock operation/maintenance at X Co. expense, and ADFM 7 use dedicated to Navy ship repair. Use of AFDM 7 would be limited to ADD and NFS, which would compete for its use for specific Navy work. This submission indicates a different quantum than previously requested; ADD's request addressed in the 1992 Navy Report was for $6,900,000 in reliance damages. It does not provide new facts or underlying legal theories to support the claim.

August 8, 1994, Submission. SWM requested that the Navy provide SWM a $15,000,000 payment in 1994 pursuant to P.L. 85-804 to formalize an informal commitment or pursuant to exercise of residual powers. SWM asserted that the Navy should "report to the [appropriations] committees the amount of relief that it views as appropriate, in view of the Navy officials' inducement of Southwest's facilities investments." A legal memorandum provided arguments to support its conclusion that "relief along the lines proposed by Southwest would be an appropriate exercise of the Navy's discretion under P.L. 85-804, and in particular its discretion to formalize informal commitments by Navy officials."

This submission contains no new facts or underlying legal theories but, expands on the May 1994 submission by providing additional legal argument that P.L. 85-804 authority is available to make the $15,000,000 payment and rebuts P.L. 85-804 statements in the 1992

Navy Report. The relief requested is also different in quantum and type from that addressed in the 1992 Navy Report. See discussion above regarding the May 1994 SWM submission.

Sepember 2, 1994, Submission. In response to an Assistant General Counsel (Research, Development & Acquisition) letter of August 24, 1994, requesting that SWM submit any additional "facts and information, or theories of relief" in support of its request for relief, SWM reiterated its request for extraordinary contractual relief in the form of a payment of $15,000,000 in 1994, with the following conditions: SWM will enter into an advance agreement providing for repayment by reduction of the depreciation cost pool allocated to SWM's Government contracts by $2,500,000 annually for the six-year period 1995–2000; SWM will reduce remaining long-term debt associated with the capital asset expenditures that gave rise to the dispute; SWM will provide a written release of any further Government liability for this claim. Alternatively, the $15,000,000 could be forgiven in equal increments over six years. According to SWM, because tax obligations relating to payment arise in the year of loan forgiveness rather than in the year of payment, more of the proceeds of payment would be applied to long-term debt reduction. SWM's request, certified in accordance with the Contract Disputes Act by Mr. Herbert Engel, SWM's President, seeks relief under P.L. 85–804 based on formalization of informal commitments or residual powers.

The narrative factual background of this submission essentially repeats the text in the January 29, 1993, submission, with minor changes. The discussion of P.L. 85–804 essentially repeats the text in the August 8, 1994, submission, with additional allegations that SWM's financial position is "far worse now than it was last April" when the Department of Transportation Board of Contract Appeals denied SWM's request for extraordinary relief; SWM will soon run out of credit and that, absent some financial relief, will "probably be insolvent within a matter of weeks." September 2, 1994, Submission at 40. A "1994 Consolidated Forecast" is also provided.

V. SPECIFIC CLAIMANT ARGUMENTS AND RELEVANT FACTS

The following summarizes those SWM/ADD arguments that take issue with the 1992 Navy Report as well as sets forth corresponding facts and Navy conclusions. (Cites are to the January 29, 1993, submission; as the other two submissions are repetitive, they are not specifically cited.)

Claimants were denied access to top-level Pentagon decision-makers. January 29 Submission at 9–10.

Facts: The negotiations and analysis of the claims undertaken for the 1992 Navy Report were handled by the General Counsel of the Navy, at the request of the Secretary of the Navy, with the exception of certain quantum issues when the General Counsel was unavailable and the Deputy General Counsel (Logistics) acted in his stead. Claimants were not denied access to senior Navy decision-makers.

The process of jointly drafting an uncontested statement of facts was arduous and unfair. January 29 Submission at 7–9.

Facts: More important than the length of time or difficulty in compiling a statement of facts is that the Navy fully considered claimants' views on all issues. When agreement could not be reached on certain issues, the 1992 Navy Report noted the claimants' differing views so that Congress would be able to consider all sides of the matter.

The Navy failed to give proper weight to sworn statements provided by claimants or to obtain sworn statements from relevant former Navy officials.

Facts: Claimants raised this argument, and the navy fully considered it, before issuance of the Navy 1992 Report. The Navy did not (and does not) consider that claimants' declarations, even if accepted as entirely accurate on their face, provide a factual basis for recovery on legal or equitable principles. Therefore, there was no need to substantiate or refute the facts asserted by claimants.

In the years following the facilities expansion programs, both ADD and SWM failed to realize the promised levels of work, which result is attributable to the Navy's refusal to issue homeport-restricted solicitations. SWM and ADD suffered a competitive disadvantage over other overhaul contractors due to the debt incurred by the facilities investments. January 29 Submission at 35.

Facts: The shipyards were independently contemplating facility improvements in the 1981–82 period and the investments were made after independent market analysis and business risk assessment. The investments were planned and initiated, in part, before Navy representations and, in part, based on expected increases in commercial work. The improvements resulted in benefits to each shipyard: an increase in Navy ship repair business and valuable operating asset improvements which enabled the shipyards to bid on and perform contracts for which they would otherwise have been unable to compete. From FY 1983–87, total overhaul work increased and total dollar volume of ship repair business in each homeport increased. The shipyards realized profits on most fixed priced Navy contracts performed during the relevant period. ADD was profitable during this time. SWM did not recover $2,600,000 of costs of performance. However, there is no evidence that this loss was attributable to purchase of the drydock. Instead, other factors could have caused the loss, such as SWM's loss of its small business size status just before its workload started to decrease, the general decline of the commercial ship repair industry during the period in question, SWM's decision to purchase a drydock with more than twice the capacity necessary for the vast majority of Navy homeported ships, or SWM inefficiencies in performance. SWM represented to its bank when obtaining the loan that SWM would lease the drydock to competitors when it was not using the drydock itself, but has not done so.

Furthermore, the shipyards do not offer any credit for cost recoveries realized under Navy fixed price and commercial contracts. SWM received over $80,000,000 in Navy payments for fixed price repair work performed in FY 1984–87 and asserts that none of this $80,000,000 represents recovery of its costs of performance. SWM also received over $50,000,000 in payments for commercial work during this time, but offers no credit for use of the drydock or recovery of drydock costs from this work. ADD received over $60,000,000 in Navy payments for fixed price repair work performed in FY 1983–87 and asserts that none of this $60,000,000 represents recovery of its costs of performance. ADD also received over $48,000,000 in payments for commercial work and non-Navy government work during this time and offers no credit for use of the marine railway or recovery of marine railway cost from such work.

Additionally, Navy policy is to not grant use of government drydock facilities to perform ship repair contracts if there is adequate competition in the homeport between private yards with dedicated access to privately-owned drydocks. This policy has benefited the shipyards. For example, in San Diego, because there is such competition between SWM and National Shipbuilding and Steel Company (NASSCO), the Navy does not make available its graving dock to offerors. As a result, offerors without dedicated access to private drydock facilities are ineligible to compete for phased maintenance multi-year/multi-ship solicitations.

The Navy attributed the decline in overhaul work in Jacksonville and San Diego to the trend to perform shorter repairs rather than overhauls, but the examples cited by the Navy do not prove that there was an inadequate supply of overhauls work for the Navy to honor its representatives. January 29 Submission at 33–41.

Facts: The Navy 1992 Report identified other trends in ship maintenance that "affected Navy ship repair planning[]" and that led to a decrease in the percentage of overhauls solicited only in the homeport. In particular, more complex ships meant that the length of time to perform an overhaul increased. Therefore, to maintain fleet operational requirements, a greater number of SRAs vice overhauls were scheduled. The Navy describes these trends as part of the factual background to the claims and does not argue that the increasing preference for SRAs somehow gave an excuse to not "honor its representations."

The Navy's correlation between SWM's loss of its small business size status and a subsequent loss of revenue does not take into account that, during "large parts" of FY 1984, SWM's facilities were unavailable for Navy work because the company was in the process of installing and testing its new drydock and SWM "expected some disruption of normal operations," and the new drydock changed SWM's business from primarily topside work and small drydock availabilities to larger jobs beyond the capacity of most small businesses. January 29 Submission at 42–43.

Facts: SWM lost its small business size status in December 1983, causing a significant loss of business because of an inability to bid on the many small business set-asides offered in the homeport. SWM had ranked first or second in Navy homeport repair business in FYs 1981, 1982, and 1983, but fell to fourth in FY 1984 and fell further to eighth in FY 1985 before beginning to recover in FYs 1986 and 1987. The Navy noted in its Report, the SWM rebuttal to this issue—specifically, that SWM in a November 25, 1991, letter asserted that it expected a decline in its FY 1984 business volume due to installation and testing of the drydock which is inconsistent with an earlier SWM statement that it is entitled to the award of numerous FY 1984 repair availabilities. Finally, where the new drydock gave SWM the capacity to perform larger jobs, the choice was with SWM to continue bidding on set-asides if it so desired; the loss of its size status took that choice away from SWM.

Contrary to the Navy's position, Congress should not be blamed for the change in homeport policy, because Congressional language on homeport policy only established "short-term, expedient measures designed to alleviate problems experienced by non-home port yards during a recession." The Navy must take responsibility for its role in reversing the homeport policy; the Navy had a "disposition toward the elimination of all homeport restrictions on overhaul solicitations" and never advised Congress of the SWM or ADD facility investments made in

reliance on Navy representations. January Submission at 43–47.

