put aside partisan tricks and the privatization plan, and I call on my colleagues to join me in opposing privatization and work to protect Social Security and the promise to America’s seniors.

**PRIVATIZATION OF SOCIAL SECURITY**

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

Mr. CROWLEY. Mr. Speaker, if you loved what happened to the people who invested their retirement savings in Enron stock, look out. House Republicans have something even better as a sequel, the privatization of Social Security. They can retitle it all they want as personal retirement accounts or personal choice or individual investing options, but it all means the same thing, privatization, taking your hard-earned Social Security and giving it to the same people who brought us Enron and Global Crossing. No more guaranteed retirement income for seniors, but guaranteed instability. Should Ken Lay and Ivan Boesky and Michael Milken be deciding your personal retirement future? Democrats say no. Republicans say yes. Oppose the Republican efforts to privatize social security. It is your money and do not let them forget it.

When Social Security was started in 1935, 40 percent of Americans were dying in a state of poverty. We have not come very far. Today a full 33 percent of Americans rely on Social Security for their only source of income in retirement years.

**BIPARTISAN WELFARE REFORM**

(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, I am proud to have voted for a successful bipartisan welfare reform in 1996. That bill has worked to get people off of welfare roles into work, and many of them out of poverty.

Now we have a Republican bill that is coming to the floor later today that threatens that very success because it omits three important things. One, instead of making work it emphasizes simply knocking people off the welfare roles. We want to give a credit to States to get people into jobs, not just off welfare.

Secondly, we need to emphasize child care. I support more work for welfare families. If they are going to work more, their children are going to need more child care. We have 12,757 children on the waiting list today in Indiana for child care.

Thirdly, we emphasized mothers, single mothers and welfare reform in 1996. We largely left out fathers. We should be able to offer an amendment to make fathers, noncustodial parents get back into the workplace. Let us work with that much maligned body on the other side to get real reform that continues the bipartisan success of 1996.

**FROM WELFARE TO WORK**

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

Ms. HART. Mr. Speaker, we have the opportunity now to reauthorize one of the most successful pieces of legislation this House has ever passed, the welfare reform legislation. I think it is important to focus on one point that has come to be a part of this reauthorization, improvement in this bill. It is one that will be so very helpful to families across the United States who are struggling to move from welfare to work, to welfare to independence, welfare to hope for the future. And one of those situations that we have identified that we are improving greatly in this bill is the opportunity for moms to go to work, and that is because we are adding significant amounts of resources for them to get good safe child care for their children.

There have been so many children elevated from poverty because of the welfare reform. We are only going to improve those figures by doing what we are doing here today. And one of the best parts, one that I am very proud to have been part of, is where we will now give more moms the opportunity to move into the independence of work because we are going to help them with safe and competent child care.

**SUCCESS FOR AMERICA’S CHILDREN**

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

Mrs. WILSON. Mr. Speaker, we are going to go tackle the welfare reform debate here, and there is one very important element and that focuses on children. The real success of welfare reform has been to move people from helplessness to hope and move children out of poverty. There are 3 million fewer children today in poverty because their moms have gotten a job to be able to support their family. We are going to build on that today by adding $2 billion more into child care and giving States the flexibility to move that money from folks who are on welfare to folks who are the low-income working poor to support their return to work.

This is a great day for America, a great celebration of all that we have achieved for America’s children and we will build on that success.

**PERSONAL RESPONSIBILITY, WORK, AND FAMILY PROMOTION ACT OF 2002**

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 422 I call up the bill (H.R. 4737) to reauthorize and improve the program of block grants to States for temporary assistance for needy families, improve access to quality child care, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill. The SPEAKER pro tempore. Pursuant to House Resolution 422, the bill is considered read for amendment.

The text of H.R. 4737 is as follows:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Personal Responsibility, Work, and Family Promotion Act of 2002”.

**SEC. 2. TABLE OF CONTENTS.**

The table of contents of this Act is as follows:

Sec. 1. Title.
Sec. 2. Table of contents.
Sec. 3. References.
Sec. 4. Finding.

**TITLE I—TANF**

Sec. 1. Purposes.
Sec. 2. Family assistance grants.
Sec. 3. Promotion of family formation and healthy marriages.
Sec. 4. Supplemental grant for population increases in certain States.
Sec. 5. Bonus to reward employment achievement.
Sec. 6. Contingency fund.
Sec. 7. Use of funds.
Sec. 8. Repeal of Federal loan for State welfare programs.
Sec. 9. Universal engagement and family self-sufficiency plan requirements.
Sec. 10. Work participation requirements.
Sec. 11. Maintenance of effort.
Sec. 12. Performance improvement.
Sec. 13. Data collection and reporting.
Sec. 14. Direct funding and administration by Indian tribes.
Sec. 15. Research, evaluations, and national studies.
Sec. 16. Studies by the Census Bureau and the General Accounting Office.
Sec. 17. Definition of assistance.
Sec. 18. Technical corrections.
Sec. 19. Fatherhood program.
Sec. 20. State option to authorize TANF programs mandatory partners with one-stop employment training centers.
Sec. 21. Sense of the Congress.

**TITLE II—CHILD CARE**

Sec. 1. Short title.
Sec. 2. Goals.
Sec. 3. Authorization of appropriations.
Sec. 4. Application and plan.
Sec. 5. Activities to improve the quality of child care.
Sec. 6. Report by Secretary.
Sec. 7. Definitions.
Sec. 8. Entitlement funding.

**TITLE III—TAXPAYER PROTECTIONS**

Sec. 1. Exclusion from gross income for interest on overpayments of income tax by individuals.
Sec. 2. Deposits made to suspend running of interest on potential underpayments.
Sec. 3. Partial payment of tax liability in installment agreements.

**TITLE IV—CHILD SUPPORT**

Sec. 1. Federal matching funds for limited pass through of child support payments to families receiving TANF.
Sec. 402. State option to pass through all employment compensation proceeds to TANF.

Sec. 403. Mandatory review and adjustment of Family Support Act amendments.

Sec. 404. Mandatory fee for successful child support collections.

Sec. 405. Report on undistributed child support collections.

Sec. 406. Use of new hire information to assist in administration of unemployment compensation programs.

Sec. 407. Decrease in amount of child support arrearage triggering suspension of benefits.

Sec. 408. Use of tax refund intercept program to collect past-due child support on behalf of children who are not minors.

Sec. 409. Garnishment of compensation paid to veterans for service-connected disabilities in order to collect child support obligations.

Sec. 410. Improving Federal debt collection practices.

Sec. 411. Maintenance of technical assistance funding.

Sec. 412. Maintenance of Federal Parent Locator Service funding.

TITLE V—SUPPORTS TO FAMILIES WITH CHILDREN

SEC. 501. Extension of authority to approve demonstration projects.

SEC. 502. Elimination of limitation on number of waivers.

SEC. 503. Elimination of limitation on number of States that may be granted waivers to conduct demonstration projects on a similar topic.

SEC. 504. Elimination of limitation on number of waivers that may be granted to a single State for demonstration projects.

SEC. 505. Streamlined processes for consideration of amendments to and extensions of demonstration projects requiring waivers.

SEC. 506. Availability of reports.

SEC. 507. Technical correction.

TITLE VI—SUPPLEMENTAL SECURITY INCOME

SEC. 601. Review of State agency blindness and disability determinations.

TITLE VII—STATE AND LOCAL FLEXIBILITY

SEC. 701. Program coordination demonstration projects.

SEC. 702. State food assistance block grant demonstration project.

TITLE VIII—ASSISTANCE EDUCATION

SEC. 801. Extension of abstinence education funding under maternal and child health program.

TITLE IX—TRANSITIONAL MEDICAL ASSISTANCE

SEC. 901. One-year reauthorization of transitional medical assistance.

SEC. 902. Adjustment to payments for medicaid administrative costs to prevent duplicative payments and to fund a 1-year extension of transitional medical assistance.

TITLE X—EFFECTIVE DATE

Sec. 1001. Effective date.

SEC. 3. REFERENCES.

Except as otherwise expressly provided, when used in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Social Security Act.

THE CONGRESS MAKES THE FOLLOWING FINDINGS:

(1) The Temporary Assistance for Needy Families (TANF) Program established by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) has succeeded in moving families from welfare to work and reducing child poverty.

(2) There has been a dramatic increase in the employment of current and former welfare recipients. The number of working recipients reached an all-time high in fiscal years 1999 and 2000. In fiscal year 1999, 33 percent of adult recipients were working, compared to less than 10 percent in fiscal year 1992, and 11 percent in fiscal year 1996. All States met the overall participation rate standard in fiscal year 2000, as did the District of Columbia and Puerto Rico.

(3) Earnings for welfare recipients remaining on the rolls have also increased significantly, as have earnings for female-headed households. The increase has been particularly large for the bottom 2 income quintiles, that is, those women who are most likely to be former or prospective parents.

(4) Welfare dependency has plummeted. As of September 2001, 2,103,000 families and 5,333,000 individuals were receiving assistance. Accordingly, the number of families in the welfare caseload and the number of individuals receiving cash assistance declined 52 percent and 56 percent, respectively, since the enactment of TANF.

(5) Child support payments for families receiving TANF.

(6) Earnings from child support payments to families receiving TANF.

(7) Children who live apart from their biological fathers, on average, are more likely to be poor, experience educational, health, emotional, and psychological problems, be victims of child abuse, engage in criminal behavior, and become involved with the juvenile justice system than their peers who live with both biological parents.

(8) Since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, child support collections within the child support enforcement system have grown every year, increasing from $22,600,000,000 for the previous year.

(9) Total Federal and State TANF expenditures in fiscal year 2000 were $35,000,000,000, up from $27,000,000,000 in fiscal year 1999. This increased spending is attributable to significant new investments in supportive services.
services in the TANF program, such as child care and activities to support work.

(B) Since the welfare reform effort began there has been a dramatic increase in work participation (including employment, community service, and work experience) among welfare recipients, as well as an unprecedented reduction in the caseload because recipients are supported for work.

(C) States are making policy choices and investment decisions best suited to the needs of their citizens.

(D) To expand aid to working families, all States disregard a portion of a family’s earned income when determining benefit levels.

(ii) Most States increased the limits on countable assets above the former Aid to Families with Dependent Children (AFDC) program referred to in clause (i) of this paragraph as the amount required to be paid to the State for a bonus year, which shall be determined by the following:

(iii) Marriage education, marriage skills, and relationship skills programs, that may include parenting skills, financial management, conflict resolution, and job and career advancement, for non-married pregnant women and non-married expectant fathers.

(iv) Pre-marital education and marriage skills training programs for engaged couples and for couples interested in marriage.

(v) Marriage enhancement and marriage skills training programs for married couples.

(vi) Divorce reduction programs that teach relationship skills.

(vii) Marriage mentoring programs which use married couples as role models and mentors in at-risk communities.

(E) For the purposes of awarding a bonus under this paragraph for bonus year 2004, the Secretary may measure the performance of a State under this paragraph for a bonus year for purposes of awarding a bonus under subparagraph (D) for the fiscal year that immediately precedes the bonus year.

(LIMITATION.—The amount payable to a State under this paragraph for a bonus year shall not exceed 5 percent of the State family assistance grant.

(C) FORMULA FOR MEASURING STATE PERFORMANCE.—

(i) In general.—Subject to clause (ii), not later than October 1, 2003, the Secretary, in consultation with the Governors of the States, shall develop a formula for measuring State performance in operating the State program funded under this paragraph.

(D) Determination of state performance.—For each bonus year, the Secretary shall:

(1) use the formula developed under subparagraph (C) to determine the performance of each eligible State for the fiscal year that precedes the bonus year; and

(2) prescribe performance standards in such a manner so as to ensure that—

(A) the average amount of grants to be made under this paragraph for each bonus year equals $100,000,000; and

(B) the total amount of grants to be made under this paragraph for all bonus years equals $500,000,000.

(E) Definitions.—In this paragraph:
“(1) BONUS YEAR.—The term ‘bonus year’ means each of fiscal years 2004 through 2008.

“(2) EMPLOYMENT ACHIEVEMENT STATE.—The term ‘employment achievement State’ means a State to which a bonus year is not otherwise appropriate, for any fiscal year 2004 through 2008.

“(3) STATE PLAN.—Section 402(a)(1)(A)(B) is amended by striking clause (i) and redesignating clauses (ii) through (iv) as clauses (i) through (iv), respectively.

“(4) USE OF FUNDS.—Section 402 (42 U.S.C. 602) is amended by inserting the following:

“(f) Repeal—Section 402(a)(3) is repealed.

“(g) Treatment of interstate impropriety—Subsection (b)(2) of section 407(b)(2) is amended—


“by striking all that follows ‘23,000,000,000’ and inserting a period; and

“by inserting a period; and

“(h) Definition of rural organization—Subsection (b)(1) of section 407(b)(1) is amended by inserting ‘year of 1982’ after ‘section 407’.

“(i) Effect of amendments—The amendments made by paragraph (1) shall take effect on October 1, 2003.

“SEC. 106. CONTINGENCY FUND.

“(a) Effective date.—Section 409(b)(2) (42 U.S.C. 609(b)(2)) is amended—


“(2) by striking all that follows ‘$23,000,000,000’ and inserting a period.


“(c) Definition of needy State.—Clauses (i) and (ii) of section 409(b)(3)(C)(ii) (42 U.S.C. 609(b)(3)(C)(ii)) are amended by inserting after ‘1996’ the following: ‘or, and the Food Stamp Act of 1977 as in effect during the corresponding 3-month period in the fiscal year preceding such most recently concluded 3-month period.’


“(e) Matching of certain programs: effect of amendments.—Section 412 (42 U.S.C. 612) is amended by striking ‘70 percent’ and inserting ‘60 percent’.

“(f) Effective date.—The amendment made by this section shall take effect on October 1, 2003.

“SEC. 108. RESPONSE TO STATE WELFARE PROGRAMS.

“(a) Repeal.—Section 406 (42 U.S.C. 606) is repealed.

“(b) Conforming amendments.—

“(1) Section 409(a) (42 U.S.C. 609(a)) is amended by striking paragraph (6).

“(2) Section 412 (42 U.S.C. 612) is amended by striking paragraph (f) and redesignating paragraphs (g) through (i) as sub paragraphs (f) through (h), respectively.

“(c) Reimbursement of contingency fund balances.—Section 413 (42 U.S.C. 613) is amended by striking ‘406’.

“SEC. 109. UNIVERSAL ENGAGEMENT AND FAMILY SELF-SUFFICIENCY PLAN REQUIREMENTS.

“(a) Modification of state plan requirements.—Section 402(a)(1)(A) (42 U.S.C. 602(a)(1)(A)) is amended by striking clauses (ii) and (iii) and inserting the following:

“(ii) A State to which a grant is made under section 403 shall—

“(I) require a parent or caretaker receiving assistance under the program to engage in work experience or self-sufficiency activities (as defined by the State), consistent with section 407(e)(2).

“(III) require families receiving assistance under the program to engage in self-sufficiency activities in accordance with family self-sufficiency plans developed pursuant to section 409(b).

“(b) Establishment of family self-sufficiency plans.—

“(1) In general.—Section 409(b) (42 U.S.C. 609(b)) is amended to read as follows:

“(B) Family plan.—

“(1) IN GENERAL.—A State to which a grant is made under section 403 shall—

“(A) require a parent or caretaker receiving assistance under the program to engage in work experience or self-sufficiency activities (as defined by the State), consistent with section 407(e)(2).

“(III) require families receiving assistance under the program to engage in self-sufficiency activities in accordance with family self-sufficiency plans developed pursuant to section 409(b).

“(D) Treatment of interstate immigrants.—

“(1) State plan provision.—Section 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)) is amended by striking clause (i) and redesignating clauses (ii) through (iv) as clauses (i) through (iv), respectively.

“(2) Use of funds.—Section 402 (42 U.S.C. 602) is amended by adding a period; and

“(a) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 2003.

“SEC. 109. USE OF FUNDS.

“(a) General rules.—Section 404(a)(2) (42 U.S.C. 604(a)(2)) is amended by striking ‘in any manner that’ and inserting ‘for any purpose to which the amount is applicable’.

“(b) Treatment of interstate immigrants.—

“(1) IN GENERAL.—(A) A State to which a grant is made under section 403 shall—

“(A) require a parent or caretaker receiving assistance under the program to engage in work experience or self-sufficiency activities (as defined by the State), consistent with section 407(e)(2).

“(III) require families receiving assistance under the program to engage in self-sufficiency activities in accordance with family self-sufficiency plans developed pursuant to section 409(b).

“(b) Establishment of family self-sufficiency plans.—

“(1) In general.—A State to which a grant is made under section 403 shall—

“(A) require a parent or caretaker receiving assistance under the program to engage in work experience or self-sufficiency activities (as defined by the State), consistent with section 407(e)(2).

“(III) require families receiving assistance under the program to engage in self-sufficiency activities in accordance with family self-sufficiency plans developed pursuant to section 409(b).

“(D) Treatment of interstate immigrants.—

“(1) IN GENERAL.—A State to which a grant is made under section 403 shall—

“(A) require a parent or caretaker receiving assistance under the program to engage in work experience or self-sufficiency activities (as defined by the State), consistent with section 407(e)(2).

“(III) require families receiving assistance under the program to engage in self-sufficiency activities in accordance with family self-sufficiency plans developed pursuant to section 409(b).

“(B) State deems appropriate with the individual, a self-sufficiency plan that specifies appropriate activities described in the State plan submitted pursuant to section 402, including work experience or self-sufficiency activities designed to assist the family in achieving their maximum degree of self-sufficiency, and that provides for the ongoing participation of the individual in the activity included in the plan.

“(C) require, at a minimum, each such individual to participate in activities in accordance with the self-sufficiency plan; and

“(D) monitor the progress of each such individual in the activities specified in the self-sufficiency plan, and regularly review the progress of the family toward self-sufficiency.

“(E) Upon such a review, revise the self-sufficiency plan and activities as the State deems appropriate.

“(2) Timing.—The State shall comply with paragraph (1) with respect to a family—

“(A) in the case of a family that, as of October 1, 2002, is not receiving assistance from the State program funded under this part, not later than 60 days after the family first receives assistance on the basis of the most recent application for the assistance; and

“(B) in the case of a family that, as of such date, is receiving the assistance, not later than 12 months after the date of enactment of this subsection.

“(3) State discretion.—A State shall have sole discretion, consistent with section 407, to define and design activities for families and to develop methods for monitoring and reviewing progress pursuant to this subsection, and to make modifications to the plan as the State deems appropriate to assist the individual in increasing their degree of self-sufficiency.

“(4) Rule of Interpretation.—Nothing in this section shall preclude the State from requiring participation in work and any other activities the State deems appropriate for helping families achieve self-sufficiency and improving child well-being.

“(2) Penalty for failure to establish family self-sufficiency plan.—Section 409(a)(3) (42 U.S.C. 609(a)(3)) is amended—

“(A) in the paragraph heading, by inserting ‘OR ESTABLISH FAMILY SELF-SUFFICIENCY PLAN’ after ‘RATES’; and

“(B) in subparagraph (A), by inserting ‘or 409(a)’ after ‘409(a)’.

“SEC. 110. WORK PARTICIPATION REQUIREMENTS.

“(a) In general.—Section 407 (42 U.S.C. 607) is amended by striking all that precedes subsection (b)(3) and inserting—

“(b) Work participation requirements.—

“(1) Average monthly rate.—For purposes of subsection (a), 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.

“(2) Monthly participation rates; incorporation of 80-hour work week standard.—In general, subparagraph (1), the participation rate of a State for a month is—

“(I) the total number of countable hours (as defined in subsection (c) with respect to the counted families for the State for the month; divided by

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(ii) 160 multiplied by the number of
families that received assistance during fiscal
year 2001 under the State program funded under this
part.

(ii) State Cashflow for Fiscal Year
1996—The term ‘state cashflow for fiscal
year 1996’ means the average monthly number of
families that received assistance during fiscal
year 2001 under the State program funded under this
part.

‘(ii) School Attendance by Teen Head
of Household.—The work-eligible members of a
family shall be considered to be engaged in a
direct work activity for an average of 40
hours per week, if the family includes a
school-aged child in the State’s attendance
range of 10 to 19 years of age, and if the
child’s primary activity is attending
school.

(iv) Relative Work-Eligible
Individual.—The term ‘relative work-
eligible individual’ is defined as
any child under the age of 19
who is not married and who
is related to a parent of the
head of the family.

‘‘(ii) 160 multiplied by the number of
families that received assistance during fiscal
year 2001 under the State program funded under this
part.

‘(ii) State Cashflow for Fiscal Year
1996—The term ‘state cashflow for fiscal
year 1996’ means the average monthly number of
families that received assistance during fiscal
year 2001 under the State program funded under this
part.

‘(ii) School Attendance by Teen Head
of Household.—The work-eligible members of a
family shall be considered to be engaged in a
direct work activity for an average of 40
hours per week, if the family includes a
school-aged child in the State’s attendance
range of 10 to 19 years of age, and if the
child’s primary activity is attending
school.

(iv) Relative Work-Eligible
Individual.—The term ‘relative work-
eligible individual’ is defined as
any child under the age of 19
who is not married and who
is related to a parent of the
head of the family.
(b) STATE SPENDING ON PROMOTING HEALTHY MARRIAGE.—

(1) IN GENERAL.—Section 404 (42 U.S.C. 604) is amended by adding at the end the following:

"(1) MARRIAGE PROMOTION.—A State, territory, or tribal organization to which a grant is made under section 403(a)(2) may use a grant under this section, a State, territory, or tribal organization under any other provision of section 403 for marriage promotion activities, and the amount of any such grant so used shall be considered State funds for purposes of section 403(a)(2)."

(2) FEDERAL TANF FUNDS USED FOR MARRIAGE PROMOTION DISREGARDED FOR PURPOSES OF MARRIAGE PROMOTION REQUIREMENT.—Section 409(a)(7)(B)(i) (42 U.S.C. 609(a)(7)(B)(i)) is amended by section 103(c) of this Act, is amended by adding at the end the following:

"(IV) services for struggling and non-compliant families, and for clients with special problems, and

(V) other activities directed at the purposes of this part, as specified in the State plan submitted pursuant to section 402."

(3) MARRIAGE PROMOTION.

The Secretary, in consultation with the States, shall develop uniform performance measures designed to assess the degree of effectiveness, and the degree of improvement, of State programs funded under this part in accomplishing the purposes of this part.

(4) ANNUAL RANKING OF STATES.—Section 413 (42 U.S.C. 613) is amended by adding at the end the following:

"(k) PERFORMANCE IMPROVEMENT.—The Secretary, in consultation with the States, shall develop uniform performance measures designed to assess the degree of effectiveness, and the degree of improvement, of State programs funded under this part in accomplishing the purposes of this part.

(5) REGULATIONS.—Section 411 (42 U.S.C. 611) is amended—

(a) by adding at the beginning the following:

"(1) MARRIAGE PROMOTION.

(b) by striking paragraph (5) and inserting the following:

"(5) Other activities directed at the purposes of this part with respect to each of the matters described in sub-paragraph (D) of paragraph (4)."

(6) REPORT ON FAMILIES THAT BECOME ELIGIBLE TO RECEIVE ASSISTANCE.—Section 411a (42 U.S.C. 611a) is amended—

(1) by striking paragraph (5) and inserting "described in sub-paragraph (A)");

(2) by redesigning paragraph (5) as paragraph (6) and inserting "described in sub-paragraph (A)"

(3) by striking "defined in the data elements and all that follows and inserting ", the National Governors’ Association, the American Public Human Services Association, the National Conference of State Legislatures, and others in defining the data elements.

ADDITIONAL REPORTS BY STATES.—Section 411 (42 U.S.C. 611) is amended—

(1) by redesigning subsection (b) as subsection (e) and

(2) by inserting after subsection (a) the following:

"(b) ANNUAL REPORTS ON PROGRAM CHARACTERISTICS.—Not later than 90 days after the end of fiscal year 2004 and each succeeding fiscal year, each eligible State shall submit to the Secretary a report on the characteristics of the State program funded under this part and other State programs funded with Federal funds described in section 404(a)(7)(B)(i)). The report shall include, with respect to each such program, the program name, a description of program activities, the program purpose, the program eligibility criteria, the sources of program funding, the number of program beneficiaries, sanction policies, and any program work requirements.

"(c) MONTHLY REPORTS ON CASELOAD.—Not later than 3 months after the end of each calendar month that begins 1 year or more after the enactment of this subsection, each eligible State shall submit to the Secretary a report on the number of families and total number of individuals receiving assistance in the calendar month under the State program funded under this part.

"(d) ANNUAL REPORT ON PERFORMANCE IMPROVEMENT.—Beginning with fiscal year 2004, not later than January 1 of each fiscal year, each eligible State shall submit to the Secretary a report on achievement and improvement during the preceding fiscal year under the numerical performance goals and measures described in sub-paragraph (A) of paragraph (4)."

(e) REPORT ON FAMILIES THAT BECOME ELIGIBLE TO RECEIVE ASSISTANCE.—The report required by paragraph (1) for a fiscal quarter shall include for each month in the quarter the number of families and total number of individuals that, during the month, became ineligible to receive assistance under the State program funded under this part (broken down by the number of families that become so ineligible due to earnings, changes in family composition that result in increased earnings, sanctions, time limits, or other specified reasons.)

(f) REGULATIONS.—Section 411a(7) (42 U.S.C. 611a(7)) is amended—

(1) by inserting "and to collect the necessary data before “with respect to which reports.”

(2) by striking “subsection” and inserting “section”;

(3) by striking “defining the data elements and all that follows and inserting “, the National Governors’ Association, the American Public Human Services Association, the National Conference of State Legislatures, and others in defining the data elements.”

ADDITIONAL REPORTS BY STATES.—Section 411 (42 U.S.C. 611) is amended—

(1) by redesigning subsection (b) as subsection (e) and

(2) by inserting after subsection (a) the following:

"(b) ANNUAL REPORTS ON PROGRAM CHARACTERISTICS.—Not later than 90 days after the end of each fiscal year 2004 and each succeeding fiscal year, each eligible State shall submit to the Secretary a report on the characteristics of the State program funded under this part and other State programs funded with Federal funds described in section 404(a)(7)(B)(i)). The report shall include, with respect to each such program, the program name, a description of program activities, the program purpose, the program eligibility criteria, the sources of program funding, the number of program beneficiaries, sanction policies, and any program work requirements.

"(c) MONTHLY REPORTS ON CASELOAD.—Not later than 3 months after the end of each calendar month that begins 1 year or more after the enactment of this subsection, each eligible State shall submit to the Secretary a report on the number of families and total number of individuals receiving assistance in the calendar month under the State program funded under this part.

"(d) ANNUAL REPORT ON PERFORMANCE IMPROVEMENT.—Beginning with fiscal year 2004, not later than January 1 of each fiscal year, each eligible State shall submit to the Secretary a report on achievement and improvement during the preceding fiscal year under the numerical performance goals and measures described in sub-paragraph (A) of paragraph (4)."
(f) ANNUAL REPORTS TO CONGRESS BY THE SECRETARY.—Section 411(e), as so redesignated by subsection (e) of this section, is amended—

(1) in the matter preceding paragraph (1), by striking “and each fiscal year thereafter” and inserting “and by July 1 of each fiscal year thereafter”; and

(2) in paragraph (2), by striking “families applying for assistance,” and by striking the last comma and; and

(3) in paragraph (3), by inserting “and other funds provided with qualified State expenditures (as defined in section 409(a)(7)(B)(i))” before the semicolon.

(g) INCREASED ANALYSIS OF STATE SINGLE AID REPORTS.—Section 411 (42 U.S.C. 611) is amended by adding at the end the following:

“(l) INCREASED ANALYSIS OF STATE SINGLE AID REPORTS.—

‘‘(1) In General.—Within 3 months after a State submits to the Secretary a report pursuant to section 7502(a)(1)(A) of title 31, United States Code, the Secretary shall analyze the report for the purpose of identifying the extent and nature of problems related to the oversight by the State of nongovernmental entities as the Secretary may specify that are funded under this part, and determining what additional actions may be appropriate to help prevent and correct the problems.

‘‘(2) INCLUSION OF PROGRAM OVERSIGHT SECTION IN ANNUAL REPORT TO THE CONGRESS.—The Secretary shall include in each report under subsection (a) a section on oversight of State programs funded under this part, including findings on the extent and nature of the problems referred to in paragraph (1), and any actions taken to resolve the problems, and to the extent the Secretary deems appropriate make recommendations on changes needed to resolve the problems.

SEC. 114. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES.


SEC. 115. RESEARCH, EVALUATIONS, AND NATURAL STUDIES.

(a) SECRETARY’S FUND FOR RESEARCH, DEMONSTRATION, AND TECHNICAL ASSISTANCE.—Section 415 (42 U.S.C. 613), as amended by section 112(c) of this Act, is further amended by adding at the end the following:

“(l) FUNDING RESEARCH, DEMONSTRATIONS, AND TECHNICAL ASSISTANCE.—

‘‘(1) In General.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary of Labor $102,000,000 for each of fiscal years 2003 through 2007, which shall be available to the Secretary for the purpose of conducting and supporting research and demonstration projects by public or private entities, and providing technical assistance to States, Indian tribal organizations, and such other entities as the Secretary may specify that are receiving a grant under this section, which shall be expended primarily on activities described in section 408(a)(2)(B), and which shall be expended only after the Secretary determines that any other funds made available under this part.

‘‘(2) SET ASIDE FOR DEMONSTRATION PROJECTS FOR COORDINATION OF PROVISION OF CHILD WELFARE AND TANF SERVICES TO TRIBAL FAMILIES AT RISK OF CHILD ABUSE OR NEGLECT.—

‘‘(A) In general.—Of the amounts made available under paragraph (1) for a fiscal year, $2,000,000 shall be awarded on a competitive basis to fund demonstration projects designed to maximize effectiveness of tribal, state, local, or federal or tribal consortia in coordinating the provision to tribal families at risk of child abuse or neglect of child welfare services and assistance under tribal programs funded under this part.

‘‘(B) USE OF FUNDS.—A grant made to such a project shall be used—

(i) to improve case management for families eligible for assistance from such a tribal program;

(ii) for supportive services and assistance to tribal families at child placements and the tribal families caring for such children, including families who adopt such children; and

(iii) for prevention services and assistance to tribal families at risk of child abuse and neglect.

‘‘(C) REPORTS.—The Secretary may require that all funds awarded under this paragraph to provide the Secretary with such information as the Secretary deems relevant to the Secretary’s efforts to improve the administration of any project for which funds are provided under this paragraph.

‘‘(b) FUNDING OF STUDIES AND DEMONSTRATIONS.—Section 413(h)(1) (42 U.S.C. 613(h)(1)) is amended in the matter preceding subparagraph (A) by striking “1997 through 2002” and inserting “2003 through 2007.”

‘‘(c) REPORT ON ENFORCEMENT OF CERTAIN AFFIDAVITS OF SUPPORT AND SPONSOR DEEMING.—Not later than March 31, 2004, the Secretary of Health and Human Services, in consultation with the Attorney General, shall submit to Congress a report on the enforcement of affidavits of support and sponsor deeming under section 116(a), 42 U.S.C. 603(a)(5)(C) and 42 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

‘‘(d) REPORT ON COORDINATION.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services, in consultation with the Attorney General, shall jointly submit a report to Congress describing common or conflicting data elements, definitions, performance measures, and performance standards in the Workforce Investment Act of 1998 and part A of title IV of the Social Security Act, and, to the degree each Secretary deems appropriate, a joint letter to the other Secretary, any other program administrator by the respective Secretary, to allow greater coordination between the welfare and workforce development systems.

‘‘(e) STUDIES BY THE CENSUS BUREAU AND THE GENERAL ACCOUNTING OFFICE.—

(a) CENSUS BUREAU STUDIES.—

‘‘(1) IN GENERAL.—Section 414(a) (42 U.S.C. 614(a)) is amended to read as follows:

‘‘(A) In general.—The Bureau of the Census shall, in accordance with procedures prescribed by the Secretary, prepare and publish a comprehensive study of program dynamics, developed in consultation with the Secretary and made available to interested parties, to allow for the assessment of the outcomes of continued welfare reform on the economy and child well-being of low-income families with children, including those who received assistance or services from a State program funded under this part, and, to the extent possible, shall provide State representative samples. The content of the survey should include, but need not be limited to, the following:

(i) the nature and extent of child abuse and neglect risks identified in the course of the survey;

(ii) the extent and nature of the problems referred to in paragraph (1), including findings on the extent and nature of problems the Secretary deems relevant to the Secretary’s efforts to improve the administration of any project for which funds are provided under this paragraph;

(iii) for prevention services and assistance to tribal families at risk of child abuse and neglect.

(b) REPORT.—Not later than 1 year after the date of the enactment of this subsection, the Comptroller General shall submit a report to Congress containing the results of the study conducted under this section and, as appropriate, any recommendations consistent with the results.

SEC. 117. DEFINITION OF ASSISTANCE.

(a) IN GENERAL.—Section 419 (42 U.S.C. 619) is amended by adding at the end the following:

‘‘(g) ASSISTANCE.—

‘‘(A) In general.—The term ‘assistance’ means, by cash, cash equivalent, or in-kind services, aid, or assistance for the purpose of meeting a subsistence need of the individual or family (including food, clothing, shelter, and related items, but not including costs of transportation or child care).

‘‘(B) EXCEPTION.—The term ‘assistance’ does not include a payment described in subsection (a) to or for an individual or family on a short-term, nonrecurring basis (as defined by the State in accordance with regulations prescribed by the Secretary).

‘‘(c) EXCLUSION AMONG PROGRAMS.—

(1) Section 404(a)(1) (42 U.S.C. 604(a)(1)) is amended by striking “assistance” and inserting “aid.”

(2) Section 404(f) (42 U.S.C. 604(f)) is amended by striking “assistance” and inserting “benefits or services.”

(3) Section 408(a)(5)(B)(i) (42 U.S.C. 608(a)(5)(B)(i)) is amended in the heading by striking “assistance” and inserting “aid.”

(4) Section 413(d)(2) (42 U.S.C. 613(d)(2)) is amended by striking “assistance” and inserting “aid.”

SEC. 118. TECHNICAL CORRECTIONS.

(a) IN GENERAL.—Section 409(c)(2) (42 U.S.C. 609(c)(2)) is amended by inserting a comma after “appropriations”.

(b) Section 411(a)(1)(A)(i)(II) (42 U.S.C. 611(a)(1)(A)(i)(II)) is amended by striking the last close parenthesis.

(c) Section 415(j)(2)(A) (42 U.S.C. 613(j)(2)(A)) is amended by striking “section” and inserting “sections.”

(d) Section 415 (42 U.S.C. 613) is amended by striking subsection (g) and redesignating subsections (h) through (j) and subsections (k) and (l) as added by sections 112(c) and 115(a) of this Act, respectively as subsections (g) through (k), respectively.

(2) Each of the following provisions is amended by striking “413(j)” and inserting “413(i)”:


(B) Section 403(a)(5)(F) (42 U.S.C. 603(a)(5)(F)).

(C) Section 403(a)(5)(G)(ii) (42 U.S.C. 603(a)(5)(G)(ii)).

(D) Section 412a(3)(B)(i) (42 U.S.C. 612a(3)(B)(i)).

SEC. 119. FATHERHOOD PROGRAM.

(a) SHORT TITLE.—This section may be cited as the “Promotion and Support of Responsible Fatherhood and Healthy Marriage Act of 2002”.

APPROPRIATION.—Section 414(b) (42 U.S.C. 614(b)) is amended by striking “1996,” and all that follows through “2002” and inserting “2003 through 2007.”
PART C—FATHERHOOD PROGRAM

SEC. 441. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that
(1) The effects of low income are severe. Low income is positively correlated with a host of difficulties with education, lack of job skills, drug-abuse, and delinquency; single-parent homes will experience poverty because
(2) Nearly 75 percent of children in single-parent families are at risk of delinquency, homicide, and delinquency, few single-parent households constitute a disproportionate share of low-income households.
(3) Where families (whether intact or without a father) are living in poverty, a significant factor is the father’s lack of job skills.
(4) Children raised in 2-parent married families on average, fare better as a group in key areas, including better school performance, reduced rates of substance abuse, crime, and delinquency, and lower rates of teenage sexual activity, risk of abuse or neglect, and lower risk of teen suicide.
(5) Committment and responsible fathering during infancy and early childhood contribute to the development of emotional security, curiosity, and math and verbal skills.
(6) An estimated 24,800,000 children (35.5 percent) live apart from their biological father.

(b) PURPOSES. The purposes of this part are:
(1) To provide for projects and activities by public entities and by nonprofit community entities, including religious organizations, designed to test promising approaches to accomplishing the following objectives:
(A) Promoting responsible, caring, and effective father involvement through counseling, mentoring, and parenting education, dissemination of educational materials and information on parenting skills, encouragement of positive father involvement, and the positive involvement of nonresident parents, and other methods.
(B) Enhancing the abilities and commitment of low-yield or low-income fathers to provide material support for their families and to avoid or leave welfare programs by assisting them to take full advantage of educational materials, counseling, and job training programs, to improve work habits and work skills, to secure career advancement by activities such as outreach and information dissemination on development as an assistant to employment, and job training programs, including the One-Stop delivery system established under title I of the Workforce Investment Act of 1998, encouragement and support of timely payment of current child support and regular payment toward the support of former dependents due to child support programs, and improving mechanisms in appropriate cases, and other methods.
(C) Improving fathers’ ability to effectively manage family business affairs by means such as education, counseling, and mentoring in matters including household management, budgeting, banking, and handling of financial transactions, time management, and home maintenance.
(2) Encouraging and supporting healthy marriages and fatherhood through such activities as premarital education, including health risks and benefits of marriage preparation programs, skills-based marriage education programs, marital therapy, couples counseling, divorce education and reduction programs, divorce mediation and counseling, relationship skills enhancement programs, including those designed to reduce child abuse and domestic violence, and dissemination of information about the benefits of marriage for both parents and children.
(3) Through the projects and activities described under paragraph (1), to improve outcomes for children with respect to measures such as increased family income and economic security, improved school performance, better emotional and behavioral stability and social adjustment, and reduced risk of delinquency, crime, substance abuse, child abuse and neglect, teen sexual activity, and teen suicide. 
(4) To evaluate the effectiveness of various approaches and to disseminate findings concerning outcomes and other information in order to test the effectiveness of promising approaches to accomplishing these objectives.

SEC. 442. DEFINITIONS.

In this title the terms “Indian tribe” and “tribal organization” have the meanings given in subsection (e) and (1), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act.

SEC. 443. COMPETITIVE GRANTS FOR SERVICE PROJECTS.

(a) IN GENERAL.—The Secretary may make grants for service projects until September 30, 2003, through such programs, including the One-Stop delivery system established under title I of the Workforce Investment Act of 1998, to provide for projects and activities by public entities and by nonprofit community entities, including religious organizations, designed to test promising approaches to accomplishing the objectives specified in section 441(b)(1).
(b) ELIGIBILITY CRITERIA FOR FULL SERVICE GRANTS.—In order to be eligible for a grant under this section, an entity shall submit an application to the Secretary containing the following:
(1) PROJECT DESCRIPTION.—A statement including:
(A) A description of the project and how it will be carried out, including the geographical area to be covered and the number and characteristics of clients to be served, and how it will address each of the 4 objectives specified in section 441(b)(1); and
(B) A description of the methods to be used by the entity or its contractor to assess the extent to which the project was successful in accomplishing its specific objectives and the general objectives specified in section 441(b)(1).
(2) INCLUSION OF GRADING CRITERIA.—A demonstration of ability to carry out the project, by means such as demonstration of experience in successfully carrying out similar projects, and, if the entity will be carrying on such other information as the Secretary may find necessary to demonstrate the entity's capacity to carry out the project, including the entity’s ability to provide the non-Federal share of project resources.
(3) ADDRESSING CHILD ABUSE AND NEGLECT AND DOMESTIC VIOLENCE.—A description of how the entity will assess for the presence of, and intervene to resolve, domestic violence and child abuse and neglect, including the extent to which the entity will coordinate with State and local child protective service and domestic violence programs.
(4) ADDRESSING CONCERNS RELATING TO SUBSTANCE ABUSE AND OTHER SUBSTANCES.—A commitment to make available to each individual participating in the project education about alcohol, tobacco, and other drugs, and information about and access to treatment for abusing such substances, and information about diseases and conditions transmitted through substance abuse and sexual contact, including HIV/AIDS, and to coordinate with providers of services addressing such problems, as appropriate.
(5) COORDINATION WITH SPECIFIED PROGRAMS.—An undertaking to coordinate, as appropriate, with State and local entities responsible for the programs under parts A, B, and D of this title, including programs under title I of the Workforce Investment Act of 1998 (including the One-Stop delivery system), and such other programs as the Secretary may require.
(6) RECORDS, REPORTS, AND AUDITS.—An agreement to maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.
(7) SELF-INITIATED EVALUATION.—If the entity elects to contract for independent evaluation of the project, such entity shall provide the Secretary with a self-initiated evaluation of the project, including the extent to which the project was successful in accomplishing its specific objectives and the general objectives specified in section 441(b)(1).
(8) COST OF PROJECT.—Calculation of the cost of the project, including the One-Stop delivery system established under title I of the Workforce Investment Act of 1998 (including the One-Stop delivery system), and such other programs as the Secretary may require.
(9) RECORDS, REPORTS, AND AUDITS.—An agreement to maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.
(10) COORDINATION WITH RELATED PROGRAMS.—An undertaking to coordinate, as appropriate, with other Federal, State, and local programs serving children and families.
(11) RECORDS, REPORTS, AND AUDITS.—An undertaking to maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.
(12) RECORDS, REPORTS, AND AUDITS.—An agreement to maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.
necessary for purposes of oversight of project activities and expenditures.

(2) Cooperation with Secretary’s oversight and evaluation.—An agreement to cooperate with Secretary’s oversight and evaluation of projects assisted under this section, by means including affording the Secretary access to the project and to project-related records and reports, staff, and contracts.

(3) Considerations in awarding grants.—

(a) Diversity of projects.—In awarding grants under this section, the Secretary shall seek to achieve a balance among entities of differing sizes, entities in differing geographic areas, entities in urban and rural areas, and entities employing differing methods of achieving the purposes of this section, including working with the State agency responsible for the administration of part D to help fathers satisfy child support arrearage obligations.

(b) Preference for projects serving low-income fathers.—In awarding grants under this section, the Secretary may give preference to applications for projects in which a majority of the clients to be served are low-income fathers.

(c) Delivery methods.—

(i) In general.—Grants for a project under this section for a fiscal year shall be available for a share of the cost of such project determined by the Secretary in a case of a project under subsection (b); and

(ii) up to 100 percent, in the case of a project under subsection (c).

(2) Federal share.—The Federal share may be in cash or in kind. In determining the amount of the non-Federal share necessary to attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

SEC. 446.MULTICITY, MULTISTATE DEMONSTRATION PROJECTS.

(a) In general.—The Secretary may make grants under this section for fiscal years 2003 through 2007 to eligible entities (as described in subsection (b)) for 2 multicounty, multistate demonstration projects designed to achieve the objectives specified in section 441(b)(1). One of the projects shall be used to deliver married couples to deliver program services.

(b) Eligible entities.—An entity eligible for a grant under this section must be a nonprofit, nonprofit, nonprofit, or by contract or cooperative agreement, to carry out projects and activities of national significance relating to fatherhood promotion, including:

(1) Collection and dissemination of information.—Assisting States, communities, and private entities, including religious organizations, in efforts to promote and support protective services and programs, including programs to: (A) prevent abuse, neglect, and domestic violence; (B) address the impact of such projects on family well-being, health, and education.

(2) Media campaign.—Developing, promoting, and distributing to interested States, local governments, public agencies, and private nonprofit organizations, including charitable and religious organizations, media campaigns that promote and encourage involvement among the public in projects carried out under this section.

(3) Technical assistance.—Providing technical assistance, including training, to public and private entities, including community organizations and faith-based organizations, in the implementation of local fatherhood promotion programs.

(4) Research.—Conducting research related to the purposes of this section.

(b) Projects of national significance.—The projects and activities assisted under this part shall be available on the

(5) Records, reports, and audits.—An agreement to maintain such records, make such reports, and cooperate with such reviews or audits (in addition to those required under the preceding provisions of paragraph (2)) as the Secretary may find necessary for the effective and efficient conduct of the project and for purposes of oversight of project activities and expenditures.

(4) Federal share.—

(a) In general.—Grants for a project under this section for a fiscal year shall be available for up to 80 percent of the cost of such project in such fiscal year.

(b) Non-Federal share.—The Non-Federal share may be in cash or in kind. In determining the amount of the Non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from Federal sources.

SEC. 446. EVALUATION.

(a) In general.—The Secretary, directly or by contract or cooperative agreement, shall evaluate the effectiveness of services projects funded under sections 443 and 444 from the standpoint of the purposes specified in section 441(b)(1).

(b) Evaluation methodology.—Evaluations under this section shall—

(1) include, to the maximum extent feasible, random assignment of clients to service recipients and control groups, and appropriate comparisons of groups of individuals receiving and not receiving services;

(2) describe and measure the effective-ness of projects in achieving their specific project goals; and

(3) describe and assess, as appropriate, the impact of such projects on marriage, parent-child relationships, domestic violence, child abuse and neglect, money management, employment and earnings, payment of child support, and child well-being, health, and education.