Facts: See discussion above of homeport policy. In addition to direction to terminate the policy for reserving one-third of overhauls to the homeport in the Conference Report on the FY 1985 Continuing Appropriations Acts, the Conference Report for the FY 1984 DoD Appropriations Act added five additional overhauls, above the number included in the President's budget, to be awarded to private shipyards—two to be competed on the West Coast and three to be competed on the East Coast. The Navy 1992 Report notes SWM arguments similar to those in the January 29, 1993, submission and finds that there is no evidence to support that the Navy was, off the record, advocating to Congress that the homeport policy should be abandoned. Also, Congress was aware of Navy public statements regarding the need for additional drydock facilities in San Diego and Jacksonville at the time Congress directed relaxing the homeport policy. Members of the Florida and California Delegations were aware of those statements and actively participated in conveying many of them to constituents. In October 1984, Congress directed abandonment of the policy to restrict one-third of the homeport overhaul contracts to the homeport, and the Navy thereafter implemented that direction.

The principles of statutory construction dictate that Sec. 122 be interpreted to recognize Government legal liability for the claim. The words "if any" in the statute mean that Congress made no determination as to quantum of damages; Congressional interpretations of Sec. 122 after its enactment are relevant. Furthermore, Sec. 122 is like a Congressional reference case where the Court of Claims has previously ruled that equity demands compensation. January 29 Submission at 58–69.

Facts: These arguments were fully addressed in the Navy 1992 Report. Sec. 122 provides, in pertinent part, that "[t]he Secretary of the Navy shall enter into negotiations * * * to determine what liability (if any) the United States has for damages suffered by such a shipyard * * *." After the Navy originally denied the claim in 1990, Congress, in again addressing the matter, did not direct entitlement, but rather reconsideration of the claims. Conference Report accompanying the FY 1990 DoD Authorization Act. In the Conference Report for the FY 1994 DoD Authorization Act, Congress again only directed reconsideration—not entitlement. Special reference cases are generally enacted either to waive a Government affirmative defense or to provide an admission of liability by the Government, leaving to the courts the factual and legal questions relating to damages. These cases are strictly construed, and a Congressional confession of liability must be clearly expressed. Sec. 122 and its progeny have no expression of liability and is not a Congressional reference case. Post-enactment interpretations by Members of Congress are given legal effect only where not inconsistent with the statute and legislative history.

The Navy's conclusion that the Secretary will not exercise residual powers under P.L. 85–804 because such action is not "necessary and appropriate" or would not "facilitate the national defense" runs counter to the record, Sec. 122, and the post-enactment Congressional letters of clarification. P.L. 85–804 is authority for the Navy to provide equitable relief on the basis of formalization of informal commitments or residual powers authority. Federal Acquisition Regulation (FAR) 50.302–3 and FAR 50.401, respectively.

Facts: The Navy in 1992 denied relief under P.L. 85–804 on both formalization of informal commitment and residual powers grounds based on the facts. The Navy did (and does) recognize that the residual powers authority could be utilized but was (and is) not appropriate on the facts of the case. Both shipyards were never precluded from ship repair competitions; the facility improvements enhanced the ability to receive future Government contracts; and the shipyards received benefits from the capital improvements, including an increase in Navy ship repair work. Regarding the requirement to determine that granting relief will facilitate the national defense, the Navy found no evidence that the shipyards' continued viability was endangered. See also discussion below.

Although claimants now concede that they could not prevail if they sued the Government in the Court of Federal Claims on a claim of promissory estoppel, they assert that all elements of promissory estoppel essentially are present which "indicates why Congress felt a moral or honorable obligation to compensate the shipyards." Sec. 122 permits application of the "tenets of promissory estoppel to the matter." January 29 Submission at 74–75.

Facts: Statements by Navy representatives were opinions and predictions that an increase in homeport drydocking capability would increase the amount of Navy ship repair work which could be solicited within the homeport. The statements were reasonable predictions about future Navy ship repair business and expressed legitimate goals for enhanced competition and a stronger national industrial mobilization base. While the Navy desired and encouraged facility improvements in the two homeports, it disavowed any guarantees that future work would follow (and in fact expressly rejected making guarantees of work prior to the investments being made) and did not unfairly induce these investments. The Navy also did not urge specific improvements which were rather chosen by the shipyards.

There is no evidence that the Navy misled the shipyards by misrepresenting or concealing material facts. When the Navy statements were made, they were accurate and reasonable in light of the expanding 600-ship Navy and existing policy, and the Navy in 1981–82 did not know Congress would later direct changes in the homeport policy or that other later changes in policy would occur to reflect changing requirements. Navy officials never promised specific contracts or a specific amount of future repair work. The Navy representations were too indefinite and uncertain to support a claim of promissory estoppel. The record also shows that others (e.g., the Jacksonville Chamber of Commerce Ship Repair Facility Task Force) made representations and inducements to encourage homeport investment.

These shipyards were aware that Government policies affecting contractors are subject to change and, to the extent that they based their business decisions on certain existing Navy policies, they assumed the business risks that those policies could change.

Sec. 122 effectively waives sovereign immunity. The analogy of Congressional reference cases applies because Sec. 122 must be interpreted as a determination of liability. January 29 Submission at 76–78.

Facts: The Navy changes in homeport, master ship repair, and multi-ship policies were actions taken by the Government in its sovereign capacity. They were actions with a public and general application that affected all Navy ship repair contractors, all Navy ships, and ships' crews and their families, among others. These actions were not directed at SWM and ADD. The Government is immune from liability for its sovereign acts. The arguments regarding interpretation of Sec. 122 and the applicability of Congressional reference cases were found legally unpersuasive in other sections of the Navy Report. Furthermore, the case law on reference cases requires that the Government be guilty of wrongful or negligent acts in order to have liability on broad equity grounds. There is no evidence that the Navy acted wrongfully or negligently in making any representations or in changing contract or homeport policies.

Claimants repeat their disagreement with the Navy on various quantum issues—e.g., what facility investments can be considered "drydocking capacity" investments; propriety of ADD's inclusion of facilities capital cost of money; propriety of claimants' inclusion of imputed profit; and propriety of ADD's application of a discount to proposed change order prices. Claimants state that they did not recover investment costs from the fixed price contracts awarded in the claim period because, in order to win competitions, they could not raise prices to a level that would result in cost recovery for facility investments. January 29 Submission at 97–112.

Facts: Claimants have not presented any evidence to demonstrate that any alleged unrecovered facility investment costs are attributable to decreased levels of work competed in the homeport or to below-cost bids for fixed price ship repair contracts rather than other causes (such as inefficiencies). Furthermore, each shipyard realized increased Navy work after the facility investments. From FY 1983–87, the dollar volume of Navy ship repair business in Jacksonville doubled and ADD experienced a significant increase in Navy work following the investment. From FY 1983–87, San Diego Navy ship repair business increased substantially. SWM Navy work significantly increased in FY 1987 and after. Prior to FY 1987, SWM sales did not increase due, in large part, to SWM's loss of small business status in February 1984. The damages suffered are highly speculative. ADD/SWM have not acknowledged any recovery of investment costs in $60,000,000 and $80,000,000, respectively, of fixed price Navy and commercial ship repair work in the claim period. The companies may have already recovered more than the booked depreciation costs of the investments. During the October 24, 1994, meeting with ASN(RDA), both claimants admitted that they have been profitable for the last few years, with the exception of loss years in 1993 and 1994 for SWM.

VI. REEXAMINATION SUMMARIZED

In its 1993 and 1994 submissions, SWM/ADD did not submit any new facts, issues, legal theories, or supporting documentation relating to Navy actions during the relevant claim period that were not analyzed as part of the 1992 Navy Report. Also, SWM's P.L. 85–804 request at that time was the same as the present request—formalization of an informal commitment or residual powers. The only new data submitted relates to SWM's P.L. 85–804 request for payment of $15,000,000—specifically, data on its current financial position and its 1993/94 ship repair workload. The 1992 Report fully and completely documented the facts, substantive differences of opinion between the parties, legal and equitable issues and analysis, including supporting documentation. The Navy's 1992 Report fully analyzed claimants'

claim on legal entitlement and on certain equitable or "fairness" theories: P.L. 85-804, broad moral responsibility, equitable estoppel, and promissory estoppel. The Navy cannot find a basis to reach conclusions different from those in the 1992 Navy Report.

Based on the Navy's independent review of the record—that existing for the 1992 Navy Report and all additional information submitted after the 1992 Navy Report—the Navy finds no legal entitlement for the claims and no reason to grant relief to the claimants based on fairness.

VII. P.L. 85-804

As mentioned above, SWM has requested payment of $15,000,000 to allow SWM "to reduce the long-term debt resulting from its facilities investment, which is contributing to its current serious cash flow problems," September 2 Submission at 4-5, pursuant to P.L. 85-804 (formalization of an informal commitment or residual powers).

Formalization of an Informal Commitment. FAR 50.302-3 provides: Under certain circumstances, informal commitments may be formalized to permit payment to persons who have taken action without a formal contract; for example, when a person, responding to an agency official's written or oral instructions and relying in good faith upon the official's apparent authority to issue them, has furnished or arranged to furnish supplies or services to the agency, or to a defense contractor or subcontractor, without formal contractual coverage. Formalizing commitments under such circumstances normally will facilitate the national defense by assuring such persons that they will be treated fairly and paid expeditiously.

No informal commitment shall be formalized unless the contractor submits a written request for payment within six months after furnishing, or arranging to furnish, supplies or services in reliance upon the commitment and the approving authority finds that, at the time the commitment was made, it was impracticable to use normal contracting procedures. FAR 50.203(d).

The 1992 Navy Report determined that these two conditions were absent. The Report stated that the facts "do not involve an urgency, emergency or other situation that precluded use of normal procurement procedures" (at 64) and that SWM and ADD submitted their request for relief years after the investments and changes to Navy policies (at 95).