(c) Evaluation reports.—The Secretary shall publish the following reports on the results of the evaluations:

(1) An implementation evaluation report covering the first 2 months of the activities under this part to be completed by 36 months after initiation of such activities.

(2) A final report on the evaluation to be completed by September 30, 2010.
same basis to all fathers and expectant fa-
thers able to benefit from such projects and
activities, including married and unmarried
fathers and custodial and noncustodial fa-
thers, with particular attention to low-in-
come fathers, and to mothers and expectant
mothers on the same basis as to fathers.

SEC. 448. AUTHORIZATION OF APPROPRIA-
TIONS; RESERVATION FOR CERTAIN
PURPOSES.-(a) Authorization.—There are author-
ized to be appropriated $30,000,000 for each of
fiscal years 2003 through 2007, to carry out the
provisions of this part.

(b) Reservation.—Of the amount appropri-
ted under this section for each fiscal year,
not more than 15 percent shall be available
for the costs of the multiplicity, multi-
county, multistate demonstration projects
under section 444, evaluations under section
445, and projects of national significance
under section 446.

(2) INAPPLICABILITY OF EFFECTIVE DATE
PROVISIONS.—Section 116 shall not apply to
the amendment made by subsection (a) of this
section.

(c) Securing Obligation.—The Secretary shall
secure the obligation of funds for funds allotted
under this section.

(2) CLERICAL AMENDMENT.—Section 2 of
such Act is amended by inserting after the item
relating to section 116 the following new item:

"Sec. 117. Fatherhood program."

SEC. 120. STATE OPTION TO MAKE TANF
PROGRAMS MANDATORY PART-
NERS WITH ONE-STOP EMPLOY-
MENT TRAINING CENTERS.

Section 408 of the Social Security Act (42 U.S.C. 608) is amended by adding at the end the follow-
ing:

(h) STATE OPTION TO MAKE TANF
PROGRAMS MANDATORY PART-
NERS WITH ONE-STOP EMPLOY-
MENT TRAINING CENTERS.—For
purposes of section 121(b) of the Workforce
Investment Act of 1998, a State program funded
under section 121(c)(2)(D) of the Social
Security Act shall be considered a program re-
ferred to in paragraph (1)(B) of such section,
unless, after the date of the enactment of
this subsection, the Governor of the State
notifies the Secretaries of Health and Human
Services and Labor in writing of the decision
of the Governor not to make the State pro-
gram a mandatory partner.

SEC. 121. SENSE OF THE CONGRESS.

It is the sense of the Congress that a State
welfare-to-work program should include a
mentoring program.

TITLE II—CHILDCARE

SEC. 201. SHORT TITLE.

This title may be cited as the "Caring for
Children Act of 2002."

SEC. 202. GOALS.

(a) Goals.—Section 658A(b) of the Child and
Development Block Grant Act of 1990 (42 U.S.C. 9858) is amended—

(1) in paragraph (3) by striking "encour-
age" and inserting "assist";

(2) by amending paragraph (4) to read as
follows:

"(4) to assist State to provide child care
to low-income parents;

(3) by redesignating paragraph (5) as para-
graph (7), and

(4) by inserting after paragraph (4) the
following:

"(5) to encourage States to improve the
quality of child care available to families;

(6) to establish timelines by encour-
gaging the exposure of young children in
child care to nurturing environments and development-
ally-appropriate activities, including activities
to foster early cognitive and liter-
acy development; and;

(b) CONFORMING AMENDMENT.—Section
658E(c)(3)(B) of the Child and Develop-
ment Block Grant Act of 1990 (42 U.S.C. 9858
(c)(3)(B)) is amended by striking "through
(5)" and inserting "through (7)".

SEC. 203. AUTHORIZATION OF APPROPRIA-
TIONS.

Section 658B of the Child Care and Devel-
opment Block Grant Act of 1990 (42 U.S.C. 9858)
is amended—

(1) by striking "1" and inserting "are," and

(2) by striking "$1,000,000,000 for each
of the fiscal years 1996 through 2002" and inserting
"$2,300,000,000 for fiscal year 1996,
$2,500,000,000 for fiscal year 2001, $2,700,000,000 for
fiscal year 2005, $2,900,000,000 for fiscal year
2006, and $3,100,000,000 for fiscal year
2007".

SEC. 204. APPLICATION AND PLAN.

Section 658E(c)(2) of the Child Care and Devel-
opment Block Grant Act of 1990 (42 U.S.C.
9858(c)(2)) is amended—

(1) by amending subparagraph (D) to read as follows:

"(D) CONSUMER AND CHILD CARE PROVIDER
EDUCATION INFORMATION.—Certify that the
State will collect and disseminate, through
resource and referral services and other
means as determined by the State, to par-
ents of eligible children, child care providers,
and the general public, information regard-
 ing—

"(i) the promotion of informed child care
choices, including information about the
quality and availability of child care serv-
ices;

"(ii) research and best practices on chil-
dren’s development, including early cog-
nitive development;

"(iii) the availability of assistance to ob-
tain child care services; and

"(iv) other programs for which families
that receive child care services for which
financial assistance is provided under this sub-
chapter may be eligible, including the food
stamp program, the WIC program under sec-
 tion 17 of the Child Nutrition Act of 1966, the
child and adult care food program under sec-
 tion 17 of the Richard B. Russell National
School Lunch Act, and the Medicaid and
CHIP programs under titles XIX and XXI of
the Social Security Act.", and

(2) by inserting after subparagraph (H) the
following:

"(H) COORDINATION WITH OTHER EARLY
CHILD CARE SERVICES AND EARLY
CHILDHOOD EDUCATION PROGRAMS.—Demonstrate how
the State is coordinating child care services
provided under this subchapter with Head Start,
Early Reading First, Even Start, Ready-To-
Learn Television, State pre-kindergarten
programs, and Head Start education
programs to expand accessibility to and
continuity of care and early education without
displacing services provided by the current
early care and education delivery system.

"(I) PUBLIC-PRIVATE PARTNERSHIPS.—Dem-
onstrate how the State encourages partner-
ships with private and other public entities
to leverage existing service delivery systems
of early childhood education and increase
the supply and quality of child care services.

"(K) QUALITY.—

"(iv) financial assistance is provided
under this subchapter for a fiscal year, shall use
not less than 6 percent of the amount of such
funds for activities provided through re-
source and referral services or other means,
that are designed to improve the quality of
child care services for which financial assist-
ance is made available under this sub-
chapter. Such activities include—

"(i) programs that provide training, edu-
cation, and other professional development
activities to enhance the skills of the child
care workforce, including training opportu-
nities for caregivers in informal care set-
ing.

"(ii) activities within child care settings
to enhance early learning for young children,
to promote early literacy, and to foster school
readiness;

"(iii) initiatives to increase the retention
and compensation of child care providers,
including higher reimbursement rates for pro-
viders that meet quality standards as defined
by the State; or

"(iv) other activities deemed by the State
to improve the quality of child care services
provided in such State.

SEC. 206. REPORT BY SECRETARY.

Section 658L of the Child Care and Devel-
opment Block Grant Act of 1990 (42 U.S.C.
9858) is amended to read as follows:

SEC. 658L. REPORT BY SECRETARY.

"(a) REPORT REQUIRED.—Not later than Oc-
tober 1, 2004, and biennially thereafter, the
Secretary shall prepare and submit to the
Committee on Education and the Workforce
of the House of Representatives and the
Committee on Health, Education, Labor and
Pensions of the Senate a report that con-
tains the following:

"(1) A summary and analysis of the data
and information provided to the Secretary in
the State reports submitted under section
658K.

"(2) Aggregated statistics on the supply of,
demand for, and quality of child care, early
education, and non-school-hours programs.

"(3) An assessment, and where appropriate,
recommendations for the Congress con-
cerning efforts that should be undertaken to
improve the access of the public to quality
and affordable child care in the United
States.
'"(b) Collection of Information.—The Secretary may utilize the national child care data system available through resource and referral organizations at the local, State, and national level to collect the information required by subsection (a)(2)."

SEC. 207. DEFINITIONS.

Section 658(f)(4)(B) of the Child Care and Development Block Grant Act of 1990 (2 U.S.C. 9858n(4)(B)) is amended by striking "85 percent of the State median income" and inserting "income levels established by the Secretary, prioritized by need."

SEC. 208. ENTITLEMENT FUNDING.

Section 418(a)(3) (2 U.S.C. 618(a)(3)) is amended—

(1) by striking "and" at the end of subparagraph (B); and

(2) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(3) by adding at the end the following:

"(G) $2,917,000,000 for each of fiscal years 2003 through 2007.".

TITLED III—TAXPAYER PROTECTIONS

SEC. 301. EXCLUSION FROM GROSS INCOME FOR INTEREST ON OVERPAYMENTS OF INCOME TAX BY INDIVIDUALS.

(a) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to interest on underpayments) is amended by inserting after section 6611 the following new section:

"SEC. 6611A. EXCLUSION FROM GROSS INCOME FOR INTEREST ON OVERPAYMENTS OF INCOME TAX BY INDIVIDUALS.

(a) In General.—For purposes of this section, the term "disputable tax" means the amount of tax specified at the time of the deposit that is such deposit is used by the Secretary to pay tax, for purposes of section 6601 (relating to interest on underpayments), the tax shall be treated as paid when the deposit is made.

(b) Return of Deposit.—Except in a case where the Secretary determines that collection of tax is in jeopardy, the Secretary shall return to the taxpayer any amount of the deposit (to the extent not used for a payment of tax) which the taxpayer requests in writing.

(c) Payment of Interest.—

(1) In General.—For purposes of section 6601 (relating to interest on underpayments), deposit which is returned to a taxpayer shall be treated as a payment of tax for any period to the extent attributable to a disputable tax for such period. Under regulations prescribed by the Secretary, rules similar to the rules of section 6611(b)(2)(A) shall apply.

(2) Disputable Tax.—

"(A) In General.—For purposes of this section, the term "disputable tax" means the amount of tax specified at the time of the deposit that is such deposit is used by the taxpayer's reasonable estimate of the maximum amount of any tax attributable to disputable items.

"(B) Safe Harbor on 30-Day Letter.—In the case of a taxpayer who has been issued a 30-day letter, the maximum amount of tax under subparagraph (A) shall be less than the proposed deficiency specified in such letter.

(3) Other Definitions.—For purposes of paragraph (2) —

"(A) Disputable Item.—The term "disputable item" means any item of income, gain, loss, deduction, or credit if the taxpayer—

(i) has a reasonable basis for its treatment of such item; and

(ii) reasonably believes that the Secretary also has a reasonable basis for disallowing the taxpayer's treatment of such item.

"(B) 30-Day Letter.—The term '30-day letter' means the first letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals.

"(C) Rate of Interest.—The rate of interest allowable under this subsection shall be the Federal short-term rate determined under section 6611(b)(2), compounded daily.

"(D) Use of Deposits.—

(1) Payment of Tax.—Except as otherwise provided, any deposits shall be treated as used for the payment of tax in the order deposited.

(2) Returns of Deposits.—Deposits shall be treated as paid in the manner of the Federal short-term rate determined under section 6611(b), compounded daily.

"(E) Payment of Interest.—

(1) In General.—The amendments made by this section shall apply to deposits made after the date of the enactment of this Act.

(2) Coordination of Deposits Made Under Revenue Procedure 84–58.—In the case of an amount held by the Secretary of the Treasury or his delegate on the date of the enactment of this Act as a deposit in the nature of a cash bond deposit pursuant to Revenue Procedure 84–58, the date that the taxpayer identifies such amount as a deposit made under such section is the date such amount is deposited and treated as such deposit is used by the Secretary to pay tax, for purposes of section 6601 (relating to interest on underpayments), the tax shall be treated as paid when the deposit is made.

(b) Effective Date.—The amendments made by subsection (a) shall apply to amounts distributed on or after October 1, 2004.

SEC. 302. DEPOSITS MADE TO SUSPEND RUNNING OF INTEREST ON POTENTIAL UNDERPAYMENTS.

(a) In General.—Subchapter A of chapter 67 of the Internal Revenue Code of 1986 (relating to interest on underpayments) is amended by adding at the end the following new section:

"SEC. 6603. DEPOSITS MADE TO SUSPEND RUNNING OF INTEREST ON POTENTIAL UNDERPAYMENTS.

(a) Authority.—

(1) Deposits May Be Made.—A taxpayer may make a cash deposit with the Secretary which may be used by the Secretary to pay any tax imposed under subtitle A or B or chapter 41, 42, 43, or 44 which has not been assessed at the time of the deposit. Such a deposit shall be made in缴纳 such amount as the Secretary may require.

"(b) No Interest Imposed.—To the extent that such deposit is used by the Secretary to pay tax, for purposes of section 6601 (relating to interest on underpayments), the tax shall be treated as paid when the deposit is made.

(b) Return of Deposit.—Except in a case where the Secretary determines that collection of tax is in jeopardy, the Secretary shall return to the taxpayer any amount of the deposit (to the extent not used for a payment of tax) which the taxpayer requests in writing.

(c) Payment of Interest.—

(1) In General.—For purposes of section 6601 (relating to interest on underpayments), deposit which is returned to a taxpayer shall be treated as a payment of tax for any period to the extent attributable to a disputable tax for such period. Under regulations prescribed by the Secretary, rules similar to the rules of section 6611(b)(2)(A) shall apply.

(2) Disputable Tax.—

"(A) In General.—For purposes of this section, the term "disputable tax" means the amount of tax specified at the time of the deposit that is such deposit is used by the taxpayer's reasonable estimate of the maximum amount of any tax attributable to disputable items.

"(B) Safe Harbor on 30-Day Letter.—In the case of a taxpayer who has been issued a 30-day letter, the maximum amount of tax under subparagraph (A) shall be less than the proposed deficiency specified in such letter.

(3) Other Definitions.—For purposes of paragraph (2) —

"(A) Disputable Item.—The term "disputable item" means any item of income, gain, loss, deduction, or credit if the taxpayer—

(i) has a reasonable basis for its treatment of such item; and

(ii) reasonably believes that the Secretary also has a reasonable basis for disallowing the taxpayer's treatment of such item.

"(B) 30-Day Letter.—The term '30-day letter' means the first letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals.

"(C) Rate of Interest.—The rate of interest allowable under this subsection shall be the Federal short-term rate determined under section 6611(b), compounded daily.

"(D) Use of Deposits.—

(1) Payment of Tax.—Except as otherwise provided, any deposits shall be treated as used for the payment of tax in the order deposited.

(2) Returns of Deposits.—Deposits shall be treated as paid in the manner of the Federal short-term rate determined under section 6611(b), compounded daily.

"(E) Payment of Interest.—

(1) In General.—The amendments made by this section shall apply to deposits made after the date of the enactment of this Act.

(2) Coordination of Deposits Made Under Revenue Procedure 84–58.—In the case of an amount held by the Secretary of the Treasury or his delegate on the date of the enactment of this Act as a deposit in the nature of a cash bond deposit pursuant to Revenue Procedure 84–58, the date that the taxpayer identifies such amount as a deposit made under such section is the date such amount is deposited and treated as such deposit is used by the Secretary to pay tax, for purposes of section 6601 (relating to interest on underpayments), the tax shall be treated as paid when the deposit is made.

(b) Effective Date.—The amendments made by subsection (a) shall apply to amounts distributed on or after October 1, 2004.

SEC. 303. PAYMENT OF INTEREST LIABILITY IN INSTALLMENT AGREEMENTS.

(a) In General.—

(1) Section 6601(a) of the Internal Revenue Code of 1986 (relating to authorization of agreements) is amended—

(A) by striking "satisfy liability for payment of" and inserting "make payment on"; and

(B) by inserting "full or partial" after "facilitate".

(2) Section 6601(c) of such Code (relating to Secretary required to enter into installment agreements in certain cases) is amended in the matter preceding paragraph (1) by inserting "before "payment of".".
(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to amounts distributed on or after October 1, 2004.

SEC. 403. MANDATORY REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS FOR FAMILIES RECEIVING TANF.

(a) In General.—Section 456(c)(1)(A)(i) (42 U.S.C. 666(a)(1)(A)(i)) is amended—

(1) by striking “parent, or,” and inserting “parent”;

and

(2) by striking “in care of” and inserting “upon the request of the State agency under the State plan or of either parent.”;

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2004.

SEC. 404. MANDATORY FEE FOR SUCCESSFUL CHILD SUPPORT COLLECTION FOR FAMILY THAT HAS NEVER RECEIVED TANF.

(a) In General.—Section 456(b)(4) (42 U.S.C. 666(b)(4)) is amended—

(1) by inserting “(ii)” after “(B)”;

(2) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(3) by adding “and” after the semicolon; and

(4) by adding after and below the end the following new clause:

“(ii) in the case of an individual who has never received assistance under a State program funded under part A and for whom the State has collected at least $500 of support, the State shall impose an annual fee of $25 for each case in which services are furnished, which shall be retained by the State from support collected on behalf of the individual (but not from the first $500 so collected), paid by the individual applying for the services, recovered from the absent parent, or paid by the State out of its own funds the payment of which from State funds shall not be considered as an administrative cost of the State for the operation of the plan, and shall be considered income to the program.”;

(b) CONFORMING AMENDMENT.—Section 457(a)(3) (42 U.S.C. 657(a)(3)) is amended to read as follows:

“FAMILIES THAT NEVER RECEIVED ASSISTANCE.—In the case of any other family, the State shall distribute to the family the portion of the amount so collected that remains after any other fee is payable pursuant to section 456(b)(3)(B)(ii).”;

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 405. REPORT ON UNDISTRIBUTED CHILD SUPPORT PAYMENTS.

Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services 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 procedures that the States use generally to locate custodial parents for whom child support has been collected but not yet distributed. The report shall include an estimate of the total amount of such undistributed child support collected on behalf of the individual during the fiscal year, the amount that it takes for such child support to be distributed. To the extent the Secretary deems appropriate, the Secretary shall include in the report recommendations as to whether additional procedures should be established at the State or Federal level to expedite the payment of undistributed child support.

SEC. 406. USE OF MORE INFORMATION TO ASSIST IN ADMINISTRATION OF UNEMPLOYMENT COMPENSATION PROGRAMES.

(a) In General.—Section 453(j) (42 U.S.C. 653(j)) is amended by adding at the end the following:

“(7) Information comparisons and disclosure to assist in administration of unemployment compensation programs.—

“(A) In general.—If a State agency responsible for the administration of an unemployment compensation program under Federal or State law transmits to the Secretary the name and account number of an individual, the Secretary shall, if the information in the National Directory of New Hires indicates that the individual may be employed, disclose to the State agency the name, address, and employer identification number of any putative employer of the individual, subject to this paragraph.

“(B) Exception.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

“(C) Use of information.—A State agency may use information provided under this paragraph for any purpose of administering a program referred to in subparagraph (A).

“(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2003.

SEC. 407. DECREASE IN AMOUNT OF CHILD SUPPORT ARREARAGE TRIGGERING PASSPORT DENIAL.

(a) In General.—Section 452(k)(1) (42 U.S.C. 652(k)(1)) is amended by striking “$5,000” and inserting “$2,500”.

(b) CONFORMING AMENDMENT.—Section 452(k)(3) (42 U.S.C. 652(k)(3)) is amended by striking “$5,000” and inserting “$2,500”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2003.

SEC. 408. USE OF TAX REFUND INTERCEPT PROGRAM TO COLLECT PAST-DUE CHILD SUPPORT ON BEHALF OF CHILDREN WITH SPECIFIED DISABILITIES.

(a) In General.—Section 464 (42 U.S.C. 664) is amended—

(1) in subsection (a)(2)(A), by striking “as term is defined for purposes of this paragraph under subsections (c)(i)” and inserting “as defined in subsection (c)(i)”;

and

(2) in subsection (c)(i) —

(A) in paragraph (1)—

(i) by striking “(1) Except as provided in paragraph (2), as set out in” and inserting “(1)”;

and

(ii) by inserting “whether or not a minor” after “a child” each place it appears;

and

(B) by striking paragraphs (2) and (3).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2003.

SEC. 409. GARNISHMENT OF COMPENSATION PAID TO VETERANS FOR SERVICE-CONNECTED DISABILITIES IN ORDER TO ENFORCE CHILD SUPPORT OBLIGATIONS.

(a) In General.—Section 459(h) (42 U.S.C. 659(h)) is amended—

(1) in paragraph (1)(A)(ii)(V), by striking all that follows “Armed Forces” and inserting “a semicolon; and

(2) by adding after the semicolon the following:

“(3) LIMITATIONS WITH RESPECT TO COMPENSATION PAID TO VETERANS FOR SERVICE-CONNECTED DISABILITIES.—Notwithstanding any other provision of this section:

“(A) Compensation described in paragraph (1)(A)(ii)(V) shall not be subject to withholding pursuant to this section—

“(1) for payment of alimony; or

“(2) for payment of child support if the individual is fewer than 60 days in arrears in payment of the support.

“(B) No more than 50 percent of any payment of compensation described in paragraph (1)(A)(ii)(V) may be withheld pursuant to this section.”;

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2004.

SEC. 410. IMPROVING FEDERAL DEBT COLLECTION PRACTICES.

Section 3716(h)(3) of title 31, United States Code, is amended to read as follows:

“(3) In applying this subsection with respect to any debt owed to a State, other than past due support being enforced by the State, subsection (b)(3)(A) shall apply with respect to past due support being enforced by the State notwithstanding any other provision of law, including sections 297 and 1521(d)(1) of the Social Security Act (42 U.S.C. 407 and 1320a-14(d)(1)), section 413(b) of Public law 91-173 (30 U.S.C. 932(b)), and section 14 of the Act of July 29, 1936 (45 U.S.C. 701).

SEC. 411. MAINTENANCE OF TECHNICAL ASSISTANCE FUNDING.

Section 452(j) (42 U.S.C. 652(j)) is amended by inserting “or the amount appropriated under this paragraph for fiscal year 2002, whichever is greater,” before “which shall be available”.

SEC. 412. MAINTENANCE OF FEDERAL PARENT LOCATOR SERVICE FUNDING.

Section 453(o) (42 U.S.C. 653(o)) is amended—

(1) in the 1st sentence, by inserting “or the amount appropriated under this paragraph for fiscal year 2002, whichever is greater,” before “which shall be available”;

and

(2) in the 2nd sentence, by striking “for each of fiscal years 1997 through 2001”.

TITLE V—CHILD WELFARE

SEC. 501. EXTENSION OF AUTHORITY TO APPROVE DEMONSTRATION PROJECTS.

Section 1130(a)(2) (42 U.S.C. 1320a-9(a)(2)) is amended by striking “2002” and inserting “2007”.

SEC. 502. ELIMINATION OF LIMITATION ON NUMBER OF WAIVERS.

Section 1130(b)(2) (42 U.S.C. 1320a-9(a)(2)) is amended by striking “October 1, 2004.”

SEC. 503. ELIMINATION OF LIMITATION ON NUMBER OF STATES THAT MAY BE GRANTED WAIVERS TO CONDUCT DEMONSTRATION PROJECTS ON SAME TOPIC.

Section 1130 (42 U.S.C. 1320a-9) is amended by striking “the limit on the number of waivers that may be granted to conduct demonstration projects under this section”.

SEC. 504. ELIMINATION OF LIMITATION ON NUMBER OF WAIVERS THAT MAY BE GRANTED TO A SINGLE STATE FOR DEMONSTRATION PROJECTS.

Section 1130 (42 U.S.C. 1320a-9) is further amended by adding at the end the following:

“(c) No Limit on Number of States That May Be Granted Waivers To Conduct Same or Similar Demonstration Projects.—The Secretary shall not be required to grant a waiver to a State under this section on the grounds that a purpose of the waiver or of the demonstration project for which the waiver is granted would be the same or similar to a purpose of another waiver or project that is or may be conducted under this section.”;

SEC. 505. STREAMLINED PROCESS FOR CONSIDERATION OF AMENDMENTS AND EXTENSIONS OF DEMONSTRATION PROJECTS REQUIRING WAIVERS.

Section 1130 (42 U.S.C. 1320a-9) is further amended by adding at the end the following:

“(d) Streamlined Process for Consideration of Amendments and Extensions.—The Secretary shall develop a streamlined process for consideration of amendments and extensions proposed by States to demonstration projects conducted under this section.”;

SEC. 506. AVAILABILITY OF FUNDING.

Section 1130 (42 U.S.C. 1320a-9) is further amended by adding at the end the following:
“(k) AVAILABILITY OF REPORTS.—The Secretary shall make available to any State or other interested party any report provided to the Secretary under subsection (b)(2), and any report made by the Secretary with respect to a demonstration project conducted under this section, with a focus on information that may promote best practices and program improvements.”

SEC. 507. TECHNICAL CORRECTION.
Section 1130(b)(1) (42 U.S.C. 1320a–9(b)(1)) is amended by striking “422(b)(9)” and inserting “422(b)(10)”.

TITLE VI—SUPPLEMENTAL SECURITY INCOME

SEC. 601. REVIEW OF STATE AGENCY BLINDNESS AND DISABILITY DETERMINATIONS.
Section 1633 (42 U.S.C. 1383b) is amended by adding at the end the following:

“(e)(1) The Commissioner of Social Security shall review determinations, made by State agencies pursuant to subsection (a) in connection with applications for benefits under this title on the basis of blindness or disability, that individuals who have attained 18 years of age are blind or disabled as of a specified onset date. The Commissioner of Social Security shall review such a determination before any action is taken to implement the determination.

“(2) In carrying out paragraph (1), the Commissioner of Social Security shall review—

“(i) at least 20 percent of all determinations that are made in fiscal year 2003;

“(ii) at least 40 percent of all such determinations that are made in fiscal year 2004; and

“(iii) at least 50 percent of all such determinations that are made in fiscal year 2005 or thereafter.

“(B) A carrying out subparagraph (A), the Commissioner of Social Security shall, to the extent feasible, select for review the determinations which the Commissioner of Social Security identifies as being the most likely to be incorrect.”

TITLE VII—STATE AND LOCAL FLEXIBILITY

SEC. 701. PROGRAM COORDINATION DEMONSTRATION PROJECTS.
(a) PURPOSE.—The purposes of this section are to—

(1) administer the provisions of this title in a manner that is consistent with the purposes of each program to be included in the project, and describing how the purposes of each program will be achieved by the project.

(2) POPULATION SERVED.—A statement identifying the population to be served by the project and specifying the eligibility criteria to be used.

(3) DESCRIPTION AND JUSTIFICATION.—A detailed description of the project, including—

(A) a description of the project and the expected outcomes of the purposes of the project; and

(B) a description of the performance objectives of the project, including any proposed modifications of performance measures and reporting requirements used in the project.

(4) WAIVERS REQUESTED.—A description of the statutory or regulatory requirements with respect to which a waiver is requested in order to carry out the project, and a justification of the need for each such waiver.

(5) INFORMATION AND ASSURANCES.—A statement describing the information and assurances as necessary to establish to the satisfaction of the administering Secretary, in consultation with the Director of the Office of Management and Budget, that the proposed project is reasonably expected to meet the applicable cost neutrality requirements of subsection (d)(4).

(6) EVALUATION AND REPORTS.—An assurance that the applicant will conduct ongoing and final evaluations of the project, and make interim and final reports to the administering Secretary in such manner as the administering Secretary may require.

(7) PUBLIC HOUSING AGENCY PLAN.—In the case of an application proposing a demonstration project that includes activities referred to in subsection (b)(2)(H) of this section—

(A) certification that the applicable annual public housing agency plan of any agency affected by the project that is approved under section 5a of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) includes the information specified in paragraphs (1) through (4) of this subsection; and

(B) any resident advisory board recommendations, and other information, relating to the project that, pursuant to section 5a(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437c–1(e)(2)), is required to be included in the public housing agency plan of any public housing agency affected by the project.

(8) OTHER INFORMATION AND ASSURANCES.—Such other information and assurances as the administering Secretary may require.

(b) APPROVAL OF APPLICATIONS.—

(1) IN GENERAL.—The administering Secretary with respect to a qualified program that is identified in an application submitted pursuant to subsection (c) may approve the application and, except as provided in paragraphs (2) and (3), waive any requirement applicable to the program, to the extent consistent with this section and necessary and appropriate for the conduct of the demonstration project proposed in the application, if the administering Secretary determines that the project—

(A) has a reasonable likelihood of achieving the objectives of the programs to be included in the project;

(B) may reasonably be expected to meet the applicable cost neutrality requirements of paragraph (4), as determined by the Director of the Office of Management and Budget; and

(C) includes the coordination of 2 or more qualified programs.

(2) PROVISIONS EXCLUDED FROM WAIVER AUTHORITY.—A waiver shall not be granted under paragraph (1) with respect to any provision of law relating to—

(i) civil rights or prohibition of discrimination;

(ii) purposes or goals of any program; or

(iii) maintenance of effort requirements.

(iv) health or safety;

(v) labor standards under the Fair Labor Standards Act of 1938;

(vi) environmental protection.

(B) with respect to section 241(a) of the Adult Education and Family Literacy Act;

(C) in the case of a program under the United States Housing Act of 1937 (42 U.S.C. 1437c–1); and

(D) in the case of a program under the Workforce Investment Act, with respect to any requirement of the waiver of which would violate section 1904(c) or 1910 of such Act.

(E) in the case of the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977 (7 U.S.C. 2012(b)), with respect to any requirement under section 5a of such Act (42 U.S.C. 1437c–1); and

(F) with respect to any requirement that a State pass through to a sub-State entity part of any amount paid to the State; or

(G) with respect to the availability of funds for a program for which there is direct spending...
if the project had not been conducted, as de-
cated that are affected by the project shall
State in which an entity conducting a dem-
year with respect to the programs in the
paid by the Federal Government for a fiscal
other provision of law (except subparagraph
(A) general.—An applicant may not conduct a demonstration project under this
section unless each administering Secretary
and budget a request to apply the rules of
proposed in an application submitted by the ap-
ment of funds and responsibilities required of
the administering Secretary with respect to the
(A) cost-neutrality requirement.—
(A) general rule.—Notwithstanding any
other provision of law (except subparagraph
(B), the total of the amounts that may be paid
by the Federal Government for a fiscal
year with respect to the programs in the State
in which an entity conducting a dem-
ment projects approved under this section,
including
(A) the projects approved for each appli-
cant;
(B) the number of waivers granted under
this section, and the specific statutory provi-
(C) how well each project for which a waiv-
er is granted is improving or enhancing pro-
gram achievement from the standpoint of
quality, cost-effectiveness, or both;
(D) how well each project for which a waiv-
er is granted is meeting the performance ob-
jectives specified in subsection (c)(3)(B);
(E) how each project for which a waiver is granted is carried out in the cost-neu-
trality requirements of subsection (d)(4); and
(F) to the extent the administering Sec-
retary deems appropriate, recommendations
for modifications of programs based on out-
comes of the projects.
(g) amendment to united states housing
act of 1937.—section 5a(d) of the United
States Housing Act of 1937 (22 U.S.C. 1437c-
1(d)) is amended—
(1) by redesignating paragraph (18) as para-
graph (19); and
(2) by inserting after paragraph (17) the fol-
lowing new paragraph:
(18) program coordination demonstra-
tion projects.—In the case of an agency that admin-
isters an activity referred to in section
701(b)(2)(H) of the Personal Responsi-
bility, Work, and Family Promotion Act
of 2002 that, during such fiscal year, will be in-
cluded in a demonstration project under sec-
tion 701 of such Act, the information that is
required to be included in the application for
the project pursuant to paragraphs (1) through (4) of section
701(b)(2)(H) of such Act.
(SEC. 702. STATE FOOD ASSISTANCE BLOCK GRANT DEMONSTRATION PROJECT.)
The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end the follow-
ing:
(SEC. 28. STATE FOOD ASSISTANCE BLOCK GRANT DEMONSTRATION PROJECT.
(a) establishment.—The Secretary shall establish a program to make grants to
States in accordance with this section to provide
(1) food assistance to needy individuals and families residing in the State;
(2) funds to operate an employment and training program under subsection (g) for
 needy individuals and families residing in the State;
(3) funds for administrative costs incurred in providing the assistance.
(b) election.—(1) in general.—A State elects to participate in the program established
under subsection (a).
(2) election revocable.—A State that elects to participate in the program estab-
lished under subsection (a) may subsequently reverse the election of the State only once
thereafter. Following the reversal, the State shall only be eligible to participate in the
food stamp program in accordance with the other sections of this Act and shall not re-
ceive a block grant under this section.
(c) program.—The program that is participating in the program established
under subsection (a) shall not be subject to,
under this section in more than 1 jurisdiction within the State.

‘‘(H) PRIVACY.—The State plan shall provide for safeguarding and restricting the use and disclosure of information about any individual or family receiving assistance under this section.

‘‘(I) OTHER INFORMATION.—The State plan shall provide for other information as may be required by the Secretary.

‘‘(J) APPROVAL OF APPLICATION AND PLAN.—During fiscal years 2003 through 2007, the Secretary may approve the applications and State plans that satisfy the requirements of this section of not more than 5 States for a term of not more than 5 years.

‘‘(K) DESIGNS OR FACILITIES.—No funds made available under this section shall be expended for the purchase or improvement of land, for the purchase, construction, or permanent improvement of any building or facility.

‘‘(L) BENEFITS FOR ALIENS.—No individual shall be eligible to receive benefits under a State plan approved under subsection (d)(3) if the individual is not eligible to participate in the food stamp program under title IV of the Food Stamp Act of 1965 (7 U.S.C. 1381 et seq.).

‘‘(M) EMPLOYMENT AND TRAINING.—Each State shall implement an employment and training program for needy individuals under the program.

‘‘(N) ENFORCEMENT.—

‘‘(1) REVIEW OF COMPLIANCE WITH STATE PLAN.—The Secretary shall review and monitor State compliance with this section and the State plan approved under subsection (d)(3).

‘‘(2) NONCOMPLIANCE.—

‘‘(A) IN GENERAL.—If the Secretary, after reasonable opportunity and opportunity for a hearing, finds that—

(i) there has been a failure by the State to comply substantially with any provision or requirement set forth in the State plan approved under subsection (d)(3); or

(ii) in the operation of any program or activity for which assistance is provided under this section, there is a failure by the State to comply substantially with any provision of this section, the Secretary shall notify the State of the finding and that no further payments will be made to the State under subsection (a) of this section, or, in the case of noncompliance in the operation of a program or activity, that no further payments under the State plan will be made to the State, regardless of the program or activity) until the Secretary is satisfied that there is no longer any failure to comply or that the noncompliance will be promptly corrected.

‘‘(B) OTHER SANCTIONS.—In the case of a finding of noncompliance made pursuant to subparagraph (A) of this section, the Secretary may, in addition to, or in lieu of, imposing the sanctions described in subparagraph (A), impose other appropriate sanctions, including recoupment of improperly expended funds for purposes prohibited or not authorized by this section and disaggregation from the receipt of financial assistance under this section.

‘‘(O) NOTICE.—The notice required under subparagraph (A) shall include a specific identification of any additional sanction being imposed under subparagraph (A).

‘‘(P) ISSUANCE OF REGULATIONS.—The Secretary shall establish by regulation procedures for—

‘‘(1) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this section;

‘‘(2) imposing sanctions under this section;

‘‘(3) PAYMENTS.—

‘‘(1) IN GENERAL.—For each fiscal year, the Secretary shall pay to a State that has an application approved by the Secretary under subsection (d)(3) an amount that is equal to the allotment of the State under subsection (l)(2) for the fiscal year.

‘‘(2) METHOD OF PAYMENT.—The Secretary shall make payments to a State for a fiscal year under subsection (l)(2) for a fiscal year may be expended by the State only in the fiscal year.

‘‘(Q) CARCERAL PROGRAM.—The State may reserve up to 10 percent of an allotment under subsection (l)(2) for a fiscal year to provide assistance under this section in subsequent fiscal years, except that the reserved funds may not exceed 30 percent of the total allotment received under this section for a fiscal year.

‘‘(R) PROVISION OF FOOD ASSISTANCE.—A State may provide food assistance under this section in any manner determined appropriate by the State to provide food assistance to any agency administering the food assistance program in the State, such as electronic benefits transfer limited to food purchases, coupons limited to food purchases, or direct provision of commodities.

‘‘(S) DEFINITION OF FOOD ASSISTANCE.—In this section, the term ‘food assistance’ means assistance that may be used only to obtain food, as defined in section 3(g).

‘‘(T) AUDITS.—

‘‘(1) REQUIREMENT.—After the close of each fiscal year, the Sec-

‘‘(2) PAYMENT ACCURACY.—Each audit under this section shall include an audit of payments under this section that shall be based on a statistically valid sample of the caseload in the State.

‘‘(3) SUBMISSION.—Not later than 30 days after the date the audit under this section, the State shall submit a copy of the audit to the legislature of the State and to the Secretary.

‘‘(4) REPAYMENT OF AMOUNTS.—Each State shall repay to the United States any amounts determined through an audit under this section to have not been expended in accordance with the State plan, or the Secretary may offset the amounts against any other amount paid to the State under this section.

‘‘(U) NONDISCRIMINATION.—

‘‘(1) IN GENERAL.—The Secretary shall not provide financial assistance for any program, project, or activity under this section that will have a discriminatory effect.

‘‘(2) PROHIBITION.—The powers, remedies, and procedures under subparagraph (A) and the provisions of titles VI and VII of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) may be used by the Secretary to enforce paragraph (1).

‘‘(V) DEFINITION OF STATE.—In this section, the term ‘State’ means each of the 50 States, the District of Columbia, Guam, and the Virgin Islands of the United States.

‘‘(W) STATE ALLOTMENT.—

‘‘(A) IN GENERAL.—Except as provided in subparagraphs (B), (C), and (D), each State is provided an amount that is equal to the sum of—

(i) the greater of, as determined by the Secretary—

(1) the total amount received by the State for administrative costs and the employment and training program under subsections (a) and (h), respectively, of section 16 of this Act for fiscal year 2002; or

(II) the average per fiscal year of the total dollar value of all benefits issued under the food stamp program established under this Act by the State during fiscal years 2000 through 2002; and

(ii) the average per fiscal year of the total dollar value of all benefits issued under the food stamp program by the State during each of fiscal years 2000 through 2002; and

‘‘(B) INSUFFICIENT FUNDS.—If the Secretary finds that the total amount of allotments to which States would otherwise be entitled for a fiscal year under subparagraph (A) will exceed the amount of funds that will be made available to provide the allotments for the fiscal year, the Secretary shall reduce the allotments made to States under this section, on a pro rata basis, to the extent necessary to allot under this subsection a total amount that is equal to the funds that will be made available.

TITLE VIII—ABSTINENCE EDUCATION

SECTION 801. EXTENSION OF ABSTINENCE EDUCATION FUNDING UNDER MATER

INAL AND CHILD HEALTH PROGRAM.

Section 510(d) (42 U.S.C. 710(d)) is amended by striking ‘‘2002’’ and inserting ‘‘2003’’.

TITLE IX—TRANSITIONAL MEDICAL ASSISTANCE

SECTION 901. ONE-YEAR REAUTHORIZATION OF TRANSITIONAL MEDICAL ASSIST

ANCE.

(a) IN GENERAL.—Section 1925(f) (42 U.S.C. 1396r(f)) is amended by striking ‘‘2002’’ and inserting ‘‘2003’’.

(b) CONFORMING AMENDMENT.—Section 1902(e)(1)(B) (42 U.S.C. 1396a(e)(1)(B)) is amended by striking ‘‘2002’’ and inserting ‘‘2003’’.

SECTION 902. ADJUSTMENT TO PAYMENTS FOR MEDICAID ADMINISTRATIVE COSTS TO PRECLUDE DUPLICATIVE PAYMENTS AND TO PURGE A 1-YEAR EXTENSION OF TRANSITIONAL MEDICAL ASSISTANCE.

Section 1903 (42 U.S.C. 1396b) is amended—

(1) in subsection (a)(7), by striking ‘‘section 1919(c)(3)(B)’’ and inserting ‘‘section (x) and section 1919(c)(3)(C);’’; and

(2) by adding at the end the following:

‘‘(x) ADJUSTMENT TO PAYMENTS FOR ADMINISTRATIVE COSTS TO FUND 1-YEAR EXTENSION OF TRANSITIONAL MEDICAL ASSISTANCE.—

Section 1903 (42 U.S.C. 1396b) is amended—

(1) in subsection (a), by striking ‘‘section 1919(c)(3)(B)’’ and inserting ‘‘section (x) and section 1919(c)(3)(C);’’; and

(2) by adding at the end the following:

‘‘(x) ADJUSTMENT TO PAYMENTS FOR ADMINISTRATIVE COSTS.—Effective for each calendar quarter in fiscal year 2003 and fiscal year 2004, the Secretary shall reduce the amount each State allotment under subsection (a) by an amount equal to 50 percent for fiscal year 2003, and 75 percent for fiscal year 2004, of
one-quarter of the annualized amount deter-
mimed for the medicaid program under sec-
tion 16(k)(2)(B) of the Food Stamp Act of 1977
(T U.S.C. 2025(k)(2)(B)).

(2) Allocation of administrative costs.—None of the funds or expenditures
described in section 16(k)(5)(B) of the Food
Stamp Act of 1977 (T U.S.C. 2025(k)(5)(B)) may be
used as administrative costs.

(a) eligible for reimbursement under sub-
section (a)(7) or costs that would have been
eligible for reimbursement but for this sub-
section; and

(b) allocated for reimbursement to the
program under this title under a plan sub-
mitted by a State to the Secretary to allo-
cate administrative costs for public assist-
ance programs;

except that, for purposes of subparagraph
(A), the reference in clause (iii) of that sec-
tion to subsection (a) is deemed a reference
in the case of a State that
subsection (a)7 and clause (v)11 of that
section shall be applied as if ‘medicaid pro-
gram’ were substituted for ‘food stamp pro-
gram’.

TITLE X—EFFECTIVE DATE

SEC. 1001. EFFECTIVE DATE.

(a) In General.—Except as otherwise pro-
vided, the amendments made by this Act
shall take effect on October 1, 2002.

(b) In the case of a State plan under part
A or D of title IV of the Social Security
Act which the Secretary determines
requires State legislation in order for the
plan to meet the additional requirements
imposed by the amendments made by this
Act, the effective date of the amendments
imposing the additional requirements shall
be 3 months after the first day of the first
calendar quarter beginning after the close
of the first regular session of the State legis-
tature that begins after the date of the enact-
ment of this Act; and purposes of the pre-
ceding sentence, in the case of a State that
has a 2-year legislative session, each year
of the session shall be considered to be a sepa-
rate regular session of the State legislature.

The SPEAKER pro tempore. After 2
hours of debate on the bill, it shall be
in order to consider an amendment
printed in the House Report 107–466, if
offered by the gentleman from Mary-
land (Mr. CARDIN) or a designee, which
shall be debatable for 1 hour, equally divided
and controlled by the proponent and an
opponent.

The gentleman from California (Mr.
THOMAS) and the gentleman from New
York (Mr. RANGEL) each will control 25
minutes; the gentleman from Ohio (Mr.
BOEHNER) and the gentleman from Cali-
ifornia (Mr. GEORGE MILLER) each will
control 20 minutes; the gentleman from Louisi-
a (Mr. TAUSIN) and the gentle-
man from Michigan (Mr. DINGELL)
each will control 15 minutes.

The Chair recognizes the gentleman
from California (Mr. THOMAS).

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

Mr. Speaker, there will be a number
of claims made on the floor during the
debate of this particular piece of legis-
lation. The one thing I hope people
keep in mind is that it is my fervent
hope that the goals of the legislation
are supported by all. It is always pos-
sible to use emphasis, direction,
focus, degree of emphasis.

When we debated this bill repeatedly
in 1996, there were some rather dra-
matic claims made by its opponents
about dire and Draconian cir-
cumstances that would form a dark
cloud over America if the legislation
passed. I happen to believe one of the
bright points of the Clinton adminis-
tration was his willingness after re-
pealing the mandate to improve the 1996 legis-
lation. Oftentimes claims are made with-
out the ability to determine whether or
not the, if you will, experiment was
going to be successful or not. I think
there is no question that the general
shift in emphasis from welfare to work
has been a success.

Has it been an unqualified success?
No, but it clearly has been a success,
and what we are embarking on now is
an attempt to put legislation together
that will focus on areas that need
greater attention to maximize the op-
portunity to move people from poverty
to productive work, from welfare to a
respect for those basic, tantamount,
underlying American concepts, and
that is why the need for focus is more
important than focusing on the people who are on wel-
fare and the needs they have to be able
to assist themselves. Education, and,
especially for women who have young
children, having available child care
are absolutely critical components
that need to be focused on in this reau-
thorization of the program.

And I am pleased to say that in both
the subcommittee and the full com-
nittee and now additionally on the
floor, these areas of concern have been
focused on.

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

The SPEAKER pro tempore. Without
objection, the gentleman from Mary-
land (Mr. CARDIN) may control the
time.

There was no objection.