SWM argues that it would be unfair to hold it to the six month period because it believed that payment for facilities investments would occur in the future by being awarded additional contracts pursuant to the homeport and other policies. Only years later did SWM realize such contracts were not going to be awarded. However, the Navy does not have authority to waive this regulatory limitation or allow the six months to run from when SWM knew, or should have known, that the facts upon which it relied had changed. In any case, SWM knew years before 1987, when it first submitted its claim, that the ship repair policies had substantially changed. Therefore, there is no basis to find that SWM acted promptly under any reasonable standard.

Regarding the impracticability of normal contract procedures, SWM argues that the Navy does not normally contract for private shipyards' facilities improvements and there is no requirement to find an emergency or other urgent situation. However, FAR 50.203(d)(2) requires that the agency must make a finding that, at the time the commitment was made, it was "impracticable to use normal contracting procedures." The subject matter of the informal commitment in question (e.g., private facility investments) is irrelevant to this regulatory limitation on formalization of informal commitments. While there is no specific regulatory requirement to find an emergency or other urgent situation, such time-sensitive situations are typical examples that can justify the impracticability of going through the often lengthy steps required to award a contract.

Residual Powers. Residual powers to enter into, amend, or modify a contract, or indemnify a contractor for unusually hazardous or nuclear risks, may be used "when necessary and appropriate, all circumstances considered." FAR 50.401.

The 1992 Navy Report found that the circumstances of this case did not warrant finding that extraordinary contractual relief was necessary and appropriate or that such relief would facilitate the national defense. The Report found that there was no liability on a theory of promissory estoppel because Navy representations were too vague and uncertain, were merely projections of anticipated future work in the homeports, and never promised specific contracts or guaranteed additional work. There was no liability under an equitable estoppel theory because the Navy did not mislead the claimants by misrepresentations or by concealing material facts. Navy representations in the nature of predictions of future homeport workload were reasonable and true, at the time, based on existing policies, and the claimants' investments resulted in valuable capital improvements that led to additional ship repair work. Finally, the Report found that there was no basis for relief on a theory of broad moral responsibility because there was no wrongful or negligent Government conduct.

The only new circumstances presented by SWM in its new submissions is its alleged cash flow problems, i.e., that it will soon run out of credit; absent relief, SWM will probably be insolvent within "a matter of weeks"; and insolvency may impact SWM's ability to complete Government contracts and "may require drastic actions to protect the company's assets." September 2, 1994, Submission at 40-41. In support of its financial situation, SWM submitted a "1994 Consolidated Forecast" (Attachment 19), "Projected Impact of $15,000,000 Relief Payment on Cash Flows For the Period 1994-1997" (Attachment 52), and a Port of San Diego breakdown of workload from October 1, 1992, to September 30, 1993, (Attachment 49).

SWM states that its financial position is "far worse" than last April when its P.L. 85-804 request for losses under four Maritime Administration (MARAD) contracts was denied by the Department of Transportation Contract Adjustment Board (DOTCAB). SWM's request to DOTCAB was for a $5,500,000 amendment without consideration, on the basis that it may lose sufficient working capital and have to cease operation before it can process its claims pursuant to the Contract Disputes Act.

DOTCAB solicited the positions of affected agencies regarding SWM's essentiality to the national defense and whether granting relief would facilitate the national defense. The Coast Guard responded that SWM was not essential and its continued viability would not facilitate the national defense. MARAD responded in the negative to both issues. The Navy stated that it cannot conclude that SWM is essential to the national defense and:

The company provides a significant source of competition for depot level availabilities that require drydocking of Navy ships homeported in San Diego. The loss of Southwest Marine's drydocking capability could have an adverse effect on Navy ships homeported in San Diego from a cost and time standpoint as well as on the quality of life for the ships' crews and their families.

The Navy is mindful that "[w]hether appropriate [extraordinary relief] action will facilitate the national defense is a judgment to be made on the basis of all the facts of the case." As we are not in possession of all pertinent facts and, equally important, because the matter is before the Maritime Administration and not the Navy, we offer no comment as to the advisability of granting Southwest Marine's request.

DOTCAB interpreted the Navy's letter as withholding an opinion on the question of whether granting relief (versus the continued viability of SWM) would facilitate the national defense; conveying that SWM is not essential to the national defense; and stating that the continued viability of SWM does aid and assist (i.e., facilitate) the national defense, because avoiding the adverse impact identified makes the Navy's tasks easier.

DOTCAB, in analyzing whether granting or withholding relief will affect SWM's ability to continue operations, found that SWM's actions have impaired its financial situation. SWM paid bonuses in 1993 to senior executives who, as a group, represented the four major stockholders (while aware of substantial losses being incurred under the MARAD contracts) and wrote off almost $5,000,000 in loans made to subsidiaries, both of which contributed to losses leading to default of the credit agreement with Wells Fargo Bank. SWM made a loan of $5,000,000 to its Chief Executive Officer for personal investment in another business, obtaining the funds in a transaction with its bank secured by SWM property—an impairment of SWM's ability to borrow further against its assets.

DOTCAB concluded that SWM was not essential to the national defense; that granting relief under P.L. 85-804 at that time would not facilitate the national defense; that SWM did suffer losses under the four MARAD contracts (although there is no finding as to the cause of the losses); and that it does not find that relief under the Contract Disputes Act is unavailable in sufficient time to continue SWM's viability.

Facilitation of National Defense. A prerequisite to granting relief under P.L. 85-804, including the use of residual powers, is the agency's determination that granting relief will facilitate the national defense. FAR 50.301 provides that "[w]hether appropriate action will facilitate the national defense is a judgment to be made on the basis of all of the facts of the case." Therefore, it is appropriate to consider the impact on the Navy if SWM's operations were to cease due to financial difficulties.

Uniqueness or Essentiality of SWM's Capabilities. Based on Navy projections of ship repair requirements in San Diego through the year 2000, the Navy needs at least two drydocks and sufficient pier space to conduct up to 12 depot maintenance availabilities at any one time. NASSCO and SWM are the only two private shipyards in San Diego that have the capability to drydock all Navy ships, with the exception of the largest (CVs/LHA/LHDs). If SWM were to go out of business, the Navy would be able to meet the foregoing facility requirements in San Diego. The drydocking facilities of NASSCO and the Navy in San Diego are adequate to meet Navy projected repair requirements. NASSCO has a Navy-certified floating drydock (20,750 LT capacity). The Navy has the

Naval Station graving dock (33,000 LT) and the Steadfast floating drydock (9,700 LT). In addition to this drydock capacity, four other contractors (apart from NASSCO and SWM) hold Master Ship Repair Agreements (MSRA) and three contractors hold Agreements for Boat Repair (ABR). Therefore, the continued viability of SWM as a ship repair company in San Diego is not essential for Navy operations or for industrial mobilization considerations.

Consequences if SWM Goes out of Business. If SWM were to cease operations, the Navy would lose the services of a ship repair firm with good facilities and performance record. The quality of SWM's piers and Navy-certified drydock is good. SWM's performance record, both past and current performance, on Navy ship repair contracts has been good. SWM is the San Diego shipyard with the most experience on AEGIS cruisers and destroyers. Unlike NASSCO, whose primary focus is on ship construction, SWM devotes its business to ship maintenance and modernization. Other examples of its experience include a successful completion of a major cruiser New Threat Upgrade, selection to support the USS *John Paul Jones* (DDG 53) shock trials, and award of the major amphibious ship (LPD/LSD) phased maintenance contracts in San Diego for the past five years.

Other effects should SWM cease operations include a decrease in competition and facilities available to perform homeport maintenance. There would remain only one private shipyard (NASSCO) with its own Navy-certified drydock capable of drydocking most Navy ships homeported in San Diego. Furthermore, if SWM's certified drydock were no longer available, the drydock capacity in San Diego would be significantly reduced. The Navy would have to award certain work sole source to NASSCO, if justifiable on a case by case basis; make the Navy's drydock or pier facilities available for purposes of achieving competition; or expand the solicitation area to include more distant facilities. The capacity of Government drydocks in San Diego is limited and making them available for competition would reduce their availability for emergent voyage repairs. Expanding the solicitation area could lead to contracts outside the homeport, with attendant costs of moving the ship and crew and negative affect on personnel quality of life. This could also cause a violation of Personnel Tempo (PERSTEMPO) Program Turn-Around-Ratio criteria, which could disrupt operations.

The following ships are, or soon will be, undergoing maintenance availabilities at SWM:

Contract No., ship, and completion date

N00024-89-C-8507, *Denver* (LPD-9), 10/28/94.

N00024-89-C-8507, *Duluth* (LPD-6), 1/06/95.

N00024-94-C-0057, *John Young* (DD-973), 12/16/94.

N62791-94—0103, LCM's (3), 10/14/94.

N62791-94-C-0108, *Peleliu* (LHA-5)[1], 12/09/94.

N00024-92-C-2802, *John Paul Jones* (DDG-53), 11/14/94.

N62387-93-C-3001, *San Jose* (T-AFS-7), 11/01/94; *Curtis Wilbur* (DDG-54), 12/19/94; *Fort McHenry* (LSD-43), 4/21/95; *Rushmore* (LSD-47), 4/21/95; *Cleveland* 4/28/95.

[1]The U.S.S. *Peleliu* is located at a Navy pier.

If SWM were to file for protection under Chapter 11 of the Bankruptcy Code, work on these ships would be affected and operating schedules delayed. The work would be delayed until the Bankruptcy Court approved either an assumption of these contracts by SWM or Navy terminating the contracts. Although there would be delay and perhaps additional cost in completing these contracts, the negative impact on Navy operations could be accommodated.