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

Mr. Speaker, let me say that I am
one of those who supported the welfare
reform bill in 1996, and I think we made
the right decision in 1996. I am proud of
the progress that we have made for
people who are on welfare to try to get
them out of the need of cash assistance
and get them to real jobs. That is why,
Mr. Speaker. I am somewhat surprised
as I was listening to the Republican
leadership talk about the legislation
before us.

I was somewhat surprised because I
heard, in one hand, the Republican
leadership talk with pride of what we
have accomplished during the past 6
years, but then I look at the bill that
they have recommended, the under-
lying bill before us, and I see that they
scrap and dismantle the system that
we have put in place in 1996. They ig-
nore the lessons learned over the past 6
years.

Over the past 6 years we have learned
that if we give the States flexibility
and we give the States the resources,
we can get to the job done. Instead
the bill before us is a Washington one-size-
fits-all, Washington-knows-best man-
date on the States.

Every welfare recipient is not the
same. In some cases a welfare recipient
should go to work immediately, a tradi-
tional job. In other cases an indi-
vidual needs to have English pro-
ficiency. And in another case one may
need to deal with the overcoming of
overcoming of the education issue. The States need the abil-
ity of flexibility to determine what is
best.

This bill does not do it. Instead, listen-
to what our States are saying. The
new requirements would require States
to take resources away from job train-
ing programs and child care programs
into workfare programs. The under-
lying Republican bill will require States
to develop workfare programs
denying people real jobs and the oppor-
tunity to move up in the workplace.

The New York Times said the House
bill would almost certainly force
States to make jobs in order to meet
the new Federal requirements.

Most disturbingly, the Republican
bill takes away the ability of the States

to provide educational services
to the people on welfare. They remove
education as one of the core ways
of meeting the work requirements.

Mr. Speaker, it is surprising to me
that all of us in this body talk about
education being a high priority. We
want for our own children, we want for
our own family maximum educational
opportunities. We want it to be the top
priority for everybody in this country
except the people on welfare. For them
education cannot be a high priority.
That is a mistake.

Mr. Speaker, my Republican friends
talk about the fact that we should not
be placing unfunded mandates on our
States. This is clearly an unfunded
mandate. The Congressional Budget Of-
fice has estimated that complying with
the new requirements in the Repub-
lican bill will cost the States anywhere
between $15 to $18 billion.

□ 1100

Republicans have provided in their
bill $1 billion more in child care and a
promise of $1 billion in addition to that
over the next 5 years. The Congres-
sional Budget Office indicates that we
need $8 to $11 billion alone in child care
to meet these new requirements. It
does not add up.

For the people of Maryland, the pas-
sage of this bill will be an unfunded
mandate of $144 million. For the people
of my chairman’s State of California, it
will be a $2.5 billion unfunded mandate.

Mr. Speaker, we can do better. Later
in this debate, I will offer a substitute
that will correct these shortcomings;
and I hope that we can get support
and we can move forward to the next level
of welfare reform. The underlying bill
does not do it. We can do better.

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

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

I had not expected in the very first
commments to find out that, in fact,
misrepresentations are rampant on the
In my State, we are finding that child care for infants, children with disabilities and during evening and weekend hours is expensive and scarce. That is why our bill provides an additional $2 billion over 5 years for child care despite its already historically high levels. It also includes report language asking States to pay special attention to the needs to expand child care options for infants, children with disabilities and during evenings and weekends.

I hope my colleagues will support this important legislation.

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

Ms. CARDIN. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mrs. THURMAN), a distinguished member of our committee.

Mrs. THURMAN. Mr. Speaker, first of all, let me say that my understanding is what CBO said is that it would not be an unfunded mandate, only because my colleagues are asking the States or the States would have to make cuts in other programs. I can tell my colleagues, in Florida, they are already in so much trouble they have been cutting these programs for the last couple of years, they have no money; and I would say to the last speaker, she is talking about $289 million in Washington. In Florida, we are looking at $311 million in an unfunded mandate.

I think it is interesting that we are having this conversation. I, like the gentleman from Maryland (Mr.カードイン) and others, also supported this bill in 1996; and, yes, too am very proud that we have given hope and that we have given the opportunity for people to go back to work and have dignity. But I also want to remind my colleagues that welfare reform is about children. That is what welfare reform is, children, what happens to their safety net. In the Republican bill that we are looking at today, we would increase child care funding by $1 billion over the next 5 years. Let me just say to my colleagues, just in my State alone, in Florida, it would require an additional $155.5 million over 5 years in child care funding.

The Republican bill doubles work hours for mothers with children under the age of six from 20 to 40. This means that young children will spend more time in child care. Yet the bill offers insufficient child care funding. How do we ensure that they receive adequate care? More importantly, will these working mothers be able to spend quality time with their children?

H.R. 4737 fails to answer those questions. If that is not a reason enough to vote against H.R. 4737, listen to what the St. Petersburg Times said: “Even the Nation’s Republican governors are chafing under the prospect, for fear the new mandatory bill poses a counterproductive to the goal of pulling recipients out of poverty, not merely putting them to work. After 5 years, Congress should be solidifying welfare reform’s successes, not exacerbating its weaknesses.”

The Democratic substitute solidifies those successes.

Ms. DUNN. Mr. Speaker, I yield myself 30 seconds.

I will remind the gentlewoman from Florida that the number that we are increasing child care by is not $1 billion over 5 years, it is $2 billion over 5 years, and that the States are provided with very liberal waiver authority to handle anything that might be a problem to them in their States.

Mr. Speaker, I yield 1 minute to the gentlewoman from Illinois (Mrs. BIGGERT), a lawyer herself, a leader in the State senate before she came to us.

Mrs. BIGGERT. Mr. Speaker, I thank the gentlewoman from Washington (Ms. DUNN) for yielding me the time.

Mr. Speaker, it is with great pleasure that I, from my district, each and every one tells me that their success simply would not have been possible without child care assistance.

I thank all my colleagues who have worked so hard to include this extra $2 billion-plus in the bill for American kids.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Washington (Mr. MCDERMOTT), a distinguished member of the Committee on Ways and Means and on the Subcommittee on Human Resources.

Mr. MCDERMOTT. Mr. Speaker, this whole issue of how much money, I do not know how the Committee follow it, but the fact is that the bill makes mandatory $1 billion for child care. Any additional money is subject to appropriation. That second billion dollars is not guaranteed, and we have a terrible budget mess. Those of us sitting on the Budget Committee know that, and the fact is that even that $2 billion is not going to cover the $11 billion in child care that is needed to hold the line.

In the State of Washington, my distinguished colleague from the State of Washington, when she votes for this, is putting a $280 million unfunded mandate on our State, in a State where...
they are already $1 billion in the hole. The gentlewoman from Illinois, she stands up here and blithely puts $322 million on the Illinois State legislature; they must fund this because they have to have a program for people for more.

That means make-work programs. Never mind what happens to kids and whether they get taken care of or not. We are going to go back to CETA jobs. I do not think there is anybody left in here except a few of us who remember CETA jobs in the 1960s. My colleagues are going to be putting States and counties and cities to making work programs, and my colleagues can stand up here and say that they have all of this in here, but this flexibility. If this was such a flexible bill, I would like to understand why it is they took away vocational training. What possible reason could they take vocational training out as one of the work activities? I do not think people ought to train to get a better job or do they want them all to work as maids in hotels or something at a $7-an-hour job with no child care and no health care benefits? That is what my colleagues are calling them out of poverty.

Ms. WILSON. Mr. Speaker, I yield myself 30 seconds. I will remind the gentleman from Washington of a State that we have extended the ability to transfer funds from one portion of the TANF dollars that are granted to the States into child care or any other area. In 1996, there was a 30 percent exchange. Now it is a 50 percent exchange. One of the core of this bill is the flexibility for States to use money in a way that will make their programs the most effective.

Mr. Speaker, I yield 2 minutes to the gentlewoman from New Mexico (Mrs. WILSON), who is formerly a cabinet officer from New Mexico (Mrs. DOGGETT), a member of the Committee on Ways and Means and a member of the Subcommittee on Human Resources.

Mr. DOGGETT. Mr. Speaker, parents at every economic level sometimes must balance the demands of being a good parent with being a good employee. This is especially challenging when it is a minimum-wage job with no health insurance and a single parent. This partisan bill focuses solely on the work aspect, forgetting the value of parenting, not only for our children, but for communities, who suffer and bear the burden of neglected children having children of their own and committing adult crimes.

When asked how much of an investment in our children is required to satisfy the new requirements of this new law, the Bush administration respites basically, “don’t know and don’t care.”

But the Republican Congressional Budget Office was forced to estimate this cost of meeting our children’s child care needs. It says, at a minimum, $8 billion is required, while the House Republican leadership provides only $1 billion above market rates. Additionally, this bill provides nothing, zero, zip—to meet rising child care costs, to transform the frequently poor quality of child care from what is too often unskilled, minimum wage workers baby-sitting our children into what should be early educational opportunities so that the children can hope for a better future than that of their parents.

With 40,000 Texas children already waiting for child care assistance, and so many of our neighbors confronting a true child care crisis in our State, the members of the Human Services Committee of the Texas House of Representatives, chaired by Representative Elliott Naishtat, has rejected the un­reasonable provisions of this bill. Our excellent Texas Center for Public Policy Priorities has explained the extensive harm that this bill will wreak.

This legislation claims to honor fatherhood, motherhood and matrimony, but actually it threatens our neighbors by failing to give the state the means to provide the support that families need to feed, to clothe, and to raise our next generation of Americans.

We cannot afford the true cost of neglecting these children. This bill may be good electioneering but it does too little for our country’s future. Unless we reject this grossly deficient approach, we will not reap the bitter harvest that the bill’s deliberate neglect of these needy children sows today.

Mrs. WILSON. Mr. Speaker, I yield 2 minutes to the gentlewoman from West Virginia (Mrs. CAPITO), a leader in her State legislature who has been very effective in increasing the child care support in this bill by $2 billion.

Mrs. CAPITO. Mr. Speaker, I thank my colleagues for joining in the discussion on the much-needed increase in child care funding that is provided through H.R. 4737.

When a mom is going to work for the first time, and she has children, she is thinking to herself, I want to concentrate on my job, I want to do the best thing I can do, but a part of her mind is thinking about her children, because she is a good mom and she is trying to do the best for them. The best way to ensure her success in the work force and her success with her family is good solid child care.

As a representative of an economically distressed State, I know that thousands of parents in my district depend on subsidized child care. In my home State of West Virginia, 85 percent of the children in child care are in subsidized child care. I am from a rural State. It is tremendously expensive for parents to transport their children and to provide child care in rural States.

Today, there are over 13,000 parents and children who benefit from this in West Virginia, and this increase will ensure that more parents will have the opportunity to benefit. Parents are in desperate need to find quality, safe, and affordable child care for their children. H.R. 4737 will increase the levels of support for child care while adding, at a minimum, $2 billion in additional funds for child care over 5 years.
Let us ensure the success of the parents and the children and their futures. I urge all my colleagues to stand up and support this increased funding for child care. Parents and children alike need it.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume to point out to the gentlewoman from West Virginia that by voting for this bill her State will actually have $78 million less in resources to deal with the problems of child care.

Mr. Speaker, 2 minutes to the gentleman from Wisconsin (Mr. KLECCSKA), a member of the Committee on Ways and Means and one of the individuals who helped us craft the substitute.

Mr. KLECCSKA. Mr. Speaker, welfare programs come in various sizes and shapes. There are good welfare programs and bad welfare programs. A few weeks ago the Congress passed a farm bill, a farm bill that was signed by the President this last weekend. That bill increased $180 billion in taxpayer money. Under a loophole in the bill, they can get as high as $700 per year.

Mr. Speaker, welfare to corporate farmers and agribusiness is good welfare. However, welfare to poor people is not good welfare. That is bad welfare.

Mr. Speaker, I voted for the welfare bill back in 1996, and when I did so I indicated to the Members that my major reservations were that we did not do enough to promote education, and clearly the child care funding was inadequate. Now, with 6 years experience, we find out that that I was right. And, the Republican bill does nothing to address these two most serious concerns.

Yes, we have dramatically reduced the welfare rolls over the last number of years, but we have not reduced the poverty rate. Cardin substitutes truly does address the poverty rate.

Right now we say, get a job, and then after you are doing working and taking care of your kids, you can also go to school and that will be counted as work. But we have put the cart before the horse. Let us make sure that individuals get adequate training, not just a GED, English as a second language, or a vocational associate degree before mandating the job. We are not going to lift people out of poverty, forcing them to go to get the nonessential jobs that we have in this country.

So if my colleagues are really intent on lifting the poverty rate and helping these individuals, vote for the Cardin substitute, which does address education and provides for adequate child care.

Ms. DUNN. Mr. Speaker, may I inquire as to how much time we have remaining?

The Speaker pro tempore (Mr. SIMPSON). The gentlewoman from Washington has 2 minutes remaining.

Ms. DUNN. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. GRANGER), who is the former Mayor of Fort Worth and who has worked with many folks who have been forced to go on welfare. She brings great knowledge to our effort today.

Ms. GRANGER. Mr. Speaker, I am talking today more as a single parent myself, who has worked very hard to support my children from the time they were tiny, and I know that quality child care is absolutely necessary, first of all to meet the needs of the children, but to meet the financial needs of the family.

A job well done adds dignity to the individual but it adds stability to the family. I know we are setting the bar high for welfare recipients. They can make that bar if we provide quality child care, and we are doing that at more than double what we did, a minimum of $2 billion.

But after my children were grown and my business was successful, I served as mayor of my city, so I understand the flexibility and the importance that we are allowing under this bill is extremely important so that States can move the funds where they are needed most. It will allow the States to make their individual decisions.

We have made great progress in welfare, moving people off the rolls, but what is important is the hope we see in the faces of those children and those parents.

I strongly support this legislation. I think it is very important, this minimum of $2 billion, to add a sense of hope to the lives of those people.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 1 1/2 minutes to the gentleman from Georgia (Mr. LEWIS), a distinguished member of the Committee on Ways and Means.

Mr. LEWIS of Georgia. Mr. Speaker, I rise against the majority party’s proposal. I read someplace, “What does it profit a great Nation to gain a whole world and lose her soul?”

This Republican proposal does not reflect the soul of America. It is out of step and it is out of tune. This proposal turns its back on the basic needs of our poor, our mothers, and our dependent children.

No one, but no one, wants to be on welfare. People want to work. They want to pay their own way. They want training so they can secure a permanent living wage job. Yet this bill throws the blame on the education and job training from the list of work opportunities. It does nothing to promote job stability or reduce poverty in our country.

We can spend hundreds, thousands, billions of dollars on missiles, bombs, and even tax breaks for the wealthy individuals, but when it comes to providing a helping hand to our poor and our needy, Republicans want to pass the buck.

We must cross every T and dot every I. Do we have the courage to speak up and speak out for what is morally right? Where is our sense of what is fair? Where is our sense of what is right?

My colleagues, please join me in voting against this reckless bill. We can do better. We must do better.

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

I simply want to wrap up, with the time we have left, to say that I think it is very important for us to remember what it is we are trying to do in this welfare legislation.

In 1996, we talked to welfare moms and dads. We said, what can we do to help you bridge the gap between welfare and work? And they said give us the ability to know that our children are well taken care of. Let us put the full focus of our energy and our expertise into going into a job that is going to provide us greater self-respect, greater dignity, and provide for our children that one role model in their life that might have a job.

We were successful to the point that, as we moved money into TANF, we left, as of last September, $7.5 billion in TANF funds in States throughout the Nation that they could move to child care.

Child care was the answer then and it continues to be the answer now. This is why we are advocating an additional $2 billion to the $4.8 billion we spend each year in dollars for child care.

I strongly support this legislation. I think it is very important, this minimum of $2 billion, to add a sense of hope to the lives of those people.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 1 1/2 minutes to the gentleman from Vermont (Mr. SANDERS), one of the leaders for working people in this country.

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, when we talk about welfare reform, I would hope that we would include in that discussion many of the largest corporations in this country who rip off tens of billions of dollars from taxpayers every year in subsidies, loan guarantees and tax breaks, while they are profiting from their factories and bank accounts to China, Mexico or Bermuda.

But that is not what we are talking about today. Today, we are talking about low-income women and children. We are talking about a severe crisis in child care that leaves millions of American families unable to afford quality child care or, in some cases,
any child care they can afford. We are talking about child care workers who are grossly underpaid, who are under-trained, and who experience a huge turnover rate to the detriment of American babies. Today, we are talking about a child care crisis and a discussion that we asked to come to this Nation, and I want anyone over there to deny that reality.

And how have our Republican friends responded to that situation? In real, inflation-accounted-for dollars, the President has actually cut funding for child care, while the House Republicans have offered a proposal that is totally inadequate. They have provided hundreds of billions of dollars in tax breaks for the richest people in this country, but pennies for babies and for the kids who are the future of America.

I urge a strong no vote on the Republican proposal.

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

Mr. Speaker, let me point out to the gentleman from California that I am glad to see that he agrees with the fundamental thrust which his bill would not try to fundamentally change a program which I believe has been successful.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN), who is not only a member of the Committee on Ways and Means, but is also one of the key architects of many of the provisions in the Democratic substitute.

Mr. LEVIN asked and was given permission to revise and extend his remarks.

Mr. LEVIN. Mr. Speaker, let me speak as a Member who worked a couple of years on welfare reform in the mid-1990s, who worked on the legislation to make sure that it had adequate health care and child care, and who has voted for the majority has apparently decided it wants a political issue rather than a bipartisan product. It did not seriously work with any of us no matter how we voted in 1996. With none of us.

Mr. Speaker, the majority comes here and talks about the past instead of looking at the present and thinking about the future. Shame.

As a result of the majority’s lack of any bipartisan effort, they have a very flawed product. Child care, there is a billion guaranteed, that is all; and Members come here saying something else. Oh, and then they say let the States transfer, even though they know from the figures that more and more States are using their TANF funds, and they are not going to have the monies to transfer, and their budgets are in dire straits.

On health care, the bill does not do a darn thing to improve it. In terms of helping people with welfare to productive work and independence, they clamp down on vocational education. We have a President who says education is the key; and then we come to a welfare reform bill, and the majority clamps down and takes back what is productive. Again, I say shame.

All right, so then the majority says, and it looks like it is a clever political approach, let us emphasize those people who are on welfare and make sure they are working. So they set up an inflexible proposition, and then the States say, oh no, that is taking away our flexibility. So then the majority says, all right, 24 hours of work and 16 hours, people can do essentially anything they want with the 16 hours. That is how they build flexibility into their inflexible system. So anything counts, and they vitiate their own rhetoric.

I know, in a word, welfare reform is much too important to simply maneuver for political advantage this year or simply talk about 5 years ago. It is too important for a lot of pious platitudes. The substitute is a serious effort to address the needs of this new face of welfare reform. We will present it proudly; and we will say to the majority, shame on them for not lifting one finger to sit down with us to try to work out a bipartisan product. Welfare reform deserves much better than the majority has given it.

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

Mr. Speaker, I suppose as a rhetorical device it is useful to come down and point fingers and claim shame. Actually, the bill has been an enormous success. It has reduced the rolls by half; and yet President Bush has said keep the funding at a steady level, i.e., fewer people same amount of money. In this bill, we are putting more money back in.

The time when we take away from them what they believe is their divine right, to be for people in poverty, and for women with children, and we actually show compassion and we actually put money where our mouth is and we actually put a program out that really works instead of all of the rhetoric that have been used for years about wanting to help these people, and I think helping people is moving them from welfare to work, not saying how desperate they are, making speeches on the floor, and voting against programs that actually work.

We have a program that actually works. We are putting more money in relative to the people available, and we are putting even more money in with this bill.

Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. HERGER) and ask unanimous consent that the gentleman control the balance of the time.

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

There was no objection.

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

Mr. Speaker, I rise in support of the Personal Responsibility, Work and Family Promotion Act, which takes the next step in welfare reform. During the welfare debate in 1996, critics predicted 1 million children would be forced into poverty, and recipients would be worse off. The opposite occurred. Since 1996, nearly 3 million children left poverty. Overall, 9 million parents and children have left welfare dependence and moved on to a better life.

Today we will again hear from the naysayers. They will say needy families cannot work, they must collect

[Signature]
welfare for more than 5 years, that it is cruel to expect them to support themselves and their children like other American families. We have heard it all before.

The bill before us today builds on the successes of welfare reform. It recognizes that work is the only true path from poverty to self-sufficiency. It expects more work and allows more education and training to count as work. To support more work, we added $2 billion over 5 years for more child care. We also provided States more flexibility in how they can spend cash welfare funds on child care, including for low-income families that have never been on welfare.

The bill does more to promote healthy marriage which will reduce poverty and improve child well-being. Too many children today are raised by single parents, most often by single mothers struggling mightily to get by. Compared with children raised by married parents their children are at a disadvantage, including in terms of avoiding poverty and welfare as adults. Promoting stronger families will help break the cycle of long-term welfare dependence, and deserves our support.

This bill allows for new State flexibility, including under the State flex provisions allowing social service programs to be better aligned to better serve needy families. Yet those who now extol flexibility when it comes to not expecting marriage may welfare recipients. This bill today builds on that success and improves this legislation.

Let me just talk a little bit about State flexibility because we have received a letter, both the chairman and the ranking members of the Committee on Education and the Workforce from the American Public Human Services Association, which is a bipartisan group of welfare directors around the United States. They say that the flexibility in this bill for things like improving and continuing the whole idea of a TANF block grant contingency fund; removing the restrictions on unemployed TANF funds; excluding child care and transportation from the definition of assistance; creating State rainy day funds for unbudgeted funds under this bill; continuing the transfer of 30 percent to the child care development block grant; restoring full transfer of the Workforce Investment Act of 1998 to the TANF block grant; and maintaining the TANF block grant free from set-asides. These are some what technical provisions, but the State welfare directors from around the country have come together and complimented this committee for putting in these provisions which will bring much more flexibility to this bill. They say, “These provisions will dramatically increase State and local flexibility in the administration of the TANF program.”

Mr. Speaker, I yield 1 minute to the gentleman from California (Chairman Thomas) has said we are asking for way too much money. I saw in today’s paper that the head of the Congressional Budget Office, Mr. Crippen, has decided not to go on for 4 years. I know why, because they want to get rid of it because it was his memo on February 2, 2002, that says this bill is going to cost between 8 and $11 billion in unfunded liability.

We did not make that number up. That came from the Congressional Budget Office. The director is selected by the majority and they put it in. Here he is. Now he gives them information they do not want. The chairman is ignoring 280,000 kids in California who are not served.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Speaker, I rise in strong support of the Democratic substitute and in opposition to the underlying bill. Education and training are the cornerstones upon which we on this floor have built our future. This bill should be stressing basic literacy, English as a second language, GED completion and on-the-job training rather than cynically labeling them welfare scholarships.

In my congressional district, I have seen how education can bring economic prosperity to one of the poorest regions in the country. Our unemployment rates have dropped from over 20 percent to almost 10 percent. Only a few days ago, the President signed the agriculture bill to restore access to food stamps for legal permanent residents and overcame the mean-spirited denial of food for poor families that had been in effect for 5 years.

Democratic substitute provides significant reforms as well as the resources needed to implement them. I urge my colleagues to vote for the Democratic substitute and against the Republican bill.

Mr. Speaker, I rise in strong support of the Democratic substitute and in opposition to the underlying bill. First, I want to commend my colleagues GEORGE MILLER, PATSY MINK and BEN CARDIN for their hard work and leadership in drafting this substitute. We all agree that we need to encourage work, but people need access to real jobs that will lead them out of poverty. The “make work” approach of workfare in this Republican bill, has only led people into working poor status, and has not improved their economic situation.

Education and training are the cornerstones upon which we on this Floor have built our future. This bill should be stressing basic literacy, English-as-Second-Language, GED completion, and on-the-job training rather than cynically labeling them “welfare scholarships.” In my congressional district, I have seen how education can bring prosperity to one of the poorest regions in the country. Our unemployment rates have dropped from over 20 percent to almost 10 percent.
Only a few days ago, the President signed the Agriculture bill to restore access to food stamps for legal permanent residents and overcame the mean-spirited denial of food for poor families that had been in effect for 5 years. Yet today we stand here ready to again weaken this program purely for ideological purposes.

The Republican "super waiver" provision would undermine critical programs like the Workforce Investment Program and the Childcare Development block grant. Yet without adequate childcare, transportation and flexible work-hours, what mother can concentrate on work when their child is home alone or in substandard childcare?

The Republican proposal is empty rhetoric because it is critically underfunded. It puts ideological sound bites over real welfare reform. Even the Nation's Governors have expressed their reservations about the poor policy and unfunded mandates in this bill. The Democratic substitute provides significant reforms as well as the resources needed to implement them. I urge my colleagues to vote for the Democratic substitute and against the Republican bill.

Mr. CARDIN. Mr. Speaker, I am very pleased to yield 1 minute to the gentlewoman from California (Ms. WOOLSEY), one of the real leaders on welfare reform and architect of the Democratic substitute.

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, 6 years ago I voted against the welfare reform bill because I had been a welfare mother 35 years ago. I knew what we needed to do to bring families out of poverty.

I was right. Unfortunately, we have not brought families out of poverty. Yes, indeed, we have gotten many, many families to go to work. That is the good side of what has gone on. But we had a very good economy. When the economy is dropping, families are losing their jobs. That is the worst thing about poverty and their families from welfare to work that we have experienced is they have gone from welfare to poverty, and we are keeping those families in poverty.

The reason I got off welfare is because I was educated. I had a good education, I had good job skills, and I could take advantage of that. We have to provide just that for our families on welfare. Then we will have a successful welfare reform program.

I voted against the bill in 1996 because I feared that moving from welfare to work would leave mothers stuck in poverty—especially during an economic downturn.

Well, 6 years we succeeded in doing just that!! Women are working and women and their families are living in poverty. We have to learn from what didn't work.

Now, we have a new bill . . . one that actually goes backwards on education . . . which, of course, is the way to prepare for a good job, one that pays a "living wage."

And, then the Republicans demand mothers with small children, under 6, go to work without the child care they need . . . especially child care for infants and parents working evenings and weekends.
floor of the House of Representatives. I heard time and time again speakers from this side of the aisle getting up and talking about how President Clinton had input into the bill and finally he signed it after vetoing it three times. That is simply not true. As soon as he reached out time and time again to the White House and we were met with silence. They had no interest in working with Republicans on welfare reform. It was not until right before the election that the President decided that it was about time that he looked at this issue that was very much on the conscience of the American voters. On August 22, 1996, President Clinton did finally sign a welfare reform bill.

This historic legislation has pulled 3 million children out of poverty when we were hearing time and time again from the other side of the aisle that they were going to be sleeping on the grates. Yes, half of the Democrats did support us. That is a good thing, because that sent the message out that America expected more of the poor, the economic disadvantaged. But what is separating us on this issue is that we believe in the human spirit so strongly that we feel that if we raise that level of expectation that they will rise up to meet it, and history tells us that we were right.

We were absolutely right, because what we did was take people out of a life of dependence and made them role models for their kids, and they did do better, we expect the States to get more of their people on the work rolls. We have lowered the amount of people on welfare across this country by over 50 percent, but we are not through. We are going to do better. Together we are going to do better. Now we expect the States to get more of their people on the work rolls.

The SPEAKER pro tempore. Is there a point of order? Mr. BOEHNER. Mr. Speaker, I yield myself 2 minutes.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The SPEAKER pro tempore. Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4737.

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

There was no objection.

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

Mr. Speaker, the 1996 welfare reform law that we are reauthorizing today has been an unprecedented success, one of the most important pieces of social policy since the civil rights legislation of 1965.

Today with the Personal Responsibility, Work, and Family Promotion Act, the Department of Health and Human Services will have the tools to build on that success. The bill marks the beginning of a second phase of reform that will help even more Americans find productive jobs. My friends on the other side of the aisle may say, “The system is working. Why fix it? Why argue with success?”

Here is why. Welfare caseloads have fallen dramatically since 1996, but as this chart right here shows, 58 percent of TANF recipients are not working for their benefits, according to the Department of Health and Human Services. And we all know that work is essential to help people get the skills that they need to move up the economic ladder.

The bottom line is that approximately 2 million families remain on welfare rolls today and we need to do something about it. Earlier this month, the Committee on Education and the Workforce approved a bill introduced by my friend, colleague and subcommittee chairman the gentleman from California (Mr. MCKEON), the Working Toward Independence Act, which is now part of this overall Re- pUBLICAN bill. It strengthens work requirements to ensure that we move these welfare recipients on the path to self-reliance. As Connecticut Governor John Rowland has said, “The most compassionate way to break the cycle of poverty, dependency and hopelessness is through work.”

The bill requires welfare recipients to participate in work activities for 40 hours a week. But within these new requirements, there is significant flexibility for States and recipients themselves. Welfare recipients will have 16 hours a week to pursue education and job training. They can also attend school full-time for up to 4 months during a 2-year period. The measure also increases the percentage of welfare families in each State that must be engaged in work activities; currently, 50 percent, moving to 70 percent by 2007.

Some have questioned whether States can meet these new requirements, suggesting that we are setting the bar too high. But, as we all know, the President Bush who said last week, “If it brings dignity into someone’s life, it’s not too high of a goal.” And, remember, the bill gives States 5 years to comply with the new work requirements. The bill also includes significant funding increases for child care, boosting discretionary spending for the child care and development block grant by $1 billion over 5 years. In addition to this new money, it is important to remember that States have half of the caseloads they had in 1996, which means they have got twice as much money available to spend on work programs or on child care.

H.R. 4737 also incorporates key elements of President Bush’s Good Start, Grow Smart Plan to improve early childhood education, and encourages States to address the cognitive needs of young children. Welfare families will be developmentally prepared to enter school.

Finally, the bill includes a promising new plan to empower States and localities to develop innovative solutions to help welfare recipients achieve independence. It will give States and local agencies the opportunity to integrate certain welfare and workforce development programs and try to improve the efficiency.

Mr. Speaker, in closing, I would like to echo the sentiments of President Bush when he said, “No level of despair should be acceptable in our society.” With this bill today, we are going to help some of the most vulnerable members of our society achieve self-sufficiency, and I urge my colleagues to support the bill.

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

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 2 minutes.

The Chair recognizes the gentleman from Ohio (Mr. GEORGE MILLER of California).

Mr. Speaker, the 1996 welfare reform program that sent the message out that America expected more of the poor, the America expected more of the poor, the economic disadvantaged. But what is separating us on this issue is that we believe in the human spirit so strongly that we feel that if we raise that level of expectation that they will rise up to meet it, and history tells us that we were right.

We were absolutely right, because what we did was take people out of a life of dependence and made them role models for their kids, and they did do better, we expect the States to get more of their people on the work rolls. We have lowered the amount of people on welfare across this country by over 50 percent, but we are not through. We are going to do better. Together we are going to do better. Now we expect the States to get more of their people on the work rolls.

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

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 2 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BOEHNER).

Mr. Speaker, I reserve the balance of my time.
Hundreds of thousands of children are on a waiting list for child care, and the Republicans want to continue to tell us that all the care that is necessary is available. Child care lists are frozen. This debate is about whether or not we will enable these individuals to go to work without the security of mind that their child is in a quality placement and their child is receiving child development while they try to engage in the American economic system.

Mr. Speaker, the debate about welfare should not be about whether it is women or men—mostly women with young children—from dependency on government assistance to full-time, permanent employment that lifts, and keeps, the family out of poverty.

That is our goal for welfare reform. Six years ago, Democrats and Republicans agreed that the welfare system of the prior half century was a failure. The new system emphasized moving people from dependence to jobs while providing them with education, training, child care and the other supports that most Americans recognize are essential to achieving the goal.

There have been some successes: welfare rolls are down—dramatically in some states. But let us remember that cutting the rolls alone was not the goal. The evidence gathered in the early after study documents that while we have moved many off welfare, we have not achieved the goals of promoting long-term economic independence, jobs that lift and keep families out of poverty, or improved living standards for children.

Since 1996, the welfare rolls have been cut by over 50 percent nationally. But millions of those who have left welfare remain desperately poor, dependent on food stamps, WIC and other public assistance, raising children in deep poverty with all of its harmful impacts, and without the education, training or child care that is necessary to move them to real independence.

In one review of 900 former welfare families, researchers concluded that most still live below the poverty line and have been forced to cut back on food, save money. Another major review of seven Midwestern states also concluded that many of the former recipients remained in poverty while Indiana and Wisconsin’s rolls grew by 13 percent last year. In Michigan, 71 percent of those who combined welfare and work, and nearly 50 percent of those former recipients who worked full time, remained poor with many unable to buy food, pay utilities or rent or losing their phone service. Those findings demonstrate clearly that more must be done to move people off welfare and into employment.

We should finish the job begun in 1996, by directing the needed services to those who must leave dependency while still holding them accountable for achieving independence from government aid. Instead, the bill before us today—which we are denied the opportunity to improve—imposes costly new mandates on states without the federal support to pay even a fraction of the additional burden. It also imposes rigid welfare programs that are fundamentally different than the programs the Republicans have been heralding as great successes. We need to make welfare work, not punish the governors and the recipients alike because it hasn’t moved fast enough yet.

The Republican bill takes a very different approach: massive new work requirements without adequate training, as well as other unfunded mandates and punishing requirements for state administrators and for welfare recipients alike—with little financial assistance for either. And this Republican bill, unlike the Democrats, allows women and men by fully applying our nation’s civil rights, wage, and health and safety laws to welfare recipients who are working. Nor does the Republican bill protect those who currently have jobs from being displaced by welfare reform. That is just wrong.

This Republican bill tells the taxpayers of California: you better raise taxes by $2.5 billion, or cut your already deeply reduced spending, because you’ve got to pay billions to comply with this new bill, or face more punishment. And don’t expect any additional help for the 280,000 families already waiting for child care, because the Republicans aren’t going to give you more assistance.

But it isn’t California. The Republican bill tells Michigan: your state is $377 million, a state that has already cut more than half a billion in spending. The Republican bill tells Pennsylvania: your bill is $433 million; Ohio, it’s $444 million; New Jersey, $233 million; Connecticut, $133 million; Texas, $286 million; Florida, $311 million; New York, $1.2 billion. State after state, billions upon billions in new mandates piled on by this Republican bill that fails to fund them.

There is no evidence that the harsh and rigid revisions dictated by the Republican bill will improve welfare reform; but they will severly restrict the flexibility the states have been able to use to meet the needs of their residents, as 39 out of 44 states agreed earlier this year.

Some will try to paint those who raise concerns about education, training, workforce protections and child care as “soft on welfare reform.” The American people know better than that. We are all for moving people from welfare to work, from dependence to independence, from poverty to self-support. The American people want to see that people can use the flexible tools they need to give them a fair chance to succeed. This bill is grossly unfair, it imposes billions in new costs to the states, and we are not being given the opportunity to improve it, and that is why we will oppose its passage and support the Democratic substitute.

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. MCKEON), the chairman of the Subcommittee on 21st Century Workforce and Workforce Development.

Mr. MCKEON. Mr. Speaker, I rise in strong support of H.R. 4737, the Personal Responsibility, Work and Family Protection Act. I want to thank the leadership and in particular the gentleman from Ohio (Chairman BOEHNER) and other members of the House Committee on Education and the Workforce who have devoted countless hours to putting together a package that every Member of this body should support.

Six years ago, the Nation’s welfare rolls bulged with more than 5.1 million individuals and families. Today, the rolls have decreased tremendously. Between 1996 and this very day, over 3 million people have left welfare for work. Over 3 million former welfare recipients know the satisfaction of earning a day’s pay for a day’s work.

As the debate goes forward on this bill, it is important to remember that the benefit of welfare reform are young Americans. Because of welfare reform, young Americans are able to see their parents get up each morning and go to work. Without this very basic ethic, those young people are at a great disadvantage, and it becomes difficult for them to escape the cycle of poverty in which their families have lived for generations. H.R. 4737 helps these families and builds on the success of the 1996 welfare reform.

The work requirements were the centerpiece to welfare reform. It is only through work that individuals can get out of poverty and lead productive lives. The bill before us increases the work requirements to 40 hours of work per week. That is the bare minimum for a full-time job. That is only 10 hours more than the current requirements.

For 24 hours, TANF recipients are required to be involved in direct work. For 16 hours, they may take part in educational or job-related training that will lead to self-sufficiency and a better life. The structure of the 16 hours is defined by the State.

Understanding that child care is most important to helping families leave welfare, H.R. 4737 increases the already extremely high levels of funding for the Child Care Development Block Grant. The high level of funding is increased even as the number of families being served has dropped by over 3 million.

The bill also provides State flexibility while maintaining State accountability by permitting States or local entities to integrate a broad range of public assistance and workforce development programs.

At the same time, it is important that local areas created under the Workforce Investment Act be heavily involved in the process. Therefore, I am pleased that the bill provides provisions ensuring that local administering entities join in the flexibility application submitted to the Secretaries. This will, in effect, give the locals veto authority over provisions that they believe will not improve the quality or effectiveness of the programs involved.

The results of welfare reform are clear. The work requirement has led 3 million families to live independent of government handouts. While it is important to talk about the significant reduction in welfare caseloads, the goal is not only to move families off of welfare; the goal is to help families become self-sufficient, to end generations and generations of welfare dependency.

As such, I strongly urge my colleagues to support the bill.
Ms. McCOULUM. Mr. Speaker, I would like to inform the last speaker that the unfunded mandate in this bill would cost the State of California $2.5 billion.

Mr. Speaker, I ask my colleagues on the other side of the aisle who would I, as a Member of Congress, tell working mothers to leave their small children behind and go to work without providing them safe child care?

In Minnesota alone today there are nearly 10,000 children on the waiting list for child care. That is the entire population of the City of St. Paul Park. The Republican bill provides only a slight increase in child care, not even enough to keep up with inflation. It would remove only 300 of the 5,000 children from Minnesota’s waiting list.

But then, wait. We are now doubling work requirements for mothers with children under the age of 6. This will add thousands more families to our waiting list, costing Minnesota more than $100 million.

It is completely irresponsible to think that Minnesota and other States facing deficits will be able to provide child care. We owe it to our children, we owe it to their parents that they have places for their children to be while they are working.

I served in the Minnesota Statehouse, where I worked on a bipartisan effort after Congress passed the law 6 years ago. We had success. Minnesota is cited as one of the most successful programs and it is rated top in the Nation for making families self-sufficient.

Today, I am being asked to vote on a bill that seeks to undo the success in Minnesota. The new Federal mandates limit the flexibility and fail to provide needed funding for these new requirements.

We cannot have it both ways. You cannot have it both ways. You cannot say you are trying to move people out of poverty and then not give them the means to accomplish that.

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA), who will be retiring, a long time Member of the Committee on Education and the Workforce.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks, and include extraneous material.)

Mr. BOEHNER. Mr. Speaker, I thank the chairman for yielding me time, and I certainly commend the gentleman from Ohio (Chairman BOEHNER) and the gentleman from California (Chairman McKean) for their hard work and diligent leadership here.

Mr. Speaker, the gentleman has indicated that I have had a long history here in the Congress, certainly on this committee. I go back to 1996 and the welfare reform, and I have got to take the credit for being one of the first, a Northeast moderate Republican, one of the first to be advancing welfare reform, and I think that bill has proven its own success.

But I would like to say that in addressing the need for welfare reform, at that time and again today, I stress what we need is what I call “tough love,” and the tough love that is needed is in this bill; namely, that the welfare recipients must become more self-sufficient. And I believe that this bill does that.

In fact, my amendment is only one of the portions of the bill, but my amendment, the self-sufficiency plan, gives the authority to the States and the welfare recipients to work together to create these self-sufficiency plans and to address any barriers that are there that are preventing the families and the children from getting the road map that they need to this self-sufficiency, and I am proud that that language is in this bill.

The bottom line is that this bill may not be perfect, it may not be, but it is a significant reform building on the successes of 1996, and passage of this bill today is a vital step to completing the task that we started in 1996 and to restore public assistance to its original purpose to provide a temporary safety net for those in need, and genuine tough love for all the little children.

And they are protected in this bill. I rise in support of this bill. First and foremost, I would like to commend the Education and Workforce Committee Chairman BOEHNER and Subcommittee Chairman McKEON for their leadership, hard work, and diligence on this important issue. Of course, I commend the President for making welfare reform a priority for our nation.

INTRODUCTION

When we started down this road to welfare reform years ago, the American people were convinced that the welfare system was out of control. They worried that we were wasting billions upon billions in hard-earned taxpayer dollars, and programs that promoted unhealthy, unproductive, dysfunctional families and sentenced children to a lifetime of economic, social, and emotional deprivation. In a system like that, the children were the victims.

In addressing the need for reform we must demonstrate what I characterize as a “tough love” approach. Namely, “tough love” so that welfare recipients can become more self-sufficient while at the same time being sensitive to genuine family needs and that the children are properly cared for and educated.

The 1996 Welfare Reform Act was good policy, however we all agree that we have much more work to do. We must ensure that welfare recipients are self-sufficient when they leave the system.

The bill before us today represents the next phase of welfare reform. It continues to focus on individual responsibility through work. It provides the mechanisms to help welfare recipients independently support their families when they leave the system. The bill also recognizes that states need flexibility in creating the most effective welfare programs. Finally, I am pleased with the increased funding for child care programs, which allows parents to go to work while their children are provided with the care they need.

SELF-SUFFICIENCY PLANS

Too often, families with significant barriers to full employment are not given appropriate opportunities and adequate services to remove those barriers and allow them to become successful and independent. I am pleased that the bill before us today includes language from an amendment I offered during the Education Committee markup to ensure that states and welfare recipients work together to define what barriers stand in the way of permanent employment and subsequently create “self-sufficiency plans” to address these barriers. These plans will provide welfare recipients the “road map” they need to become independent of government assistance when they leave the welfare rolls while maintaining the proper focus on the purpose of welfare—individual responsibility.

EDUCATION AND TRAINING

I believe the bill before us today takes important steps to helping welfare recipients achieve self-sufficiency. However, the bill falls short in one critical way: it fails to ensure that welfare recipients have the skills they need to remain employed in the private sector.

It is of paramount importance that we allow for the education and training of those moving into the workforce. Education and training will enable welfare individuals to hold sustainable quality jobs, rather than temporary, low-paying positions that will not provide independence from government assistance when they leave the welfare system.

Research supports the effectiveness of ensuring that welfare recipients have the skills they need to retain a quality occupation. In one study by the U.S. Department of Health and Human Services and the U.S. Department of Education, individuals leaving welfare who were most successful in sustaining employment were twice as likely to have a technical or 2-year degree.

We must recognize that there are basic skills necessary for the occupations that we are hoping welfare recipients will enter into. In fact, the Educational Testing Service reports that nearly 70 percent of the jobs created through 2006 will require workers with education skills that are higher than the levels of the most current welfare recipients. As I am sure all of my colleagues have heard, numerous employers in technical fields and healthcare are experiencing workforce shortages and being forced to bring in immigrants to fill their jobs.

Honestly, this makes no sense to me because we have a number of welfare recipients in this country that could fill these positions if they had the appropriate training. As I see it,
proper training of welfare workers could have a tremendous impact on welfare recipients and employers.

Current law allows for 12 months of vocational training for 30 percent of the state’s welfare population. While this was an important first step, it did not allow for the education and training of all welfare recipients. It also did not take into account the range of programs offered by community colleges that lead to quality occupations.

The bill before us today wisely removes the 30 percent limit in current law so that all welfare recipients can participate in activities that will help them improve their job training skills. However, the bill falls short because it does not allow for the full participation in these activities for more than 4 months (one semester) in a 2-year period. What this means is that a person can receive up to 8 months (two semesters) of education while they are on welfare but this training cannot be consecutive. I do not believe that this is the best approach for helping welfare recipients achieve independence.

We should allow for one consecutive school year of education and training to count as an allowable work activity. This would only be a minor change to the bill but it would achieve the results we are hoping for.

After a year of training, welfare recipients will be able to attain a skill or trade and then move on to a good job. According to the American Association of Community Colleges, students can earn certificates at a community college in 1 year if they attend College full time. By allowing a school year of education, welfare recipients would have the potential to receive an occupational certificate, which would set them on their way toward self-sufficiency.

I firmly believe that welfare families need “tough love.” They need a system to provide assistance when there is absolutely no other alternative. But we need to ensure that government assistance is no longer a way of life. And the best way to achieve true independence for families, we need to make sure they have the skills to retain a job that pays enough to support their family. Moving families back and forth between work and education without a true plan does not help them make their own way in the world.

We must help welfare participants secure high wages, benefits, and steady work by investing in their futures. And we must be realistic. Allowing welfare recipients to enroll in education programs for a limited time is a necessary step in the struggle to transition from poverty to self-sufficiency.

STATE FLEXIBILITY

One of the hallmarks of the 1996 law is the flexibility it gives states and localities. The bill before us today offers states even more flexibility. Allowing them to integrate a variety of federal welfare and workforce investment programs and make them more efficient. While providing flexibility to allow the states to be innovative in their welfare programs, the bill also includes significant protections to ensure that states and localities continue to comply with federal civil rights, labor, and environmental laws, and that no program will lose any funding.

As Chair of the Financial Services Subcommittee on Housing, I want to take a moment to comment on the state flex proposal and how it relates to the housing and homelessness programs. Under this bill, states and local governments are given the ability to seek new and innovative solutions to old problems of service delivery. Through the hearing in my subcommittee, we have heard time and time again about the need for coordinated services. Housing and homeless problems cannot be solved merely with brick and mortar. Chances are, if you are in need of housing, you also are in need of a multitude of other services—whether they be medical, food, transportation, childcare or counseling. Programs that fall under the jurisdiction of other agencies like HHS.

The legislation we are considering today will allow entities, such as the public housing authority, and the local and state governments to blend programs various programs to address the problems of services delivery. An example of this waiver could be a child-care center and a local public housing agency jointly petitioning the Federal Review Board to waive the regulations and requirements of their applicable programs to achieve a certain purpose.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Hawaii (Mrs. MINK), the subcommittee ranking member and a wonderful worker on this issue.

(Mrs. MINK of Hawaii asked and was given permission to revise and extend her remarks, and include extraneous material.)

Mrs. MINK of Hawaii. Mr. Speaker, I thank the subcommittee chair from California for yielding me time.

Mr. Speaker, there is so much that needs to be said about this issue, but I would like to inform the last speaker that the unfunded mandate in this bill would cost the State of New Jersey about $233 million. That is the financial aspect of it. The human aspect is what I want to address.

The people that get up and say what a wonderful thing has happened under the 1996 bill half of the families have been removed from welfare, we cannot deny those statistics, they remain there. But what has happened to those families? No one can tell us whether indeed they are still working, whether they are out of poverty. Most of the figures we have seen is that those that still work, work for minimum wage. I dare say that people working for minimum wage are not out of poverty. In fact, we have 38 million people considered in poverty.

So, with the requirements today of 30-hour mandated work activity and all of these rave reports about the success of the program acknowledging that the States have done most of this good work, why in the world would the Republicans now want to come and make the work requirement tougher? Why increase the 30 hours to 40 hours? It pays no account to the 2 million families that are on welfare today who are struggling.

Most of those families come to the welfare office with enormous stresses, substance abuse, domestic violence, mental illness in someone in their family, extreme disability of a child, physical illness, perhaps illness of their own, alcoholism. I think that what they have put on are blinders to reality.

Mr. Speaker, I urge this House to be real, to take into account the real essence of these families. They need help. They do not need a requirement to do 40 hours of work. It is a struggle for them to just stay alive and to maintain their families.

I urge this House to consider the people on welfare as real people, as our neighbors and as our friends.

Mr. Speaker, I include for the record a list of groups opposed to H.R. 4737.

GROUPS OPPOSED TO H.R. 4737—AS OF 5/15/02

Alaska Federation of Natives
American Association of University Women
American Civil Liberties Union
American Federation of Government Employees
American Federation of Labor—Congress of Industrial Organizations (AFL-CIO)
American Federation of State, County, and Municipal Employees
American Federation of Teachers
Americans for Democratic Action
American Jewish Committee
Asian Pacific American Labor Alliance
Asian Pacific American Legal Center
Association of University Centers on Disabilities
Center for Community Change
Center for Women Policy Studies
Coalition on Human Needs
Coalition of Labor Union Women
Communication Workers of America
Delta Sigma Theta Sorority, Inc.
Friends Committee on National Legislation (Quaker)
Hmong National Development, Inc.
International Brotherhood of Electrical Workers
International Brotherhood of Teamsters
Jewish Council for Public Affairs
Jewish Labor Committee
Labor Council for Latin American Advancement
Laborers International Union of North America
Latino Coalition for Families
Lawyers’ Committee for Civil Rights Under Law
Leadership Conference on Civil Rights
Mexican American Legal Defense and Education Fund
National Alliance of Postal and Federal Employees
National Asian Pacific American Legal Consortium
National Association for the Advancement of Colored People
National Association for Equal Opportunity in Higher Education
National Association of Counties
National Association of Human Rights Workers
National Association of Social Workers
National Campaign for Jobs and Income Support
National Coalition for Women and Girls in Education
National Council of Churches of Christ in the USA
National Council of Jewish Women
National Council of LaRaja
National Education Association
National Employment Lawyers Association
National Federation of Filipino American Associations
Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Delaware (Mr. CASTLE), the chairman of the Subcommittee on Education Reform.

Mr. CASTLE. Mr. Speaker, I thank the chairman very much for this opportunity to speak to this bill.

Actually, this legislation did not begin in 1996; it began in Washington in 1988 with a piece of legislation called the Family Support Act of 1988. In reality, for those who were in State legislatures or in the executive branch of the States, as some of us were, it started earlier than that. It started in 1985, when the States really began to look at welfare reform, with governors like Bill Clinton, for example, and Tommy Thompson, who came along and got involved in this.

Decisions were made there. They were not made in Washington, D.C. It was set up in such a way that people would have the opportunity to be able to be educated and go to work, and eventually Washington went along with it. Obviously we really encompassed it in 1996.

The arguments were the same then as they are now. It is sort of like the Star Wars business that was talked about last night. It is a rerun, to a degree; and the same people were saying it will work and others were saying it will not work. Yet, each and every time, this program has worked. It is the best social program in terms of improving people’s lives that we have ever had, probably in the history of the Congress of the United States, or even this country. Because indeed, if we go out and talk to that 50 percent of the people who in recent years have gone off of welfare and we get their story as to their opportunity to become self-sufficient and then become independent, to be able to live their own lives and stand up for their families, we are going to find out how supportive they are of welfare reform.

In this particular legislation there is a lot of concern about where we are going and what we are doing. There are concerns about the 70 percent requirement, can we meet that? I believe that we can. We have always met them before. Can we work with 26 hours of work and 14 hours of other activities be met? I believe that we can do that as well.

One of the areas is child care. I introduced an amendment in the committee, and we were able to get it done to add $200 million. Later it was worked out that we would have $2 billion more for child care. About 62 percent of all children in this country who are not in school yet are in child care. How do we take care of that? If one looks at this chart, we get some idea of where we are going and why we are adding $2 billion to the $4.8 billion of the direct child care here. We are going to find that when we look at all of the discretionary funds, the transfers from the TANF block grant, a lot of which goes to child care now, what the States do, and then add in Head Start at the bottom, we get to a point of $18.272 billion that goes into child care in the United States today. That is a large number, and I believe it will be a larger increase over what was there before; and my judgment is it is something we are going to be able to live with.

So I totally support this legislation. I believe it will work. I believe perhaps some of the things I have proposed and expressed my support for, I think they will be in the Senate and perhaps in conference; and one of those is the transitional medical assistance, a program that provides health coverage for welfare recipients. I would like to see that authorized for 5 years, because if you go off of welfare you are going to need that Medicaid assistance. We did not quite complete that task, but we can resolve that at a later time. I believe that the State flexibility provisions that were better before the changes were made recently; and I think there should be State flexibility if we can possibly have it.

Mr. Speaker, I hope that as all of this is looked at in terms of jurisdictional aspects of what Congress is doing versus what they are doing in the States, we can give them the flexibility to carry out what they have to do. I am somewhat concerned about some of the programs that we have with respect to dealing with the problems of achieving independence and achieving independence for working men and women. Abstinence education I think is a very important part of this effort. Yet the language in H.R. 4737 provides a simple solution to a very complex problem and I think probably needs some more addressing.

Mr. Speaker, these are relatively minor concerns. Overall, this legislation which, in my view, each of us, and I would appeal to those who, perhaps because of procedural concerns are opposed to it, that each one of us would come forward in support. My colleagues will be proud of the fact that they supported it and proudest yet when they go out and meet individuals who have gotten off the rolls of welfare.

I support this bill. This is the beginning of the efforts to empower the next generation of welfare-leavers, and I hope that we will go behind it and make sure we continue this opportunity for those who live in our districts around the country.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. OWENS).

Mr. OWENS asked and was given permission to revise and extend his remarks.

Mr. OWENS. Mr. Speaker, I would like to begin by informing the gentleman from Delaware that the unfunded mandate in this bill would cost the State of Delaware about $33 million. I think it is important to note these unfunded mandates and the high costs. Maybe the Governors in the States would like to have the farm subsidy bill given to the States so that they could have more flexibility there and return the administration of the TANF program strictly to the Federal Government.

With our previous speaker from New Jersey, the gentlewoman from New Jersey, who talked about tough love. When she first spoke, I thought she was talking about tough luck is what we are offering to welfare recipients. Also, consider the fraud that permeates this legislation and the whole process of discussion. If we really care about children, if we care about getting people out of poverty, then built into the legislation there ought to be some kind of punishment or incentives related to reducing the child care waiting list. There ought to be an incentive for reducing the child care waiting list. The waiting list in New York is so large, they will not even tell us what it is; and yet New York City has one of the best day care systems in the world, one of the largest day care systems, but still the waiting list is so long. The waiting list in Georgia is 46,800; in Mississippi, 10,422; Ohio will not even tell us what it is; and yet New York City has one of the largest day care systems. Obviously we really need to address this problem.

Mr. BOEHNER. Mr. Speaker, I reserve the balance of my time.
Mr. Speaker, the Children’s Defense Fund, which so many of us remember as the original individuals who documented the slogan “leave no child behind” before it was so unceremoniously expropriated by our President for an educational campaign, went on and left all the children behind, and because he did not fund it, here we have a welfare bill where they ask recipients to go to work, but they do not give them the tools to really do that work that gets them out of poverty. I think that is why we see such a desire to vote against this bill that the majority party is putting forward and look more seriously at the alternative being put in by the substitute by the Democrats.

Essentially, we need to expand the educational opportunities for individuals that are trying to move from welfare to work to make sure that they have the tools to get a job that pays enough to lift their children out of poverty. Vocational training, postsecondary, work study, internships, job training, English as a second language, GED courses, basic adult literacy, these are all tools necessary for people to be able to do work that, in fact, will pay.

In my State of Massachusetts, we have a business community that understands this. In fact, a joint report issued by the Massachusetts Taxpayer Foundation and the United Way of Massachusetts Bay concluded that at no time have they had a greater need for people with a basic education, at least 2 years beyond high school, in order to fulfill their needs for employees to be productive and to have an economy that really moves forward. Their recommendation, as employers generally perceived as to be more conservative than others, was that we need a system that allows people to have those educational tools so that they can hire them now. It is not enough to put them on a temporary education program stretched out over 5 years so that some day down the road they might get a certificate. Our industries in business need them to get it sooner to put them to the level where they can be productive and effective for those companies now.

So we have both the business community and others who are interested in the welfare and well-being of these individuals, indicating that we have to give them the kind of education that really matters, have that educational opportunity be 24 months, lift people from poverty, and truly leave no child behind. Just do not talk about it; do it.

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

Mr. GEORGE D. MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS), a member of the committee.

[Mr. ANDREWS asked and was given permission to revise and extend his remarks.]

Mr. ANDREWS. Mr. Speaker, I thank the gentleman from California for yielding me this time.

Taxpayers who object to paying for able-bodied people to stay on welfare should object to this bill, because what it is going to lead to in the long run is more people who are able-bodied being back on public assistance.

The flaw in this bill is that it makes mothers choose between pursuing their higher education and taking care of their children. Those mothers will choose, and should choose, to take care of their children. They will work longer hours, but they will not pursue higher education because the child care that would let them pursue higher education and take care of their children is not guaranteed in this bill. This bill will breed a new generation of permanent low-income, public assistance recipients. We should move beyond welfare to work, from poverty to independence. Let us reject this bill.

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Georgia (Mr. ISAkSON). Mr. Speaker, I thank the distinguished gentleman for yielding me this time. I commend him on his hard work, and I rise in support of H.R. 4737.

Mr. Speaker, I have to make an observation. The well-intended birth of aid to families with dependent children and welfare in the 1960s was a temporary assistance to help Americans in need. It became a generational entitlement that trapped generations of American families into poverty.

In 1996, Members on both sides of the aisle voted for a bill that some called at that time a bill that would increase the welfare rolls, children in hunger and in poverty. And today, 5 million American families that were on welfare are off and their self-esteem is high. They are now the taxpayers that the gentleman from New Jersey (Mr. ANDREWS) referred to, who would have answered his question with a resounding no. The way that they do believe the rest of ours who are entrapped in poverty should be uplifted like we have been as well.

I find it unfortunate that Members of this House would condemn a success and try and make the fact that it is not incrementally as good as they would like it to be the reason why we ought to go back to generational entrapment. One last thing. We gave waivers to States and Governors like Tommy B. and many others, and they created programs that work. There have been some questions about waivers, but let me tell my colleagues this. The creativity at the local level in Georgia and in California and in Hawaii and Ohio has made the lives of poor Americans richer and has made welfare-to-work a reality. To that end I would like to engage the gentleman from California (Mr. McKEON) in a colloquy to make sure the clarifications are clear on the authority at the local level.

Mr. Speaker, this bill stipulates that the entity that administers a qualified program must join in any application proposing to conduct a demonstration program involving such a program. As the gentleman knows, local business-led workforce investment boards administer the adult dislocated worker and youth employment training programs authorized by the Workforce Investment Act.

Is it the gentleman’s intent that such boards would need to be a party to any application that is submitted to in-state WIA programs within a demonstration project?

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

Mr. ISAkSON. I yield to the gentleman from California.

Mr. McKEON. Mr. Speaker, the gentleman is correct. In order to coordinate those activities funded under the Workforce Investment Act that are administered by local boards with one or more other programs listed in this bill, local boards and the entity that administers the other programs would need to submit a joint application to the appropriate Federal departments. As a result, local boards could veto demonstration projects that the board believes do not enhance workforce development and improved service delivery simply by choosing not to join in the request. A State cannot seek to waive provisions within the Workforce Investment Act that impact the local delivery system without approval of the local boards.

I will submit for the RECORD a letter from the National Association of Workforce Boards supporting the protection language included in the bill.

NATIONAL ASSOCIATION OF WORKFORCE BOARDS

WASHINGTON, DC, May 9, 2002.

Hon. Howard “Buck” McKeon, House of Representatives, Rayburn House Office Building, Washington, DC

DEAR REPRESENTATIVE McKEON: We are writing on behalf of the Board of Directors of the National Association of Workforce Boards (NAWB) to express our support for your efforts to establish linkages between the Workforce Investment and TANF systems. We appreciate your leadership on this and other issues that will ensure the continuation of a comprehensive system for workforce development. NAWB’s Board supports the inclusion of waivers for WIA and other related programs in the TANF real-authorization bill, provided these waivers meet a set of critical principles.

First, the system of waivers needs to clearly and carefully balance interests of local communities, where services are provided and accountability can best be brought to bear, with state and federal interests. In short, we strongly support the notion that any waivers must be subject to a joint agreement between the State and the local workforce board where the waiver would apply. By requiring local board approval of a proposed waiver you can ensure that both sides will negotiate in good faith, with the local workforce board representing the interests of businesses, education and service providers.

Second, we believe that a sound system of waivers must protect the local strategic planning and governance structure that was set up through painstaking negotiations during passage of the Workforce Investment Act. It is to say that waiv-
are concerned that the waiver structure protects the authority vested in local boards, as well as the local allocation of funding for the workforce investment system.

Finally, the waiver system needs to be as broad as politically possible. Congress needs to ensure that the waivers include all major federal legislation affecting education, workforce and social service programs as it promotes a workforce system that is focused on the needs of both employers and jobseekers.

We believe that the so-called ‘super waivers’ can succeed only if they work to create a level playing field between state and local interests as communities grapple with how best to balance their economic development, educational and learning strategies.

If, on the other hand, waivers are merely a way to shuffle which bureaucracy operates which portion of the workforce development system, they will lead to disillusionment among our business community about the ability of public programs to respond to the new economy.

Because our members serve on local workforce boards, they know first hand how difficult it can be to drive quality and flexibility in the public system. At the same time, they realize that a system of voluntary waivers would be the best way to get the gridlock that too often prevents program integration.

In addition to the inclusion of WIA in the waiver authority of the TANF reauthorization legislation, we encourage you to retain the positive provision of the addition of TANF as a mandatory partner in the WIA system that was added to H.R. 4092 during Education and Workforce Committee consideration. We would like to take this opportunity to support this provision, and urge you to retain it as TANF reform legislation is considered by the full House in the coming weeks.

Again, we appreciate your continued efforts on behalf of the workforce investment system, and particularly in support of local workforce investment boards. We would appreciate the opportunity to review any proposed language to see that it meets the needs of local business-led boards and would be happy to meet with you or otherwise comment as you move forward on this issue.

Sincerely,

Kay George Hoch,
Chairman.
Robert Krueger,
President.
Mr. ISAACSON. Mr. Speaker, I thank the gentleman for his diligent work. I, for one, will vote in favor of this bill to empower the American people.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH), a member of the committee.

Mr. KUCINICH. Mr. Speaker, I just wanted my good friend from Georgia to know that the unfunded mandate in this bill would cost the State of Georgia about $266 million, and Georgia has 16,000 children on the child care waiting list.

The question before us is, Do we stand for the dignity of the poor, or do we believe in tough treatment for the poor? Does Congress want to help poor and low-income families, or does Congress want to push them further into poverty. This bill proposes to reduce poverty while reducing welfare rolls. After 5 years, welfare cash assistance caseloads have decreased by nearly 50 percent; but overall, poverty has declined by less than 2 percent. Do we stand for a welfare system that gives people a chance to pursue education and training without additional make-work mandates? Work is at the center of the debate, but the majority bill will not help people obtain and keep jobs with decent wages.

The bill imposes new requirements and decreases its flexibility. The majority’s bill is not what the States support; 41 of 47 States indicate that the administration’s proposal, the blueprint for this bill, would cause them to make fundamental changes. Indeed, if passed as is, States would not be able to meet the new requirements, so we do not stand with the States.

Mr. Speaker, this bill encourages workfare programs that fail to increase earnings and fail to increase employment.

Recipients find real jobs not workfare. So it is clear that the bill does not stand with low income families. So it does not seem that the majority bill has been crafted with any key group of people in mind that implement the law or are affected by it. The bill shows what may be done by States who are posturing to look tougher on the poor.

If States are forced to implement the major workfare program that will be workfare programs, Workfare is so overwhelmingly bad. If States are forced to implement the major workfare program that will be workfare programs, Workfare is so overwhelmingly bad. It undermines efforts to increase child care at the very least. This bill before us does not even increase child care to meet the current need, let alone a one-quarter increase. Workfare undermines efforts to place people in good jobs. It undermines efforts to increase education and job skills. Vote against this bill.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, something is seriously wrong here. Last week this House authorized a defense bill that will cost $400 billion, a record increase of $48 billion; this despite the fact that the Inspector General of the Department of Defense has testified publicly that the Department cannot pass an audit and cannot track $1.2 trillion in transactions.

The increase in the defense budget alone is three times greater than the cost of the welfare program, the major program supposedly aimed at lifting poor women and children out of poverty, aimed at fostering responsibility. We are demanding that poor women get a job, any job, even as we lose track of more than a trillion dollars? Bail out the airlines, give huge subsidies to farmers, offer a $254 million tax rebate to Enron? I am for accountability, but for everyone. But the Republican welfare bill is just mean. It makes it harder for most people in need to achieve self-sufficiency, something they want even more than we want from them.

I say vote for the Democratic substitute. Vote no on this welfare bill.

Mr. BOEHNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. SULLIVAN), our newest member.

Mr. SULLIVAN. Mr. Speaker, I stand before you to strongly encourage my colleagues to support this bill.

Six years ago the Members of this body united to pass a bill that revolutionized the lives of welfare recipients. In the 6 years since the passing of that legislation America has witnessed a huge decline in welfare dependence. We must build upon those successes and create new ways for people to become independent and move from welfare to work.

This bill is about three things: Compassion, work and marriage. Compassion means encouraging work, which leads to dignity, self-respect, and self-sufficiency. Compassion also means focusing on marriage as a key part of the battle against poverty in the context of welfare reform means that in the past 6 years over 3 million children have been lifted out of the depth of poverty. Now that is compassion. It also means independence. By focusing on work we not only reduce caseloads but build people up to be productive members of our society.

This bill directs funding from programs that encourage healthy stable marriages. These programs include pre-marital education and counseling as well as research so we find more and more ways to make shaky marriages solid again for the sake of both the parents and the children. It also promotes responsible fatherhood, helping men in particular be responsible, respectable models for children.

The House must finish its work it started 6 years ago. We must ensure that success of welfare reform by passing this bill. We must have an opportunity to help people work and give them self-dignity in the process. I believe this legislation will bring genuine improvement in the lives of Americans who are dependent on welfare. I urge my colleagues to support this measure.

Mr. FORD. Mr. Speaker, I stand before you to strongly encourage my colleagues to support this bill.

Mr. BOEHNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Tennessee (Mr. FORD), a member of the committee.

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

Mr. Speaker, what we are trying to do here is a good thing, and we are all trying to build on the progress we in the Congress and certainly President Clinton made in reforming welfare.

I think one of the things we believe the substitute will do is improve what the Members from Ohio (Mr. BOEHNER) and some of my friends on the other side are attempting to do, to is allow for people to go to work and
at the same time pursue some kind of job training. Many of us know we will vote on some kind of fast track or anticipate voting on it soon, and one of the things we are trying to do is ensure there is a reasonable component to help people get additional training for those temporary dislocations. The same is true here, and that is why we think the substitute is better.

Two, this is an enormous unfunded mandate, as many of us know, and our effort on this side is to try to alleviate some of that pressure on the States. I have been informed the State of Oklahoma, this would cost them $78 million. My home State of Tennessee, this will cost us an additional $100 million in funding when my State is facing a $400 million budget shortfall. This is not the way to go.

One of the things in which we hope on this side is that people can find ways to create that long-term sufficiency. It is my hope that, although I do not have time to say it, that indeed my friends will support this substitute and urge my friend the gentleman from Ohio (Mr. BOEHNER) to go back and negotiate a bill that makes sense for all people, not just his party in their reelection efforts.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. BOEHNER) has 2½ minutes remaining. The gentleman from California (Mr. GEORGE MILLER) has 4 minutes remaining.

Mr. BOEHNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. SAM JOHNSON), the chairman of the Subcommittee on Employer-Employee Relations of the Committee on Education and the Workforce.

Mr. JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, since 1996 nearly 9 million people have been lifted from collecting welfare checks to paychecks thanks to Republicans. One shining example of the success of welfare is a constituent of mine I will call Janice. Janice is a single mother of a 5-year-old. Last spring she lost her job in the soft economy. Thanks to welfare reform and the good work at the Texas Workfare Center in McKinney, Janice found a job and child care, becoming self-sufficient with full benefits and retirement after just 6 months.

Mr. Speaker, she illustrates what many of us have known all along, the 1996 Republican welfare reforms have worked. Child poverty has fallen sharply. Nearly 3 million children are no longer welfare kids, and that is because more parents are working. Employment by mothers most likely to go on welfare has risen by 40 percent. Welfare caseloads have fallen by 9 million. Nine million people. Is that not great news? Nearly 50 percent of Texas welfare recipients are working because of the successful model created by Congress and enacted by then-Governor George Bush.

Critics ask if it is not broken, why fix it. Well, even the best race cars go for tune-ups, and that is what we are doing with this bill. This bill requires States to put 70 percent of their welfare caseloads to work 40 hours a week, 16 of which can be used for education and training. This bill encourages, not discourages work. It reflects the President’s plan to encourage healthy, stable marriages.

Today we begin the next step in welfare reform based on the President’s principles that will help even more low income parents know the dignity that comes with a paycheck instead of a welfare check. By passing this bill we can help even more low income Americans improve their lives for themselves and their children, and that is what welfare reform is all about.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY) to ask the Committee on Education and the Workforce.

Ms. WOOLSEY of California. Mr. Speaker, I would like to inform the last speaker that the unfunded mandate in this bill would cost the State of Texas about $688 million and Texas has 37,000 children on their child care waiting list. This bill does not reform welfare. It deforms welfare. H.R. 4737 pushes more low income parents into low paying workfare jobs while making it impossible for them to get the education they need to actually prepare themselves for jobs that pay a liveable wage, jobs that they can support their families on.

H.R. 4737 doubles the number of hours that mothers and children under the age of 6 will have to work each week and, worse, this bill does not adequately fund child care for the children of all the new working parents that are going to have to go into the working world.

Mr. Speaker, I was a welfare mother 35 years ago. My children were 1, 3 and 5 years old. It was bad enough that their father abandoned us, but the worst thing about the whole situation was trying to get adequate child care. We had 13 different child care situations the first 12 months that I went to work. That was the hell year of our lives, and I am going to tell you, it is a miracle that my children are so wonderful. But it was not until our child care situation settled down, and my mother came to our town to take care of them that my job went. Within a year of having stable child care, I became an executive at the company that I was working for.

I am telling you, child care is the essential ingredient, along with education and training, for getting moms off welfare and out of poverty.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. Davis).

(Mrs. DAVIS of California asked and was given permission to revise and extend her remarks.)

Mrs. DAVIS of California. Mr. Speaker, I rise in support today of this important Democratic substitute.

Mr. Speaker, as both a former social worker and a former legislator in the California State Assembly, I understand firsthand the importance and the significance of State flexibility in program implementation. In particular, I would like to emphasize the importance of increasing access to educational and training opportunities for welfare recipients.

We have heard a lot today about the need for State flexibility, and I can tell you from my personal experience serving in the State legislature that when the 1996 welfare reform law went into effect, that allowing State and localities the room to tailor programs in their regions and communities is absolutely vital to the overall success of the program.

Under the TANF structure that was implemented in 1996, California was permitted creativity in program design and implementation to best meet the needs of our welfare recipients. The State legislature took advantage of this flexibility by creating a structure that rewarded work, included more opportunities for education and allowed counties to adapt the program to local economic needs and realities.

Please, a one-size-fits-all agenda does not fit for all Californians or all Michiganders or Pennsylvanians. We need more flexibility.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. BONIOR), the former Whip of the Democratic party.

Mr. BONIOR. Mr. Speaker, I read a story of a woman in Pontiac, Michigan with a 7-year-old son and through the Michigan Family Independent Agency she was able to enroll in a 6-month information training program for information technology at her local community college. After completing her training, she got a full-time job for a local construction company at $11 an hour. Now she is able to provide for her son and for her family.

She would not have been able to do this under this bill. Michigan has a program. It is called 10–10–10, 10 hours of work, 10 hours of class time, 10 hours of study per week. It is a good program. This bill basically says no to that program. It is a step backwards because it promotes workfare, make-work jobs that do not teach skills, and that have no workplace protections. It is a step backwards because it does not provide adequate funds to help families with children.

This bill is a step backwards because it promotes workfare, make-work jobs that do not teach skills, and that have no workplace protections. It is a step backwards because it forces States to abandon successful programs like 10–10–10 in Michigan, and it is a step backwards.
because it turns this assistance program back into a handout and not a leg up.

I urge my colleagues to vote against this bill.

The SPEAKER pro tempore. The gentleman from California (Mr. GEORGE MILLER) has 1 minute remaining.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we close this part of the debate, I simply want to say that it is rather interesting that the party who took over the Congress on the theory of a Contract on America, of no unfunded mandates is about to foist upon the States some billions of dollars of additional costs.

Their answer is flexibility. Yes, those States can choose to cut job training. Those States can choose to cut educational benefits. Those States can choose to cut child care. They can choose to cut the quality of the child care. They can choose to cut the TANF grant to these families. That is not flexibility. That is a failure to meet the task at hand.

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While we increase the requirement of people that need to go to work, and I think we should, the fact of the matter is we do not provide the States the means to support those individuals while they go to work and get off of welfare.

This is an unfunded mandate, it is that simple, because this bill, the Republican bill before us, fails to meet the demands that are going to be placed upon the States to provide the child care services.

The notion that somehow everybody who left welfare is now out of poverty and that child care is out of poverty, the average person leaving welfare left and earned $12,000 a year. $12,000 a year, Mr. Speaker. That does not sound like we lifted them out of poverty.

Mr. BOEHNER. Mr. Speaker, I yield myself the balance of our time.

The success of the 1996 welfare reform law is beyond dispute. Even the New York Times has called it, “An obvious success.”

The debate today has been how to build on that success. We believe that further flexibility to the States will, in fact, be helpful to them to package programs to meet the needs of each of those individual families.

The data we have heard from the other side about an unfunded mandate is almost laughable. Today, we have less than half the welfare caseload we had in 1996. Yet the amount of money being spent by the Federal Government in block grants to the States is the same amount of money; and in the bill that we are proposing building on that success, this bill calls for $2 billion of additional aid to go into child care.

We know that child care is, in fact, a key component to help make this system work and moving people from welfare to work.

In a recent speech in my home State of Ohio, President Bush captured what this issue is all about: dignity. It is about helping welfare recipients achieve independence, to become self-reliant, and to be able to provide for their own families.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to the rule, the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Michigan (Mr. Dingell) each will control 15 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

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

I rise today in strong support of the Personal Responsibility, Work and Family Promotion Act of 2002.

Mr. Speaker, this bill extends funding for abstinence-only education and reauthorizes transitional medical assistance, two items of particular interest to the Committee on Energy and Commerce.

The 1996 welfare act included a permanent appropriation of $50 million over 5 years for abstinence-only education under Title V of the Social Security Act. With tight State budgets and a requirement that States have to match every $4 Federal with $3 of their own, it is noteworthy that nearly all the States of our Nation have participated in this block grant program.

The participation rates suggest high State interest in using abstinence-only education as one way to address teen pregnancy and even more importantly, in some cases, sexually transmitted diseases.

Last month, my friend and colleague, the gentleman from Florida (Mr. BILIRIKIS), the chairman of the Subcommittee on Health, held a hearing on abstinence-only education; and at that hearing we learned some pretty interesting things.

We learned that problems stemming from increased sexual activity among teens has not abated. Even though teen birthrates have declined over the past decade, we still have among the highest teen birthrates of any industrialized nation in the world. Sexually transmitted diseases have grown dramatically. Every day in America 10,000 young people contract a sexually transmitted disease that leads very often to infertility in these young women, who were shocked to discover that they had this disease, apparently having been taught all along that if they protected themselves in so-called safe sex that they would be safe, only to discover to their great dismay that they were now infected with an incurable disease that could possibly ruin their chance of ever having a child.

Here is another number that shocked us. Over 50 percent of the sexually-active young women in this country between the ages of 18 and 22, over 50 percent of sexually-active young women in this category are infected with HPV. HPV, the human papillomavirus, is a precursor of cervical cancer. Fifty percent of our young women are affected by it, and here is the awful truth: there is no evidence that condoms reduce the sexual transmission of this infection. And so all the work we do in this country of teaching safe sex and of being careful if a child does sexually active has never conveyed the notion to these young women that if they took that course they could be subjecting themselves to a disease that is a precursor to cervical cancer, and they did not even know, perhaps, that condoms are not a protection against this disease.

These statistics are terrifying. They show that the safer-sex model does not solve the problem; and despite more than 20 years of a variety of educational programs to promote condom and contraceptive use, young ladies are catching these incurable viral diseases that can ruin their lives and kill them, render them infertile and, in effect, take away their chance to ever be a mother.

I urge my colleagues to vote in favor of this bill, which includes a 5-year extension of the abstinence-only education. This bill maintains the status quo. It extends the funding level of $50 million each year for the years 2003 to 2007.

New research is beginning to suggest that abstinence-only education can effectively address the sexually transmitted disease prevalence among young people and the proportion of babies occurring to unmarried mothers, the children that end up being the children of poverty in America all too often.

We must continue this effort begun in 1996 and support abstinence-only
education programs that empower students to choose abstinence for themselves for receiving all the relevant facts and information because abstinence in so many ways is a better choice for them.

In essence, the welfare reform law also included a critical work support for former welfare recipients, something called “transitional medical assistance.” Former welfare recipients typically enter the low-wage jobs that are available in this country, and those generally do not offer private health insurance coverage. They offer coverage but only at very expensive premiums. Traditional medical assistance extends up to 1 year of Medicaid coverage to those individuals and their families.

There is strong bipartisan support for this assistance. We provided it in 1996. We extended it in 2000 and 2001, and this bill would extend it again this year for another year. If we do not extend this program, the funding would expire on September 30, 2002. This 1-year authorization, however, has a 5-year cost of $355 million. And here is the awful truth: because this money was not included in the budget resolution, we had to find a way to pay for it.

As my colleagues know, under our pay-go rule, if something is not funded specifically in the budget resolution, we have to find some other way of paying for it. We have had to find that way already, and so this bill includes an offset. We recognize the Medicaid budget difficulties that many States are experiencing, and we also understand that important functions are funded with Medicaid administrative costs; and for that reason, the offset included in this bill is merely a partial adjustment that lasts only 2 years to pay for this 1-year extension of this critical program of health coverage, particularly for women in welfare entering the workforce.

Before 1996, a common cost of administering the food stamp program, Medicare and welfare were often charged to the AFDC program, the predecessor of our TANF program. These common costs have been included in the calculation of the States’ TANF fund. So in effect, we are double-paying for administrative costs of the States in these programs. The offset we are talking about reduces this double payment, this Federal reimbursement for administrative costs, to reflect the portion of these costs that are indeed already included in the TANF block grant the States receive.

We fully corrected this double reimbursement for food stamps in 1998, but we did not correct it for the Medicaid program. In effect, the States are still getting double the administrative cost reimbursements for the Medicaid program with Federal dollars, and we take some of that back. We take half of it back in the first year. But we back-pay ourselves back the next year for this 2-year take-back in order to pay for this extraordinarily important 1-year extension of health care benefits to welfare folks entering the workforce. So this partial adjustment lasts only for 2 years.

Let me also say that we are all busy seeing if we can find a better offset; and if we can, in the process of negotiating this bill, we will certainly look for one, but in the meantime this is the offset that is available. It is a partial one, only lasts 2 years; and it makes this incredibly important program available.

Let me remind my colleagues, there has been a lot of requests for us to do a larger than 1-year extension. If a 1-year extension costs 355 and we did not have the money for it except through this offset, imagine trying to extend it for longer than that at this time. Do we intend to extend it again next year? I can tell my colleagues all on the floor that this program works. By extending medical health coverage under Medicaid to folks leaving welfare and going into work, it encouraged more and more people out of welfare and into the dignity and self-worth of a paying job and the independence that comes with it; and we will work to extend this program as long as it is necessary to make sure that the progress we have seen in this vital effort in America.

So we have to recognize the careful balance we have achieved with this offset and that 1-year reauthorization; and again, I want to commit we will revisit the issue next year, and, as we have in the past, continue our efforts to extend this program as long as we know it is working and as long as we know it is valuable.

I urge my colleagues to join me in full support of this legislation.

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

The SPEAKER pro tempore. Without objection, the gentleman from Ohio (Mr. BROWN) will control the time for the gentleman from Michigan (Mr. DINGELL).

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as she may consume to the gentleman from Ohio (Ms. KAPTUR).

(Ms. KAPTUR asked and was given permission to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker. I rise in opposition to H.R. 4737, the Republican punishment bill that makes people work 40 hours without a minimum-wage guarantee.

Mr. Speaker, a half century ago, the old miner’s song captured the plight of the working class—"16 tons and what do you get, another day older and deeper in debt.

Today, author Barbara Eisenreich in her contemporary book, Nickel and Dime—On Not Getting by in America, reports ½ of our workforce toils for $8 an hour or less. Indeed, the fastest growing job market in our job market is part time jobs with no benefits.

Today, I rise in opposition to H.R. 4737, the Republican’s punishment bill for needy, working families. It’s their latest gimmick to keep our workforce’s pay scales down.

Essentially this bill assures that individuals transitioning off welfare will be locked into the lowest paying jobs, 40 hours a week, because not only are Republicans not creating high paying jobs; but in the meantime, we have seen President we have lost 2 million more good jobs across our Nation—but this bill denies necessary education and training to help workers gain some skills to negotiate troubled employment waters.

In this high tech age, this Republican bill restricts work-related training to no more than 3 consecutive months over a 24-month period. Punish them, indeed.

To vividly make my point: in the past 2 decades the poverty rate among working families has shot up 50 percent. The Bush plan doesn’t reverse it but makes it worse. Essentially people in our country are working for less because our good jobs—in textiles, steel, automotive parts, electronics, and high tech—are being exported to China, Mexico and Latin America. We are seeing a race to the bottom economy where even minimum wages are not enough.

Under the Republican bill, 39 states could not fulfill the bill’s work requirement without violating the current minimum wage rate for a 2-person family.

Vote for the Democratic substitute as a life preserver in most difficult economic waters.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 2 minutes.

The President and House Republicans’ message on welfare reform has been loud and clear. States need greater flexibility, but when it comes to abstinence education, they are unwilling to afford that same flexibility. If States want the Federal match, they must do the Federal Government’s bidding and use an abstinence-only curriculum. In other words, Mr. Speaker, schools cannot use these dollars to teach kids about AIDS, about STDs, or about birth control.

The substitute bill we are offering today does not affect the ability of States to use these grants for abstinence education. We can tune in to, if that is the direction they want to take. Our bill gives State and local systems the flexibility, a word that Republicans use on this floor regularly, the flexibility to provide additional information to students that can help protect them against STDs and teen pregnancy.

I would urge my colleagues to remember that more than 80 percent of parents support comprehensive sex education. Why is the Federal Government not listening?

Regarding the transitional Medicaid program, we support the extension of transitional medical assistance which
helps working families keep health insurance as they transition from welfare to work. We should make this commonsense program permanent, consistent with the welfare bill.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS), a registered nurse and a very active advocate for health care.

Mrs. CAPPS. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in opposition to this bill and in support of the substitute.

In the last 6 years, welfare reform has produced some real successes, and now we have the opportunity to build upon these. Unfortunately, the underlying bill does not do this, but the substitute does.

For example, we now know that for single mothers with young children to go to work, we must ensure that quality and affordable child care is available. And we should also ensure that legal immigrants are afforded the same safety net as other working families. The substitute includes these important provisions but the bill does not.

When we passed reform in 1996, we emphasized work and personal responsibility. Republican leadership found more than $1.5 trillion in the welfare programs to cut to the most vulnerable people in this country, but they cannot come up with $355 million to help welfare families reenter and stay in the workplace. Where, Mr. Speaker, are our priorities?

Mr. TAUZIN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. UPTON).

(Mr. UPTON asked and was given permission to revise and extend his remarks.)

Mr. UPTON. Mr. Speaker, I rise in strong support of this legislation. As a member of both the House Committee on Energy and Commerce and the Committee on Education and the Workforce, two of the three House committees with jurisdiction over welfare reform, I have worked very closely with my colleagues and chairmen to further strengthen this legislation so that so many more families can know the benefits of personal responsibility, work, and stronger family units.

I would like to focus on two components of this legislation today. The first one is the Transitional Medical Assistance. One of the most important items in the welfare reform bill that we passed in the Congress back in 1996 was removing the incentive that folks had which otherwise kept them on welfare rather than trying to seek and gain employment. Transitional Medical Assistance provided that bridge and the safety net to encourage people to look for work rather than stay on welfare.

When we passed reform in 1996, we emphasized work and personal responsibility. Important in this legislation is an abstinence program. Sexually transmitted diseases have reached epidemic proportions in our country. In the 1960s, 47 sexual active teens were infected with a sexually transmitted disease. Today, it is 1 in 4. Please pass this legislation.

This funding, a reauthorization of the 1996 program, I think deserves to be continued. Teen pregnancy is a problem that affects the entire country, not just the young women who are forced to make the difficult decisions at an early age.

The number of teen pregnancies and sexually transmitted diseases continues to increase despite the number of family planning style sex education programs that have been offered. It is time to give another approach a chance to succeed.

Abstinence-only education is a viable, traditional program that only first received funding in 1996. There are more than 20 sources of funding for sex education programs. Abstinence-only has only two. Let us give this program a chance to prove its effectiveness.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise today in the strongest opposition to this irresponsible Republican welfare reform legislation which will devastate poor families, especially women and children. The government does not talk about family values a lot in this place, so when we have a chance to practice what we preach, we go in just the opposite direction. This bill limits access to education, does not adequately increase child care for millions of America's families, and does not make poverty reduction a real goal of welfare reform.

H.R. 4737 would double the amount of time required for a parent on welfare with children under the age of 6 to work from 20 hours to 40 hours a week, and yet we do not sufficiently increase child care funding to care for these children. What will happen to our children? We will have more latchkey kids at younger and younger ages because their parents are working without the child care they need.

We know that these children are more at risk for future difficulties; crime, drugs and teen pregnancy. This goes totally counter to family values preached by so many. Making welfare recipients spend even more time away from home and their children makes it totally anti-family. It just does not make any sense.

Real family values entails allowing people on welfare to go to school to get better jobs and to take care of their families. Unfortunately, or fortunately, I have some experience in this area. I can tell my colleagues from personal experience that education does make a difference for those women on welfare.

We must also educate young men and women to prevent unwanted pregnancies, not to mention HIV and AIDS, and yet the GOP welfare bill continues the dangerous abstinence-only until marriage program, which will prohibit any mention of contraception, even in the context of preventing HIV and AIDS.
For all these reasons and many, many more we must defeat H.R. 4737. We cannot continue to put our children at risk. This will be the beginning of the end for any hope for a successful future. Vote “no” on H.R. 4737.

Mr. Speaker, I yield 1 minute to the gentlewoman from Missouri (Ms. MCCARTHY), a member of the Committee on Energy and Commerce.

(Ms. MCCARTHY of Missouri asked and was given permission to revise and extend her remarks.)

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise in opposition to H.R. 4737, the bill before us today, and in support of the Democratic alternative.

In a time when the States are already facing serious budget cuts, this bill exacerbates their budget woes. Missouri, my State, would have to come up with over $318 million to implement the mandates in this bill, but it is already facing a $536 million budget deficit. The bill before us inadequately funds many of the programs and block grant monies States need in order to carry out welfare reform and improve upon it.

I supported the original welfare reform bill 5 years ago. I worked hard on the issue of ending unfunded Federal mandates in this House and was proud when we adopted it into law. And I am very chagrined and worried about what we are attempting to accomplish in this bill today.

The Democratic substitute provides both inflationary increases in our block grants and increases child care funding by $31 billion over 5 years.

We must, if we are going to expect our welfare recipients to stay in the work force, provide these services.

The progress we have made as a result of the 1996 Welfare Reform Act, which I supported, will be undermined by this measure. It imposes up to $1 billion in unfunded mandates alone on the States over the next 5 years. Missouri has been recognized nationally for its creative community-based partnerships with youth mentoring, before and after school programs, parenting classes and child development classes, all of which foster independence from public assistance and improve family well-being. Missouri also makes excellent use of case-by-case individual assessments, which assist in making the transition to work by offering job training, post secondary education, and job placement services. H.R. 4737 takes away the flexibility in providing these programs by eliminating educational and occupational opportunities that contribute to the outreach the State now provides.

The Democratic substitute provides both an inflationary increase in the TANF block grant, and additional $6 billion over 5 years, and increases child care funding by $1 billion over 5 years. H.R. 4737 adds no new money for childcare. My constituent Marcia, a mother of three, came to Missouri’s Department of Family Services shortly after she and her family moved to Missouri to escape an abusive husband. The substitute gives Marcia the comfort in knowing that while she is working to improve her family’s quality of life and getting support for her abusive situation her children will be cared for. Without adequate childcare, welfare recipients who find themselves in situations like Marcia’s will not be able to meet the increased work requirements mandated on them by H.R. 4737.

If my colleagues on both sides of the aisle truly want self sufficiency I urge them to adopt the Democratic substitute. Mr. Speaker, stricter work requirements with fewer resources is a losing equation for the welfare mothers of Kansas City and for the children of our Nation.

Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Florida (Mr. BILIRAKIS), the chairman of the Subcommittee on Health of the Committee on Energy and Commerce.

(Mr. BILIRAKIS asked and was given permission to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I will limit myself here. The abstinence-only education funds were first included as part of the 1996 welfare reform law, and something that I do not think has been said to date is that 49 of the 50 States have elected to participate in this program.

During our hearing, we heard of a program taking place in Miami-Dade County where the lady told us that they have only a 1.1 percent teen pregnancy rate. A 1.1 percent teen pregnancy rate. By continuing this funding for another 5 years, we can encourage the development of more successful programs. It is really, really critically important, as has already been pointed out.

I would like to accent that abstinence-only programs do not, do not prohibit educators from discussing the facts about the effectiveness of contraceptives, the spread of sexually transmitted diseases, or any other topic that might be raised. The only requirement is that the use of contraceptives cannot be advocated. Only abstinence can.

This is not a “just say no” type of a program. It is a program that is designed for the overall individual. It goes into character and all those dignity types of areas.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from Houston, Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding me this time.

Let me say that this legislation that we now have before us, H.R. 4737, renders to those who have fallen upon bad luck bad deeds. This bill should not be passed, and let me just share with my colleagues why.

First of all, this gives to many of the States unfunded mandates. In my State alone, Texas, $688 million will be needed by the States unfunded mandates and it is not funded. An additional $344 million for child care will be needed, and it is not funded. Right now in the State of Texas we have some 37,000 who are on the waiting list for child care.

With respect to the issue of abortion, no one opposes it, but we like to have the truth. Teenagers want to know the whole truth and nothing but the truth. This bill is limiting, and my colleagues know that this is wrong.

In addition, we realize if young mothers are to transition from work to employment that provides a career, they need child care. We realize that in this bill there is no real child care.