Therefore, as concluded in the Navy response to DOTCAB (a conclusion that remains valid), "loss of [SWM's] drydocking capability could have an adverse effect on Navy ships homeported in San Diego from a cost and time standpoint as well as on the quality of life for the ships' crews and their families."

SWM Viability. SWM has not demonstrated that it cannot obtain further lines of credit to support its cash flow requirements. There is no substantiation that SWM will cease operations any time soon. SWM merely stated that it "will probably be insolvent."

DCAA Audit Report No. 4221-94J17600001 of January 26, 1994, which analyzed SWM's financial condition in relation to its P.L. 85-804 request before MARAD, found "no adverse financial conditions which would preclude SWM from performing on its government contracts. Our audit disclosed relatively insignificant financial distress, and no indications of significant long-term problems." A basis for this opinion included audited 1994 business volume forecasts and projected cash flow resulting from this business volume. An updated financial capability audit of SWM, DCAA Audit Report No. 4151-94J17600007 of November 1, 1994, discloses "no adverse financial conditions which would preclude it [SWM] from performing on its government contracts," and "relatively insignificant" financial distress with no "indications of significant long-term problems." Regarding SWM's line of credit, SWM entered into an amended loan agreement with Wells Fargo Bank in June 1994. Although SWM may now be noncomplaint with the amended loan agreement's covenants on profitability and cash flow coverage, the bank has indicated that it will probably restructure the loan agreement. Accordingly, the audit concludes that SWM has demonstrated that it can work with the bank in resolving its needs.

Moreover, even if SWM's allegations of financial straits were accurate, granting the requested $15,000,000 relief would not necessarily result in SWM remaining a viable entity in San Diego. There is no evidence demonstrating that the amount and type of relief requested will satisfactorily resolve the alleged cash flow problems. There is no evidence to demonstrate that the amount requested related to SWM's financial viability. SWM has provided no explanation of the basis for requesting the $15,000,000 amount, i.e., how was it calculated? Nor is there any guarantee that SWM will not continue certain actions that DOTCAB found to have at least partly caused SWM's financial difficulties, such as granting bonuses to stockholders and writing off loans to subsidiaries.

Conclusion Regarding P.L. 85-804. Based on all of the foregoing considerations, it is not considered necessary to make a finding regarding "facilitation of the national defense," and, although SWM's operations in San Diego are beneficial to the Navy, the Navy cannot find that granting the requested P.L. 85-804 relief to SWM is appropriate in this case.

VIII. CONCLUSION

the Navy finds no legal entitlement for the SWM/ADD claims and no reason to grant relief to the claimants based on fairness. Moreover, the Navy cannot find that granting the requested P.L. 85-804 relief to SWM is appropriate in this case.

Contingent Liabilities: Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the Contractor's insurance program were included in these contracts; the potential cost of the liabilities can not be estimated since the liability to the United States Government, if any, will depend upon the occurrence of an incident as described in the indemnification clause. Items procured are generally those associated with nuclear-powered vessels, nuclear armed missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor:

	Number
Hercules, Inc	1
Rockwell International Corp	2
Interstate Electronics Corp	1
Unisys Systems Corporation	1
Westinghouse Electric Corporation	4
Honeywell Incorporated	2
Lockheed Missiles & Space Co., Inc	3
Raytheon Company	4
Kearfott Guidance & Navigation	4
Hughes Aircraft Company	4
Martin Marietta Defense Systems	8
General Dynamics Corps., Electric Boat Division	3
Newport News Shipbuilding and Drydock Co	3
Hughes Missile Systems Company	1
Total	41

DEPARTMENT OF THE AIR FORCE

Contractor: Various.

Type of action: Contingent Liability.

Actual or estimated potential cost: The amount the Contractors will be indemnified by the Government can not be predicted but could entail millions of dollars.

Service and activity: Civil Reserve Air Fleet (CRAF).

Description of product or service: FY 1994 Annual Airlift Contracts.

Reference: "Definitions of Unusually Hazardous Risks Applicable to CRAF FY 1994 and FY 1995 annual airlift Contracts" are described on pages 50 and 51.

Background: Twenty-six contractors have requested indemnification under P.L. 85-804, as implemented by Executive Order 10789, for the unusually hazardous risks (as defined) involved in providing airlift services for CRAF missions (as defined). In addition, Air Mobility Command (AMC) has requested indemnification for subsequently identified contractors and subcontractors who conduct or support the conduct of CRAF mission. The contractors for which indemnification is requested are those to be awarded as a result of Solicitation F11626-92—R0030 and future contracts to support CRAF missions, which are awarded prior to September 30, 1994. The 26 contractors requesting indemnification are listed below:

CONTRACTORS TO BE INDEMNIFIED AND PROPOSED CONTRACT NUMBER

Air Transport International (ATN), F11626-93-D0037.

American Int'l Airways (CKS), F11626-93-D0038.

American Trans Air (ATA), F11626-93-D0035.

Arrow Air (ARW), F11626-93-D0039.

AV Atlantic (AVA), F11626-93-D0040.

Buffalo Airways (BVA), F11626-93-D0041.

Continental Airlines (COA), F11626-93-D0042.

Delta Air Lines (DAL), F11626-93-D0043.

DHL Airways (DHL), F11626-93-D0044.
Emery Worldwide (EWW), F11626-93-D0036.
Evergreen International (EIA), F11626-93-D0036.
Federal Express (FDX), F11626-93-D0035.
Hawaiian Airlines (HAL), F11626-93-D0045.
Int'l Charter Xpress (IXX), F11626-93-D0046.
Miami Air (MYW), F11626-93-D0047.
Northwest Airlines (NWA), F11626-93-D0035.
Private Jet (PVJ), F11626-93-D0048.
Rich International (RIA), F11626-93-D0036.
Southern Air Transport (SAT), F11626-93-D0035.
Sun Country Airlines (SCX), F11626-93-D0036.
Tower Air (TWR), F11626-93-D0051.
Trans World Airlines (TWA), F11626-93-D0050.
United Parcel Service (UPS), F11626-93-D0051.
US Air (USA), F11626-93-D0052.
World Airways (WOA), F11626-93-D0036.
Zantop International (ZIA), F11626-93-D0053.

Note: The same contract number may appear for more than one company because in some cases the companies are providing services under a joint venture arrangement.

Desert Shield/Storm showed that air carriers providing airlift services during contingencies and war require indemnification. Insurance policy war risk exclusions, or exclusions due to activation of CRAF, left many carriers uninsured—exposing them to unacceptable levels of risk. Waiting until a contingency occurs to process an indemnification request could result in delaying critical airlift missions. Contractors need to understand up front that risks will be covered by indemnification and how the coverage will be put in place once a contingency is declared.

Justification: The specific risks to be indemnified are identified in the applicable definitions. The Government will not incur a contingency liability as an immediate direct result of this advance indemnification approval; however, if the air carriers suffer losses or damages, exclusive of losses or damages that are within the air carriers' insurance deductible limits are not compensated by the contractors' insurance, the contractors will be indemnified by the Government. The amount of this indemnification can not be predicted, but could entail millions of dollars.

All of the 26 contractors are approved DoD carriers and, therefore, considered to have adequate, existing, and ongoing safety programs. Moreover, AMC has specific procedures for determining that a contractor is complying with government safety requirements. Also, the contracting officer has determined that the contractors maintain liability insurance in amounts considered to be prudent in the ordinary course of business within the industry. Specifically, each contractor has certified that its coverage satisfies the minimum level of liability insurance required by the Government. Finally, all contractors are required to obtain war hazard insurance available under Title XIII of the Federal Aviation Act of 1958 for hull and liability war risk. All but one contractor has obtained this coverage with the Federal Aviation Agency. The remaining firm will obtain it before receiving an Air Force CRAF contract. Additional contractors and subcontractors that conduct or support the conduct of CRAF missions may be indemnified only if they request indemnification, accept the same definition of unusually hazardous risks as identified, and meet the same safety and insurance requirements as the 26 contractors currently seeking indemnification.

Without indemnification, airlift operations to support contingencies or wars might be jeopardized to the detriment of the national defense, due to the non-availability to the air carriers of adequate commercial insurance covering risks of an unusually hazardous nature arising out of airlift services for CRAF missions. Aviation insurance is available under Title XIII for air carriers, but this aviation insurance, together with available commercial insurance, does not cover all risks which might arise during CRAF missions. Accordingly, it is found that incorporating the indemnification clause in current and future contracts for airlift services for CRAF missions would facilitate the national defense.

Decision: Under authority of P.L. 85-804 and Executive Order 10789, as amended, the request was approved on June 2, 1994, to indemnify the 26 air carriers listed above and other yet to be identified air carriers providing airlift services in support of CRAF missions for the unusually hazardous risks as defined. Indemnification under this authorization shall be affected by including the clause in FAR 52.250-1, entitled "Indemnification Under P.L. 85-804 (Apr 1984)," in the contracts for these services. This approval is contingent upon the air carriers complying with all applicable government safety requirements and maintaining insurance coverage as detailed above. The AMC Commander will inform the Secretary of the Air Force immediately upon each implementation of the indemnification clause.

Approval was also granted to indemnify subcontractors that request indemnification, with respect to those risks as defined.

DEPARTMENT OF THE AIR FORCE, HEADQUARTERS AIR MOBILITY COMMAND MEMORANDUM DATED OCTOBER 11, 1994

Findings: By Memorandum of Decision dated June 2, 1994, SAF granted indemnification to contractors for unusually hazardous risks involved in providing airlift support for CRAF missions. A CRAF mission means airlift services ordered pursuant to CRAF activation or directed by Commander AMC for missions that are deemed to be substantially similar to, or in lieu of, those ordered under CRAF activation.