In my County of Harris, where it is an enormously diverse community with legal immigrants, this is a burden upon our hospital system to discriminate against legal immigrants, tax-paying, hardworking individuals. The bill that we have before us discriminates against legal immigrants.

And let me also mention that this is a midnight hour bill. This is a bill that was brought to the floor without anyone understanding what is in it. That is why I support the substitute offered by the Democrats.

I presented amendments that would have trained teenage parents and give them parenting skills and to provide them with training on financial services or how to deal with finances. That was not ruled in order. I asked to have an inflation factor in increasing the amount of money to our welfare recipients if the economy went bad. Not allowed. I asked to increase child care dollars. Not allowed. I asked to determine whether this bill diminishes child abuse or helps people get off welfare. Not allowed.

This is a bad bill. We need to support the Democratic substitute. It is a shame we would rush to do this when the legislation does not expire until September 2002. I wonder why.

Mr. Speaker, I rise to oppose the adoption of the Republican welfare bill. The bill restructures welfare to focus on caseload reductions rather than poverty reduction. The Republicans offer a bill that does not allow the Democrats to provide adequate and Demo- crats care about our less advantaged Americans. The bill would increase mandatory child care funding by only $1 billion over the next 5 years. That’s barely enough to keep pace with inflation, and nowhere near enough to implement the bill’s new participation requirements. This funding at present does not provide child care coverage to the 15 million children who are now eligible for day care assistance but who are not currently covered because States lack sufficient resources. On Tuesday I attempted to offer an amendment to the legislation that would increase funding to childcare by 20 percent between fiscal years 2003 to 2007. The amendment was not accepted. The Congressional Budget Office estimates that the increased mandatory work hours imposed on the States will result in an additional $3.8 billion in child care costs according to the Congressional Research Serv- ice.

Many employed recipients surveyed, suffered when they were penalized for earning money, which caused them to lose childcare benefits.

The University of Oregon conducted a 2-year study of welfare restructuring post the
Mr. Speaker, I yield myself the balance of my time.

Mr. TERRY asked and was given permission to revise and extend his remarks.

Mr. TERRY. Mr. Speaker, what we are talking about today at this point is our children; and it is about teaching our children, our young people, boys and girls, about abstinence. For many years this Congress only put dollars aside to teach safe sex, teaching our teenagers the proper way of putting on a condom. Fortunately, 6 years ago this Congress took control and said we will give the option to States and entities to have abstinence-only programs, and we will begin to fund those. It is not a mandate; it is an option for those organizations. It gives them the opportunity.

Since we have implemented this policy, teenage pregnancy has dropped, teenage sexually transmitted diseases have dropped. That is fantastic, yet another anecdotal, evidence. Frankly, we have all talked to teenagers in our districts, and we have heard that they want a positive message and they want our support in abstaining from sex until married. President Bush said, "When our children face the choices of self-restraint and self-destruction, government should not be neutral. Government should not sell children short by assuming they are incapable of acting..."
Ms. HARMAN. Mr. Speaker, preventing teen pregnancy is a key part of moving people from welfare to work and reducing poverty. Over half of all mothers on welfare had their first child as a teenager, and two-thirds of the families below the poverty line are headed by teen mothers. For all these reasons, preventing teen pregnancy is an issue we all should be able to agree on in Congress. It should not be a Republican issue, not a Democratic issue. But the criteria need to reduce the number of teen pregnancies too often gets lost in an ideological debate over abortion, creating federal policies that don’t fit the reality of teen pregnancy prevention across the country.

Three weeks ago, the House Commerce Committee engaged in a disappointing debate over the abstinence-only education. The Committee rejected on ideological lines proposals to provide states flexibility in the way they use welfare funds for teen pregnancy, require abstinence-only programs to give out medically accurate information, and require that funds go to programs that have proven effective. The amendment I offered in Committee would have modified existing law so that states have the option of funding programs according to the existing federal definition of abstinence-only, or another approach to abstinence education that they deem appropriate. This amendment was not an anti-abstinence amendment—it specifically stated that programs should promote abstinence. But it would have allowed states the option to choose the type of abstinence education they believe will best help students, and most importantly, reduce the incidence of teen pregnancy.

Between 1992 and 1994, under a Republican governor, California instituted an abstinence-only education program across the entire state—only to discover through evaluations that this program was not effective. As a result, California turns down the welfare money for abstinence-only education—a loss of approximately $30 million from 1998–2002. The purpose and spirit of the 1996 welfare reform bill was to allow states to implement work promotion and poverty reduction programs that worked best for them. This has worked remarkably well—states should have some flexibility on teen pregnancy prevention programs.

President Bush, in his FY 2003 Budget, argues for the elimination of federal programs that he says have not undergone rigorous evaluation. But this focus proves programs is missing from the Republican approach to welfare reform.

Abstinence is an extremely important message to send students, particularly younger teens. But current research shows that there are no “magic bullets” for preventing teen pregnancy—not sex education alone, not abstinence alone. Indeed, the programs with the strongest evidence for success may work better for some populations and communities than others.

Rather than having ideology drive our teen pregnancy policy, we should focus on local solutions and solid research. This will allow us to make progress on a goal we all agree on—preventing unwanted pregnancy and abortion.

Mr. POMBO. Mr. Speaker, as you may well know, in 1996, Congress was faced with a failing welfare program that did little to assist individuals in the transition from dependence on a government welfare check—to independence to earn a paycheck. For far too many, under the old Welfare program that American dream was out of reach.

In response, the Republican Congress rose to the challenge and passed such programs with promising results that created hope and opportunity. In the past 6 years, the reformed Welfare program reduced poverty, child hunger, and dependency on government welfare checks for survival.

Today we have the chance to build upon this success through improving our current welfare program through the passage of the Personal Responsibility, Work, and Family Protection Act.

The challenge of making the transition from welfare to stable jobs is very difficult. Congress must make the commitment to ensure all Americans have a chance to reach the American Dream. The actions Congress takes today will have a lasting impact as future generations will continue to break the cycle of welfare and enjoy brighter futures.

Mr. CONDIT. Mr. Speaker, I rise today in opposition to H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act of 2002. Unfortunately, the bill before us today does not live up to its title and will actually undermine the successful reforms enacted in 1996.

For several reasons this proposal does not merit Congress’ approval. First of all, the bill would impose an almost $2.5 billion unfunded mandate on the state of California. Without providing the funds necessary to implement the new work requirement provisions in H.R. 4737, this attempt to reform welfare will fail. And these unfunded mandates could not come at a worse time for states struggling to balance their budgets.

This proposal also fails to address the most rudimentary obstacles in attempting to move individuals from welfare to work. We will pay the price for the lack of emphasis on worker training and basic reading and writing skills. It is short sighted to believe welfare recipients will successfully make the transition to self-sufficiency without the necessary literacy skills.

Removing vocational education from the current list of work-related activities that satisfy the core work requirement in current law is an exceptionally bad idea and shortsighted idea. There is also inadequate funding for child care. We can’t expect to break the cycle of poverty, if we are not willing to commit the needed resources.

For all of these reasons, I urge my colleagues to join me opposing H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act of 2002.

Mr. CRANE. Mr. Speaker, I rise in strong support of the legislation before us today, H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act of 2002. I would like to commend Chairman HERGER, THOMAS and BORIN for their work in promulgating this important legislation.

Mr. Speaker, this bill builds upon and improves the historic welfare reforms enacted in 1996. The hallmark of the 1996 legislation was that it changed welfare from an entitlement program to a block grant to the individual states. The significance of this was twofold: states were given a lot of flexibility to spend money where they needed to, but no longer would people receive a welfare check in perpetuity if they refused to work. The success of this is irrefutable: since 1996, welfare rolls have decreased by over 50 percent, and millions of people who were once collecting welfare checks are now collecting pay checks. Here, indeed, Mr. Speaker.

Today we consider legislation that increases work requirements over the next 5 years, and simultaneously rewards states that have been particularly effective in moving people from welfare to work. It also protects children by increasing child care funding by $2 billion and by increasing State flexibility in providing child care for low-income working families. Finally, it encourages healthy marriages and two-parent married families by directing up to $300 million annually for programs such as pre-marital and teen and couples. Mr. Speaker, surely that is something we can all support.

I am somewhat concerned about a few provisions in this legislation. While this bill does improve upon some work requirements passed in 1996, in some cases it does not go far enough. For instance, for purposes of TANF, it increases the number of hours a welfare beneficiary must be involved in work or job training programs, but it allows the states to define “work” in almost any way they see fit. In some of these states, a father could coach his son’s baseball team and get credit for “work training.” Mr. Speaker, I am all for allowing states flexibility in administering welfare programs—flexibility is, after all, the lynchpin of the terrifically effective reforms enacted in 1996—but in my view we should set some sort of minimal standards and then let the states implement them as they see fit.

In general, the reauthorization bill builds upon the successes of the 1996 legislation, and I believe it will continue the work training and basic reading and writing skills. It is short sighted to believe welfare recipients will successfully make the transition to self-sufficiency without the necessary literacy skills.

Removing vocational education from the current list of work-related activities that satisfy the core work requirement in current law is an exceptionally bad idea and shortsighted idea. There is also inadequate funding for child care. We can’t expect to break the cycle of poverty, if we are not willing to commit the needed resources.

For all of these reasons, I urge my colleagues to join me opposing H.R. 4737, the Personal Responsibility, Work, and Family Protection Act of 2002.

Mr. Speaker, this welfare re-authorization legislation does nothing to prepare welfare recipients to leave welfare and enter the workforce and it is a profound fiscal burden on our state government.

I believe that since we reformed welfare six years ago, we have been successful in transitioning millions of people off of assistance. But, this remaining group of beneficiaries will be much harder to prepare to enter the workforce. That is why I do not support this “one size fits all” program whose only goal is to drop beneficiaries.

Welfare reform should give beneficiaries the tools they need to enter the workforce. Missing from this Republican welfare bill is a program that allows welfare recipients to receive a GED and if necessary, learn or improve their English. It also lacks a real increase in child care assistance and the necessary flexibility for innovative state programs to reach out to welfare recipients who need to get a job. Mr. Speaker, it is inevitable this Republican welfare bill will only lead to more families falling between the cracks.

Further, this legislation lacks alternatives to abstinence-only education. We should not put money into these programs before we have had a real debate on their actual effectiveness. This money could be more wisely spent on education and child care benefits.
This legislation will also cost our state governments $11 billion by imposing costly new mandates and it will force Illinois to direct a much larger share of resources to welfare. My state of Illinois currently has a $1.35 billion budget shortfall. The Governor has threatened to cut student aid, empty prison and mental health budgets in order to make up for the shortfall. Illinois simply cannot afford this.

Mr. Speaker, I am proud to support the Democratic alternative because it is a serious attempt to move welfare recipients into jobs and does it humanely without shifting the burden to the states with a large number of childless individuals. The Democratic alternative also allows states the flexibility needed to provide innovative programs to get people into the workforce.

We cannot throw millions of people into the streets when our economy is limping into a recovery, and not even give them the incentives and tools they need to enter the workforce. I urge my colleagues to vote no on this legislation and vote yes for the Democratic substitute.

Mr. LA FALCE. Mr. Speaker, I rise in opposition to the procedure under which this welfare bill was put together and brought to the House floor.

Specifically, I object to the fact that without any hearings or markups in the Financial Services Committee, the bill’s superwaiver provision would authorize States, with approval of the HUD Secretary, to sweep away all of the rules and regulations that govern our Federal public housing and homeless programs. This is an outrageous usurpation of our committee’s authority.

Just 4 years ago Congress enacted a comprehensive bill to reform our public housing laws. Provisions dealing with rent burdens, enhanced local flexibility, resident participation, and other key public housing issues were carefully developed over several years. Notably, the bill was enacted after the 1996 welfare reform bill was passed, and included many provisions designed to complement welfare reform, including creating new Federal incentives for local housing solutions.

Now, with a single sweep of the pen, all these provisions could be ignored under the “superwaiver.” This could jeopardize carefully crafted protections for the over 1 million low-income families in public housing. Under the superwaiver, rent payments could skyrocket, families with small children could be evicted for technical violations of new rules, resident appeal procedures and lease protections could be wiped away. And, protections for use of housing funds for our Nation’s most vulnerable, the homeless, could be eviscerated.

Worse, because this bill has never even seen the light of day within our committee, we cannot even be sure the extent to which existing public housing and homeless laws could be undermined.

Representative FRANK and I offered an amendment to delete the applicability of the superwaiver to housing programs. Of course, the Rules Committee blocked debate on this and other amendments.

This is a terrible way to do business. We ought to send the different sections of this bill back to the relevant committees, for consideration the old fashioned way—hold hearings, then mark up the bill in subcommittee and committee.

Mr. HASTINGS of Florida, Mr. Speaker, this is sweeping legislation affecting more than 5 million families and we owe it to them to engage in thoughtful debate about the best ways to help them achieve permanent self-sufficiency.

There has been lively and thoughtful discussion on the best ways to do this—more than 43 amendments were submitted to the Rules Committee for consideration. I would have welcomed the opportunity to debate these options on the House floor. However, this closed rule, allowing a substitute but no other amendment, is certainly a laudable start, but only requires 30 hours of work for mothers with young children but provides minimal new child care funding to support this increase in work requirement. Frankly, this bill is offensive to me and should be brought to the House floor.

My concerns about the shortfalls in this legislation are numerous. This bill imposes a huge unfunded mandate on the States and reduces the States’ flexibility in determining the optimum mix of activities to help recipients become more self-sufficient. In addition, it doubles the number of required work hours for mothers with young children but provides minimal new child care funding to support this increase in work requirement. Two particular items in this legislation are of serious concern to me.

First, this bill fails to provide individuals and families the opportunities and help they require to rise out of poverty and gain self sufficiency. Section 601, with promotion potential and earnings above the poverty level requires experience, education, and job skills. I wish that success could be achieved as easily as the supporters of this bill lead us to believe. But while an entry level or minimum wage job is certainly a laudable start, the only way to get out of poverty and achieve permanent self sufficiency is through education and training. If you train someone for a dead end job, you will lead them to a dead end.

With its emphasis on “make-work” jobs that fail to offer any training or promotion opportunities, this bill fails to offer any substantive solutions to help our Nation’s poor out of poverty.

Mr. Speaker, the second issue I have with this bill is that it discriminates against legal immigrants by denying them Federal assistance. Both the National Governors Association and the National Conference of States Legislatures have recommended that States be given the option to use TANF funds to serve legal immigrants immediately. However, under the Republican bill, legal immigrants must first be living in this country for 5 years before they are eligible for Federal aid. Even more distressing is the fact that many of those affected by this discrimination are children who were born in this country and are, in fact, U.S. citizens.

In 1996, the most current year for which records are available, 28,565 refugees were granted permanent residence in the United States.

The responsibility for housing, feeding, and caring for those who require assistance falls to the States—and the top four States carrying this responsibility are California, New York, Texas, and Florida.

I believe that States should be granted the option of using TANF dollars for legal immigrants and refugees.

I regret that this closed rule has denied us the opportunity to debate these and a host of other issues on the floor.

Mrs. CHRISTENSEN. Mr. Speaker, I rise in opposition to the base bill, and in strong support of the Democratic substitute.

In good conscience, I cannot support H.R. 4737. The Republican base bill, which does not allow for amendments, would increase punishment and its sequelae, instead of reducing it as it purported to do. This bill imposes massive new mandates and additional costs on states at a time when they are struggling and cannot absorb not one penny more of new costs. In light of the fact that 39 States and the territories are struggling to meet work requirements in an atmosphere of recession and lack of available jobs, this bill would create the scenario where precious resources are spent on fines and the safety net becomes full of holes.

This country’s offshore areas, would be particularly negatively impacted, because of even less resources, and poor economic conditions with fewer jobs within geographical limitations.

Even worse, Mr. Speaker, this bill tightens the vise on those trying to transition from welfare to work. It eliminates education from the list of work related activity and does not provide adequate resources for childcare. On the other hand it doubles the amount of hours that recipients are required to work, creating more hardship for mothers with children under school age.

Mr. Speaker, there is a lot of conservative ideology represented here. Where is the compassion?

The Democratic substitute would give States and territories more flexibility by giving them the option to require 40 hours if childcare and educational resources are available, but would only require 30 hours of work if not. The Democratic substitute would also remove the ban that prohibits states from serving legal immigrants. The Democratic substitute would also give the territories the tools they need to successfully transition people from welfare to work.

Mr. Speaker, H.R. 4737 is a set back, not forward. If the reactionary political climate of an election year precludes us getting a good bill, let’s simply extend the current authorizations for one more year, and lets sit down again next year and do it right.

Let’s this of the people who are most affected by our actions. Let’s give our states and territories flexibility and let’s give our people hope.

Mr. ALLEN. Mr. Speaker, I rise in opposition to this misguided bill.

If this is welfare reform, our States don’t need it. They will have to raise taxes or cut services to compensate for the 5-year, $11 billion State government cost of this one-size-fits-all, heavy-handed Federal policy. Maine will need $56 million to meet the new work requirements.

If this is welfare reform, our families can’t take it. The bill requires mothers with children under 6 to double their required work week from 20 hours to 40 hours a week.

For these mothers, this bill means less time with their children, and not enough money to cover expanded child care costs. It probably means at least two jobs for many mothers, because low-wage jobs are usually part time.

For States like Maine, this bill reduces flexibility in an atmosphere of recession. “Parents as Scholars” program, which provides access to post-secondary education, has increased the wages and benefits of participants.
Their bill would have focused on what TANF who are directly affected by this program.

about providing assistance to needy families, it self-sufficiency.

ments on those most in need and those who already face tremendous barriers to work and self-sufficiency.

If the Republican leadership truly cared about providing assistance to needy families, it would have considered the needs of those families—the women, children, and parents who are affected by this program. Their bill would have focused on what TANF should really be about—helping families out of poverty so they will have an acceptable standard of living. Instead, this bill only succeeds in defining those families as statistics that should be controlled and told what to do.

First and foremost, the amount of funding this Republican proposal gives to TANF, the primary program in this country to help poor women and children, is pitiful. Last week the House passed a $400 billion Department of Defense authorization bill that included a $48 billion increase. Not only is this the biggest increase in Defense spending since the cold war, but it was also provided despite the fact that the Department cannot pass an audit and cannot account for $1.2 trillion in spending. Yet, this increase is three times greater than the amount the Republicans propose for the TANF block grant. This Congress has bailed out the airlines and given a $254 million rebate to Enron. It is a disgrace that we cannot give more to those in this country that need it most. It is a disgrace that this bill does not provide additional funding to the states.

In my State of Illinois, it would cost at least an additional $322 million in order to implement the increased work requirements and meet the child care needs that this bill would require.

Second, this bill neglects to help women get assistance to overcome barriers, such as substance abuse, limited English proficiency, and domestic and sexual abuse. Instead, it re-quires that recipients work longer hours. Be-sides causing great hardship on single moms and children, this increase from a 30-hour re-quirement to one that demands women work 40 hours a week will likely force States to cre-ate workfare programs—programs that have been proven not to work and which threaten workers’ rights to earn at least minimum wage and have other protections afforded all other workers in this country.

Third, this bill does not provide adequate training for jobs that would open the door for people to earn a living wage so they can support themselves and their families. H.R. 4737 takes away recipients’ ability to fully engage in voca-tional education, often a necessary step in getting a job that pays and provides the op-portunity for advancement. This bill also does not provide programs who care for young children or children with disabilities, and instead it doubles the amount of hours women with children under 6 years old are required to work. Furthermore, H.R. 4737 continues to deny legal immigrants access to benefits, in-stead of allowing those families who pay taxes and work hard to receive assistance when they hit tough times.

Besides placing further restrictions on TANF recipients, H.R. 4737 also places further re-strictions on States. Instead of helping States to be more innovative in addressing the particular needs of their low-income population, this bill applies a one-size-fits-all philosophy and dra-matically diminishes States rights.

And, if all that was not bad enough, this Re-publican bill includes a provision that extends to programs far beyond TANF and could bring greater hardship to low-income people helped by these programs. For example, this provision would have adverse affects on Federal public housing and home-lessness programs because the rules and reg-u-lations governing them could be swept away at the whim of the Federal agencies. In these cases, the real impact would be felt by fami-lies who would then be threatened with losing their housing assistance and being forced onto the streets. Such sweeping changes are un-acceptable, particularly given that the various committees with jurisdiction over programs af-fected by this “superwaiver” did not have the opportunity to consider them nor to assess their negative impact.

But none of this should come about at any sur-prise. This Republican bill is in line with all the other legislation this leadership and the Bush administration have offered in this Congress, legislation that has aimed to deprive those most in need while giving to those who have plenty.

Fortunately, we have an alternative in a Democratic substitute that actually gives fami-lies the tools they need to become self-suffi-cient. This substitute allows women more op-portunity to access vocational or post-sec-ondary education, or to go to ESL or GED classes if needed; it restores benefits to legal immi-grants; it provides worker protections to all TANF recipients; it provides resources to states to foster employment advancement and promotes among the furthest-reaching changes are un-acceptable, particularly given that the various committees with jurisdiction over programs af-fected by this “superwaiver” did not have the opportunity to consider them nor to assess their negative impact.

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The Democratic proposal increases welfare dependence and poverty while seriously undermining the time limits designed to promote self-sufficiency. But Mr. Speaker, if that is not enough let's look at the cost. For about $70 billion over 10 years, the American taxpayers would see welfare return to a program where able-bodied people do not work for their benefits and bear little personal responsibility. The Democrat substitute is expensive and would increase deficits.

Unlike the Republican bill, the Democratic substitute includes NO offsets for its new spending, so it simply adds to deficits in the future. These are the same Democrats who consistently opposed welfare reform until just before the bill signing ceremony in 1996. The Democrats also want to place additional, burdensome mandates on the states, essentially tying the hands of states who know how best to meet the needs of their residents.

We cannot take a step backward—as the Democrats advocate—returning to a welfare program where able-bodied people do not work for their benefits and bear little personal responsibility. Policymakers now need to consider the ramifications for the additional spending they propose to mandate. This is not to say that at some point in the future more money will be needed for this program but the case for that has not been made today. I urge my colleagues to vote no on the TANF proposal, ensuring that forms we enact maintain and strengthen the current program, not return us to an entitlement program with a staggering price tag and even greater social costs.

Six years ago, we changed the way people look at welfare, making it a program that helped people find work, renew their self-sufficiency and gave them financial freedom and personal dignity. We must act responsibly and continue these reforms. Vote yes on H.R. 4737.

Mr. SERRANO. Mr. Speaker, if self-sufficiency can be defined as raising a family just on or below the poverty level, with little or no chance of increasing earning potential because the breadwinner is not equipped with competitive education or job training, then I agree with my colleagues that 1996 welfare reform has been a success. If self-sufficiency means earning a median hourly wage of $6.61 or $13,788 annually, as the Urban Institute reported, then I agree with my colleagues that welfare reform has been a resounding success. However, I am reluctant to believe that my colleagues would consider any of those circumstances to be anything near self-sufficiency and therefore I implant this idea that welfare reform has been genuinely successful.

The goal of welfare reform should be to create a system that promotes self-sufficiency, not just lower numbers on the rolls and higher numbers in low-wage, unstable jobs. H.R. 4737 provides a short term solution to a long term problem. We should not be battling welfare dependency as much as we should be battling poverty. H.R. 4737 will only encourage pushing recipients off the rolls and into the league of the working poor, under-educated and constantly struggling to make ends meet. So this circumstance, the back, such as illness or domestic violence, could see them plummeting back into poverty. Living one paycheck away from homelessness is not self-sufficiency by anyone's standards. We need reform that will arm welfare recipients with the tools to do more than just react to economic situations.

This necessary artistry is education and training for marketable skills. Improving education, perhaps an individual degree or for society as a whole; 82.2% of high school graduates with parents who attained a bachelor's degree or higher go on to college. This is compared to only 36.6% with parents who attained less than a high school diploma, according to the American Association of University Women. It is clear that education is hereditary and the more education parents have, the more likely their children are to go to college. Why in the world would we advocate legislation that impedes access to education for these individuals? H.R. 4737, which imposes a 40-hour work week on single parents, significantly hinders their chances of furthering their education. It is plainly counter-productive to finding a long-term solution to poverty.

Mr. Speaker, H.R. 4737, says clearly to America's struggling families, "We don't really care about helping you. We don't care that the jobs we are pushing you into will do little to help you provide a better life for your children. What we are most concerned with is no longer having to support you." We are dealing with a fundamental problem of caring for our children. In 1996, 32.7% of births were to single parents, with children, and H.R. 4737 is legislation about numbers. Please vote no on H.R. 4737.

Ms. MILLENEDER-McDONALD. Mr. Speaker, I rise today as the Representative of California's 37th Congressional District and recognize this is a most important agenda of the day. The challenge we face is complex and critical. It requires not only a focus on increasing the number of children in families, but it also requires an emphasis on creating opportunities that expands the short term solutions. This necessary artillery is education and training for marketable skills.

My concern is with the mandates imposed by H.R. 4737. By forcing states to absorb costs that will total up to $11 billion over the next 5 years, we are in effect crippling their ability to help people transition to work. The Republicans' emphasis on creating "make work" workfare programs will defeat the purpose of trying to move individuals and families off of the welfare rolls. They have been problematic for states to implement for years and have in fact been scaled back.

Without guaranteeing minimum wage protections, let alone creating jobs imparting meaningful work experience, we are dooming our states and the people they serve to fail. We can do better. By limiting states' ability to be flexible, and by forcing them to reinstate work requirements that have already been rejected, we're preventing welfare recipients from attaining financial independence.

If we truly want to move people from welfare to work, we must enact legislation that preserves state flexibility, creates real work, and elevates families from povety to full-time work. We cannot help anyone become self-sufficient by giving a "super- starter" allowance. Each state's branch that would sanction the waiver of any and every federal requirement pertaining to food stamps and housing. The proposed changes to TANF could cause this state of affairs to change.

The reason for this relates to the level of funding, which does not take into account how inflation will negatively impact the $1 billion inflation will negatively impact the $1 billion in funding that will be available over the next 5 years so expensive to provide work requirements will be achieved without hurting children. The Substitute will remove the ban that now prohibits states from serving legal immigrants.

Under the Democratic substitute to H.R. 4737, we would have up to $6 billion in additional welfare funding available over the next 5 years so expensive to provide work requirements will be achieved without hurting children. The Substitute will remove the ban that now prohibits states from serving legal immigrants.

The proposed TANF bill will freeze funding for both the TANF and child care block grants at the current levels. Over the next 5 years, the purchasing power of these funding sources would erode steadily with inflation. This could occur at the same time that states such as California could be required to meet costly new work requirements.

In the case of California, the non-partisan Legislative Analyst's Office (LAO) estimates that California will have to spend an additional $2.8 billion over 5 years to meet their proposed work requirements. About half the $2.8 billion will go toward increased employment services' costs. The other half, $1.4 billion, will be spent on increased child care costs. An annual rate of inflation of 3 percent would increase costs to California by nearly $250 million between 2003 and 2007.

Mr. Speaker, I believe that the TANF reauthorization provisions do not take into account the points that I have brought up and that the new provisions will not achieve their purpose. The future is related to the problem of inflation. The future is related to the problem of inflation. The future is related to the problem of inflation. The future is related to the problem of inflation.

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Mr. Speaker, I believe that the TANF reauthorization provisions do not take into account the points that I have brought up and that the new provisions will not achieve their purpose. The future is related to the problem of inflation. The future is related to the problem of inflation. The future is related to the problem of inflation. The future is related to the problem of inflation.

Mr. REYES. Mr. Speaker, I rise today in strong opposition to H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act of 2002. The federal restrictions on state flexibility in H.R. 4737 are counterproductive to achieving Temporary Assistance for Needy Families (TANF) primary goal to assist impoverished families and to end the dependence of needy parents on government benefits by promoting job preparation. Despite its faults, the

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1996 Welfare Reform Act was able to help many families reach self-sufficiency. This was possible largely because of the amount of state flexibility allowed in the TANF program. H.R. 4737 removes that state flexibility and replaces it with unfunded mandates that undermine it to help families achieve sustained self-sufficiency. This bill will destroy the key and successful elements of TANF.

The changes made to the work requirements in this bill eliminate each state’s ability to determine the best approach to place their recipients into paying jobs. In particular, this bill will remove current state discretion to assign work requirements and amount of work hours. It mandates that the work participation rate be at 70 percent by 2007; it requires all recipients be assigned 40 hours work or work-related activities a week—even for mothers with children under six years of age, and compounds the restrictions by narrowing the definition of work related activities. Rather than allowing states to develop their own plans based on the unique needs of their recipients, this bill forces 40 hours of work-related activities a week to count toward the work participation rate and the mandated 40 hours of work.

States need the flexibility to assign the most appropriate activities to recipients based on an assessment of individual needs. For example, recipients with low English proficiency (LEP) need access to English as a second language programs before they can gain the needed job skills and training that result in lasting jobs that pay livable wages and include benefits. Recipients with children need access to quality child care before they can leave home to work. In 2000, the Department of Health and Human Services (HHS), Administration for Children and Families issued a report stating that only 12 percent of those eligible for federal child care assistance receive this much needed assistance. Instead of providing the funding necessary to offer assistance to the 88 percent of parents in need of child care, this bill doubles their amount of work hours required.

Most importantly this bill does nothing to restore federal assistance to Legal Permanent Residents (LPRs). On the contrary, H.R. 4737 contains two extremely harmful provisions that would further restrict LPR access to federal assistance, including to the food stamp program. The superwaiver provision will allow the Executive Branch to waive virtually all program rules completely disregarding Congressional intent. Additionally, the food stamp block grant provision would allow five states to opt for a fixed amount of food stamp funds for the next five years. The incentive to ensure program participation will be eradicated. These two provisions have the potential of reversing the gains made by the restoration of food stamp benefits for LPRs in the Farm Bill, which was just signed into law earlier this week. In times when states face increasing budgetary deficits, a fixed block grant that can be used for other programs of the states is exactly what is needed to get back to work. States have recognized the importance of providing services to LPRs, but with more and more states running budgetary deficits restricting on immigrant access to federal programs impose a serious dilemma. The federal government should not continue to ignore the needs of LPRs. Since many LPRs work in the service industries that are affected most acutely by recessions, they are in need of the back to work assistance that TANF can provide.

Mr. Speaker, this bill does nothing to address the barriers that prevent recipients from achieving sustained independence and self-sufficiency. It does nothing to facilitate the education or job skills needed for recipients to leave poverty. The bill does nothing to address the overwhelming backlog of single parents who need adequate child care. It does nothing to restore federal assistance to LPRs. It does nothing to address poverty reduction or advance employment.

For these reasons and more, I urge Members to oppose H.R. 4737.

Ms. BALDWIN. Mr. Speaker, I urge my colleagues to vote against this bill. I believe that the test of success of welfare reform is its capacity to lift families (especially children) out of poverty. In 1996, the Welfare Reform Act was able to help Americans, must be allowed to access the gains made by the restoration of food stamp programs before they can gain the lasting jobs that pay livable wages and include benefits. Recipients with children need access to quality child care before they can leave home to work. In 2000, the Department of Health and Human Services (HHS), Administration for Children and Families issued a report stating that only 12 percent of those eligible for federal child care assistance receive this much needed assistance. Instead of providing the funding necessary to offer assistance to the 88 percent of parents in need of child care, this bill doubles their amount of work hours required.

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Mr. MOORE. Mr. Speaker, I rise today to discuss my views on H.R. 4737 and explain my reasons for opposing this legislation and supporting a moderate, workable substitute.

I believe in a “work first” policy for welfare recipients—the best path to independence for welfare recipients is a job. I also believe that we should do all that we can to ensure that work pays and remember that the reduction of poverty, especially child poverty, is the ultimate goal of this reauthorization.

I have entered into the Record a letter from Janet Schalansky, Secretary of the Kansas Department of Social Services. Ms. Schalansky’s letter expresses clearly many of my concerns with H.R. 4737, and I believe that the substitute that I support addresses many of her concerns with the underlying legislation, especially her concerns regarding unfunded mandates and the need for education, training and other supports for individuals leaving welfare.

States, including my own state of Kansas under Secretary Schalansky’s leadership, have done a good job implementing the proviso of the 1996 law. Kansas has reduced the cash assistance caseload by more than half, and helped approximately 37,000 adults become employed and retain employment. I want to continue to do what I can to ensure that the states have the tools and flexibility they need to help welfare recipients move from welfare to work, but H.R. 4737 falls far short of that goal.

Education is the path through which welfare recipients will truly find long-term, well-paying, permanent employment. Only education and training will give welfare recipients the skills they need to move permanently to a life of self-sufficiency. Unfortunately, H.R. 4737 greatly reduces the states’ discretion to allow welfare recipients to get education and training...
to pull themselves out of poverty. This legislation removes vocational education from the list of work-related activities that count toward the core work requirement. In addition, the bill does not provide an employment credit to the states when individuals leave welfare for work. That is why providing a substitute that will allow states to combine successful “work first” initiatives with education and training. The substitute will give states credit when they move individuals from welfare to private-sector jobs, rather than giving them an incentive to create more jobs. The substitute provides an inflationary increase to states and required to provide child care for working welfare recipients and provide an inflationary increase for the TANF block grant.

Finally, I have great concerns about the so-called “superwaiver” provisions of this legislation. Although I am pleased that the authors of H.R. 4737 have removed some of the most egregious provisions of the superwaiver, I am still concerned that the legislation will permit broad and unaccountable waivers of federal requirements in several programs, including the Food stamp program, Workforce Investment Act, Adult Education, and the Child Care and Development Fund. The states should be given the funds and flexibility they need to run a welfare program, and they should be accountable for the result. The substitute that I support includes no such broad waiver.

Mr. Speaker, the House should reject H.R. 4737 and substitute. Our goal is to move welfare recipients to work and help people lift themselves out of poverty. The substitute gives the states the tools they need to achieve that goal.

PROVIDE CASH ASSISTANCE TO APPROXIMATELY 9,030 ADULTS AND 22,465 CHILDREN EACH MONTH

Create unique employment preparation strategies and support services for addressing the multiple barriers for many TANF recipients. Provide innovative child care improvement.

On February 26, the Bush Administration introduced the outline of its TANF reauthorization proposal. Although the department supports the President’s overall goals for the TANF program, we do not support all of his recommended changes to the program. His proposal to require all families to participate in work activities for 40 hours per week with 24 of those hours mandated to be in subsidized or unsubsidized work is especially problematic. Attached to this letter is a review of the department’s position on the key provisions of the proposal. I hope you will consider the agency’s position when these issues are debated and voted on in Congress.

The Temporary Assistance for Needy Familiesblock grant has been successful in getting families employed and off cash assistance. While in the past there was an unfinished agenda of welfare reform, one that involves on-going supports to low-income working families as well as one that seeks to remove the barriers for TANF recipients with multiple barriers to employment. The work of the TANF agency does not end when families exit the cash assistance caseload.

SRS supports continued emphasis on the work first approach which is appropriate and integral to continued success. The Department recognizes that the caseload is not homogeneous and some clients can move to work easily while others require more intense interventions. In order for employed clients to remain employed, to increase wages, and to seek and obtain new and better opportunities, the state’s work must continue. In order to continue helping families who are not successful, that the flexibility currently afforded to states be continued and federal funding levels for the program remain adequate. We need to stay the course to accomplish the goals of welfare reform.

If I have any questions about the President’s proposal or other TANF reauthorization bills that are introduced, please feel free to contact me. I would like to keep you updated on how these proposals will affect the low income citizens of Kansas.

Sincerely,

JANET SCHALANSKY, Secretary

KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

H2557

CONGRESSIONAL RECORD—HOUSE

May 16, 2002

PROVIDE INNOVATIVE CHILD CARE IMPROVEMENTS, INCLUDING AN EARLY HEAD START PROGRAM, TO HELP MORE CHILDREN REMAIN IN THEIR OWN HOME OR BE RETURNED TO THEIR HOMES QUICKLY

UNFUNDED MANDATE OF THIS MAGNITUDE COULD DESTABILIZE THE STATE BUDGET. IF WE ARE GOING TO SPEAK JUST TO BALANCE NEXT YEAR'S BUDGET, WE MUST PROVIDE THE FUNDING NECESSARY TO PROVIDE THE CHILD CARE THAT BARELY KEEPS PACE WITH THE EXPANDING WORKFORCE.


HON. DENNIS MOORE,
U.S. REPRESENTATIVE, CANNON HOUSE OFFICE BUILDING, WASHINGTON, DC.

DEAR REPRESENTATIVE MOORE: AS YOU STUDY THE ISSUES SURROUNDING THE REAUTHORIZATION OF THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) PROGRAM DURING THIS CONGRESSIONAL SESSION, PLEASE KEEP IN MIND THAT IT IS THE FLEXIBILITY AFFORDED THE STATES BY TANF THAT HAS ALLOWED KANSAS TO DEVELOP PROGRAMS WHICH PROMOTE SELF-SUFFICIENCY AND STRENGTHEN FAMILIES. AS A RESULT OF THIS FLEXIBILITY, KANSAS HAS BEEN ABLE TO REDUCE THE CASeload BY 10,000 FAMILIES SINCE WELFARE REFORM BEGAN ON OCTOBER 1, 1996.

HELPING ALMOST 37,000 ADULTS BECOME EMPLOYED AND RETAIN EMPLOYMENT FOR A YEAR OR LONGER.

PROVIDE CASH ASSISTANCE TO APPROXIMATELY 9,030 ADULTS AND 22,465 CHILDREN EACH MONTH.

CREATE UNIQUE EMPLOYMENT PREPARATION STRATEGIES AND SUPPORT SERVICES FOR ADDRESSING THE MULTIPLE BARRIERS FOR MANY TANF RECIPIENTS.

PROVIDE INNOVATIVE CHILD CARE IMPROVEMENTS, INCLUDING AN EARLY HEAD START PROGRAM, TO HELP MORE CHILDREN REMAIN IN THEIR OWN HOME OR BE RETURNED TO THEIR HOMES QUICKLY.

ON FEBRUARY 26, THE BUSH ADMINISTRATION INTRODUCED THE OUTLINE OF ITS TANF REAUTHORIZATION PROPOSAL. ALTHOUGH THE DEPARTMENT SUPPORTS THE PRESIDENT’S OVERALL GOALS FOR THE TANF PROGRAM, WE DO NOT SUPPORT ALL OF HIS RECOMMENDED CHANGES TO THE PROGRAM. HIS PROPOSAL TO REQUIRE ALL FAMILIES TO PARTICIPATE IN WORK ACTIVITIES FOR 40 HOURS PER WEEK WITH 24 OF THOSE HOURS MANDATED TO BE IN SUBSIDIZED OR UNSUBSIDIZED WORK IS ESPECIALLY PROBLEMATIC. ATTACHED TO THIS LETTER IS A REVIEW OF THE DEPARTMENT’S POSITION ON THE KEY PROVISIONS OF THE PROPOSAL.

I HOPE YOU WILL CONSIDER THE AGENCY’S POSITION WHEN THESE ISSUES ARE DEBATED AND VOTED ON IN CONGRESS.

THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT HAS BEEN SUCCESSFUL IN GETTING FAMILIES EMPLOYED AND OFF CASH ASSISTANCE. WHILE IN THE PAST THERE WAS AN UNFINISHED AGENDA OF WELFARE REFORM, ONE THAT INVOLVES ON-GOING SUPPORTS TO LOW-INCOME WORKING FAMILIES AS WELL AS ONE THAT SEeks TO REMOVE THE BARRIERS FOR TANF RECIPIENTS WITH MULTIPLE BARRIERS TO EMPLOYMENT.

THE WORK OF THE TANF AGENCY DOES NOT END WHEN FAMILIES EXIT THE CASH ASSISTANCE CASELoad.

SRS SUPPORTS CONTINUED EMPHASIS ON THE WORK FIRST APPROACH WHICH IS APPROPRIATE AND INTEGRAL TO CONTINUED SUCCESS. THE DEPARTMENT RECOGNIZES THAT THE CASELOAD IS NOT HOMOGENEOUS AND SOME CLIENTS CAN MOVE TO WORK EASILY WHILE OTHERS REQUIRE MORE INTENSE INTERVENTIONS. IN ORDER FOR EMPLOYED CLIENTS TO REMAIN EMPLOYED, TO INCREASE WAGES, AND TO SEEK AND OBTAIN NEW AND BETTER OPPORTUNITIES, THE STATE’S WORK MUST CONTINUE. IN ORDER TO CONTINUE HELPING FAMILIES WHO ARE NOT SUCCESSFUL, THAT THE FLEXIBILITY CURRENTLY AFFORDED TO STATES BE CONTINUED AND FEDERAL FUNDING LEVELS FOR THE PROGRAM REMAIN ADEQUATE. WE NEED TO STAY THE COURSE TO ACCOMPLISH THE GOALS OF WELFARE REFORM.

IF I HAVE ANY QUESTIONS ABOUT THE PRESIDENT’S PROPOSAL OR OTHER TANF REAUTHORIZATION BILLS THAT ARE INTRODUCED, PLEASE FEEL FREE TO CONTACT ME. I WOULD LIKE TO KEEP YOU UPDATED ON HOW THESE PROPOSALS WILL AFFECT THE LOW INCOME CITIZENS OF KANSAS.

SINCERELY,

JANET SCHALANSKY, SECRETARY

KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES.
monitor self-sufficiency plans for all TANF families.

Retains the Current Five Year Time Limit and 20 Percent Exemption Limit. The Department of Health and Human Services recommends extending the time limit to seven years. This extension is not supported. The seven year limit would allow recipients more time to develop skills, find employment, and become self-sufficient. Kansas supports extending this exemption to 20 percent of a state’s caseload. This proposal is consistent with national goals of enhancing work activity and making the welfare system more effective. Kansas supports increasing the time limit to seven years and increasing the exemption to 20 percent of a state’s caseload.

Delays Child Care Cost-Benefit Levels. The President’s proposal maintains the current level of funding for both the TANF and Child Care programs with no indexing of inflation. Level funding will not be sufficient to accomplish and sustain the goals of the TANF program for the following reasons: families now receiving cash assistance will pay a higher percentage of their income for child care expenses, and social barriers which they must overcome before becoming successfully employed. These services are revenue neutral and would not exceed the expenditures for cash grants. Working poor families continue to need support services, such as child care, transportation, tools and work-related expenses, and child care funding must be increased as well. In Kansas, the cash assistance caseload has increased due to the weakened economy. This trend continues to increase the demands for cash assistance, which will make it difficult to continue providing the child care, diversion benefits, state income tax credits, and job transportation assistance to the working poor who are no longer receiving cash assistance. Unless TANF and child care funding levels are increased, states will have to choose between reducing work support services and turning away some of the neediest families. Kansas, therefore, supports indexing the TANF federal child care funding level in order to provide increased funding for child care for all TANF participants. Kansas supports the continuation of the state’s Maintenance of Effort (MOE) requirement as it exists in the current law.

Restores Supplemental and Contingency Funds. Allows for Rainy Day Funds, and Restores Ability to Transfer 10 Percent of TANF Grant to Social Services Block Grant. Although these provisions will be of no help to Kansas, greatly beneficiating other states, Kansas does not have the low rates of unemployment or poverty required to benefit from the supplemental or contingency funds. Kansas supports restoring federal funding for the Social Services Block Grant. Kansas supports state programs for decreases in caseloads to TANF services. Kansas supports restoring federal funding of the Social Services Block Grant.

Disavows State Program Waivers. The Bush administration proposes to discontinue TANF program waivers granted prior to the 1996 welfare reform legislation. Kansas does not support this proposal because it has received much national recognition for the programs it has developed to address learning disabilities, substance abuse, and domestic violence. The state has been able to accomplish this because of its waiver which allows all participation in job readiness activities to count toward satisfying the state’s work participation rate. With the administration’s proposal to discontinue current waivers, impose a new 24/40 work participation requirement, and impose rehabilitative and substance abuse treatment to 3 months out of each 24 months, Kansas will be forced to drop the successful programs deemed critical to work participation and accept a financial penalty. Kansas does support removing the limitation that requires 24/40 State work participation for only 15 percent of the population. Kansas supports the Bush administration proposal to create an integrated array of services to address the greatest need by: Providing federal matching for states to provide or improve a pass through of child support to families that receive TANF; giving states the flexibility of providing families that have left TANF the full amount of child support collected on their behalf with federal sharing of the costs; collecting a $25 annual user fee from families that have never received welfare; lowering the threshold for passport denial to $2,500; and expanding the federal offset program to allow states to collect past-due child support by withholding a limited amount of Social Security Disability Insurance payments from appropriate beneficiaries if benefits exceed $500 per month. Kansas supports these proposals if they remain options to the state.

Reforms Food Stamp Program. The reforms proposed by the President’s administration, such as simplifying some program rules, will make it easier for states to ensure that food stamp recipients are not as deserving as those in the recently passed Senate version of the Farm Bill. We support the Senate proposals. Kansas supports the President’s proposals to provide food stamps to legal immigrants and to eliminate the cap on EBT costs. Kansas is not supportive of the President’s proposals regarding Quality of Care Standards. Kansas was not in place for FY 2000, the impact would have been substantial. Our sanction would have increased from $79,313 to $306,036. Integration Waivers. Kansas is supportive of the ability to coordination among agencies that provide services to TANF recipients. Kansas supports the President’s proposal to provide food stamps to legal immigrants and to eliminate the cap on EBT costs.

Encourages Abstinence and Prevents Teen Pregnancy. The administration’s goal for federal policy is to emphasize abstinence as the only way to avoid both unintended pregnancies and STDs. Although the scientific evaluation funded by Congress to study the effectiveness of abstinence-only programs will not be completed until 2003, the administration is proposing to pursue these goals while maintaining flexibility so that states can design programs that work.

Enhances Child Support Enforcement. The five year time limit has been a good motivational tool for those recipients who are seeking assistance. Continuing to provide the twenty percent exemption will allow persons with documented hardship conditions to receive assistance past the 60 month limit.

An upgraded Child Care Cost-Benefit Levels. The President’s proposal maintains the current level of funding for both the TANF and Child Care programs with no indexing of inflation. Level funding will not be sufficient to accomplish and sustain the goals of the TANF program for the following reasons: families now receiving cash assistance will pay a higher percentage of their income for child care expenses, and social barriers which they must overcome before becoming successfully employed. These services are revenue neutral and would not exceed the expenditures for cash grants. Working poor families continue to need support services, such as child care, transporta- tion, tools and work-related expenses, and child care funding must be increased as well. In Kansas, the cash assistance caseload has increased due to the weakened economy. This trend continues to increase the demands for cash assistance, which will make it difficult to continue providing the child care, diversion benefits, state income tax credits, and job transportation assistance to the working poor who are no longer receiving cash assistance. Although TANF and child care funding levels are increased, states will have to choose between reducing work support services and turning away some of the neediest families. Kansas, therefore, supports indexing the TANF federal child care funding level in order to provide increased funding for child care for all TANF participants. Kansas supports the continuation of the state’s Maintenance of Effort (MOE) requirement as it exists in the current law.

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rolls and put into jobs. This was good for America and great for working, tax-paying Americans.

But that bill was not perfect. For one, it excluded millions of tax-paying residents from qualifying for these work assistance programs, namely legal immigrants.

Today, we have the opportunity to make changes in those sections that failed and improve upon our successes. Unfortunately, that will not happen.

Congressman XAVIER BECERRA and I planned on offering an amendment that would have rectified this biggest of injustices of the 1996 welfare bill. Our amendment would have allowed legal immigrants—legal, tax paying residents—to participate in the education, job training and pregnancy prevention programs of this personal responsibility bill. But the House Republican leadership overruled us and threw away the hopes of millions of our constituents.

Essentially, this bill discriminates against legal, tax-paying residents, leaving them hungry and out in the cold without assistance. I am particularly concerned about the effect this bill will have on my immigrant constituents. Queens is the fastest growing borough of New York City and my Congressional District is made up of the most diverse in the world. Over 100 languages are spoken in my part of Western Queens, many by immigrants who came here for a better life for themselves and for their children.

Most of these people are here legally. They pay taxes, and they contribute to the social and economic character of the United States. We are richer for their presence, and I am proud to represent them. However, many need a temporary helping hand to get on their feet, get a job and taste their slice of the American pie.

This bill however would leave these families, and their children, without any resources when in need of a helping hand.

I do not believe that this is right or fair and I am greatly concerned that it will have a significant impact on the one in five children in this country with immigrant parents. This bill undermines the civil rights of the over 35 million Latinos living in the U.S. legally and is not responsive to the needs of all immigrant families struggling through tough times.

This bill limits access to job-training and higher education opportunities, ensuring that individuals on welfare stay on welfare. Under this bill, those who do, by some miracle, manage to get off of public assistance, would not be given any additional support, such as transitional healthcare coverage, to stay off of welfare.

Perhaps most importantly, this bill devotes almost nothing to child care, while increasing work requirements, effectively forcing working mothers to leave their children unattended in order to earn enough money to feed them. In short this bill is a disgrace. However does such a law serve our society?

Every 93 seconds a child is born into poverty in America’s legal immigration system. This bill does nothing to help them. The GOP bill would increase mandatory child care funding by only $1 billion over the next five years, that’s barely enough to keep pace with inflation, and nowhere near enough to implement the bill’s new work participation requirements, not to mention provide child care to the 15 million children who are now eligible for day care assistance but who are not currently covered because States lack sufficient resources.

Again, I worked to add an amendment to the bill to allow for $20 billion to be invested over the next 5 years for child care for all of those participating in this program, but was again denied by Congressional Republicans.

The result, a greater difficulty getting families with children off of welfare, or more latch-key kids left alone in the after school hours to do whatever they please without parental supervision.

And so, not only does this bill not give welfare beneficiaries the tools necessary to become self-sufficient, but it downright destroys them. But the process of bringing this bill to the floor has been geared towards silencing dissenting voices.

My friends on the other side will try to say that I am trying to give taxpayer money to people who, they claim, refuse to work if we are to believe their premise that the 1996 welfare bill was a proven success at providing a temporary helping hand to get people off the dole and into jobs, then why shouldn’t Congress extend this same helping hand to all of our residents in need. Shouldn’t we encourage, as opposed to discourage, work?

This current bill leaves more of my working constituents paying a greater share of their hard earned tax dollars to those who are not given the tools to enter the workforce and get off of government assistance. This Republican bill makes no sense. Let’s vote it down and start again. Let’s invest in our people and give them the tools to get jobs, get off welfare and contribute to our national economy.

This is not a question of budgets, this is about priorities. I urge the House to reject this Republican bill.

Mr. BLUMENAUER. Mr. Speaker, there’s no small amount of irony that just one week after Congress reinstated welfare for some of the largest agricultural interests in this country in the farm bill, the Bush Administration and Republican leadership in the House are imposing new burdens on the poorest and most vulnerable of our citizens. This Welfare Bill denies states the ability to use their own approaches, field-tested and improved by real-world experience, to meet their own citizens’ needs. That’s why the majority of governors, both Republicans and Democrats, and the president and governors oppose the approach in the Republican Welfare Bill.

As the national unemployment rate has increased, Oregon has had the highest rate in the country. Welfare reform is no longer propped up by a full-employment economy, and moving from welfare to work has become much more difficult. The Administration and Republican leadership bill offers a rigid, designed-in-Washington, one size fits all approach. Instead, we should focus on supporting work, flexibility of the states, and total support for families through a combination of work experience, training, education and child care.

I support the substitute offered by my colleague, Ben CARDIN, because it meets our needs with children instead of the State of Oregon. Instead of unfunded mandates, the substitute increases flexibility and encourages real work. It also provides increased funding to make a down payment towards the needs of the 15 million uninsured children eligible for childcare. Most importantly, it provides guarantees to our poorest and most vulnerable citizens who have the least political power will get real help moving into the workforce, not just more rules and requirements.

Mr. GILMAN. Mr. Speaker, I rise today in support of our Nation’s families. As co-chair of the Congressional Child Care Caucus, child care should not be a partisan issue. Every day in this country, thirteen million children under the age of six are cared for by someone other than their parents. And each day, children are needlessly placed in harm’s way because parents cannot afford to hire high quality child care services.

The need for quality child care and after school care continues to grow throughout the country and with the President’s recent call for increasing federal welfare work requirements, which I strongly support, it is imperative that the child care development block grants, CCDBG, be increased by $11 billion over the next 5 years.

In New York State alone, there is a need for an increase of $1.4 billion in CCDBG money over the next 5 years, which would allow an additional 79,000 families to enroll in the program each year.

Without this increase, many families are forced to choose more affordable, yet low quality child care services, and in turn, put their children at an unnecessary risk. In other cases, parents work 3 and 4 jobs in order to pay for child care, which increases their need for child care due to additional work hours.

This endless cycle of working for child care and needing child care because of work services no one and in the long run, it only hurts families as the number of hours spent together diminishes.

Each year, hundreds of children are injured or killed as a result of deplorable conditions, unqualified personnel and the blatant lack of respect for the laws intended to protect our children.

Many parents know that they are leaving their children in an unlicensed or unaccredited center, but their hands are tied because this is all that they can afford. By providing additional funds for the CCDBG, We can expand the availability of child care services and increase the amount of assistance to those families already enrolled in the program, allowing them to place their children in safe child care conditions.

There are already too many horror stories on the news about infants left in the hands of unqualified caregiver. This is our opportunity to make a difference and to ensure that every child, regardless of economic background, has access to quality child care opportunities. Accordingly, I urge colleagues to support the $11 billion increase in the CCDBG to provide a better future for our children by making them our priority.

Ms. KILPATRICK. Mr. Speaker, today, the House of Representatives debated key legislation—expected Welfare Reform Authorization. Unfortunately, the legislation we passed does not represent a step forward in welfare policy. Since Congress passed the 1996 Welfare Reform law, many have touted its success in reducing welfare rolls. While this is true, it paints a distorted picture on the realities of welfare.

Yes, many States have reduced welfare rolls, but many of the families that are moving off welfare are moving straight into low-income, minimum wage jobs. Many still rely on federal supports, such as Medicaid and food stamps to stay afloat. Is this success?

We cannot expect families to move forward unless we provide them with the essentials to succeed in life. Unfortunately, the bill that
Republicans introduced does not address or contain sound policies and provisions that will help lift individuals out of poverty and off of welfare. This should be the focus of welfare reform reauthorization—to help lift families out of poverty. If this isn’t the main goal, and it is not in the Republican bill, then we are failing the system and more importantly we are failing families.

We need to improve upon what we know from the 1996 Welfare Reform law and work with States to provide them with the funds and flexibility they need to help families and children not only move off of welfare, but more importantly, move out of poverty. Greater emphasis should be placed on educational opportunities and programs—an approach that would ensure that families are able to move up the economic ladder. Without the opportunity to learn a trade or pursue post-secondary educational options, the outlook for families being able to move off of welfare and improve their economic status is bleak.

Education is the key to success—we all know that. Yet, the Republican bill does not stress the need for education. By providing States with the flexibility of offering more educational programs, the provisions in the Republican bill put States in a compromising position. In order to adhere to the strict work requirement of a 70 percent participation rate by States to retain a $1 billion work incentive, States would need to focus more on pushing recipients into low-income or workforce type programs that offer no chance of a brighter future. This is the wrong choice for families.

While the Republican bill puts forth unrealistic expectations on States and welfare recipients, it does not, at the same time, adequately increase Temporary Assistance for Needy Families (TANF) funding and child care funding and help States to help them meet the requirements. In fact, there is no increase in TANF spending and only a $1 billion increase in mandatory child care funding over five years. Currently, many working parents on welfare are not able to find quality child care. How can we expect working mothers to work a 40 hour week if they do not have access to quality child care? Child care is our first priority, but they are not in this bill.

The Republican Welfare Reform bill focuses on a one-size-fits-all policy that is concerned more with moving families off of welfare rolls than providing families with opportunities to succeed. Instead of looking at distinguishable numbers on paper, Congress needs to focus more on looking at individual families when implementing policies. If Republicans did this they would realize how unrealistic their bill truly is. It restricts States instead of providing them with more flexibility to determine what is the right approach for individual families in their State. Helping families to succeed is the Democratic approach—and the right approach. If we fail to enact policies that will give families a chance to create a better life, we fail families and we fail children.

For these reasons, I vote “no” on H.R. 4737.

Mr. MORAN of Virginia. Mr. Speaker, I rise in strong opposition to this legislation which is falsely named, the Personal Responsibility, Work and Family Promotion Act.

In 1996, when this body passed the “welfare to work” bill, we changed welfare forever and it was a giant in the right direction. Now 6 years later, we have seen results from this law being put in place. However, this welfare bill is a step in the wrong direction.

No one will argue that the “welfare to work” law isn’t successful. I believe that in our hopes to move forward on welfare reform, we are ignoring an important population in our community—our children. When we support a bill that wants welfare recipients to work 40 hour work weeks but provides no additional funding for care? And how can we as a body entertain providing tax benefits for stay at home mothers, while at the same time, forcing low-income mothers to work 40 hours a week, and the children are separated from their children for longer periods of time? The bottom line is that you cannot expand work requirements without expanding child care.

Should welfare recipients really have to choose between being a good worker or a good parent? The Democratic substitute provides states with the necessary resources, such as child care funding, to meet the stronger work requirements. The Republican bill does not. The Democratic substitute provides states with the necessary resources to educate and train welfare recipients. The Republican bill eliminates vocational education as training, as well as participation in English as a second language and GED programs to count toward the participation rate. The Republican bill eliminates vocational education from the list of work-related activities.

Most of us are parents. We know the daily struggles of balancing work and family. Sometimes these struggles prove even more difficult for single-parent families. We need a system that does not discriminate by family type or marital status. The Republican bill does just that.

In a perfect America, children would be raised in two-parent families. In a perfect America, all citizens would be trained and educated in order to choose any job they wanted, not limited to only the ones they are qualified to do. Regrettably, this bill imposes heavier work responsibilities on welfare recipients without providing the tools to protect their families.

Another population that is largely ignored by the Republican bill is our immigrant population. While I still have many concerns with the farm bill that was signed into law on Monday, I was pleased to support the provision which restores food stamp benefits to legal immigrants. Let’s do one better for our immigrant population. Let’s allow states to be able to provide welfare benefits to legal immigrants. The welfare of all our nation’s children, whether they are born here in the United States, or somewhere else, should be today’s most important consideration. The Democratic substitute does just that. It will also allow states to “grandfather in” legal immigrant pregnant women and children, certain our most underserved citizens.

Today, let’s send a message to America that we want citizens on the road to economic independence. Let’s arm these citizens with the training and education necessary to sustain and advance employment, while ensuring their family’s security by providing child care. Let’s protect the welfare of our most important commodity, our children. I urge all my colleagues to vote against H.R. 4700 and vote in favor of the Democratic substitute. Let’s pass a meaningful welfare reform bill today.

Mrs. McCARTHY of New York. Mr. Speaker, as the House debates Welfare Reform, we must focus on how we are going to help families move from welfare and poverty to work and prosperity. As I looked at both the Republican and Democratic bills, I found the Democrat proposal did a lot more to move families from handouts to becoming active workers in today’s market.

In addition, the Democratic substitute further strengthens the current work requirements: Increasing the number of work-focus activity hours from 20 to 24 hours; requiring a minimum of 30 hours of work and provides states the option of increasing the number of recipients to work 40 hour work weeks; and reduces the current caseload reduction credit with an employment credit that reduces states participation rate according to the number of people leaving welfare to work. In addition, the Democratic substitute provides the state with the necessary resources to meet the stronger work requirements.

The Republican bill places a large unfunded mandate burden on the states. The Democratic substitute raises the bar on the work requirements and provides the states with the resources to meet these requirements.

For example, it provides an additional $11 billion for mandatory childcare funding over five years to meet the work requirements. In addition, the bill increases the set-aside for child care quality from 4 to 12 percent.

Moreover, the Democratic substitute provides states with the flexibility. The most promising state programs that help welfare recipients obtain and advance in a job combine a “work first” approach with supplemental training and education. The Republican bill eliminates vocational education from the list of work-related activities that count toward the state’s participation rate.

Finally, the Democratic substitute rewards self-sufficiency and gives families the help they need to successfully move from welfare to work. It improves the Individual Responsibility Plan so that every family has a specific plan detailing the steps and work supports needed to move the parent into meaningful work activities and achieve self-sufficiency. It also provides a 5-year extension of Transition Medical Assistance (TMA) for parents and children leaving welfare. The Republican bill only extends TMA for 1 year.

Mr. Speaker, I urge all my colleagues to support this Democrat alternative and reject the underlying bill that hurts American families.

Mr. SHAYS. Mr. Speaker, I rise in support of H.R. 4737, the Personal Responsibility, Work and Family Promotion Act.

The 1996 welfare law was the most significant change in American social policy in a generation. By linking benefits to work, the law introduced the concept of economic responsibility, and managed to keep the dignity of a steady paycheck. This legislation sets a more challenging standard on work, one that is tough but achievable.

H.R. 4737 requires states to engage at least 70 percent of their welfare recipients in 24 hours of direct work each week, and the other 16 hours in job-related activities like education, training, or counseling. This will allow individuals to work 3 days and go to school 2
days each week. Meaningful work requirements blended with education and training will lead to greater self-sufficiency.

As we set a higher standard of work and require welfare recipients to be active participants in improving their lives, Congress must give them the support necessary to make this transition. A combination of work and social services will provide a more effective approach to fighting welfare dependency and poverty than an approach that relies primarily on government handouts.

We must be responsive to people with multiple barriers to employment. As the reauthorization process moves forward, I am hopeful there will be a focus on allowing older individuals to take the time necessary to get a GED, as well as a greater emphasis on helping those who need intensive drug rehabilitation.

I applaud the decision to provide an additional $2 billion in child care funds. Safe, affordable, high-quality child care is an important part of the support network needed to move people from welfare to work. Additional child care funds will allow parents to hold jobs.

I am also pleased this bill helps states address the unique challenges faced by their populations. H.R. 4737 enables states to conduct innovative demonstration projects and coordinate a range of problems in order to improve the welfare systems the bill better meet the needs of welfare recipients as they work toward independence.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. PAUL. Mr. Speaker, no one can deny that welfare programs have undermined America's moral fabric and constitutional system. Therefore, all those concerned with restoring liberty and protecting civil society from the maw of the omnipotent state should support efforts to eliminate the welfare state, or, at the very least, reduce federal control over the provision of social services. Unfortunately, the misnamed Personal Responsibility, Work and Family Promotion Act (H.R. 4737) actually increases the unconstitutional federal welfare state and thus undermines personal responsibility, the work ethic, and the family.

H.R. 4737 reauthorizes the Temporary Assistance to Needy Families (TANF) block grant program, the main federal welfare program. Mr. Speaker, increasing federal funds always increases federal control as the recipients of the funds must tailor their programs to meet federal mandates and regulations. More importantly, since federal funds represent resources taken out of the hands of private individuals, increasing federal funding leaves fewer resources available for the voluntary provision of social services, which, as I will explain in more detail later, is a more effective, moral, and constitutional means of meeting the needs of the poor.

H.R. 4737 further increases federal control over welfare policy by imposing new mandates on the states. This bill even goes so far as to dictate to states how they must spend their own funds! Many of the new mandates imposed by this legislation concern work requirements. Of course, Mr. Speaker, there is a sound argument for requiring recipients of welfare benefits to work. Among other benefits, a work requirement can help welfare recipient obtain useful job skills and thus increase the likelihood that they will find productive employment. However, forcing welfare recipients to work does raise valid concerns regarding how much control over one’s life should be ceded to the government in exchange for government benefits.

In addition, Mr. Speaker, it is highly unlikely that a “one-size-fits-all” approach dictated from Washington will meet the diverse needs of every welfare recipient in every state and locality in the nation. Proponents of this bill claim to support allowing states, localities, and private charities the flexibility to design welfare-to-work programs that fit their particular circumstances. Governor Jesse Ventura points out in the attached article, this proposal constrains the ability of the states to design welfare-to-work programs that meet the unique needs of their citizens.

As Governor Ventura points out in reference to this proposal’s effects on Minnesota’s welfare-to-work program, “We know what we are doing in Minnesota works. We have evidence. And our way of doing things has broad support in the state. Why should we be forced by the federal government to put our system at risk?” Why indeed, Mr. Speaker, should the federal government abandon its individual welfare programs because a group of self-appointed experts in Congress, the federal bureaucracy, and inside-the-beltway “think tanks” have decided there is only one correct way to transition people from welfare to work? Mr. Speaker, H.R. 4737 extends the reach of the federal government by authorizing $100 billion dollars for new “marriage promotion” programs. I certainly recognize how the welfare state has contributed to the decline of the institution of marriage. As an obstetrician in private practice, I know better than most the importance of stable, two parent families to a healthy society. However, I am skeptical, to say the least, of claims that government “education” programs can fix the deep-rooted cultural problems responsible for the decline of the American family.

Fourthly, Mr. Speaker, federal promotion of marriage opens the door for a level of social engineering that should worry all those concerned with preserving a free society. The federal government has no constitutional authority to promote any particular social arrangement; instead, the founders recognized that people are better off when they form their own social arrangements free from federal interference. The history of the failed experiments with welfarism and socialism shows that government can only destroy a culture; when a government tries to build a culture, it only further erodes the people’s liberty.

H.R. 4737 further raises serious privacy concerns by expanding the use of the “New Hires Database.” The government plans to use the database to verify unemployment claims. The New Hires Database contains the name and social security number of everyone lawfully employed in the United States. Increasing the states’ ability to identify fraudulent unemployment claims is a worthwhile public policy goal. However, every time Congress authorizes a new use for the New Hires Database it takes a step toward transforming it into a universal national database that can be used by government officials to monitor the lives of American citizens.

As with all proponents of welfare programs, the supporters of H.R. 4737 show a remarkable lack of trust in the American people. They would have us believe that without the federal government, the lives of the poor would be “nasty, brutish and short.” However, as scholar Sheldon Richman of the Future of Freedom Foundation and others have shown, voluntary charities and organizations, such as friendly societies that devoted themselves to helping the sick, the poor, and the infirm, flourished before the welfare state turned charity into a government function. Today, government welfare programs have supplemented the old-style private programs. One major reason for this is that the policy of high taxes and the inflationary monetary policy imposed on the American people in order for the federal state to have reduced the income available for charitable giving. Many over-taxed Americans take the attitude toward private charity that “I give at the (tax) office.”

Releasing the charitable impulses of the American people by freeing them from the excessive tax burden so they can devote more of their resources to charity, is a moral and constitutional means of helping the needy. By contrast, the federal welfare state is neither moral or constitutional. Nowhere in the Constitution does it authorize the power to level excessive taxes on one group of citizens for the benefit of another group of citizens. Many of the founders would have been horrified to see modern politicians define compassion as giving away other people’s money taken through taxation.

In conclusion, H.R. 4737 furthers federal control over welfare programs by imposing new mandates on the states, which furthers unconstitutional interference in matters best left to state local governments, and individuals. Therefore, I urge my colleagues to oppose it. Instead, I hope my colleagues will learn the lessons of the failure of the welfare state and embrace a constitutional and compassionate agenda of returning control over the welfare programs to the American people through large tax cuts.

Welfare Not the Fed’s Job

(By Jesse Ventura)

In 1996, the federal government ended 60 years of failed welfare policy that trapped families in dependency rather than helping them to self-sufficiency. The 1996 law scrapped the federally centralized welfare system in favor of broad flexibility so states could come up with their own welfare programs. It was a move that had bipartisan support, was smart, fair, and worked.

Welfare reform has been a huge success. Even those who criticized the 1996 law now agree it is working. Welfare case loads are down, more families are working, family income is up, and child poverty has dropped.

The reason is simple: state flexibility. In six short years the states undid a 60-year-old federal program prescribed by Washington and created their own programs which are far better for poor families and for taxpayers.
But now it appears the Bush administration is having second thoughts about empowering the states. The administration's proposal would return us to a federally prescribed and imposed rules on how states work with each family, forming a "one size fits all" model for a system that for the past six years has produced individualized systems that have been successful in states across the country.

I would hope that as a former governor, President Bush would understand that these problems are better handled by the individual states. The administration's proposal would cripple welfare reform in my state and many others.

I know that my friend Health and Human Services Secretary Tommy Thompson did a wonderful job of reforming Wisconsin's welfare system, but doesn't mean that Wisconsin system would be as effective in Vermont. My state of Minnesota is also a national model for welfare reform. It is a national model, in part because we make sure welfare reform gets families out of poverty.

How do we do this? Exactly the way President Bush and Secretary Thompson would want the states to do it—by putting people to work.

But here's the rub—it matters how families on welfare get to work. In Minnesota, we work with families on a broad range of services to make sure the family breadwinner gets and keeps a decent job. For some families it might take a little longer but the president is not comfortable with, but the results are overwhelmingly positive. A three-year follow-up of Minnesota families on welfare found that more than three-quarters have left welfare or gone to work. Families that have left welfare for work earn more than $8 an hour, higher than comparable figures in other states. Minnesota has also experimented Minnesota as a leader among the states in job retention and advancement.

An independent evaluation of Minnesota's welfare reform pilot found it to be perhaps the most successful welfare reform effort in the nation. The evaluation found Minnesota's program not only increased employment and earnings but also reduced poverty, reduced domestic abuse, reduced behavioral problems with kids and improved their school performance. It also found that marriages increased and family stability increased as a result of higher family incomes.

The administration's proposal would have Minnesota families losing this aid and focus instead on make-work activities. In Minnesota we believe that success in welfare reform is about helping families progress to a self-sufficient status. While it may be politically appealing to demand that all welfare recipients have shovel's in their hands, it makes sense to me that the states—and not the feds—are in the best position to make those decisions.

We know what we are doing in Minnesota works. We have evidence. And our way of doing things seems to be taking root in some other states. Why should we be forced by the federal government to put our system at risk?

I believe that the federal government and have no problem with the federal government holding states accountable for results in welfare reform. But I also believe that in this case the people closest to the problem are best positioned to solve the problem and be left alone if they have.

Secretary Thompson, with the blessing of the president, seems to be taking our people on a road that violates the tenets of states' rights.

Say it ain't so, Tommy. As long as it's working, why not let the states do our own thing?

Ms. EDDIE BERNICE JOHNSON of Texas.

Mr. Speaker since the historic overhaul of this country's welfare system in 1996, we have witnessed dramatic changes in how this nation treats our poor children and families. While welfare rolls have dropped by more than 50 percent, many families have lost Food stamp benefits and Medicaid despite continued eligibility. In addition, numerous low-income families remain below the poverty line despite employment.

One of the most important issues Congress must address when considering reauthorization of the 1996 Welfare Reform Act is how race and ethnicity factor in why some welfare recipients have failed to obtain gainful and lasting employment. Research has shown that minorities face significantly more discrimination in the services they receive from welfare agencies as well as in the treatment they receive on the job.

Numerous studies have documented cases of racial disparities in Welfare Reform, and I believe they are worth mentioning.

A recent Chicago Urban League study found that while more than 50 percent of white recipients were referred to education programs, less than half of African Americans were referred to the same programs.

A statewide study of welfare recipients in Virginia by Professor Susan Gooden of Virginia Tech found that although African American program participants were, on average, better educated than whites, zero African Americans were directed to education programs to fulfill their requirements. At the same time, 41 percent of whites were steered to education programs. The study also found that African Americans were also less likely to receive help with transportation assistance, less likely to be placed in jobs by the state employment agency, and more likely to be subjected to drug and background tests, than white recipients.

A Gooden Employer study (1999) found that whites were more likely to have longer interviews than blacks (25 min. v. 11 min), less likely to have a negative relationship with their supervisor (29 percent v. 64 percent), and less likely to undergo pre-employment testing (24 percent v. 45 percent).

Cruel and Unusual (1999) Applied Research Center survey of more than 1,500 welfare recipients in 13 states, found that discriminatory treatment on the basis of gender, race, language, and national origin was a common experience. Forty-eight percent of African American women and 56 percent of Native American women who received job training were sent to demeaning "Dress for Success" classes, compared with only 24 percent of white women.

At the same time that people of color are being denied discriminatory systems (according to an Applied Research Center study) African Americans and other minorities are disproportionately affected by our current recession:

After September 11, the increase in unemployment rates for African Americans and Latinos was more than double that for whites. Unemployment among African Americans soared to 11.2 percent in April of this year and rose to 7.9 percent for Hispanics. African Americans has reached its highest point in 8 years, while Latino unemployment is its highest in 5.

In New York City, where unemployment has skyrocketed since the events of September 11, the New York Times reported in February that African American workers accounted for only 27 percent of those collecting unemployment benefits, even though they account for about 37 percent of the jobless. For Latinos, the Pew Hispanic Center reports that out of 1.26 million unemployed Latinos in December 2001, only 40 percent are receiving unemployment benefits, leaving some 756,000 unable to access the benefits to support their families.

Let me be clear: efforts to improve our economy are not reaching people of color. African Americans are facing nearly twice the national average. Latino unemployment hovers near 5 year high. These numbers are an outrage and are unacceptable. But, they don't even tell the whole story. While these workers are losing their jobs and their families are suffering, the Bush Administration is proposing cutbacks in job training programs and reductions in education funding that would help put people in a better position to earn a living wage.

We are poised to reauthorize welfare reform with Members on both sides of the aisle calling for an increase in the number of hours recipients must work to stay eligible for transitional assistance. I hope that these new unemployment numbers indicating that more African Americans are getting off the Mem- bers to rethink their positions. How can we look these people in the eye and tell them to work longer hours when there aren't even jobs available to them?

In 1996, we handed the administration of the welfare programs over to states. And who know better than the states that have been administering the TANF programs what will and what won't work?

The National Governors Association (NGA) is concerned about whether the Republican plan takes away the states' flexibility in administering TANF programs. In April of this year the National Governors Association (NGA) and the American Public Human Services Association (APHSA) conducted a joint survey of Governor and Legislature TANF administrators to assess the impact of changes to the work requirements would have on current state welfare programs. This study found that:

As states work with families on a more individualized basis, many states are finding that a combination of activities on a limited basis, such as work, job training, education, and substance abuse treatment, leads to the greatest success for some individuals. Governors believe the federal government should recognize the success of these tailored approaches to addressing an individual's needs by providing states greater discretion in defining appropriate work activities."

Also in the NGA report, "States expressed concerns over the impact of level funding of the TANF block grant; citing inflation having forced the purchasing power of the block grant, making it unlikely that the block grant will keep pace with the rising costs of services, such as case management, employment and training, transportation and child care."

The State of Illinois responded, "A 70 percent participation rate with a 40 hour a week requirement will probably require two things. First, creation of a number or make work activities or greater use of current ones, whether
or not warranted, just to fill the requirement. Second, a near total abandonment of allowing any client that is able to work at all to participate in such things as GED programs or post-secondary education.”

Once we force States to send all these people to work even though they don’t exist, what are we going to do with their children? Childcare is expensive! The states recognize this. In the NGA report, States were asked to estimate the annual increase in child care costs associated with the proposal to require 70 percent participation in activities totaling 46 billion. Of the 32 states responding to the question, 30 states indicated that the costs would increase and two states indicated that there would be no additional costs associated with the proposal. But the Republican plan doesn’t even begin to meet this enormous expense—The CBO estimates the increased mandatory work hours imposed on states by the Republican plan will increase child care cost an additional $3.8 billion—almost 4 times as much as the Republican plan provides! In fact, my state of Texas alone has an estimate of over 36,000 children on childcare waiting list.

For these reasons, I have introduced legislation that addresses racial inequalities and mistreatment of minorities in welfare program. While we are providing states the flexibility and funds to empower welfare recipients and address important issues like access to child care, education, and job training. The key provisions of this legislation include ensuring equal access by expanding education and training opportunities, strengthening fair treatment and anti-discrimination protections and encouraging racial equality.

I believe we should all agree that welfare reform measures should not punish racial and ethnic minorities attempting to better themselves. Every American must be provided with the opportunity and the obligation to be a productive member of society. As we continue to debate welfare authorization, we must make certain that racial and ethnic discrimination are not vehicles used to hinder access to the road from poverty. I urge my colleagues to vote “no” on the Republican bill.

Mr. STENHOLM. Mr. Speaker, in rise in opposition to this bill before us today. I was proud to be a member of the conference committee that wrote the welfare reform bill that was enacted in 1996. At the time, there were many critics of welfare reform who said that the bill would be a disaster for those truly in need. We found out that they were for the most part wrong about welfare reform. We could move people from dependence to work in a responsible way and not shortchange our commitment to the neediest in our society.

States have proven that if we give them flexibility to develop programs that work in their state they can effectively serve those citizens who strive to break the cycle of welfare dependence. That is why I am troubled by the provisions in the bill before us today that severely restrict the flexibility of states such as Texas to continue the activities that have been successful in their welfare to work programs and place a tremendous unfunded mandate on states.

For my own state of Texas, this bill would create an unfunded mandate of $166 million a year, in addition to the $78 million shortfall they will face under current law by 2007.

Texas would be forced to implement a subsidized employment program which it has already rejected as unworkable and change parts of its welfare reform effort that have been a success in moving welfare recipients into real jobs. It would be the height of arrogance for me to stand here in Washington and dictate to the states policies on welfare reform that the Texas legislature has already considered and rejected.

I must express my strong concern for the process that has brought us to the floor today. On February 7, 8, 9 and 14, 1995 the Committee on Reauthorizing the Present Welfare System (Serial 104–2). That is 4 days of hearings. That does not include other related hearings that the Committee held on other nutrition issues. A record was built on the issues regarding welfare reform. I will grant you that the eventual path to enactment of Welfare Reform was a tortuous and contentious one, but everyone understood the issues complicating the legislation.

Today is a totally different situation. We are considering a bill that was only recently introduced. The Committee on Agriculture which has jurisdiction over the Food Stamp provi- sions contained in the Welfare Reform Reau- thorization legislation has not even considered the bill. Welfare Reform Reauthorization has no hearings, no mark up in Committee as other important legislation. We should hold hearings on the proposals, mark it up in Committee and then bring it to the floor. No one here today can tell us if the provisions con- cerning food stamps are reasonable. They are concepts that the majority is likely to put into law without any understanding of what is affected—nutrition advocates, state welfare administrators, and others what the practical effect will be upon the floor stamp program.

We have a largely positive record to build upon with welfare reform. Why are we risking that success for cheap political expediency. If the concepts contained in the legislation are good, public scrutiny will only strengthen them. I have grave concerns about this process. The people that participate in these programs are the most vulnerable in the country. The programs that they rely on deserve a thorough examination.

The so-called “super-waivers” advocated in this legislation has the potential to undermine current food stamp policy of providing nutrition assistance to all eligible citizens if they face economic hardships. The question is not whether states should or should not receive the flexibility under waiver authority to tailor the food stamp program rules. States already have that flexibility. The question is whether states should be allowed even greater flexi- bility to change the very nature of the food stamp program.

If there are innovative reforms that states would like to implement that are prohibited under current law, should examine how to ad- dress those specific problems. That is what the Committee process is intended to do. Let state administrators testify before the Agri- culture Committee about the changes they believe would allow them to run the program better and, let the Committee come up with legis- lation to address those concerns.

The delay in bringing this bill to the floor today highlights the problems of ignoring the committee process and writing bills in the leadership offices. Welfare reform is too im- portant of an issue to consider under a proc- ess that has more to do with scoring political points than building on what has been successful.

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today in support of our continued effort to reform welfare. Since 1996, that is the only year across the country and in my state of Kentucky we have become independent and free from their de- pendency on welfare. While in my district and through our work in the Ways and Means Committee, I’ve heard our success stories and also learned that we can do more to build on that success. That is what we are doing today. Our bill focuses on work and education options, provides more flexibility for states and offers more assistance to strengthen families.

One of the things we do in this bill is allow states in their state welfare programs to choose between job readiness activities and job search activities. They have flexibility to re- ceive the services they need the most, whether is job search help, basic education, training for a new skill to help them find a job or recovering from substance abuse. For up to five months, taking part in any of these serv- 
ices fulfills their work requirement. Beyond that time, welfare recipients still are able to receive a combination of education-focused and work- focused services so they can become em- ployed and can be successful on their own. Requiring work helps welfare recipients achieve independence and gives them the ability to care for their families.

Last month I attended the graduation cere- mony for the Reach Higher welfare to work program in Bowling Green, Kentucky. The state and local flexibility in the 1996 law allowed Reach Higher to develop services to meet community needs, and the program has turned people’s lives around. Participants in Reach Higher must work 32 hours per week. They also spend one day each week in life-skills and job training. Reach Higher asks a lot of the participants, and they respond to the challenge because they want a better life and find out that they are able to succeed.

In 1998, a participant found herself trying to raise two small children in public housing with no money and no job. Then she was assigned to Reach Higher and completed the program. She now holds a full time job with the Bowling Green Housing Authority and was approved for a home loan this year. Here is what she had to say: “I began to accomplish things that I thought I would never accomplish alone. I began to want more out of life for myself as well as my children. I worked hard and had additional training classes that I knew would further my skills.”

We have been on the right track with wel- fare reform. And this bill continues to build on that success. I encourage all of my colleagues to vote for this legislation that gives more fami- lies who need help the chance to succeed.

Mr. BUYER. Mr. Speaker, today the House is considering the Personal Responsibility, Welfare, and Family Promotion Act, H.R. 4737. In keeping with the strong welfare reform prin- ciples outlined by President Bush, this legisla- tion would reauthorize a very successful pro- gram that encourages personal responsibility and work. H.R. 4737 builds upon the success- ful reforms instituted in 1996 that I was pleased to support.

Welfare rolls have sharply declined since re- form was enacted in 1996. Poverty rates have

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declined, employment rates have climbed and wages have increased. H.R. 4737 will build on those successes. This legislation will maintain full funding for the Temporary Assistance for Needy Families (TANF), increase funding by $2 billion for improved child care programs over the next 5 years, increase State flexibility in use of funds, and promote individual responsibility toward work preparation, work, and marriage.

Building on the successful work requirements of the 1996 reform, H.R. 4737 requires welfare recipients to work 40 hours per week, either at a job or in a program designed to help them achieve work readiness. This is important legislation in the monumental task of bringing Americans out of poverty into independence by raising expectations for work and personal responsibility. H.R. 4737 will further strengthen this nation’s economy and workforce to prepare all our citizens for the future. I urge the House to approve this legislation so that the Personal Responsibility, Work and Family Promotion Act can be reauthorized without delay.

Mr. CONVERS—Mr. Speaker, I rise in strong opposition to the Republican Welfare Bill, H.R. 4737. This welfare bill, of such far-reaching importance, does nothing to help move families out of poverty. In fact, this bill would mean that welfare families would be placed in an impossible situation. The Republican bill requires 40 hours of work per week for mothers with children under six. That is twice the current work hour requirement, yet there is an allotment of only $1 billion additional dollars for child care. Can someone please tell me how a working mother of children under six is supposed to work a minimum 40 hour work week without a way to fund the care of her children? And too add insult to injury, this bill does not even ensure that she will be compensated with minimum wage for her forty hours of work. A paltry child care allotment of $1 billion dollars over the next 5 years is unconscionable. It does not even keep pace with the current rate of inflation, and there are already 15 million American children eligible for child care who are not receiving it due to inadequate funding. This bill does not address the current need, and will certainly not address the need that will grow exponentially if the 40 hour requirement is imposed.

Also, this bill removes education from the current law-list of work related activities. This measure strips needy families of their ability to participate in GED and English literacy programs. With a mandate which strips the ability to obtain a GED and learn English, the playing field can never be level and the condition of needy Americans will continue to deteriorate. In California without addressing the renewed erosion of immigrant families from the welfare bill. For the second time, my Republican colleagues intend to deny immigrant families the tools they require to capture the American dream that brought their parents here. This is hypocritical to celebrate the traditions of America and the pot while denying the people who make our rich diversity possible.

All of this has been done in the interest of lowering welfare rates. But, inhumanely forcing people off of welfare rolls by requiring them to adhere to conditions that are both fiscally and practically impossible does not constitute progress. Our constituents want the freedom to work while trusting their children to competent and affordable child care providers. Working families in America deserve better than what this Republican inadequacy has to offer.

It is for this reason that I urge my Democratic colleagues to vote yes for the Democratic substitute. It provides a realistic increase of $11 billion dollars in mandatory child care funding, and increases the role of training and education in improving the condition of our neediest citizens. In addition it includes provisions for our neighbors who have immigrated to this country. Vote “yes” on the Democratic substitute. It provides the assurance that children are always left behind.

Ms. ROYBAL-ALLARD—Mr. Speaker, I rise in strong opposition to H.R. 4735, a bill to reauthorize the Temporary Assistance for Needy Families Program.

Unfortunately, many of the provisions in this bill are unfair and misguided. One of the most egregious examples, is the impact this legislation will have on single mothers with young children. For example, this bill provides insufficient funding for childcare, yet increases the work requirement from 20 hours a week to 40 hours for mothers with children under the age of 6. While the Republican bill touts the $1 billion increase in childcare funding over the next 5 years, they fail to note that this increase barely keeps up with inflation, let alone meets the increased demand for childcare created under the bill.

Mr. Speaker, mothers already find it extremely difficult to find safe and adequate day care. With the current backlog of approximately 15 million children waiting for day care and due to lack of funding, this bill will only make a bad situation worse. Disadvantaged single mothers and children are already a vulnerable population. Without sufficient funding for childcare, many of these mothers will be forced to choose between leaving their young children alone, or losing the benefits that help them provide for their children. Congress should be working to help these families get back on their feet—not penalizing them with unrealistic requirements that keep mothers away from their children.

I urge my colleagues to vote against this punitive, unfair and unrealistic bill.

Mr. PETRI—Mr. Speaker, I rise today in support of this bill, which will build upon the tremendous successes of the 1996 welfare reforms. When those reforms were enacted, opponents predicted apocalyptic scenes of poverty and suffering among America’s low-income families. Time has proven, however, that those reforms were right. Child poverty is at its lowest level in 25 years and poverty among African-American children is at its lowest level ever. But the success of these reforms requires that we work and engage in productive activities, Congress helped change society. Former welfare beneficiaries now testify that by being pushed into work activities, they are now better members of society and better parents to their children.

Although we have moved millions of families off welfare and into work, the road to advancement and self-sufficiency remains a difficult challenge. For a long time I have been concerned by the disincentives to working hard, earning more money, and marriage that we have created over time. The lack of coordination between federal programs directed towards low-income families has resulted in what I call “The Poverty Trap.” As the earnings of low-income families increase, most of their benefits, such as housing, food-stamps, child-care co-payments, and the Earned Income Tax Credit, phase-out in a manner that discourages working harder and advancing in a job. In some cases a pay raise of a dollar an hour can mean the loss of benefits at a rate that exceeds that raise. This effective marginal tax can exceed 100 percent and trap families in poverty. I am pleased that this bill requires the General Accounting Office to undertake a comprehensive study of the obstacles created by the current system of low-income support programs and recommend ways to coordinate and reform these programs.

Because of this “Poverty Trap,” I also enthusiastically support provisions within this bill which provide states and local governments with the flexibility to implement demonstration projects that coordinate multiple low-income support programs. Under these provisions states can integrate eligible programs as long as they help families transition into the work force and achieve the purposes of the underlying programs. This requirement further ensures that beneficiaries of these underlying programs are going to gain, not lose, as a result of these demonstration projects. While I wish these flexibility provisions were even more far reaching, I consider an important step that will enable needed innovation at the state and local level to help families escape poverty. The states have proven to be the laboratories for successful change in our welfare system, and this flexibility will enhance their capabilities. As a recent Wall Street Journal editorial said, the state flexibility provisions help get Washington out of the way of local progress.

I urge all my colleagues who want to help low-income families leave welfare and achieve self-sufficiency to support this bill and the state and local flexibility provisions within it.

Mr. DINGELL—Mr. Speaker, today we are debating the reauthorization of the welfare program. I believe that we have a responsibility to help families transition into the work force and provide essential support to make work pay. The Democratic substitute will do that. Regrettably, the Republican bill will not.

I focus these remarks on two provisions within the reauthorization of the welfare program. I believe that the Democratic substitute is considerably improved by the Committee on Energy and Commerce: transitional medical assistance (TMA) and abstinence-only education. TMA is a program that provides health insurance coverage for families leaving welfare to go back to work. It is a program that makes good sense. Individuals moving off welfare often wind up in jobs that do not offer health insurance coverage or find that employer-sponsored coverage is too costly on the family’s limited budget. TMA allows these families to keep their own health insurance coverage in Medicaid so that getting a job doesn’t mean losing health coverage. The Republican bill, however, only extends this program for one year; many of us prefer making this common-sense program permanent, as the Democratic substitute provides. Further, they would cut other parts of the Medicaid program in order to pay for this extension. For some reason, Republicans believe the only way they can afford to help working families is if they cut other parts of safety net programs that truly allow the poor to work. This is illogical and I oppose it.

The second provision extends the Title V abstinence-only sex education program, but...
locks states in to an inflexible curriculum; it is controversial, and rightly so. The Democratic substitute to this bill provides states with the flexibility to offer programs that are best suited to the needs and desires of their citizens and to ensure that federal funds are spent on effective programs that provide medically accurate information to the young people’s health. Many leading public and private sector health experts agree that a state flexible approach is the best way to ensure that federal funds are spent on effective and comprehensive sex education programs, yet states are unable to fund these types of programs with federal dollars.

The Democratic substitute also contains a requirement that Title V programs provide information that is determined to be “medically accurate” by leading medical, psychological, psychiatric, and public health organizations. Some abstinence-only programs are actually harmful to teenagers because they provide inaccurate, incomplete, and misleading information about contraceptives, pregnancy, and sexually transmitted diseases. Depriving teens of medically accurate information will not protect them; it will only make them more vulnerable to the very problems that such information is supposed to prevent.

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and does nothing to equip welfare bene-
dicaries with the tools they need to get out of
poverty. I urge my colleagues to vote no on
H.R. 4737 and to support the Democratic al-
ternative.

Mr. HONDA. Mr. Speaker, I rise today to ex-
press my opposition to H.R. 4737, the Repub-
ican welfare reform bill; a bill that will push
millions of American families off the welfare
rolls into a life of poverty.