Contracted civil air missions in support of possible military operations in Haiti could expose contractors to unusually hazardous risks, specifically war risks, because of the hostile environment they will encounter. AMC is requesting the Federal Aviation Administration (FAA) to provide Title XIII insurance for contractors flying missions in support of potential Haiti operations. Based on experience with past contingencies, AMC/DOF advises that commercial insurance may not be available at reasonable rates. Consistent with the SAF approval, indemnification will apply to the extent that the risks are not covered by Title XIII insurance or other insurance. Participation of civil air carriers is essential to successful completion of the mission. Contractors can not be expected to absorb the liability for loss that could arise while performing operations in Haiti. Without indemnification, the ability to support the airlift mission will be jeopardized.

Determination: On September 14, 1994, it was determined that missions in support of possible military operations in Haiti will be in lieu of CRAF activation and that indemnification under P.L. 85-804 is necessary to protect contractors against unusually hazardous risks associated with such missions.

AIR MOBILITY COMMAND DETERMINATION SUPPORTING INDEMNIFICATION UNDER PUBLIC LAW 85-804

Memorandum for SAF/OS dated October 11, 1994, from AMC/CC, subject: Indemnification of Contractors and Subcontractors for Unusually Hazardous Risks Involved in Providing Airlift Support for Civil Reserve Air Fleet (CRAF) Missions (SAF Memorandum of Decision, June 2, 1994).

As the June 2, 1994, memorandum requires, on October 11, 1994, AMC/CC provided notice of implementation of the indemnification clause for civil air missions supporting military operations in Haiti. The AMC staff provided verbal notice to SAF/AQCO during the week of September 12, 1994. The clause was implemented only after air carriers requested indemnification, and after it was determined these missions would be in lieu of CRAF activation and would require indemnification to protect carriers against unusually hazardous risks as defined in the June 2, 1994, memorandum. The indemnified missions began September 19, 1994.

AMC has implemented the indemnification clause for five contractors. Four of them (American Trans Air, Tower Air, World Airways, and Sun Country Airlines) are on the original list of 26 air carriers approved in the June 2, 1994, memorandum. Three additional contractors (Express One, US Air Shuttle, and North American Airlines) received FY 1994 contracts containing the indemnification clause. The indemnification clause was implemented for one of them—North American Airlines.

Contractor: Various.

Type of action: Contingent Liability.

Actual or estimated potential cost: The amount the Contractors will be indemnified by the Government can not be predicted, but could entail millions of dollars.

Service and activity: Civil Reserve Air Fleet (CRAF).

Description of product of service: FY 1995 Annual Airlift Contracts.

Reference: "Definitions of Unusually Hazardous Risks Applicable to CRAF FY 1994 and FY 1995 Annual Airlift Contracts" are described on pages 50 and 51.

Background: Twenty-nine contractors have requested indemnification under P.L. 85-804, as implemented by Executive Order 10789, for the unusually hazardous risks (as defined below) involved in providing airlift services for CRAF missions. In addition, Headquarters Air Mobility Command (HQ AMC) has requested indemnification for subsequently identified contractors and subcontractors who conduct or support the conduct of CRAF missions. The contractors for which indemnification is requested are those contracts awarded as a result of Solicitation F11626-94-R0001, and future contracts to support CRAF missions through September 30, 1995. The 29 contractors requesting indemnification are:

CONTRACTORS TO BE INDEMNIFIED AND CONTRACT NUMBER

Air Transport International (ATN), F11626-94-D0026.
Alaska Airlines (ASA), F11626-94-D0033.
American Airlines (AAL), F11626-94-D0029.
American Trans Air (ATA), F11626-94-D0026.
Arrow Air (ARW), F11626-94-D0030.
Atlas Air (GTI), F11626-94-D0031.
Buffalo Airways (BVA), F11626-94-D0034.
Continental Airlines (COA), F11626-94-D0035.
Delta Air Lines (DAL), F11626-94-D0036.
DHL Airways (DHL), F11626-94-D0037.
Emery Worldwide (EWW), F11626-94-D0027.

Evergreen International (EIA), F11626-94-D0027.

Express One (LHN), F11626-94-D0038.

Federal Express (FDX), F11626-94-D0026.

Int'l Charter Xpress (IXX), F11626-94-D0026.

Miami Air (MYW), F11626-94-D0040.

North American Airlines (NAO), F11626-94-D0041.

Northwest Airlines (NWA), F11626-94-D0026.

Rich International (RIA), F11626-94-D0027.

Southern Air Transport (SAT), F11626-94-D0026.

Sun Country Airlines (SCX), F11626-94-D0027.

Tower Air (TWR), F11626-94-D0044.

Trans World Airlines (TWA), F11626-94-D0043.

United Air Lines (UAL), F11626-94-D0045.

United Parcel Service (UPS), F11626-94-D0046.

US Air (USA), F11626-94-D0047.

US Air Shuttle (USS), F11626-94-D0048.

World Airways (WOA), F11626-94-D0027.

Zantop International (ZIA), F11626-94-D0049.

Note: The same contract number may appear for more than one company because in some cases the companies are providing services under a joint venture arrangement.

Desert Shield/Storm showed that air carriers providing airlift services during contingencies and war require indemnification. Insurance policy war risk exclusions or exclusions due to activation of CRAF left many carriers uninsured—exposing them to unacceptable levels of risk. Waiting until a contingency occurs to process an indemnification request could result in delaying critical airlift missions. Contractors need to understand up front that risks will be covered by indemnification and how the coverage will be put in place once a contingency is declared.

The specific risks to be indemnified are identified in the definitions. The Government will not incur a contingent liability as a direct result of this advance indemnification approval; however, if the air carriers suffer losses or incur damages as a result of the occurrence of a defined risk, and if those losses or damages, exclusive of losses or damages that are within the air carriers' insurance deductible limits are not compensated by the contractors' insurance, the contractors will be indemnified by the Government. The amount of this indemnification can not be predicted, but could entail millions of dollars.

All of the 29 contractors are approved DoD carriers and, therefore, considered to have adequate, existing, and ongoing safety programs. Moreover, HQ AMC has specific procedures for determining that a contractor is complying with Government safety requirements. Also, the contracting officer has determined that the contractors maintain liability insurance in amounts considered to be prudent in the ordinary course of business within the industry. Specifically, each contractor has certified that its coverage satisfies the minimum level of liability insurance required by the government. Finally, all contractors are required to obtain war hazard insurance available under Title XIII of the Federal Aviation Act of 1958 for hull and liability war risk. All but one contractor has obtained, and is required to maintain, this coverage under the Federal Aviation Act. The remaining firms will obtain it before receiving an Air Force CRAF contract. Additional contractors and subcontractors that conduct or support the conduct of CRAF missions may be indemnified only if they request indemnification, accept the same definition of unusually hazardous risks as defined, and meet the same safety and insurance requirements as the 29 contractors currently seeking indemnification.

Without indemnification, airlift operations to support contingencies or wars might be jeopardized to the detriment of the national defense, due to the non-availability to the air carriers of adequate commercial insurance covering risks of an unusually hazardous nature arising out of airlift services for CRAF missions. Aviation insurance is available under Title XIII for air carriers, but this aviation insurance, together with available commercial insurance, does not cover all risks which might arise during CRAF missions. Accordingly, it is found that incorporating the indemnification clause in current and future contracts for airlift services for CRAF missions would facilitate the national defense.

Therefore, under authority of P.L. 85-804 and Executive Order 10789, as amended, the request to indemnify the 29 air carries and other yet to be identified air carriers providing airlift services in support of CRAF missions for the unusually hazardous risks, as defined, was approved on September 30, 1994. Indemnification under this authorization shall be affected by including the clause in FAR 52.250-1, entitled "Indemnification Under P.L. 85-804 (Apr 1984)," in the contracts for these services. This approval is contingent upon the air carriers complying with all applicable Government safety requirements and maintaining insurance coverage as detailed above. The HQ AMC Commander will inform the Secretary of the Air Force immediately upon each implementation of the indemnification clause.

Approval was also granted to indemnify subcontractors that request indemnification, with respect to those risks as defined below.

DEFINITIONS OF UNUSUALLY HAZARDOUS RISKS APPLICABLE TO CRAF FY 1994 AND FY 1995 ANNUAL AIRLIFT CONTRACTS

1. Definitions:

a. "Civil Reserve Air Fleet (CRAF) Mission" means the provision of airlift services under this contract (1) ordered pursuant to authority available because of the activation of CRAF, or (2) directed by Commander, Air Mobility Command (AMC/CC), or his successor for missions substantially similar to, or in lieu of, those ordered pursuant to formal CRAF activation.

b. "Airlift Services" means all services (passenger, cargo, or medical evacuation), and anything the contractor is required to do in order to conduct or position the aircraft, personnel, supplies, and equipment for a flight and return. Airlift Services include Senior Lodger and other ground related services supporting CRAF missions. Airlift Services do not include any services involving any persons or things which, at the time of the event, act, or omission giving rise to a claim, are directly supporting commercial business operations unrelated to a CRAF mission objective.

c. "War risks" means risks of:

(1) War (including war between the Great Powers), invasion, acts of foreign enemies, hostilities (whether declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power, or attempt at usurpation of power;

(2) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion, or other like reaction or radioactive force or matter;

(3) Strikes, riots, civil commotions, or labor disturbances related to occurrences under subparagraph (1) above;

(4) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes, and whether the loss or damage resulting therefrom is accidental or intentional, except for ransom or extortion demands;

(5) Any malicious act or act of sabotage, vandalism, or other act intended to cause loss or damage;

(6) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by, or under the order of, any Government (whether civil or military or de facto), public, or local authority;

(7) Hijacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew (including any attempt at such seizure or control) made by any person or persons on board the aircraft or otherwise acting without the consent of the insured; or

(8) The discharge or detonation of a weapon or hazardous material while on the aircraft as cargo or in the personal baggage of any passenger.