America is the land of opportunity and in to-
day’s economic market, education is the key to
that opportunity. Higher levels of education
lead to higher earnings. Greater educational
opportunities also increase women’s income,
raise their children’s educational goals, and
have a dramatic impact on their quality of life.
Research shows that families headed by
someone with a high school diploma earn at
least 50 percent more than families headed by
someone without at least a GED. In California
alone, recipients who participate in education
and training activities enjoyed earnings almost
40 percent higher than those of untrained re-
cipients after five years.

Welfare laws need to emphasize general edu-
cation as a critical first step to achieving
economic security. However, the Republican
welfare reform bill goes in the wrong direction
by restricting State discretion to provide edu-
cation and training to welfare recipients. The
bill goes further to remove vocationa
education from the current law’s list of work-
related activities that count toward the core work
requirement.

When reviewing our Nation’s welfare laws,
we must also acknowledge that first policies do
not just affect adult individuals, but families,
talking about families, with children who re-
quire quality and affordable child care while
parents are working. It is an unfortunate reality
that many of the jobs performed by TANF par-
ents involve late night hours or irregular shifts,
when quality child care is hard to find. These
circumstances are especially harsh for families
with young children and children with disabili-
ties. Even when childcare is available, most
jobs do not pay enough to cover food, housing
and utilities, let alone cover the child care bill.
This is especially critical in my district of San
Jose, which has some of the highest child
care costs in the State of California.

Congress needs to stand up for working
families by making safe, quality child care ac-
cessible for all children. Fifteen million children
in this country are now eligible for day care
assistance, but are not currently covered be-
cause States lack sufficient resources. How-
ever, the Republican welfare reform bill in-
creases mandatory child care funding by only
$1 billion over the next 5 years—barely
enough to keep pace with inflation and no
where near enough to implement the bill's new
participation requirements.

The Republican welfare reform bill also ne-
glects a critical community in this country—
legal immigrant families. Legal immigrant fami-
lies work and pay taxes, yet cannot access
TANF benefits. Legal immigrants pay the
same taxes as citizens. This country reaps
$50 billion from taxes paid by immigrants to all
evels of government. Legal immigrants should
therefore share equally in taxpayer funded
services. Current TANF regulations place undue
burdens on States and local governments, who are forced to use state funding to
extend benefits to these deserving families.
This is especially true for states with large im-
migrant populations, such as my State of Cali-
ifornia which has a 25 percent immigrant popu-
lation. The Republican welfare reform bill does
nothing to correct this injustice. In fact, it main-
tains the current restrictions against legal im-
migrant families.

Welfare reform will only succeed when it is
adequately funded. Our Nation’s families can-
not be expected to succeed off the welfare
rolls if they lack access to TANF benefits, edu-
cational opportunities, and affordable child
care. That is why I am pleased to support the
Democratic proposal that maintains State flexi-
bility, focuses on helping families escape
poverty and achieve permanent em-
ployment. The Democratic proposal has tough
work requirements, promotes education as a
means of financial stability, and increases
childcare funding $11 billion over 5 years, so
that the tough work requirements can be met
without harming the children of those receiving
benefits. The Democratic proposal also lifts
the ban on federal funds for legal immigrant
families.

Mr. Speaker, accountability is a two-way
street. Congress must commit the necessary
resources to make welfare reform a success.
Only then will we leave no family behind.

Mr. UDALL of New Mexico. Mr. Speaker, let
me begin by saying that if we are to be suc-
cessful with moving people from welfare to
work, then there are adequate
resources for transportation, childcare
and training. In rural America, Mr. Speaker, I
can tell you these services are critical.

I have several concerns with the H.R.
4737’s strict and unrealistic work require-
ments. These requirements is a bad idea for
any area of the country, but particularly in the
areas of rural New Mexico that I represent.

With the extreme unemployment in rural areas
and in tribal lands, the idea of imposing harsh-
er requirements is not just unrealistic, it is bad
social policy.

For that reason, I introduced an amendment
that would have provided much-needed flexi-
bility to states struggling to cope with ex-
tremely poor areas with high unemployment.
Unfortunately, the Republican leadership has
chosen not to consider amendments today.

As I said before, that is not a demo-
cratic process. It does not serve this body
well. It does not serve the country well.

TANF recipients in rural or tribal areas who
wish to move into gainful employment are
faced with a tight job market aggravated by
the lack of economic development. The last 6
years have shown that rural and Native Amer-
can TANF recipients were far less likely to
leave the TANF rolls, and those who left were
far more likely to quickly find themselves un-
employed. This bill also neglects the issues
on tribal lands. With the extreme unemployment on tribal lands and the national poverty rate on
tribal lands is 54 percent. Those who are lucky
enough to find jobs must overcome the woeful
inadequacy of transportation and childcare
that is so common in rural and tribal areas.

Today, insurance costs are also unrea-
sionable to expect State and tribal TANF pro-
grams to enforce the strict and unfair work re-
quirements being proposed by the Administra-
tion. TANF recipients in these areas cannot be
expected to find jobs where there simply are
no jobs or inadequate services to make a
working lifestyle possible. Governors, legisla-
tures, TANF caseworkers and the American
people all agree that it is unreasonable to de-
mand quick results in areas where residents
face such significant barriers to employment.
Even without the new work requirements,
Native American tribes that have chosen to
roll their own TANF programs need assist-
ance. While these programs have made admi-
ral gains in serving their populations, they
still face many problems. Many State TANF
programs are unable to assist tribal programs,
and tribes are left with insufficient funds to
provide cash assistance and other programs.
Ironically, those that can afford cash payments
are often forced to forego those extended
need to move people from welfare to work. This
is all tribes can afford in the short term, but in
the long term this path is extremely expensive,
both in terms of dollars and in terms of human
suffering.

Many tribal TANF programs need help to
develop the infrastructure that state and Fed-
ERAL welfare programs already have. Tribal
programs must struggle to provide services
from dilapidated buildings, and they do not have
resources to reorganize and mod-
ernize their facilities.

The Nation’s rural and tribal areas need
flexibility and support, not unrealistic work re-
quirements. As we work to bring TANF into
the 21st century, let us not forget the obsta-
cles and challenges facing rural areas; let us
work to assist them in overcoming those chal-
enges and pursuing a vibrant future.

Unfortunately, Mr. Speaker, the majority’s
bill falls far short in addressing these problems
for rural Americans and those living in Indian
country. I urge my colleagues to support the
Democratic substitute and vote “no” on final
passage of this unfair bill.

Mr. LANGEVIN. Mr. Speaker, I rise in oppo-
sition not only to this bill, but to the entire
process for its consideration today.

Meaningful democracy in America requires
open, honest debate in the U.S. Congress.
The Republican leadership has blocked this
opportunity by passing a rule that only allows
for one substitute amendment. Their new rule
just passed today is equally restrictive.

Welfare reform affects every State and lo-
cality throughout the country. Members have
a right to engage in extended dialogue on this
legislation and to offer amendments to strength-
end the bill. Today’s process is particularly ne-
necessary due to the numerous problems with
H.R. 4737.

This so-called welfare reform bill level funds
one of the most important national programs
Congress has ever created and imposes mas-
ive, costly new mandates on States that they
cannot afford.

Today’s economy is vastly different than it
was when welfare reform was first enacted.
Six years ago, the economy was booming, un-
employment was at a record low, and em-
ployers were straining to find qualified work-
ers. Today, the unemployment level is higher than it’s been in years. Workers are more vul-
nerable, and employers and struggling to keep
costs down by laying people off cutting em-
ployee benefits and raising the workers’ share
of medical insurance costs. In Rhode
Is-
land, 35,000 children—15 percent of all the
children in the State—are still living in poverty
despite the fact that their parents are working.
With the economic boom long gone, H.R. 4737
needs to provide increased funding, not level
funds, with expensive new mandates, for this
vital program.

Eighty percent of the States report they
would have to implement fundamental
changes to their current welfare programs in order to comply with H.R. 4737 which is precisely why I cannot support it.

Rhode Island has developed an effective welfare to work program that moves parents into sustainable jobs as quickly as possible in a way that is consistent with their employment readiness needs. Under the Rhode Island Family Independence Program (FIP), all parents are required to develop and participate in an employment plan within 40 days of applying for cash assistance.

Rhode Island also provides a cash supplement to low-wage-earning families and stops the 5-year clock in any month in which the parent works at least 30 hours. This provides much-needed stability for vulnerable families and ensures that children live in families with enough income to meet their basic needs.

What makes the Rhode Island Family Independence Program so effective is that its employment preparedness activities are tailored to the parents’ needs and include a range of education and training services to help parents become job-ready. The program recognizes that 25 to 40 percent of welfare recipients have learning disabilities by identifying such individuals early and providing specialized assistance in preparing for, finding and maintaining a job. In fact, the Rhode Island Learning Disabilities Project, a collaboration between the Department of Human Services and the Vocational Rehabilitation program, has received national recognition for ensuring that parents receive the services they need to become gainfully employed.

Since 1997, Rhode Island has seen a slow but steady decrease in its caseload from 18,904 to 14,972. This progress is not due to harsh cuts in benefits or forcing people to work without access to education and job training, but to prudent State policies that examine the holistic needs of the family and tailor assistance to help individuals gain the skills to obtain and retain meaningful jobs.

Moreover, a recent report, “Rhode Island’s Family Independence Act: Research Demonstrates Wisdom of Putting Families First,” concluded that the Rhode Island Family Independence Program is working. Among other findings, the report found that parents who participated in education and training had significantly higher levels of both employment and earnings as compared to the period before welfare reform was begun in Rhode Island.

If H.R. 4737 becomes law, the progress Rhode Island has made in helping parents gain sustainable jobs and overcome significant barriers to employment will come to a halt. Rhode Island would need to radically change its program or risk significant fiscal penalty for failing to meet the new participation rates. In addition, since Federal TANF and childcare funds would not be increased, Rhode Island would need to find additional State funds to meet the new requirements. These funds simply do not exist.

If this bill is enacted, the Rhode Island Department of Human Services estimates it would cost an additional $5.6 million in child care costs—31.2 percent of the current expenditures for child care—about $3 million more for employment-related and other services designed to offer participation opportunities and get parents into work, and about $1.1 million for additional social work and case management staff. In addition, if Rhode Island does not follow the new participation rates, it will lose $4.5 million per year in TANF funds. The bill also does not include guaranteed minimum wage protections even though 39 States could not fulfill the bill’s work requirement without violating the current minimum wage rate for a two-person family.

Further, the bill requires that parents spend at least 24 of their 40 hours in “direct work activities” to count toward the participation rate, would turn Rhode Island FIP on its head. It would no longer be able to allow parents to engage in education or training prior to going to work, even if it is the best way to prepare a parent for sustainable employment.

Currently, there are 1,000 parents participating in vocational education programs that would no longer count toward the participation requirement.

Finally, the superwaiver policy in this bill is unnecessary and irresponsible. Allowing the Executive branch to override decisions made by Congress to target funds to specific populations or for specific programs undermines the entire point of welfare. These states have worked so hard to build. Flexibility in Federal funding is precisely what was needed in 1996 to change the system and empower individuals to move from welfare dependence to self-sufficiency. That flexibility spurred the success we see today in States like Rhode Island. Maintaining the ability to waive certain program rules to improve service delivery and coordination makes sense. Giving authority to one branch of government to completely redesign and redirect resources does not.

The Republican so-called welfare reform bill is a sham. It ignores the accomplishments States have already made in moving people from welfare to work. It limits State flexibility and imposes work requirements most States have rejected, while making it much harder for welfare recipients to become economically independent by eliminating education from the list of activities that count as a work-related activity. Education opens the door to higher earnings and a better quality of life. It is critical to effectively move people from welfare to meaningful, long-term employment.

Mr. Speaker, I must encourage my colleagues to oppose this legislation. It does nothing to strengthen our welfare system and imposes costly burdens on our States at a time when they cannot afford it. The SPEAKER pro tempore (Mr. SIMPSON). All time for debate on the bill has expired.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. CARDIN

Mr. CARDIN. Mr. Speaker, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. CARDIN. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.
This Act may be cited as the “Next Step in Reforming Welfare Act”.

SEC. 2. TABLE OF CONTENTS.
The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Amendment of Social Security Act.
TITLED I—CONTINUATION OF CERTAIN GRANTS
Sec. 101. Family assistance grants.
Sec. 102. Bonus to reward high performance States.
Sec. 103. Extension of supplemental grants.
Sec. 104. Additional grants for States with low Federal funding per poor child.
Sec. 105. Contingency Fund.
Sec. 106. Eligibility of Puerto Rico, the United States Virgin Islands, and Guam for the supplemental grant for population increases, the Contingency Fund, and mandatory child care funding.
Sec. 107. Direct funding and administration.

TITLED II—POVERTY REDUCTION
Sec. 201. Additional purpose of TANF program.
Sec. 203. Review and conciliation process.
Sec. 204. Replacement of caseload reduction credit with employment credit.
Sec. 205. States to receive partial credit toward work participation rate for recipients engaged in part-time work.
Sec. 206. TANF recipients who qualify for supplemental security income benefits removed from work participation rate calculation for entire year.
Sec. 207. State option to include recipients of substantial child care or transportation assistance in work participation rate.
Sec. 208. Effective date.

TITLED III—REQUIRING AND REWARDING WORK
Sec. 301. Effect of wage subsidies on 5-year limit.
Sec. 302. Child care.
Sec. 303. Competitive grants to improve access to various benefit programs.
Sec. 304. Assessments for TANF recipients.
Sec. 305. Applicability of workplace laws.
Sec. 306. Work participation rate limit.
Sec. 307. Hours of work-related activities.
Sec. 308. State option to require recipients to engage in work for 40 hours per month.
Sec. 309. Revision and simplification of the transitional medical assistance program (tma).
Sec. 310. Ensuring TANF funds are not used to displace public employees.

TITLED IV—HELPING WELFARE LEAVERS CLIMB THE EMPLOYMENT LADDER
Sec. 401. State plan requirement on employment advancement.
Sec. 402. Employment Advancement Fund.
Sec. 403. Elimination of limit on number of TANF recipients enrolled in vocational education programs.
Sec. 404. Counting of up to 2 years of vocational or educational training (including postsecondary education) and related internships as work activities.
Sec. 405. Limited counting of certain activities leading to employment as work activity.
Sec. 406. Clarification of authority of States to use TANF funds carried over from prior years to provide TANF benefits and services.
Sec. 407. Definition of assistance.
TITLE VIII—IMPROVING INFORMATION ABOUT TANF RECIPIENTS AND PROGRAMS

SEC. 101. FAMILY ASSISTANCE GRANTS.

SEC. 102. BONUS TO STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

SEC. 103. EXTENSION OF SUPPLEMENTAL GRANTS.

SEC. 104. ADDITIONAL GRANTS FOR STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

SEC. 105. CONTINGENCY FUND.

TITLE IX—EFFECTIVE DATE

SEC. 3. AMENDMENT OF SOCIAL SECURITY ACT.

TITLE I—CONTINUATION OF CERTAIN GRANTS

SEC. 101. FAMILY ASSISTANCE GRANTS.

SEC. 102. DISTRIBUTION OF CHILD SUPPORT COLLECTED BY STATES.

SEC. 103. ELIGIBILITY OF DISABLED CHILDREN.

TITLE VI—RESTORING FAIRNESS FOR IMMIGRANT FAMILIES

SEC. 601. TREATMENT OF ALIENS UNDER THE TANF PROGRAM.

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TITLE VII—ENSURING STATE ACCOUNTABILITY

SEC. 701. INFLATION ADJUSTMENT OF MAINTENANCE OF EFFORT REQUIREMENT.

SEC. 702. BAN ON USE OF FEDERAL TANF FUNDS TO REPLACE STATE AND LOCAL SPENDING.

TITLE VIII—IMPROVING INFORMATION ABOUT TANF RECIPIENTS AND PROGRAMS

SEC. 801. EXTENSION OF FUNDING OF STUDIES AND DEMONSTRATIONS.

SEC. 802. LONGITUDINAL STUDIES OF EMPLOYMENT AND EARNINGS OF TANF LEavers.

SEC. 803. INCLUSION OF DISABILITY STATUS IN INFORMATION STATES REPORT ABOUT TANF FAMILIES.

SEC. 804. ANNUAL REPORT TO CONGRESS TO INCLUDE GREATER DETAIL ABOUT STATE PROGRAMS FUNDED UNDER TANF.

SEC. 805. ENHANCEMENT OF UNDERSTANDING OF THE REASONS INDIVIDUALS LEAVE STATE TANF PROGRAMS.

SEC. 806. STANDARDIZED STATE PLANS.

SEC. 807. STUDY BY THE CENSUS BUREAU.

SEC. 808. ANNUALS TO WELFARE; WELFARE OUTCOMES.

TITLE IX—EFFECTIVE DATE

SEC. 901. EFFECTIVE DATE.

SEC. 3. AMENDMENT OF SOCIAL SECURITY ACT.

Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be made to be section or other provision of the Social Security Act.

TITLE I—CONTINUATION OF CERTAIN GRANTS

SEC. 101. FAMILY ASSISTANCE GRANTS.

(a) In General. Section 403(a)(4) (42 U.S.C. 603(a)(4)) is amended by striking "1996" and inserting "2002" and inserting "2003 through 2007".

(b) Inflation Adjustment. Section 403(a)(1) (42 U.S.C. 603(a)(1)) is amended—

(1) in subparagraph (B)—

(A) by striking "the greatest of" and inserting "means, with respect to a fiscal year specified in subparagraph (A) of this paragraph—"

(ii) the greatest of—

(B) by redesigning each of clauses (i), (ii), (iii), and (iv) as subclauses (I), (II), (III), and (IV), respectively;

(c) such other amendments as necessary for payments under this subsection; and

(3) in subparagraph (E), by striking "1998", "2002", and "2003" and inserting "2003 through 2007".

(b) Inflation Adjustment.

SEC. 102. BONUS TO STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

(a) In General. Section 403(a)(4) (42 U.S.C. 603(a)(4)) is amended by adding at the end the following:

(3) IN BONUS TO STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

SEC. 103. EXTENSION OF SUPPLEMENTAL GRANTS.

(a) In General. Section 403(a)(3) (42 U.S.C. 603(a)(3)) is amended—

(1) in subparagraph (A)—

(A) by striking "and" at the end of clause (i) and inserting ";"

(B) by striking the period at the end of clause (ii) and inserting "; and";

(C) by adding at the end the following:

(III) the total amount of the grants made to a State under paragraph (1), paragraph (3), and this paragraph for the particular fiscal year; or

(IV) the total amount paid to a State under this subsection for all prior fiscal years that have not been expended by the State by the end of the preceding fiscal year is less than 50 percent of State family assistance grants for the particular fiscal year.

(b) In General.

SEC. 104. ADDITIONAL GRANTS FOR STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

(a) In General. Section 403(a)(4) (42 U.S.C. 603(a)(4)) is amended by striking "1998" and inserting "2002" and inserting "2003 through 2007".

(b) Inflation Adjustment.

SEC. 105. CONTINGENCY FUND.

SEC. 3. AMENDMENT OF SOCIAL SECURITY ACT.

Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be made to be section or other provision of the Social Security Act.

TITLE I—CONTINUATION OF CERTAIN GRANTS

SEC. 101. FAMILY ASSISTANCE GRANTS.

(a) In General. Section 403(a)(4) (42 U.S.C. 603(a)(4)) is amended by striking "1996" and inserting "2002" and inserting "2003 through 2007".

(b) Inflation Adjustment. Section 403(a)(1) (42 U.S.C. 603(a)(1)) is amended—

(1) in subparagraph (B)—

(A) by striking "the greatest of" and inserting "means, with respect to a fiscal year specified in subparagraph (A) of this paragraph—"

(ii) the greatest of—

(B) by redesigning each of clauses (i), (ii), (iii), and (iv) as subclauses (I), (II), (III), and (IV), respectively;

(c) such other amendments as necessary for payments under this subsection; and

(3) in subparagraph (E), by striking "1998", "2002", and "2003" and inserting "2003 through 2007".

(b) Inflation Adjustment. Section 403(a)(3) (42 U.S.C. 603(a)(3)) is amended—

(1) in subparagraph (A)—

(A) by striking "and" at the end of clause (i) and inserting ";"

(B) by striking the period at the end of clause (ii) and inserting "; and";

(C) by adding at the end the following:

(III) the total amount of the grants made to the State under paragraph (1), paragraph (3), and this paragraph for the particular fiscal year; or

(IV) the total amount paid to the State under this subsection for all prior fiscal years that have not been expended by the State by the end of the preceding fiscal year is less than 50 percent of State family assistance grants for the particular fiscal year.

(b) In General.

SEC. 102. BONUS TO STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

(a) In General. Section 403(a)(4) (42 U.S.C. 603(a)(4)) is amended by adding at the end the following:

(3) IN BONUS TO STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

SEC. 103. EXTENSION OF SUPPLEMENTAL GRANTS.

(a) In General. Section 403(a)(3) (42 U.S.C. 603(a)(3)) is amended—

(1) in subparagraph (A)—

(A) by striking "and" at the end of clause (i) and inserting ";"

(B) by striking the period at the end of clause (ii) and inserting "; and";

(C) by adding at the end the following:

(III) the total amount of the grants made to the State under paragraph (1), paragraph (3), and this paragraph for the particular fiscal year; or

(IV) the total amount paid to the State under this subsection for all prior fiscal years that have not been expended by the State by the end of the preceding fiscal year is less than 50 percent of State family assistance grants for the particular fiscal year.

(b) In General.

SEC. 104. ADDITIONAL GRANTS FOR STATES WITH LOW FEDERAL FUNDING PER POOR CHILD.

(a) In General. Section 403(a)(4) (42 U.S.C. 603(a)(4)) is amended by striking "1998" and inserting "2002" and inserting "2003 through 2007".

(b) Inflation Adjustment.
SEC. 106. ELIGIBILITY OF PUERTO RICO, THE UNITED STATES VIRGIN ISLANDS, AND GUAM FOR THE SUPPLEMENTAL GRANT FOR POPULATION INCREASES, THE CONTINGENCY FUND, AND MANDATORY CHILD CARE FUNDING.

(a) Supplemental grant for population increases.


(b) Contingency fund.

(1) IN GENERAL.—Section 403(b)(7)(T) (42 U.S.C. 603(b)(7)(T)) is amended by striking “and the District of Columbia,” and inserting “the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.”


(c) Grants for Indian tribes that reduce child poverty.


TITLE II—POVERTY REDUCTION

SEC. 201. ADDITIONAL PURPOSE OF TANF PROGRAM.

(a) General.

(1) In general.—Section 401(a) (42 U.S.C. 601(a)) is amended by striking “$1,000,000” and inserting “$2,000,000”.

(b) Amounts.

(1) In general.—The Secretary shall make a grant under this section to each State for each fiscal year for which the Secretary determines that the amount necessary to ensure that the total of the Federal payments to the States under this section, including the child care assistance payments under this section, is not less than the amount required to be paid to the States for fiscal year 2001 under the Child Care and Development Block Grant Act of 1990, shall be allotted to the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.

(2) CONTINUING GRANT.

(2)(A) IN GENERAL.—The Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam under section 403(a)(3)” before the period.

(2)(B) ALLOTMENTS TO STATES.

(1) IN GENERAL.—Section 403(b)(3)(D)(i) (42 U.S.C. 603(b)(3)(D)(i)) is amended by striking “and the District of Columbia,” and inserting “and the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.”


(c) Child care entitlement funds.

(1) In general.—Section 418(d) (42 U.S.C. 618(d)) is amended by striking “and the District of Columbia” and inserting “the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.”

(2) Amount of payment.

(1) IN GENERAL.—Section 418(e) (42 U.S.C. 618(e)) is amended—

(1) The number of children who had not attained 18 years of age by the end of the then most recently completed calendar year and who resided at any time during such calendar year in the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.

(2) LIMITATION.

(2) The amount of the grant to be made to the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam under section 403(a)(3) before the period.

(d) Child care entitlement funds.

(1) IN GENERAL.—Section 418(e) (42 U.S.C. 618(e)) is amended—

(1) The number of children who had not attained 18 years of age by the end of the then most recently completed calendar year and who resided in the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.

(2) The amount of the grant to be made to the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.


(e) Simplification of reconciliation formula.


(f) Increase in number of months for which State may qualify for payments.

(2) MODIFICATION OF UNEMPLOYMENT TEST TO BECOME NEEDED STATE.—Section 403(b)(5)(A) (42 U.S.C. 603(b)(5)(A)) is amended to read as follows:

“(B) as determined by the Secretary of Agriculture, the monthly average number of households (as of the last day of each month) that participated in the food stamp program in the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam. For fiscal years beginning after the effective date of this sentence, this paragraph shall be applied and administered as if the term ‘Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.’”

(g) Modification of food stamp test to become needed state.

(2) IN GENERAL.—Section 403(b)(5)(A) (42 U.S.C. 603(b)(5)(A)) is amended to read as follows:

“(B) as determined by the Secretary of Agriculture, the monthly average number of households (as of the last day of each month) that participated in the food stamp program in the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam. For fiscal years beginning after the effective date of this sentence, this paragraph shall be applied and administered as if the term ‘Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.’”

(h) Simplification of reconciliation formula.


(i) Grants for Indian tribes that reduce child poverty.

(2) IN GENERAL.—Subject to this subparagraph, the amount of the grant to be made to a qualified child poverty reduction State for a fiscal year shall be an amount equal to—

(1) the number of children who had not attained 18 years of age by the end of the then most recently completed calendar year and who resided in the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.

(2) the amount appropriated pursuant to paragraph (F) for the fiscal year.

(3) LIMITATION.

(3) The amount of the grant to be made to a qualified child poverty reduction State for a fiscal year shall not exceed an amount equal to 5 percent of the State family assistance grant for the fiscal year.

(4) Pro rata increase.

(4) If the amount available for grants under this paragraph for any fiscal year is greater than the total amount of payments otherwise required to be made under this paragraph for the fiscal year, then the amount otherwise payable to any State for the fiscal year under this paragraph shall, subject to clause (ii)(I), be increased by such equal percentage as may be necessary to ensure that the total of the payments otherwise payable under this paragraph equals the amount available for the grants.
“(iv) Pro rata reduction.—If the amount available for grants under this paragraph for a fiscal year is less than the total amount of payments otherwise required to be made under this part for the fiscal year, the amount otherwise payable to any State for the fiscal year under this paragraph shall, subject to clause (i)(1), be reduced by such amount as may be necessary to ensure that the total of the amounts payable for the fiscal year under this paragraph equals the amount available for the grants.

“(C) A State to which a grant is made under this paragraph shall use the grant for any purpose for which a grant made under this part may be used.

“(D) Definitions.—In this paragraph:

“(i) Qualified child poverty reduction state.—The term ‘qualified child poverty reduction state’, means, with respect to a fiscal year, a State if—

“(A) the child poverty rate achieved by the State for the most recently completed calendar year for which such information is available is less than the lowest child poverty rate achieved by the State during the applicable period; and

“(B) The average depth of child poverty in the State for the then most recently completed calendar year for which such information is available is less than the average depth of child poverty in the State for the calendar year that precedes such then most recently completed calendar year.

“(ii) Applicable period.—In clause (i), the term ‘applicable period’, means, with respect to a State and the calendar year referred to in clause (i)(1), the period that—

“(A) begins with the calendar year that, as of October 1, 2002, precedes the then most recently completed calendar year for which such information is available; and

“(B) calendar year that precedes the calendar year referred to in clause (i)(1).

“(iii) Child poverty rate.—The term ‘child poverty rate’ means, with respect to a State and a calendar year, the percentage of children residing in the State during the calendar year whose family income for the calendar year is less than the poverty line then applicable to the family.

“(iv) Average depth of child poverty.—The average depth of child poverty means, for a State and a calendar year, the average dollar amount by which family income is exceeded by the poverty line, divided by the number of families whose family income for the calendar year is less than the applicable poverty line.

“(v) Poverty line.—The term ‘poverty line’ means the poverty line as defined in the Omnibus Budget Reconciliation Act of 1981, including any revision required by such section applicable to a family of the type involved.

“(E) Family income determinations.—For purposes of this paragraph, family income includes cash income, child support payments, government cash payments, and benefits under the Food Stamp Act of 1977 that are received by any family member, and family income shall be determined after payment of all taxes and receipt of any tax refund or rebate by any family member.

“(F) Appropriations.—

“(i) In general.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2003 through 2007 $150,000,000 for grants under this paragraph.

“(ii) Child head count.—Amounts made available under clause (i) shall remain available until expended.

“SEC. 203. REVIEW AND CONCILIATION PROCESS.

“(a) Review of case load reduction credit.—(1) In general.—Section 408(a)(12) of title 42, United States Code (42 U.S.C. 608(a)) is amended by adding at the end the following:

“(B) Calculation of credit.—

“(i) In general.—The employment credit for a State for a fiscal year is an amount equal to—

“(A) twice the average quarterly number of families that, ceased to receive cash payments under the State program funded under this part during the most recent 4 quarters for which data is available and that were employed during the calendar quarter immediately succeeding the quarter in which the payments ceased, plus, at State option, the number of families that received a non-recurring short-term benefit under the State program funded under this part during the preceding fiscal year and that were employed in the calendar quarter immediately succeeding the quarter in which the non-recurring short-term benefit was so received; divided by

“(B) the average monthly number of families that include an adult who received cash payments under the State program funded under this part during the preceding fiscal year, plus, if the State elected the option under subclause (I), the number of families that received a non-recurring short-term benefit under the State program funded under this part during the preceding fiscal year.

“(ii) Special rule for former recipients with higher earnings.—In calculating the employment credit for a State for a fiscal year under this subparagraph, payments under the State program funded under this part shall be included to the extent that the earnings earned by the recipient during the calendar quarter in which the payments ceased, or the calendar quarter immediately succeeding the calendar quarter in which the payments ceased, exceed the earnings required to meet the employment credit; provided that no credit under this subparagraph shall be included to the extent that the earnings exceed—

“(I) a percentage of the average earnings of the recipient during the calendar quarter in which the payments ceased; or

“(II) a percentage of the average earnings of the recipient during the immediately preceding calendar quarter.

“(B) Penalty for failure of State to use review and conciliation process.—

“(i) In general.—If the Secretary determines that the State to which a grant is made under section 408 of title 42, United States Code (42 U.S.C. 608) failed to require an individual to comply with the requirement on the basis of which the sanction is to be imposed, and the Secretary has not previously imposed the sanction, the Secretary may use the information in the National Directory of New Hires for purposes of calculating the amount of the employment credit that will be used in determining the minimum participation rate applicable to a State under this subsection for the immediately succeeding calendar year.

“(C) Publication of amount of credit.—Not later than August 30 of each fiscal year, the Secretary shall cause to be published in the Federal Register the amount of the employment credit that will be used in determining the minimum participation rate applicable to a State under this subsection for the immediately succeeding calendar year.

“(2) Authority of secretary to use information in national directory of new hires.—Section 455(i) of title 42, United States Code (42 U.S.C. 655(i)) is amended by adding at the end the following:

“(B) Elimination of caseload reduction credit.—Section 407(b) (42 U.S.C. 607(b)) is amended by striking paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4) respectively.

“SEC. 205. STATES TO RECEIVE PARTIAL CREDIT TOWARD WORK PARTICIPATION RATES IN PART-TIME WORK.

“Section 407(c)(1)(A) (42 U.S.C. 607(c)(1)(A)), as amended by section 307 of this Act, is amended by adding at the end the following flush sentence:

“For purposes of subsection (b)(1)(B)(i), a family that does not include a recipient who is participating in work activities for an average of 30 hours per week during a month but includes a recipient who is participating in such activities during the month for an average of at least 50 percent of the minimum specified for the month set forth in this subparagraph shall be counted as a percentage of a family that includes an adult child head count engaged in work for the month, which percentage shall be the number of hours for which the recipient participated in such activities during the month divided by the number of hours of such participation required of the recipient under this section for the month.”.

“SEC. 206. STATES TO RECEIVE PARTIAL CREDIT TOWARD WORK PARTICIPATION RATES IN PART-TIME WORK.

“Section 407(c)(1)(A) (42 U.S.C. 607(c)(1)(A)), as amended by section 307 of this Act, is amended by adding at the end the following flush sentence:

“For purposes of subsection (b)(1)(B)(i), a family that does not include a recipient who is participating in work activities for an average of 30 hours per week during a month but includes a recipient who is participating in such activities during the month for an average of at least 50 percent of the minimum specified for the month set forth in this subparagraph shall be counted as a percentage of a family that includes an adult child head count engaged in work for the month, which percentage shall be the number of hours for which the recipient participated in such activities during the month divided by the number of hours of such participation required of the recipient under this section for the month.”.
SEC. 206. TANF RECIPIENTS WHO QUALIFY FOR SUPPLEMENTAL SECURITY INCOME BENEFITS REMOVED FROM WORK PARTICIPATION RATE CALCULATION FOR ENTIRE YEAR.


(1) in subclause (I), by inserting "who has not become eligible for supplemental security income benefits under title XVI during the fiscal year covered by the semiannual calculation";

(2) in subclause (II), by inserting ", and take account of all such periods of time covered by the semiannual calculation";

(3) by striking "fiscal year for each type of benefits a threshold which" and inserting "a threshold which"; and

(4) by striking the period at the end of subparagraph (F) and inserting a semicolon.

SEC. 207. STATE OPTION TO INCLUDE RECIPIENTS OF SUBSTANTIAL CHILD CARE OR TRANSPORTATION ASSISTANCE IN WORK PARTICIPATION RATE.

(a) In General.—Section 407(a)(1) (42 U.S.C. 607(a)(1), as amended by sections 503 and 306 of this Act, is amended by inserting "including, at the option of the State, a family that includes an adult or a minor child head of household who has been eligible for substantial child care or transportation benefits under title XVI during the fiscal year before the period," before the period.

(b) Amendment to Section 407(b) (42 U.S.C. 607(b)) is amended—

(1) in clause (i), by inserting "plus, at the option of the State, the number of families that include an adult who is receiving substantial child care or transportation benefits, as determined under section 407(a)(1)" before the colon;

(2) in subclause (III), by inserting "including, if the State has elected to include families with an adult who is receiving substantial child care or transportation benefits under this subsection, the number of such families before the semicolon.

(c) Data Collection and Reporting.—Section 611(a)(1)(A) (42 U.S.C. 611(a)(1)(A)) is amended in the matter preceding clause (i) by inserting "including any family with respect to whom the State has exercised its option under section 407(a)(1)" after "assistance".

SEC. 208. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), the amendments made by sections 204 through 207 shall take effect on October 1, 2003.

(b) State Option To Phase-in Replacement of Caseeload Reduction Credit With Employment Credit and Delay Applicability of Other Provisions.—A State may elect to have the amendments made by sections 204(b) and 205 through 207 of this Act not apply to the State program funded under part A of title IV of the Social Security Act until October 1, 2003. If the State makes such an election, then, in determining the participation rate of the State for purposes of sections 407 and 409(a)(3) of the Social Security Act for fiscal year 2004, the State shall be credited with 1/2 of the reduction in the rate that would otherwise result from applying section 409(a)(2) of the Social Security Act (as added by section 204(a)(1) of this Act) to the State for fiscal year 2004 and 1/2 of the reduction in the rate that would otherwise result from applying such section 407(b)(2) to the State for fiscal year 2004.

TITLE III—REQUIRING AND REWARDING WORK

SEC. 301. EFFECT OF WAGE SUBSIDIES ON 5-YEAR TANF PROGRAM.

Section 408(a)(7) (42 U.S.C. 608(a)(7)) is amended by adding at the end the following:

"(H) LIMITATION ON MEANING OF ‘ASSISTANCE’ FOR FAMILIES WITH INCOME FROM EMPLOYMENT.—For purposes of this paragraph, at the option of the State, a benefit or service provided as monthly cash assistance under the State program funded under this part shall not be considered assistance under the program if—

(i) during the month, the family includes an adult or a minor child head of household who has received at least such amount of income from employment as the State may establish; and

(ii) the average weekly earned income of the family for the month is at least $100.".

SEC. 302. CHILD CARE.

(a) INCREASE IN ENTITLEMENT FUNDING.—Section 418(a)(3) (42 U.S.C. 618(a)(3)) is amended—

(1) by striking "and" at the end of subparagraph (B); and

(2) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(3) by adding at the end the following:

"(J) $5,467,000,000 for fiscal year 2004; and

(1) $1,967,000,000 for fiscal year 2005; and

(2) $1,967,000,000 for fiscal year 2006; and

(3) $2,967,000,000 for fiscal year 2007.

(b) AMENDMENTS TO THE CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990.—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; AMOUNTS AVAILABLE FOR INCENTIVE GRANTS TO IMPROVE QUALITY OF CHILD CARE SERVICES.

"(A) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subchapter $2,350,000,000 for fiscal year 2003 and such sums as may be necessary for the fiscal years 2004 through 2007.

"(B) AMOUNTS AVAILABLE FOR INCENTIVE GRANTS TO IMPROVE QUALITY OF CHILD CARE SERVICES.—Of the amount made available to carry out this subchapter, $500,000,000 shall be used for each of the fiscal years 2003 through 2007 to make grants under section 659H.

"(C) STATE PLAN REQUIREMENTS.—Section 658E(c)(2) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(c)(2)) is amended—

(A) in subparagraph (A)—

(1) in clause (i) by striking "and" at the end; and

(2) in clause (iii) by adding "and" at the end; and

(3) by inserting after clause (ii) the following:

"(iv) in order to help ensure that parents have the freedom to choose quality center-based child care services, the State shall make significant effort to develop contracts with accredited child care providers in low-income and rural communities;"

(B) by amending subparagraph (D) to read as follows:

"(D) CONSUMER EDUCATION INFORMATION.—Certify that the State will collect and disseminate to parents receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 607 et seq.) and other low-income parents about eligibility for assistance under this subchapter; and

(C) by adding subparagraph (H) to read as follows:

"(H) MEETING THE NEEDS OF CERTAIN POPULATIONS.—Demonstrate the manner in which the State will meet the specific child care needs of families who are receiving assistance under a State program under part A of title IV of the Social Security Act, families who are attempting through work activities to transition off of such assistance program, families with children with disabilities and other special needs, low-income families not receiving cash assistance under a State program under part A of title IV of the Social Security Act, to provide information about eligibility for assistance under this subchapter and to assist individuals in applying for such assistance.

"(J) ELIGIBILITY REDETERMINATION.—Demonstrate that each child that receives assistance under this subchapter in the State will receive such assistance for not less than 1 year before the State determines the eligibility of the child under this subchapter.

"(K) SUPPLEMENT NOT SUPPLANT.—Provide assurances that the amounts paid to a State under this subchapter shall be used to supplement and not supplant other State or Federal funds that are available to support payment of child care assistance and to increase the quality of available child care for eligible families under this subchapter.

"(L) PAYMENT RATES.—Section 658E(c)(4)(A) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(c)(4)(A)) is amended—

(A) by striking "such access" and inserting "equal access to comparable quality and types of services"; and

(B) by adding at the end the following:

"(ii) Market rate surveys (that reflect variations in the cost of child care services by locality) shall be conducted by the State not less often than at 2-year intervals, and the results of such surveys shall be used to implement payment rates that ensure equal access to comparable services as required by this subparagraph.

"(iii) Payment rates shall be adjusted at intervals between such surveys to reflect increases in the cost of providing child care services in different regions and providing different types of care.

"(4) CHILD CARE ACCOUNTABILITY IMPROVEMENTS.—Section 658G of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858e) is amended to read as follows:

"SEC. 658G. CHILD CARE ACCOUNTABILITY IMPROVEMENTS.

"(a) ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.—A State that receives funds to carry out this subchapter shall reserve and expend not less than 20 percent of the funds for improvements in the quality of child care services provided in the State and in political subdivisions of the State.

"(b) FUNDING FOR IMPROVEMENTS.—The funds reserved under this subchapter shall be used for activities that are designed to increase the quality and supply of child care services for children from birth through 3 years of age.

"(2) Funds reserved under this subsection shall be used for 1 or more activities consisting of—

"(A) providing for the development, establishment, expansion, operation, and coordination of, child care resource and referral services; and

"(B) making grants or providing loans to eligible child care providers to assist the
providers in meeting applicable State and local child care standards and recognized accreditation standards;

(C) improving the ability of State or local government, as applicable, to monitor compliance with, and to enforce, State and local licensing and regulatory requirements (including registration requirements) applicable to early care and education services; and

(D) providing training and technical assistance in areas relating to the provision of child care services, such as training relating to promotion of health and safety, promotion of good nutrition, provision of first aid, recognition of communicable diseases, child abuse detection and prevention, and care of children with disabilities and other special needs;

(E) improving salaries and other compensation paid to full-time and part-time staff who provide child care services for which assistance is made available under this subchapter;

(F) making grants or providing financial assistance to eligible child care providers for training in child development and early education;

(G) making grants or providing financial assistance to child care providers to support delivery of early education and child development activities;

(H) making grants or providing financial assistance to eligible child care providers to make minor renovations to such providers’ physical environments that enhance the quality of the child care services they provide;

(I) improving and expanding the supply of child care services for children with disabilities and other special needs;

(J) expanding the supply of high quality inclusive child care for children with and without disabilities and other special needs;

(K) supporting the system described in paragraph (2);

(L) providing technical assistance to family child care providers and center-based child care providers to enable them to provide appropriate child care services for children with disabilities; and

(M) other activities that can be demonstrated to increase the quality of child care services to families.

(b) Child Care Resource and Referral System.—The State shall use a portion of the funds reserved under subsection (a) to support a central child care resource and referral organization coordinated by a statewide, nonprofit, community-based child care resource and referral organization. The local child care resource and referral system shall—

(1) provide parents in the State with information and support concerning child care options in their communities;

(2) collect and analyze data on the supply of and demand for child care in political subdivisions within the State;

(3) work closely with the business community or other organizations involved in providing child care services;

(4) increase the supply and improve the quality of child care in the State and in political subdivisions in the State;

(5) provide (or facilitate the provision of) specialists in health, mental health consultation, early literacy services for children with disabilities and other special needs, and infant and toddler care, to support or supplement community child care providers;

(6) foster and facilitate connections for training to community child care providers; or

(7) hire disability specialists, and provide technical assistance to child care providers, to effectively meet the needs of children with disabilities.

Section 658b—Incentive Grants to States.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9358 et seq.) is amended by inserting after section 658c the following:

SEC. 658h. INCENTIVE GRANTS TO STATES.

(a) AUTHORITY.—

(1) IN GENERAL.—The Secretary shall make the amount made available under section 658c(b) for a fiscal year to make grants to eligible States in accordance with this section.

(2) ANNUAL PAYMENTS.—The Secretary shall make an annual payment for such a fiscal year to each State that submitted an application for that State determined under subsection (c).

(b) ELIGIBLE STATES.—

(1) IN GENERAL.—In this section, the term ‘‘eligible State’’ means a State that—

(A) has conducted a survey of the market rates for child care services in the State within the 2 years preceding the date of the submission of an application under paragraph (2); and

(B) submits an application in accordance with paragraph (2).

(2) APPLICATION.—

(A) IN GENERAL.—To be eligible to receive a grant under this section, a State shall submit an application to the Secretary at such time, in such manner, and accompanied by such information, in addition to the information required by subparagraph (B), as the Secretary may require.

(B) INFORMATION REQUIRED.—Each application submitted for a grant under this section shall—

(i) detail the methodology and results of the State market rates survey conducted pursuant to paragraph (1)(A);

(ii) describe the State’s plan to increase payment rates from the initial baseline determined under clause (i);

(iii) if the State will increase payment rates in accordance with the market survey results, for all types of child care providers who provide services for which assistance is made available under this subchapter;

(iv) describe how rates are set to reflect the variations in the cost of providing care for children of different ages, different types of care, and in different localities in the State; and

(v) describe how the State will prioritize increasing payment rates for care of higher-than-average quality, such as care by accredited providers, care that includes the provision of comprehensive services, care provided to children with disabilities and other special needs, and care in low-income and rural communities, and care of a type that is in short supply.

(3) CONTINUING ELIGIBILITY REQUIREMENT.—The Secretary may make an annual payment under this section to an eligible State only if—

(A) the Secretary determines that the State has made progress, through the activities assisted under this subchapter, in maintaining increased payment rates; and

(B) at least once every 2 years, the State conducts an update of the survey described in paragraph (1)(A).

(4) REQUIREMENT OF MATCHING FUNDS.—

(A) IN GENERAL.—To be eligible to receive a grant under this section, the State shall agree to make available State contributions from funds other than funds made available under this title to support the costs of the activities to be carried out by a State pursuant to subsection (d) in an amount that is not less than 20 percent of such costs.

(B) DETERMINATION OF STATE CONTRIBUTIONS.—State contributions shall be in cash. Amounts provided by the Federal Government may not be included in determining the amount of such contributions.

(C) ALLOTMENTS TO ELIGIBLE STATES.—The amount made available under section 658b(b) for a fiscal year shall be allotted among the eligible States in the same manner as amounts are allotted under section 658c(b).

(d) Use of Funds.—An eligible State that receives a grant under this section shall use the funds received to significantly increase the payment rate for child care assistance in accordance with this subchapter up to the 150th percentile of the market rate survey described in subsection (b)(1)(A).