2. For the purpose of the contract clause entitled "Indemnification Under P.L. 85-804 (APR 1984)," it is agreed that all war risks resulting from the provisions of airlift services for a CRAF mission, in accordance with the contract, are unusually hazardous risks, and shall be indemnified to the extent that such risks are not covered by insurance procured under Title XIII of the Federal Aviation Act of other insurance, because such insurance has been canceled, has applicable exclusions, or has been determined by the government to be prohibitive in cost. The government's liability to indemnify the contractor shall not exceed that amount for which the contractor commercially insures under its established policies of insurance.

3. Indemnification is provided for personal injury and death claims resulting from the transportation of medical evacuation patients, whether or not the claim is related to war risks.

4. Indemnification of risks involving the operation of aircraft, as discussed above, is limited to claims or losses arising out of events, acts, or omissions involving the operation of an aircraft for airlift services for a CRAF mission, from the time that aircraft is withdrawn from the contractor's regular operations (commercial, DOD, or other activity unrelated to airlift services for a CRAF mission), until it is returned for regular operations. Indemnification with regard to other contractor personnel or property utilized or services rendered in support of CRAF missions is limited to claims or losses arising out of events, acts, or omissions occurring during the time the first prepositioning of personnel, supplies, and equipment to support the first aircraft of the contractor used for airlift services for a CRAF mission is commenced, until the timely removal of such personnel, supplies, and equipment after the last such aircraft is returned for regular operations.

5. Indemnification is contingent upon the contractor maintaining, if available, nonpremium insurance under Title XIII of the Federal Aviation Act and normal commercial insurance, as required by this contract or other competent authority. Indemnification for losses covered by a contractor self-insurance program shall only be on such terms as incorporated in this contract by the contracting officer in advance of such a loss.

Contractor: Boeing Defense and Space Group, Seattle, WA.

Type of action: Contingent Liability.

Actual or estimated potential cost: The amount the Contractor will be indemnified

by the Government can not be predicted, but entail missions of dollars.

Service and activity: Department of the Air Force, AFMC/CC.

Description of product or service: Inertial Upper Stages (IUS) Program.

Background: Boeing Defense and Space Group, Seattle, WA, has requested indemnification for themselves and their major subcontractors, United Technologies Chemical Systems Division (CSD), and Lockheed Missiles & Space Company (LMSC), under P.L. 85-804, as implemented by Executive Order 10789, for the unusually hazardous risks as defined below. This indemnification request is applicable to performance of contract F04701-91-C-0011. An accident resulting from launch or landfall of the IUS or its components could be catastrophic.

The Administrative Contracting Officer (ACO) has reviewed Boeing's safety program and deemed it to be in compliance with the applicable safety requirements and acceptable for performance of this contract. In addition, Boeing currently has insurance coverage in force, and complete details of the exclusions and deductibles are contained in the schedule attached to their request. The cognizant ACO has reviewed the insurance policies and found them satisfactory and reasonable under normal business conditions. No significant changes in these insurance coverages are expected to occur during the course of this contract, except for annual updates of insurance in force and monetary limits. If the dollar value of coverage varies by more than 10 percent from that stated in the schedules provided, the contractor shall immediately submit to the contracting officer a description of the changes. It was found that the insurance coverage identified in the schedules represents an appropriate level of financial protection to permit indemnification.

Justification: The specific risks for this indemnification of Boeing have been identified below. No actual cost to the Government is anticipated as a result of the actions to be accomplished under a memorandum signed by the Secretary of the Air Force on November 4, 1994. However, if the contractor suffers losses or incurs damages as a result of the occurrence of a risk as defined below, and if those losses or damages, exclusive of losses or damages that are within the contractor's insurance deductible limits, are not compensated by the contractor's insurance, the contractor will be indemnified by the Government. It is recognized that the amount of this indemnification can not be predicted, but could entail many millions of dollars.

Aside from their importance to the IUS program, Boeing is a prime contractor for other major programs. A catastrophic financial impact on Boeing could have implications on their ability to produce launch vehicle upper stages, and ultimately on the existing defense system. Accordingly, it was found that the incorporation of an indemnification clause in this contract would facilitate the national defense.

Decision: Therefore, under the authority of P.L. 85-804 and Executive Order 10789, as amended, the indemnification of Boeing against those unusually hazardous risks, as defined below, to the extent claims arising thereunder are not covered by self-insurance or compensated by insurance coverage, facilitates the national defense was approved. Indemnification under this authorization shall be effected by including the clause at FAR 52.250-1, entitled "Indemnification Under P.L. 85-804 (Apr 1984)" and Attachment 1 in contract F04701-91-C-0011. This approval is contingent upon Boeing maintaining their aggressive safety program and current insurance coverage.

Boeing has requested indemnification be extended to their major subcontractors, United Technologies Chemical Systems Division (CSD), and Lockheed Missiles and Space Company (LMSC), with respect to the same risks as defined below. Approval to indemnify these subcontractors was granted exclusive of any insurance coverage amounts provided the contracting officer approves inclusion of the clause in each subcontract. This approval may only be granted in the case where the contracting officer determines that the subcontractors' insurance coverage represents an appropriate level of financial protection, and that, based upon a safety inspection, the subcontractors adhere to good safety practices.

DEFINITION OF UNUSUALLY HAZARDOUS RISKS CONTRACT F04701-91-C09911 (APPLICABLE TO BOEING DEFENSE AND SPACE GROUP, UNITED TECHNOLOGIES CHEMICAL SYSTEMS DIVISION, AND LOCKHEED MISSILES AND SPACE COMPANY ONLY)

For the purpose of contract clause entitled "Indemnification Under Public Law 85-804 (APR 1984)," it is agreed that all risks resulting from, or in connection with:

a. The burning, explosion, or detonation of launch vehicles or components thereof during preparation, casting, and testing of Solid Rocket Motor (SRM) propellant, shipment of SRMs, launch processing liftoff or flight, abort landing or subsequent return of the Inertial Upper Stage (IUS) to the launch site; and

b. The landfall of launch vehicles or components or fragments thereof, are unusually hazardous risks, unless it is proven that the contractor's liability arose from causes entirely independent of the design, fabrication, testing or furnishing of products or services under this contract.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

576. A letter from the Director, Administration and Management, Office of the Secretary of Defense, transmitting the calendar year 1994 report on "Extraordinary Contractual Actions to Facilitate the National Defense," pursuant to 50 U.S.C. 1434; to the Committee on National Security.

577. A letter from the Chairman, Defense Environmental Response Task Force, transmitting a report of the Defense Environmental Response Task Force for fiscal year 1994; to the Committee on National Security.

578. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Greece for defense articles and services (Transmittal No. 95-08), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

579. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to Brazil (Transmittal No. 15-95), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

580. A communication from the President of the United States, transmitting an update of events in Haiti (Operation "Uphold Democracy") consistent with the War Powers Resolution to ensure that the Congress is kept fully informed regarding events in Haiti (H. Doc. No. 104-50); to the Committee on International Relations and ordered to be printed.

581. A letter from the Chairman, Administrative Conference of the United States, transmitting the 1994 annual report in compliance with the Inspector General Act Amendments of 1988, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Reform and Oversight.

582. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1994, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

583. A letter from the Director, Office of Government Ethics, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

584. A letter from the Vice President and General Counsel, Overseas Private Investment Corporation, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

585. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the financial audit for the fiscal year ended August 31, 1994, together with the auditor's opinion, pursuant to 36 U.S.C. 1101(47), 1103; to the Committee on Judiciary.

586. A letter from the Comptroller General of the United States, transmitting a report addressing the deficit entitled "Budgetary Implications of Selected GAO Work for FY 1996" (GAD/OCG-95-2); jointly, to the Committee on Government Reform and Oversight and the Budget.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUYER:

H.R. 1288. A bill to amend the Solid Waste Disposal Act to permit Governors to limit the disposal of out-of-State solid waste in their States, and for other purposes; to the Committee on Commerce.

By Mr. ACKERMAN (for himself, Ms. ROS-LEHTINEN, Mr. MCCOLLUM, Mrs. SCHROEDER, Mr. SMITH of New Jersey, Mr. LEWIS of Georgia, Mr. DELAY, Mr. MCDERMOTT, Ms. MOLINARI, Mr. TAUZIN, Mr. GILMAN, Mr. MFUME, Mrs. KENNELLY, Mr. ABERCROMBIE, Mr. ANDREWS, Mr. BAESLER, Mr. BALDACCI, Mr. BARRETT of Wisconsin, Mr. BEILENSEN, Mr. BENTSEN, Mr. BERMAN, Mr. BEVILL, Mr. BILBRAY, Mr. BISHOP, Mr. BOEHLERT, Mr. BORSKI, Mr. BOUCHER, Mr. BREWSTER, Mr. BROWDER, Ms. BROWN of Florida, Mr. BROWN of Ohio, Mr. BRYANT of Tennessee, Mr. BRYANT of Texas, Mr. BURTON of Indiana, Mr. CALLAHAN, Mr. CALVERT, Mr. CANADY, Mr. CHAPMAN, Mrs. CHENOWETH, Mr. CLAY, Mrs. CLAYTON, Mr. CLEMENT, Mr. CLYBURN, Mr. COLEMAN, Miss COLLINS

of Michigan, Mrs. COLLINS of Illinois, Mr. CONDUIT, Mr. CONYERS, Mr. COSTELLO, Mr. COYNE, Mr. CRAMER, Mr. DEFAZIO, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DEUTSCH, Mr. DIAZ-BALART, Mr. DICKS, Mr. DIXON, Mr. DORNAN, Mr. DOYLE, Mr. EDWARDS, Mr. ENGEL, Ms. ESHOO, Mr. EVANS, Mr. EVERETT, Mr. FARR, Mr. FATTAH, Mr. FAZIO of California, Mr. FIELDS of Louisiana, Mr. FILNER, Mr. FOGLIETTA, Mr. FOLEY, Mr. FORBES, Mr. FORD, Mr. FOX, Mr. FRISA, Mr. FROST, Mr. FUNDERBURK, Ms. FURSE, Mr. GALLEGLY, Mr. GEJDENSON, Mr. PETE GEREN of Texas, Mr. GIBBONS, Mr. GILLMOR, Mr. GORDON, Mr. GOSS, Mr. GENE GREEN of Texas, Mr. GREENWOOD, Mr. GUTIERREZ, Mr. GUTKNECHT, Mr. HALL of Ohio, Mr. HALL of Texas, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HAYES, Mr. HEFNER, Mr. HILLIARD, Mr. HINCHEY, Mr. HOLDEN, Mr. HOUGHTON, Mr. HOYER, Mr. INGLIS of South Carolina, Ms. JACKSON-LEE, Mr. JACOBS, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SAM JOHNSON, Mr. JOHNSTON of Florida, Mr. KANJORSKI, Ms. KAPTUR, Mr. KILDEE, Mr. KING, Mr. KINGSTON, Mr. KLECZKA, Mr. KLINK, Mr. LAFALCE, Mr. LANTOS, Mr. LAUGHLIN, Mr. LAZIO of New York, Mr. LEVIN, Mrs. LINCOLN, Mr. LIPINSKI, Ms. LOFGREN, Ms. LOWEY, Mr. MANTON, Mr. MANZULLO, Mr. MARTINEZ, Mr. MARTINI, Mr. MASCARA, Mr. MATSUI, Ms. MCCARTHY, Mr. MCHALE, Mr. MCHUGH, Ms. MCKINNEY, Mr. MCNULTY, Mr. MEEHAN, Mrs. MEEK of Florida, Mr. METCALF, Mr. MENENDEZ, Mr. MILLER of Florida, Mr. MILLER of California, Mr. MINETA, Mr. MINGE, Mrs. MINK of Hawaii, Mr. MOAKLEY, Mr. MONTGOMERY, Mr. MORAN, Mr. MURTHA, Mr. NEAL of Massachusetts, Mr. OBERSTAR, Mr. ORTIZ, Mr. ORTON, Mr. PALLONE, Mr. PARKER, Mr. PASTOR, Mr. PAXON, Mr. PAYNE of Virginia, Mr. PAYNE of New Jersey, Mr. PETERSON of Florida, Mr. PICKETT, Mr. POMBO, Mr. POMEROY, Mr. POSHARD, Ms. PRYCE, Mr. QUINN, Mr. RAHALL, Mr. RANGEL, Mr. REYNOLDS, Mr. RICHARDSON, Ms. RIVERS, Mr. ROHRABACHER, Mr. ROSE, Mrs. ROUKEMA, Ms. ROYBAL-ALLARD, Mr. ROYCE, Mr. RUSH, Mr. SABO, Mr. SAWYER, Mr. SCHIFF, Mr. SCOTT, Mr. SHAW, Mr. SKELTON, Mrs. SMITH of Washington, Mr. SOLOMON, Mr. SOUDER, Mr. STARK, Mr. STEARNS, Mr. STENHOLM, Mr. STOCKMAN, Mr. STOKES, Mr. STUMP, Mr. TANNER, Mr. TAYLOR of Mississippi, Mr. TEJEDA, Mr. THOMAS, Mr. THOMPSON, Mrs. THURMAN, Mr. TORKILDSEN, Mr. TORRES, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. TUCKER, Mr. UNDERWOOD, Mr. UPTON, Mr. VENTO, Mr. VISCLOSKY, Mr. VOLKMER, Mrs. WALDHOLTZ, Ms. WATERS, Mr. WATT of North Carolina, Mr. WELLER, Mr. WILLIAMS, Mr. WILSON, Mr. WISE, Ms. WOOLSEY, Mr. WYDEN, Mr. WYNN, Mr. YATES, Mr. YOUNG of Alaska, and Mr. ZIMMER):

H.R. 1289. A bill to require in certain circumstances that States disclose the HIV status of newborn infants to legal guardians of the infants, and for other purposes; to the Committee on Commerce.

By Mr. COOLEY:

H.R. 1290. A bill to reinstate the permit for, and extend the deadline under the Federal Power Act applicable to the construction of, a hydroelectric project in Oregon, and for other purposes; to the Committee on Commerce.

By Mr. GREENWOOD (for himself, Mr. FRANKS of New Jersey, Mr. FRANK of Massachusetts, and Mr. HORN):

H.R. 1291. A bill to amend title 39, United States Code, to provide that the provisions of law preventing Members of Congress from sending mass mailings within the 60-day period immediately before an election be expanded so as to prevent Members from mailing any unsolicited franked mail within that period, and for other purposes; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HYDE:

H.R. 1292. A bill to revise, codify, and enact without substantive change certain general and permanent laws, related to aliens and nationality, as title 8, United States Code, "Aliens and Nationality"; to the Committee on the Judiciary.

By Mr. JOHNSON of South Dakota (for himself and Mr. COSTELLO):

H.R. 1293. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to rules governing litigation contesting termination or reduction of retiree health benefits; to the Committee on Economic and Educational Opportunities.

By Mr. LATHAM:

H.R. 1294. A bill to prohibit the Secretary of the Army from modifying water control policies in a manner which would interfere with the use of navigation channels; to the Committee on Transportation and Infrastructure.

By Mr. MOORHEAD (for himself, Mr. SENSENBRENNER, Mr. COBLE, Mr. CANADY, Mr. GOODLATTE, Mr. BONO, and Mr. BOUCHER):

H.R. 1295. A bill to amend the Trademark Act of 1946 to make certain revisions relating to the protection of famous marks; to the Committee on the Judiciary.

By Ms. PELOSI (for herself, Mr. HORN, Mr. GILMAN, and Mr. LANTOS):

H.R. 1296. A bill to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer; to the Committee on Resources.

By Mr. SHAYS (for himself and Mr. BORSKI):

H.R. 1297. A bill to promote a new urban agenda, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Banking and Financial Services, Science, Commerce, Transportation and Infrastructure, Government Reform and Oversight, and International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. Thomas (for himself and Mr. MOORHEAD):

H.R. 1298. A bill to amend the Federal Food, Drug, and Cosmetic Act to exempt fluid milk standards of the State of California from preemption in order to guarantee the same high quality fluid milk to the consumers of California that they have received since 1961; to the Committee on Commerce.

By Mr. THOMAS (for himself, Mr. STARK, and Mr. FARR):

H.R. 1299. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain charitable risk pools; to the Committee on Ways and Means.

By Mr. UPTON (for himself, Mr. GREENWOOD, Mr. BURR, Mr. NORWOOD, Mr. COBURN, Mr. BILBRAY, Mr. HASTERT, Mr. GANSKE, Mr. TOWNS, Mr. COX, Mr. GILLMOR, Mr. MOORHEAD, Mr. HALL of Texas, Mr. BRYANT of Tennessee, Mr. KNOLLENBERG, Mr. CHRYSLER, Mr. CAMP, Mr. BARCIA, Mr. EHLERS, Mr. MARTINI, Mr. CALVERT, Mr. ROHRABACHER, Mr. MCINTOSH, Mr. CHAMBLISS, Mr. COOLEY, Mr. BREWSTER, Mr. FRELINGHUYSEN, Mr. CHABOT, Mr. TRAFICANT, Mr. SOLOMON, Mr. OXLEY, Mrs. CHENOWETH, and Mr. RAMSTAD):

H.R. 1300. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize the export of new drugs, and for other purposes; to the Committee on Commerce.

By Mr. VENTO (for himself, Mr. REGULA, Mr. RAHALL, Mr. NEAL of Massachusetts, Mr. TORKILDSEN, Mr. HINCHEY, Mr. BLUTE, Mr. COYNE, Mr. SAWYER, Mr. TRAFICANT, Mr. HALL of Ohio, Mr. MEEHAN, Mr. REED, Mr. BOEHLERT, Mr. BOUCHER, Mr. MOLLOHAN, and Mr. HOKE):

H.R. 1301. A bill to establish the American Heritage Areas Partnership Program, and for other purposes; to the Committee on Resources.

By Mr. WISE (for himself, Mr. ACKERMAN, Mr. MASCARA, Mr. OWENS, Ms. PELOSI, Mr. STUDDS, Mr. YATES, and Mr. CLINGER):

H.R. 1302. A bill to establish the Capital Budget Commission; to the Committee on Government Reform and Oversight.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MONTGOMERY (by request) introduced a bill (H.R. 1303) for the relief of John T. Monk; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 10: Mr. HEFLEY and Mr. LUCAS.

H.R. 29: Mr. KNOLLENBERG.

H.R. 65: Ms. DANNER and Mr. COX.

H.R. 103: Mr. RAHALL, Mr. FOX, Mr. WILSON, Mr. STUPAK, Mr. WELDON of Pennsylvania, Mr. CLEMENT, Mr. WALSH, Mr. FOGLIETTA, and Mr. CANADY.

H.R. 104: Mr. ENGLISH of Pennsylvania.

H.R. 107: Mr. CALVERT.

H.R. 116: Ms. HARMAN, Mr. HUNTER, Mr. PACKARD, Mr. FILNER, Mr. CUNNINGHAM, Mr. HORN, Mr. CALVERT, Mr. KIM, Mr. LEWIS of California, Mr. RIGGS, and Mr. GALLEGLY.

H.R. 125: Mr. DINGELL, Mr. LEWIS of Kentucky, and Mr. PACKARD.

H.R. 218: Mr. BONO.

H.R. 248: Mr. EHLERS and Mr. HUTCHINSON.

H.R. 303: Ms. DANNER.

H.R. 329: Mr. FUNDERBURK.

H.R. 359: Mr. THORNBERRY and Mr. YATES.

H.R. 467: Mr. CALVERT and Mr. DOYLE.

H.R. 497: Mr. GUTKNECHT, Mr. PETE GEREN of Texas, and Mrs. WALDHOLTZ.

H.R. 528: Mr. RAMSTAD.

H.R. 580: Mr. FILNER, Mr. STEARNS, Mr. ROHRABACHER, Mr. HANCOCK, Mr. GENE

GREEN of Texas, Mr. HEFNER, Mr. UNDERWOOD, and Mr. MONTGOMERY.

H.R. 592: Mr. BONO and Mr. HANCOCK.

H.R. 605: Mr. BAKER of Louisiana.

H.R. 661: Mr. TORKILDSEN.

H.R. 682: Mr. LAHOOD and Mrs. VUCANOVICH.

H.R. 698: Mr. LEWIS of Kentucky.

H.R. 743: Mr. NORWOOD, Mr. HALL of Texas, Mr. ZIMMER, Mr. FATTAH, and Mr. QUILLEN.

H.R. 769: Mr. SHAYS, Mr. FIELDS of Texas, Mr. FALEOMAVAEGA, Mr. BAKER of California, Mr. DIAZ-BALART, Mr. PETRI, Mrs. CUBIN, Mr. EHLERS, Mr. GREENWOOD, Mr. NORWOOD, Mr. MARTINEZ, and Mr. WELLER.

H.R. 777: Mr. ABERCOMBIE, Mr. CARDIN, Mr. CLEMENT, Mr. COLEMAN, Mr. DEUTSCH, Ms. DUNN of Washington, Mr. GALLEGLY, Mr. HALL of Ohio, Mr. HOLDEN, Mr. HYDE, Mr. JOHNSON of South Dakota, Mr. MCHUGH, Mrs. MALONEY, Mr. MEEHAN, Mr. MOAKLEY, Mr. OBERSTAR, Mr. OWENS, Mr. ROGERS, Ms. ROS-LEHTINEN, Mr. SANDERS, Mr. SCOTT, Mr. SERRANO, Mr. TORKILDSEN, Mr. UNDERWOOD, Mr. FILNER, Mr. COOLEY, Ms. NORTON, and Mr. FOGLIETTA.

H.R. 778: Mr. ABERCROMBIE, Mr. CARDIN, Mr. CLEMENT, Mr. COLEMAN, Mr. DEFAZIO, Mr. DEUTSCH, Ms. DUNN of Washington, Mr. GALLEGLY, Mr. HALL of Ohio, Mr. HOLDEN, Mr. HYDE, Mr. JOHNSON of South Dakota, Mr. MCHUGH, Mrs. MALONEY, Mr. MEEHAN, Mr. MOAKLEY, Mr. OBERSTAR, Mr. OWENS, Mr. ROGERS, Ms. ROS-LEHTINEN, Mr. SANDERS, Mr. SCOTT, Mr. SERRANO, Mr. TORKILDSEN, Mr. UNDERWOOD, Mr. WELLER, Mr. FILNER, Mr. COOLEY, Ms. NORTON, and Mr. FOGLIETTA.

H.R. 779: Mr. FOGLIETTA and Mr. SERRANO.

H.R. 780: Mr. FOGLIETTA and Mr. SERRANO.

H.R. 782: Mr. JACOBS and Mr. LEWIS of California.

H.R. 789: Mr. GILCHREST.

H.R. 820: Mr. BACHUS, Mr. DOOLEY, and Mr. EHLERS.

H.R. 842: Mr. JACOBS, Mr. DOYLE, Mr. KLINK, Ms. ESHOO, Mr. UPTON, Mr. BEREUTER, Mr. CHAPMAN, Mr. BONO, Mr. SCARBOROUGH, Mr. MCNULTY, Mr. NADLER, Mr. CREMEANS, Mr. CRAPO, Mr. LONGLEY, Mr. DOOLITTLE, Mr. VOLKMER, Mr. GEJDENSON, Mr. STUPAK, Mr. ROBERTS, Mr. GILLMOR, Mr. LEWIS of California, Mr. DAVIS, Mr. BAESLER, Mr. NEY, Mr. RIGGS, Mr. HOUGHTON, Mr. DEAL of Georgia, Mr. WELDON of Pennsylvania, Mr. COOLEY, Mr. MONTGOMERY, Ms. DUNN of Washington, Mr. MYERS of Indiana, Mr. NEUMANN, Mr. HEINEMAN, Mr. WATTS of Oklahoma, Mr. LEWIS of Kentucky, Mrs. LOWEY, Mr. MCHUGH, Mr. PAYNE of New Jersey, Mr. SISISKY, Mr. DORNAN, Mrs. CHENOWETH, Mr. CHRYSLER, Mr. FUNDERBURK, Mr. HINCHEY, Mrs. LINCOLN, Mr. MATSUI, Mr. GALLEGLY, Mr. ENSIGN, Mr. HILLIARD, Mrs. CUBIN, Mr. ROSE, Mr. METCALF, Mr. CAMP, Mr. CALVERT, Mr. SCHIFF, Mr. POSHARD, Mr. RICHARDSON, Mr. SMITH of Texas, and Mrs. WALDHOLTZ.

H.R. 893: Mr. PAYNE of New Jersey, Mr. PALLONE, Mr. DINGELL, Mr. GOSS, and Mr. OXLEY.

H.R. 896: Ms. DELAURO, Ms. LOWEY, and Mr. OBEY.

H.R. 914: Mr. THOMPSON and Mr. GENE GREEN of Texas.

H.R. 934: Mrs. CHENOWETH.

H.R. 935: Mrs. CHENOWETH.

H.R. 990: Mr. BRYANT of Texas, Mr. NEY, Mr. SABO, Mr. GENE GREEN of Texas, Mr. RAHALL, Mr. MONTGOMERY, Mr. EMERSON, and Mr. FROST.

H.R. 995: Mr. ALLARD, Mr. PICKETT, and Mr. GALLEGLY.

H.R. 996: Mr. ALLARD and Mr. PICKETT.

H.R. 1010: Mr. JACOBS, Ms. LOWEY, Mr. PAYNE of New Jersey, Mr. BARTON of Texas, and Ms. PELOSI.

H.R. 1020: Mr. STUPAK, Mrs. FOWLER, Mr. GUNDERSON, Mr. ROHRABACHER, Mr. KNOLLENBERG, Mr. CRAPO, Mr. BALLENGER, Mr. FRELINGHUYSEN, Mr. JEFFERSON, Mr. MINGE, Mr. HUTCHINSON, Mr. SCARBOROUGH, Mr. BACHUS, and Mr. CHRYSLER.

H.R. 1023: Mr. BAKER of Louisiana and Mr. YATES.

H.R. 1033: Mr. WAXMAN, Mr. KNOLLENBERG, Mrs. MALONEY, Mr. FORBES, Mr. MCNULTY, Mr. FRISA, and Mr. TORRICELLI.

H.R. 1044: Mr. FOGLIETTA and Mr. ENGLISH of Pennsylvania.

H.R. 1056: Ms. ROYBAL-ALLARD.

H.R. 1085: Mrs. LINCOLN.

H.R. 1103: Mr. CHAMBLISS.

H.R. 1114: Mr. ROSE, Mr. EHRLICH, Mr. PAXON, Mr. KNOLLENBERG, and Mrs. CHENOWETH.

H.R. 1143: Mr. KIM, Mr. DOYLE, Mr. EVANS, Mr. OXLEY, Mr. LATOURETTE, Mr. BONO, Mr. BAKER of Louisiana, and Mr. LIPINSKI.

H.R. 1144: Mr. KIM, Mr. DOYLE, Mr. EVANS, Mr. OXLEY, Mr. LATOURETTE, Mr. BONO, Mr. BAKER of Louisiana, and Mr. LIPINSKI.

H.R. 1145: Mr. KIM, Mr. EVANS, Ms. RIVERS, Mr. OXLEY, Mr. BONO, Mr. BAKER of Louisiana, and Mr. LIPINSKI.

H.R. 1187: Mr. BREWSTER.

H.R. 1233: Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. BOUCHER, Mr. CLYBURN, Mr. FROST, Mr. LAFALCE, Mr. MASCARA, Mr. OWENS, Ms. PELOSI, Mr. STUDDS, and Mr. YATES.

H.R. 1244: Mr. CONYERS.

H.R. 1250: Mr. NADLER.

H.J. Res. 79: Mr. MCINTOSH.

H. Con. Res. 12: Mr. BONO.

H. Con. Res. 21: Mr. BRYANT of Texas, Mr. MANTON, Mr. SERRANO, Mr. UNDERWOOD, Ms. FURSE, Mrs. MORELLA, Mr. WAXMAN, Mr. HALL of Ohio, Mr. FAZIO of California, and Mr. REED.

H. Con. Res. 45: Mr. HEFNER, Mr. SANDERS, and Mr. JOHNSON of South Dakota.

H. Res. 21: Mr. ROHRABACHER.

H. Res. 39: Mr. JACOBS and Mr. WATT of North Carolina.

H. Res. 97: Mrs. CHENOWETH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 390: Mr. STARK.