(e) Evaluations and Reports.—

(1) STATE EVALUATIONS.—Each eligible State shall submit to the Secretary, at such time as the Secretary may require, information regarding the State’s efforts to increase payment rates and the impact of increased rates are having on the quality of, and accessibility to, child care in the State.

(2) REPORTS TO CONGRESS.—The Secretary shall submit biennial reports to Congress on the information described in paragraph (1). Such reports shall include data from the applications submitted under subsection (b)(2) as a baseline for determining the progress of each eligible State in maintaining increased payment rates.

(f) Payment Rate.—In this section, the term ‘‘payment rate’’ means the payment rate required under subsection (b), as the Secretary may require.

(g) Administration, Enforcement, and Evaluation.—Section 658i of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858i) is amended—

(A) in the heading by striking ‘‘and enforcement’’ and inserting ‘‘and evaluation’’;

(B) in subsection (a)(3) by inserting before the period at the end ‘‘and including the establishment of a national training and technical assistance center specializing in infant and toddler care and their families’’; and

(C) by adding at the end the following:

‘‘(c) Federal Administration and Evaluation Activities.—The Secretary shall—

(i) establish a national data system through grants, contracts or cooperative agreements to develop statistics on the supply of, demand for, and quality of child care, early education, and non-school-hours programs; and

(ii) make available to State and local entities through child care resource and referral organizations at the national, State, and local levels; and

(iii) prepare and submit to Congress an annual report on the supply of, demand for, and quality of child care, early education, and non-school-hours programs, using data collected through State and local child care resource and referral organizations and other sources.’’.

(h) Reports.—Section 658k of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858k) is amended—

(A) in paragraph (1)(B)—

(i) in clause (ix) by striking ‘‘and’’ at the end; and

(ii) in clause (x) by adding ‘‘and’’ at the end; and

(iii) by inserting after clause (x) the following—

‘‘(xi) whether the child care provider is accredited by a national or State accrediting body;’’;

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A) by striking ‘‘aggregate data concerning’’;

(ii) in subparagraph (D) by striking ‘‘and’’ at the end; and

(iii) in subparagraph (E) by adding ‘‘and’’ at the end; and

(iv) by indenting the last margin in such subparagraphs (A) through (E) to the right and redesigning such subparagraphs as clauses (i) through (v), respectively;
(v) by inserting after clause (v), as so redesignated, the following:

"(vi) findings from market rate surveys, disaggregated by the types of services provided and by the sub-State localities, as appropriate;";

and

(vi) by inserting before clause (i), as so redesignated, the following:

"(A) information on how all of the funds reserved under section 658G were allocated and spent, and information on the effect of those expenditures, to the maximum extent practicable and

(B) aggregate data concerning—"

(8) DEFINITIONS.—Section 658F(i)(C) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n(i)(C)) is amended—

(A) in clause (i) by striking "or" at the end;

(B) in clause (ii) by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(iii) is a foster child.

(9) CONFORMING AMENDMENTS.—The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) is amended—

(A) in section 658C(c)(3)—

(1) in subparagraph (B) by striking "through (5) of section 658A(b)" and inserting "through (6) of section 658A(c)"; and

(2) in subparagraph (D) by striking "1997 through 2002" and inserting "2003 through 2007";

(B) in section 658E(a)(2) by striking "1997" and inserting "2003"; and

(C) in section 658L—

(i) by striking "July 31, 1998" and inserting "October 1, 2004";

(ii) by striking "Economic and Educational Opportunities" and inserting "Education and the Workforce"; and

(iii) by striking "Labor and Human Resources and" and inserting "Health, Education, Labor, and Poverty";

(c) APPLICABILITY OF STATE OR LOCAL HEALTH AND SAFETY STANDARDS TO OTHER TANF CHILD CARE SPENDING.—Section 658A(a) (42 U.S.C. 602(a)) is amended by adding at the end the following:

"(8) CERTIFICATION OF PROCEDURES TO ENSURE THAT CHILD CARE PROVIDERS COMPLY WITH APPLICABLE STATE OR LOCAL HEALTH AND SAFETY STANDARDS.—A certification by the chief executive officer of the State that procedures are in place to ensure that any child care provider in the State that provides services for which assistance is provided under the State program funded under this part complies with the applicable State and local health and safety requirements as described in section 658E(c)(2)(F) of the Child Care and Development Block Grant Act of 1990.

(d) AVAILABILITY OF CHILD CARE FOR PARENTS REQUIRED TO WORK.—Section 407(e)(2) (42 U.S.C. 607(e)(2)) is amended by striking "8 hours a day" after "8 hours per day" and inserting "9 hours a day" after "8 hours per day".

SEC. 303. COMPETITIVE GRANTS TO IMPROVE ACCESS TO VARIOUS BENEFIT PROGRAMS.

(a) PURPOSES.—The purposes of this section are to—

(1) inform low-income families with children about services available to families leaving welfare and other programs to support low-income families with children;

(2) provide incentives to States and counties to coordinate application and renewal procedures for low-income family with children support programs; and

(3) track the extent to which low-income families with children receive the benefits and services for which they are eligible.

(b) DEFINITIONS.—In this section:

(1) LOCALITY.—The term locality means a municipality that does not administer a temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) (in this section referred to as "TANF").

(2) LOW-INCOME FAMILY WITH CHILDREN SUPPORT PROGRAM.—The term "low-income family with children support program" means a program designed to provide low-income families with assistance or benefits to enable the family to become self-sufficient and includes—

(A) TANF;

(B) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2001 et seq.) (in this section referred to as "food stamps");

(C) the medicaid program funded under title XIX of the Social Security Act (42 U.S.C. 1396a et seq.);

(D) the State children's health insurance program (SCHIP) funded under title XXI of the Social Security Act (42 U.S.C. 1379ta et seq.);

(E) the child care program funded under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9856 et seq.);

(F) the child support program funded under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);

(G) the earned income tax credit under section 34 of the Code of 1986;

(H) the low-income home energy assistance program (LIHEAP) established under the Low-Income Home Energy Assistance Act of 1986 (42 U.S.C. 6201 et seq.);

(I) the supplemental nutrition program for women, infants, and children (WIC) established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

(J) programs under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.); and

(K) any other Federal or State funded program designed to help low-income families and work support to low-income families with children.

(3) NONPROFIT.—The term "nonprofit", as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by 1 or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(4) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(5) STATE.—The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, and the United States Virgin Islands.

(c) AUTHORIZATION OF GRANTS.—

(1) STATES AND COUNTIES.—The Secretary is authorized to award grants to States and counties to improve training of staff in low-income families with children support programs to enhance their ability to enroll eligible applicants in low-income family with children support programs, provide case management, and refer eligible applicants to other appropriate programs.

(2) CUSTOMER SURVEYS.—

(i) IN GENERAL.—A grant awarded to a State or county under subsection (c)(1) shall be used to carry out a customer survey.

(ii) MODEL SURVEYS.—The customer survey under clause (i) of this subparagraph shall be modeled after a form developed by the Secretary under subsection (g).

(3) REPORTS TO CONGRESS.—Not later than 1 year after a State or county is awarded a grant under subsection (c)(1), and annually thereafter, the State or county shall submit a report to Congress describing the results of the customer survey carried out under clause (i) of this subparagraph.

(4) IN-PERSON INTERVIEWS.—A State or county receiving a grant under subsection (c)(1) and the Secretary shall make the report required under clause (iii) of this subparagraph available to the public.

(D) TRACKING SYSTEMS.—

(i) IN GENERAL.—A grant awarded to a State or county under subsection (c)(1) shall be used to implement a tracking system to determine the level of participation in low-income family with children support programs of the eligible population.

(ii) IN-PERSON INTERVIEWS.—A State or county receiving a grant under subsection (c)(1) may expend funds made available under the grant for reporting and
Section 407(c)(1)(A) (42 U.S.C. 607(c)(1)(A)) is amended by striking "20" and inserting "24."

SEC. 308. STATE OPTION TO REQUIRE RECIPIENTS TO ENGAGE IN WORK FOR 40 HOURS PER WEEK.

Section 407(c)(1)(A) (42 U.S.C. 607(c)(1)(A)) is amended by adding at the end the following flush sentence:

"At the option of a State, the State may require, a recipient not referred to in paragraph (2)(B) to engage in work for an average of 40 hours per week in each month in a particular fiscal year."


(a) Option of Continuous Eligibility for 12 Months; Option of Continuing Coverage for 40 Hours Per Week to an Additional Year.

(1) Option of Continuous Eligibility for 12 Months by Making Reporting Requirements Optional.—Section 1925(b) (42 U.S.C. 1396b-6(b)) is amended—

(A) in paragraph (1), by inserting "at the option of a State," after "and which;"

(B) in paragraph (2)(A), by inserting "Subject to subparagraph (C)—" after "(A) No-".

(C) in paragraph (2)(B), by inserting "Subject to subparagraph (C)—" after "(B) Re-".

(D) by adding at the end the following new subparagraph:

"(C) State option to waive notice and reporting requirements.—A State may waive some or all of the reporting requirements under clauses (i) and (ii) of subparagraph (B). Insofar as it waives such a reporting requirement, the State need not provide for a notice under subparagraph (A) relating to such requirement; and"

(E) in paragraph (3)(A)(iii), by inserting "the State has not waived paragraph (2)(C) the reporting requirement with respect to such month under paragraph (2)(B) and (1) after "6-month period if;"

(2) State Option to Extend Eligibility for Low-Income Individuals for Up to 12 Additional Months.—Section 1925 (42 U.S.C. 1396b-6) is further amended—

(A) by redesignating subsections (c) through (f) as subsections (d) through (g); and

(B) by inserting after subsection (b) the following new subsection (c):

"(C) State Option of Up to 12 Months of Additional Eligibility.—

"(1) In general.—Notwithstanding any other provision of this title, each State plan approved under this title may provide, at the option of the State, that the State shall offer to each family which received assistance during the entire 6-month period under subsection (b) and which meets the applicable requirement of paragraph (2), in the last month of the period the option of extending coverage under this paragraph for succeeding period not to exceed 12 months.

"(2) Income restriction.—The option under paragraph (1) shall not be made available to a family for a succeeding period unless the State determines that the family's average gross monthly earnings (less such costs for such child care as is necessary for the employment of the caretaker relative) as of the end of the 6-month period under subsection (b) does not exceed 185 percent of the official poverty line (as defined by the Office of Management and Budget) annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

"(3) Application of extension rules.—The provisions of paragraphs (2), (3), (4), and
(5) of subsection (b) shall apply to the extension provided under this subsection in the same manner as they apply to the extension provided under subsection (b)(1), except that for purposes of subsection (b)(2), (3), and (4), the ‘6-month period’ shall be deemed extended for the following:

(a) any reference to a 6-month period under subsection (b)(1) is deemed a reference to the extension period provided under paragraph (e) of subsection (a) for purposes of any application for or receipt of and premium payment periods shall be modified to correspond to the appropriate calendar quarters of coverage provided under this subsection; and

(b) any reference to a provision of subsection (a) or (b) is deemed a reference to the corresponding provision of subsection (b) or of this section, as applicable.

(b) State Option To Waive Receipt of Medicaid for 3 of Previous 6 Months To Qualify for TMA.—Section 1925(a)(1) (42 U.S.C. 1396b-6(a)(1)) is amended by adding at the end the following: "A State may, at its option, also apply the previous sentence in the case of a family that was receiving such aid for fewer than 3 months, or that had applied for and was eligible for such aid for fewer than 3 months, during the 6 immediately preceding months described in such sentence."

(c) Elimination of Sunset for TMA.—(1) Subsection (g) of section 1925 (42 U.S.C. 1396b-6), as redesignated under subsection (a)(2), is amended—

(A) in subsection (d), by striking "(A) Notwithstanding any other provision of this title," each place it appears.

(B) by striking "(a)" as a heading of subsection (e) and by designating subsection (f) as subsection (a) of such section.

(C) in subsection (a), by striking "(A) any reference to a 6-month period under subsection (b)(1) is deemed a reference to the extension period provided under paragraph (c) of subsection (a) for purposes of any application for or receipt of Medicaid for 3 of Previous 6 Months To Qualify for TMA. — Section 1925(a)(1) (42 U.S.C. 1396b-6(a)(1)) is amended by adding at the end the following: "A State may, at its option, also apply the previous sentence in the case of a family that was receiving such aid for fewer than 3 months, or that had applied for and was eligible for such aid for fewer than 3 months, during the 6 immediately preceding months described in such sentence."

(D) in subsection (e), by striking "(a)" as a heading of subsection (d) and by designating subsection (e) as subsection (a) of such section.

(E) in subsection (f), by striking "(b)" as a heading of subsection (e) and by designating subsection (g) as subsection (b) of such section.

(F) in subsection (g), by striking "(a)" as a heading of subsection (d) and by designating subsection (g) as subsection (a) of such section.

(G) in subsection (h), by striking "(a)" as a heading of subsection (d) and by designating subsection (h) as subsection (a) of such section.

(H) in subsection (i), by striking "(a)" as a heading of subsection (d) and by designating subsection (i) as subsection (a) of such section.

(I) Elimination of TMA Requirement for States That Extend Coverage to Children and Parents Through 185 Percent of Poverty.—

(1) In General.—Section 1925 is further amended by adding at the end the following new paragraph:

"(h) Provisions Optional for States That Extend Coverage to Children and Parents Through 185 Percent of Poverty.—Section 1925(a)(5)(D) (42 U.S.C. 1396a(a)(5)(D) is amended by adding at the end the following: "A State may, at its option, also apply the previous sentence in the case of a family that was receiving such aid for fewer than 3 months, or that had applied for and was eligible for such aid for fewer than 3 months, during the 6 immediately preceding months described in such sentence."

(a) Welfare-To-Work Worker Protections.—Section 403(a)(1)(A) (42 U.S.C. 602(a)(1)(A) is amended by adding at the end the following:

(1) by striking "(b)(3)(C)" as a heading of subsection (a)(3) and by designating subsection (a)(3) as subsection (a)(1)(C); and

(2) by striking "(b)(3)(D)" as a heading of subsection (a)(4) and by designating subsection (a)(4) as subsection (a)(1)(D); and

(b) State Plan Requirement.—Section 402(a) (42 U.S.C. 602(a)) is amended by adding at the end the following:

"(3) If it provides for medical assistance under this title continues, written notice of such assistance continues, written notice of such determination shall be supplemented by a one-page notification form describing the different ways in which individuals and families may qualify for such medical assistance and explaining that individuals and families do not have to be receiving aid under part A or E of title IV to quality for such medical assistance."

(c) Extension of Use of Outstated Workers to Accept Applications for Transitional Medical Assistance.—Section 1925(a)(5) (42 U.S.C. 1396a(a)(5)(A)) is amended by adding at the end the following:

"(e) Effective Dates.—(1) Except as provided in this subsection, the amendments made by this section shall have effect as of the date of enactment of such section and the agency experiences a net reduction in its overall workforce in a given year, there is a rebuttable presumption that the placement has resulted in displacement of the employee of the agency in violation of this paragraph.

(b) State Plan Requirement.—Section 402(a) (42 U.S.C. 602(a)) is amended by adding at the end the following:

"(c) Requirement of Notice for All Families Losing TANF.—Subsection (a) of this section is amended by adding after and below subparagraph (B), the following:

"(A) any reference to a 6-month period under subsection (b)(1) is deemed a reference to the extension period provided under paragraph (c) of subsection (a) for purposes of any application for or receipt of Medicaid for 3 of Previous 6 Months To Qualify for TMA. — Section 1925(a)(1) (42 U.S.C. 1396b-6(a)(1)) is amended by adding at the end the following: "A State may, at its option, also apply the previous sentence in the case of a family that was receiving such aid for fewer than 3 months, or that had applied for and was eligible for such aid for fewer than 3 months, during the 6 immediately preceding months described in such sentence."

(2) If it provides for medical assistance under this title continues, written notice of such determination shall be supplemented by a one-page notification form describing the different ways in which individuals and families may qualify for such medical assistance and explaining that individuals and families do not have to be receiving aid under part A or E of title IV to qualify for such medical assistance."

"(d) CMS Report on Enrollment and Participation Rates Under TMA.—(1) Subsection (g) of section 1925 (42 U.S.C. 1396b-6), as redesignated under subsection (a)(2), is amended—

(A) in subsection (d), by striking "(A) Notwithstanding any other provision of this title," each place it appears.

(B) by striking "(a)" as a heading of subsection (e) and by designating subsection (f) as subsection (a) of such section.

(C) in subsection (a), by striking "(A) any reference to a 6-month period under subsection (b)(1) is deemed a reference to the extension period provided under paragraph (c) of subsection (a) for purposes of any application for or receipt of Medicaid for 3 of Previous 6 Months To Qualify for TMA. — Section 1925(a)(1) (42 U.S.C. 1396b-6(a)(1)) is amended by adding at the end the following: "A State may, at its option, also apply the previous sentence in the case of a family that was receiving such aid for fewer than 3 months, or that had applied for and was eligible for such aid for fewer than 3 months, during the 6 immediately preceding months described in such sentence."

(D) in subsection (e), by striking "(a)" as a heading of subsection (d) and by designating subsection (e) as subsection (a) of such section.

(E) in subsection (f), by striking "(b)" as a heading of subsection (e) and by designating subsection (g) as subsection (b) of such section.

(F) in subsection (g), by striking "(a)" as a heading of subsection (d) and by designating subsection (g) as subsection (a) of such section.

(G) in subsection (h), by striking "(a)" as a heading of subsection (d) and by designating subsection (h) as subsection (a) of such section.

(H) in subsection (i), by striking "(a)" as a heading of subsection (d) and by designating subsection (i) as subsection (a) of such section.

(I) Exception Dates.—(1) Except as provided in this subsection, the amendments made by this section shall apply to calendar quarters beginning on or after October 1, 2001, with respect to all final or not final regulations to carry out such amendments have been promulgated by such date.

(2) The amendment made by subsection (g) shall take effect 6 months after the date of the enactment of this Act.

(3) In the case of a State plan for medical assistance under title XIX of the Social Security Act, the Secretary of Health and Human Services determines requires State legislation (other than legislation authorizing funds for medical assistance) in order for the plan to meet additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title if the State fails to meet these additional requirements before 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.

TITLE IV—HELPING WELFARE LEARVERS CLIMB THE EMPLOYMENT LADDER

SEC. 401. STATE PLAN REQUIREMENT ON EMPLOYMENT ADVANCEMENT.

(a) In General.—Section 402(a)(1)(A) (42 U.S.C. 602(a)(1)(A) is amended by adding at the end the following:

"(vii) Establish goals and take action to improve initial earnings, job advancement, and employment retention for individuals in and individuals leaving the program.

(b) Inclusion in Annual Reports of Progress in Achieving Employment Advancement Goals.—Section 411(b) (42 U.S.C. 611(b) is amended by adding at the end the following:

"(1) by striking "(b)" as a heading of subsection (a)(4) and by designating subsection (a)(4) as subsection (a)(3); and

"(2) by striking "(c)" as a heading of subsection (a)(5) and by designating subsection (a)(5) as subsection (a)(4)."
(A) General.—Section 407(d)(2) (42 U.S.C. 607(d)(2)) is amended to read as follows:

"(b) not more than 24 months of participation by an individual—"

"(A) vocational or educational training (including postsecondary education), at an eligible educational institution (as defined in section 404(h)(5)(A)) leading to attainment of a credential from the institution related to employment or a job skill;"

"(B) a State or Federal work-study program under part C of title IV of the Higher Education Act of 1965 or an internship related to vocational or postsecondary education, supervised by an eligible educational institution (as defined in section 404(h)(5)(A)); or"

"(C) a course of study leading to adult literacy, in which English is taught as a second language, or leading to a certificate of high school equivalency, if the State considers the activities important to improving the ability of the individual to find and maintain employment (1);"

"(A) General.—Section 407(d) (42 U.S.C. 607(d)) is amended—"

"(1) by striking "and" at the end of paragraph (12) and inserting ", and"; and

"(3) by adding at the end following:"

"(13) Up to 6 months of participation (as determined by the State) in services designed to improve future employment opportunities, income maintenance services, services to address sexual or domestic violence, and physical rehabilitation and mental health services.;"

"(b) Conforming—Section 407(c)(1) (42 U.S.C. 607(c)(1)) is amended by striking "(12)" each place it appears and inserting "(12), and (13)");"

(2) after the heading, by striking "assistance and inserting "any benefit or service that may be provided under clause (i)";"

SEC. 404. FAMILY FORMATION FUND.

Section 403(a)(2) (42 U.S.C. 603(a)(2)) is amended to read as follows:

"(3) Title V—Promoting Family Formation and Responsible Parenting

SEC. 501. FAMILY FORMATION FUND.

Section 403(a)(2) (42 U.S.C. 603(a)(2)) is amended to read as follows:

"(2) Family formation fund.—"

"(A) In general.—The Secretary shall provide grants to States and localities for research, technical assistance, and demonstration projects to promote and fund best practices in the following areas:

"(i) Promoting the formation of 2-parent families;

"(ii) Reducing teenage pregnancies;

"(iii) Involving parents or custodial parents to financially support and be involved with their children;

"(B) Allocation of funds.—In making grants under this paragraph, the Secretary shall ensure that not less than 30 percent of the funds made available pursuant to this paragraph for a fiscal year are used in each of the areas described in subparagraph (A).

"(C) Consideration of domestic violence impact.—In making grants under this paragraph, the Secretary shall consider the potential impact of the project on the incidence of domestic violence;

"(D) Application.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2003 through 2007 $100,000,000 for grants under this paragraph.;"

SEC. 502. DISTRIBUTION OF CHILD SUPPORT.

Section 407(c)(1) (42 U.S.C. 607(c)(1)) is amended by striking paragraph (12) and inserting paragraph (13)."
“(4) FAMILIES THAT NEVER RECEIVED ASSISTANCE.—In the case of any other family, the State shall pay the amount collected to the family.

“(5) FAMILIES UNDER CERTAIN AGREEMENTS.—Notwithstanding paragraphs (1) through (4), in the case of an amount collected for a family in accordance with a cooperative agreement under section 457 of such Act, the State shall determine whether or not to collect the amount that the State estimates (under procedures approved by the Secretary) would have been payable to the family for the month the amount was collected, section 457(c)(2) (as in effect for the State immediately before the date this subsection first applies to the State) if the State elects to have the amount granted to the State under section 458(a) to pay the amount, or to have the payment considered a qualified State expenditure for purposes of section 457(c)(4)(B), but not both.

“(6) STATE FINANCING OPTIONS.—To the extent that the State share of the amount payable to a family for a month pursuant to paragraphs (1) through (5) exceeds the amount collected under this subsection, a State may elect to have the amount pursuant to clause (1) or (ii) of section 457(a)(2)(B), but only to the extent that the State properly elects under section 457(a)(6) to have the amount that the State estimates (under paragraphs (2)(B) of this subsection and section 454(33), a State shall not be required to pay an amount estimated by the Secretary under section 454(33) for a fiscal year that has not ended.

“(7) STATE OPTION TO PASS THROUGH ADDITIONAL SUPPORT.—In determining the eligibility of a 1-parent family for additional support under paragraph (3), a State shall not be required to pay to the Federal Government the Federal share of an amount collected on behalf of a family that is a recipient of assistance under the part D of title IV of the Social Security Act, which is calculated by the following:

(A) by striking “or” at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting “; or”;

(C) by adding at the end the following:

“(V) PORTIONS OF CERTAIN CHILD SUPPORT PAYMENTS COLLECTED ON BEHALF OF AND DISTRIBUTED TO FAMILIES NO LONGER RECEIVING ASSISTANCE.—Any amount paid by a State under section 409(a)(7) with respect to amounts collected on behalf of a family that is not a recipient of assistance under part D of title IV of the Social Security Act, the State shall distribute the amount collected by the State and to amounts collected by the State, on and after such date as the State may select that is after the date of the enactment of this Act and before the effective date provided in paragraph (1).”

SEC. 503. ELIMINATION OF SEPARATE WORK PARTICIPATION RATE FOR 2-PARENT FAMILIES.

Section 409(a)(7)(B)(i)(I)(aa) of such Act (42 U.S.C. 657(c)) is amended by adding at the end the following:

“(5) CURRENT SUPPORT AMOUNT DEFINED.—Section 457(c) (42 U.S.C. 657(c)) is amended by adding at the end the following:

“(d) STATE OPTION TO DISCONTINUE CERTAIN SUPPORT ASSIGNMENTS.—Section 457(b) (42 U.S.C. 657(b)) is amended by striking “shall” and inserting “may”.

“(e) CONFERENCE REPORT AMENDMENTS.—

(1) Section 409(a)(7)(B)(i)(aa) (42 U.S.C. 609(a)(7)(B)(i)(aa)) is amended by striking “‘457(a)’” and inserting “‘457(a)’”.

(2) Section 409(a)(7)(B)(i)(aa) is amended—

(A) by striking “or” at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting “; or”; and

(C) by adding at the end the following:

“(V) PORTIONS OF CERTAIN CHILD SUPPORT PAYMENTS COLLECTED ON BEHALF OF AND DISTRIBUTED TO FAMILIES NO LONGER RECEIVING ASSISTANCE.—Any amount paid by a State under section 409(a)(7) with respect to amounts collected on behalf of a family that is not a recipient of assistance under part D of title IV of the Social Security Act, the State shall distribute the amount collected by the State, on and after such date as the State may select that is after the date of the enactment of this Act and before the effective date provided in paragraph (1).”

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2) of this subsection and section 403(b)(12) of such Act (42 U.S.C. 653(b)(12)), this section shall take effect on October 1, 2006, and shall apply to payments under parts A and D of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(2) STATE OPTION TO PASS THROUGH ADDITIONAL SUPPORT.—A State may elect to have the amendments made by this section apply to the State and to amounts collected by the State, on and after such date as the State may select that is after the date of the enactment of this Act and before the effective date provided in paragraph (1).

SEC. 504. BAN ON IMPOSITION OF STRICTER ELIGIBILITY CRITERIA FOR 2-PARENT FAMILIES.

(a) In general.—Section 409(a)(7) (42 U.S.C. 609(a)(7)) is amended by striking “a family is not eligible for benefits under section 403 for a fiscal year has violated section 408(a)(13) during the fiscal year, the Secretary shall reduce the grant payable to the State under section 609(a) for the immediately succeeding fiscal year by an amount equal to 5 percent of the State family assistance grant.”

(b) Penalty based on severity of failure.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.

SEC. 505. EXTENSION OF ABSTINENCE EDUCATION FUNDING UNDER MATER NAL AND CHILD HEALTH PROGRAM.

(a) In general.—Section 510(b)(4) (42 U.S.C. 710(b)(4)) is amended by striking “2002” and inserting “2007.”

(b) PURPOSES OF ALLOTMENTS.—For each of the fiscal years 2003 through 2007, section 510(b)(1) of the Social Security Act is deemed to read as follows: “(1) the purpose of an allotment under subsection (a) of this section is to enable the State to provide abstinence education, and at the option of the State—

“(A) programs that the State defines as an appropriate approach to abstinence education that educates those who are currently sexually active or at risk of sexual activity about methods to reduce unintended pregnancy, the risks of sexually transmitted diseases, and the importance of healthy relationships; and

“(B) where appropriate, mentoring, counseling, and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out-of-wedlock.”.

(c) MEDICALLY AND SCIENTIFICALLY ACCURATE INFORMATION.—In each of fiscal years 2003 through 2007, there is deemed to appear in the matter preceding subparagraph (A) of section 510(b)(2) of such Act the phrase “a medically and scientifically accurate educational” in lieu of the phrase “an educational”, and there is deemed to appear after and below subparagraph (H) of such section the following:

“For purposes of this section, the term ‘medically accurate’, with respect to information, means information that is supported by research, recognized by and supported by the objective by leading medical, psychological, psychiatric, and public health organizations and agencies, and where relevant, published in peer-reviewed journals.”

(d) EFFECTIVE MODELS FOR PROGRAMS.—For each of the fiscal years 2003 through 2007, section 510 of such Act is deemed to have at the end the following subsection:

“None of the funds appropriated in this section shall be expended for a program unless the program is based on a model that has been demonstrated to be effective in reducing unwanted pregnancy, or in reducing the transmission of a sexually transmitted disease or the human immunodeficiency virus.”

(2) The requirement of paragraph (1) shall not apply to programs that have been approved and funded under this section on or before April 19, 2002.”

(e) COMPARATIVE EVALUATION OF ABSTINENCE EDUCATION PROGRAMS.—

(1) STUDY.—The Secretary of Health and Human Services (referred to in this subsection as the ‘Secretary’) shall, in consultation with an advisory panel of research- based calendar quarters established by the Board on Children, Youth and Families of the National Academy of Sciences, conduct an experimental study directly or through contract or interagency agreements with States or with the relative efficacy of two approaches to abstinence education for adolescents. The study
design should enable a comparison of the efficiency of an abstinence program which pre-
cludes education about contraception with a similar abstinence program which includes education about contraception. Key outcomes that should be measured in the study include rates of sexual activity, pregnancy, birth, and sexually transmitted diseases.

(2) Other than 5 years after the date of the enactment of this Act, the Secretary shall submit a report to Congress the available findings regarding the comparison as anal-
alyzed.

(3) FUNDING.—For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2003 through 2007.

TITLE VI—RESTORING FAIRNESS FOR IMMIGRANT FAMILIES

SEC. 601. TREATMENT OF ALIENS UNDER THE TANF PROGRAM.

(a) Exception to 5-Year Ban for Qualified Aliens.—Section 409(c)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)) is amended by adding at the end the following:

"(l) Benefits under the Temporary Assistance for Needy Families Program described in section 402(b)(3)(A) ."

(b) Benefits Not Subject to Reimbursement.—Section 423(d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1318a note) is amended by adding at the end the following:

"(2) Benefits under part A of title IV of the Social Security Act except for cash assis-
tance provided to a sponsored alien who is subject to deeming pursuant to section 408(b) of the Social Security Act."

(c) Treatment of Aliens.—Section 408 (42 U.S.C. 608) is amended by adding at the end the following:

"(h) Special Rules Relating to the Treatment of 213A Aliens.—

"(1) In General.—In determining whether a 213A alien is eligible for cash assistance under a State program funded under this part, and in determining the amount or types of such assistance to be provided to the alien, the State shall apply the rules of paragraph (1), (2), (3), (5), and (6) of subsection (f) of this section by substituting "213A for "non-213A" each place it appears, subject to section 423(e) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and subject to section 423(f) of such Act (which shall be applied by substituting "section 408(h) of the Social Security Act" for subsection (a))."

"(2) 213A Alien Defined.—An alien is a 213A alien for purposes of this subsection if the affidavit of support or similar agreement with respect to the alien that was executed by the sponsor of the alien’s entry into the United States was executed pursuant to section 213A of the Immigration and Nationality Act ."

(4) EFFECTIVE DATE AND APPLICABILITY.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2002.

(2) APPLICABILITY.—The amendments made by this section shall apply to benefits provided on or after the effective date of this section.

SEC. 602. OPTIONAL COVERAGE OF LEGAL IMMIGRANTS UNDER THE MEDI-Cal PROGRAM AND SCHIP.

(a) Pediatric Formulary.—Section 1903(v) (42 U.S.C. 1396l(v)) is amended—

"(1) in paragraph (1), by striking "paragraph (2)" and inserting "paragraphs (2) and (4)"); and

"(2) by adding at the end the following new paragraph:

"’(4)(A) A State may elect (in a plan amendment under this title) to provide medical assistance under this title, notwithstanding sections 491(a), 402(b), 463, and 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, for aliens who are lawfully residing in the United States (including battered aliens described in section 491(a)(4) of such Act) and who are otherwise eligible for such assistance, within either or both of the following eligibility categories:

’(i) PREGNANT WOMEN.—Women during pregnancy (and during the 60-day period begin-
ing on the last day of the pregnancy).

’(ii) CHILDREN.—Children (as defined under such subparagraph) for targeted low-
income children described in section 1905(u)(2)(B)."

(B) In the case of a State that has elected to provide medical assistance to a category of aliens under subparagraph (A), no debt shall accrue under an affidavit of support against any sponsor of such an alien on the basis of provision of assistance to such category and the cost of such assistance shall not be considered as an unreimbursed cost.

(1) SCHIP.—Section 2107(e)(1) (42 U.S.C. 1527(e)(1)) is amended by adding at the end the following:

"(L) Benefits under the Temporary Assistance for Needy Families Program described in paragraph (3)(A), paragraph (1) of section 1962 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, as en-
acted into law by section 1001(a) of Public Law 106-554, is amended by redesigning subparagraphs (C) and (D) as subparagraph (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

"(C) Section 1903(v)(4) (relating to optional coverage of categories of permanent resident alien children), but only if the State has—

"(xii) Whether the head of the family has a significant physical or mental impairment.

"(2) SCHIP.—Section 1903(v)(4) (42 U.S.C. 1527(v)(4)) is further amended by adding at the end the following:

"(17) SCHIP.—Section 409(a) (42 U.S.C. 609(a)) is further amended by adding at the end the following:

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"(E) the cost of conducting the studies described in subsection (k), and

"(2) by adding at the end the following:

"(K) Longitudinal Studies of Employment and Earnings of TANF Leavers .—

"(1) In General.—The Secretary, directly or through grants, contracts, or interagency agreements shall conduct a study in each eli-

"(17) SCHIP.—Section 409(a) (42 U.S.C. 609(a)) is further amended by adding at the end the following:

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"(17) SCHIP.—Section 409(a) (42 U.S.C. 609(a)) is further amended by adding at the end the following:
Mr. Speaker, I have listened with interest during the debate, and there is a better way. The substitute that I am submitting is submitted on behalf of myself, the gentleman from California (Ms. WOOLEY), the gentleman from Tennessee (Mr. KLECZKA), the gentleman from California (Mr. BECERRA), the gentleman from Wisconsin (Mr. KLZK), the gentleman from California (Mr. THOMPSON), and the gentleman from Oregon (Mr. HAMMILL).

Mr. Speaker, it provides for a real work requirement, a requirement for real jobs. We reward the States for finding real employment for the people that are on welfare. We have put in the substitute an employment credit against the work requirement that was suggested by the gentleman from Michigan (Mr. LEVIN) and the gentleman from Wisconsin (Mr. KIND) that rewards the States for finding employment for the people on welfare. We increase the amount of education from 1 year to a maximum of 2 years, no caps on the number of people who can participate, specifically provide for English as a second language and GED.

Mr. Speaker, by turning this up, there are no requirements on the States. The States can then determine what is in the best interest of the people in their own State. We should not mandate how the States respond to the educational needs of their own citizens. It is their decision, not ours under the substitute.

Mr. Speaker, that is flexibility. That is what the States want. The Republican moves in the direction and takes away flexibility. The Democratic substitute provides more resources. We do that. We provide $11 billion of new resources in mandatory spending for child care, unlike the Republican bill which is $1 billion in mandatory spending.

The Congressional Budget Office has indicated that is necessary, otherwise we are imposing additional mandates on the States without providing the resources. I thank the gentleman from California (Mr. STRAIGHT) and the gentleman from California (Mr. GEORGE MILLER) for bringing forward the child care issue. I regret their amendments were not made in order.

The substitute also provides for an inflationary increase of $3 billion over the next 5 years for the basic grants to our States. If we do not do that, we will have level funding for 10 years, and we would actually have had a decline of a significant amount of dollars available in real purchasing power.

I have heard the Republicans comment the caseload is down. That is not true. Cash assistance is down, but the...
people being served by TANF funds is actually increasing because we are now providing employment services and day care to Americans who are working.

We also provide additional incentives to States to get people out of poverty. The Democratic substitute moves forward in eliminating the discrimination against legal immigrants. We allow the States at their discretion to cover legal immigrants with their TANF funds, and we make progress in both SSI and Medicaid in covering children and Medicaid pregnant women.

Mr. Speaker, the Democratic substitute moves us forward to the next plateau, to the next level of expectation on our States. We provide the flexibility and the resources, but we hold our States accountable to not only get people out of cash assistance off of the welfare rolls, but also American families can also move out of poverty.

Mr. Speaker, let me close this part of the debate by citing two of the groups that are in support of the substitute, and there are many others. First, the Children’s Defense Fund when they say: “Children deserve the chance to grow up out of poverty. The Democratic substitute will represent genuine progress for families with children to escape from poverty. I urge you to take the opportunity to help these working families to ensure that we truly Leave No Child Behind.”

Second, Charity U.S.A.: “We believe your substitute will help families escape both welfare and poverty, and we offer our strong support.”

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

Mr. THOMAS. Mr. Speaker, I rise in opposition to the amendment in the nature of a substitute.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS), my chairman, just point out to the gentleman from California (Mr. Thomas), my chairman, that this bill spends less than half of what the farm bill spent and will not even keep up the share of the Federal spending on these programs with the increase.

Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY), one of the coauthors of the substitute.

Ms. WOOLSEY asked and was given permission to revise and extend her remarks.

Ms. WOOLSEY. Mr. Speaker, I thank the gentleman from Maryland (Mr. CARIND) for his leadership and the gentlewoman from Wisconsin (Ms. TAUZIN) for his partnership in putting together this substitute. Our substitute offers Members a clear alternative to H.R. 4737. The Democratic substitute builds on what we have learned in welfare reform over the past 6 years. The most important thing that we have learned is that it is not hard to get people of the welfare rolls, particularly in a good economy. But it is especially easy if we do not care where they end up. But if we want people to go from welfare to self-sufficiency, then we have to work a little harder.

The guiding principle of the 1996 welfare reform was that welfare was the enemy. Welfare mothers were demonized, but the enemy is not welfare. Mr. Speaker. The enemy was then, and is now, poverty. This substitute will enable States to give welfare recipients the supports and services they need to get real jobs and lift themselves and their families out of poverty.

First of all, our substitute will allow education and training to count as work for up to 24 months, up to and including an AA employment-related degree. The most recent census report shows that the median income of women who have an associate’s degree is just under $24,000 a year. This is more than twice what a woman who works full-time at a minimum wage job earns. We believe education pays, and that is why the Democratic substitute makes education count.

The vast majority of welfare recipients are single mothers. They cannot go to school or work if their children do not have child care. That is why the Democratic substitute adds an additional $1 billion in mandatory funding for child care over 5 years. As many of my colleagues know, 25 years ago, when my children’s father left me and my young children, my children and I, 5. I had to turn to welfare, even though I was working, in order to pay for child care and other basic necessities.
The first year it was bad enough that I went to work. I had never intended to leave my children and go to work. It was bad enough that their father abandoned us. But the very worst part of the whole thing was trying to find child care. That first year I had 13 different child care arrangements. Can you imagine what that is like? Finding new child care, watching your children make that adjustment, losing that care and starting over again. Thirteen times in 12 months. It is an absolute miracle that I have the wonderful young adults they are today.

It was only after I was confident that my children were well cared for that I was able to concentrate on my work, and within a year I was promoted to a management position.

Mr. Speaker, this substitute does that for all the other women who need it.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume. I do wish the record to indicate that I indicated that the substitute bill requires a mandatory payment by the States of $1 billion. My understanding is that that is only in the fifth year. My correction is that actually the Congressional Budget Office says that that is an inflation mandate of $3.6 billion over 5 years.

We have fallen into the lexicon of the Federal Government and the State. The State pays, the Federal Government pays. Obviously it is the taxpayer who pays, whether it is at the State or the Federal level. So as we are discussing the costs of these bills, let us remember, somebody has to put up the taxes to pay for them.

In regard to the direction and the thrust, I find it interesting that 6 years ago when we first offered this proposal on the floor, the substitute that was offered, in fact, saved $50 billion over 6 years because they thought the entitlement of saving money in this system would convince enough people to vote with them rather than the reform of requiring people to work. Six years later, when they know that requiring people to work works, their substitute now spends $20 billion over 5 years. And so if you cannot beat them, join them, and throw a few more dollars at the problem seems to be the direction that the substitute is going.

Mr. Speaker, it is my pleasure to yield 2½ minutes to the gentleman from Arizona, Mr. HAYWORTH, a member of the Committee on Ways and Means.

Mr. HAYWORTH asked and was given permission to revise and extend his remarks.

Mr. HAYWORTH. Mr. Speaker, I thank my chairman for yielding me this time.

Mr. Speaker, I appreciate the words and heartfelt conviction of my friend from California. I do not doubt her intention, and the important thing in terms of public policy is to step back and see what can bring the greatest good. I appreciate that my friend from California is a living embodiment of an exception in a previous policy that just was not working. What we have done over the last decade, or the last half of a decade, is to change this program, to incentivize and require work.

That is why I rise in opposition, not to score political points, but to take a look at what we have been able to do in the last 6 years. If we enact the substitute offered by my friends on the other side, we will weaken work requirements. This would provide partial credits for adults who work as few as 10 hours a week while collecting full welfare benefits. Their substitute would add a new employed leaver credit. According to estimates from the Health and Human Services, it would effectively eliminate the work requirements in the year 2003, reducing from 50 percent to 2 percent the share of the welfare caseload expected to work.

What I think is important here is the work requirements, because, after all, it is incentive to work that brings about true reform, and in the final analysis the best social program is a job.

With all due respect, the substitute offered by my friends on the other side, even though it is not the intent of the other side, in essence it would promote welfare dependence. It would allow recipients working 2 days a week to stay on welfare forever.

And my chairman mentioned the bottom line, the cost of this substitute. Not only $70 billion over the next 10 years but my friends who on so many different projects say “Let’s watch deficit spending.” for this program they offer no budgetary offsets. Sound public policy requires under our budget rules offsets to bring this forward. It is not there.

For those reasons, I have to rise in opposition to the Democratic substitute.

Mr. CARDIN. Mr. Speaker, let me remind my friend that just a week ago, we approved over twice as much for the farm bill, without offsets.

Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Wisconsin (Mr. KIND), one of the co-authors of the substitute.

(Mr. KIND asked and was given permission to revise and extend his remarks.)

Mr. KIND. Mr. Speaker, I am one of the co-sponsors of the Democratic substitute and I also rise in opposition to the Republican base bill.

Mr. Speaker, we have a tale of two different visions here between these two bills: Our vision that believes in maintaining the importance of State flexibility and State innovation in implementing the next round of welfare reform, that believes in empowering the individuals on welfare reforms through access to education and a job training programs and that believes that we can ensure in regards to what we do with the children of these families. We provide the resources to help with quality child care services because we know that those on welfare are not going to enter the workforce if they know the kids are not properly being taken care of in a quality environment. That is in contrast to the Republican version, which is very long on conservatism and very short on compassion.

If everyone truly believes that welfare reform should be about welfare to work, then why do we not create an incentive rewarding States that help welfare recipients get decent, meaningful jobs? That is exactly what we accomplish with the Democratic substitute with an employment credit rather than a caseload reduction credit that they want to continue under current law.

Their approach is to reward States for merely kicking people off the welfare rolls yet we do not know what happens to them because there is a paucity of data in regards to where the families are, what they are doing and what happens to the kids.

Another important link with this is making sure that there is a greater responsibility for the noncustodial parent. Our bill provides an incentive for States to make sure that noncustodial parents, fathers of these kids, to get a greater share of child support payments rather than the entire burden falling on single mothers. Their approach is a $300 million experimental marriage counseling program that we have no information on whether it even works given again the paucity of research in this area.

Finally, we must recognize there are those on welfare that are there for a reason, either because of domestic abuse, sexual assaults, cognitive and physical disabilities. Our legislation recognizes the most vulnerable in our society and gives States the flexibility they need in order to deal with those unique cases. I encourage support for the substitute and reject the Republican alternative.

The Republican bill is a step in the wrong direction; it replaces state flexibility with unfunded mandates, it promotes make-work at the expense of wage-paying employment, and does nothing to help families escape poverty when they leave welfare for work. I worked closely, however, with Representatives CARDIN, WOOLSEY, TANNER, and THOMPSON in crafting a Democratic substitute that better assists the states in moving families from welfare to work and I empower individuals so they can become self-sufficient.

During consideration of welfare reform in the Education and Workforce Committee I offered three amendments that would have improved the base bill. The first amendment was an employment credit; the second amendment would have given states incentives to put fathers to work so they could pay child support; and the third amendment would have allowed states to consider domestic abuse or sexual violence in the development of families’ self-sufficiency plan. Unfortunately, I withdrew the fatherhood amendment under the agreement that Leader would continue the amendment between committee consideration and the floor. They did not, however, stand by their commitment and excluded this amendment.
We need to shift the focus and reward states for not only moving families off the rolls but also for moving them into jobs, with a bonus for moving them into higher-paying jobs. The amendment I offered during mark-up in committee would have done just that by replacing the caseload reduction credit with an employment credit. Under the employment credit, for every one percent of welfare recipients that leave the rolls for work, the state’s work participation requirement would be reduced by one percent. In addition, it would have increased state flexibility and measured the state’s performance using the entire continuum from welfare to work.

The first round of welfare reform required low-income mothers to work rather than make welfare a way of life. Reauthorization, however, should challenge the fathers of TANF children to also be responsible for raising their children. Thus, I offered an amendment with Congressman ROEMER during committee mark-up that would have rewarded states with a credit towards its worker participation rate if they worked with fathers to increase their employment and pay requirements. The additional piece to this amendment would have rewarded states even further, with a bonus to states that achieve or exceed employment performance targets. This bonus was authorized at $100 million, and the money would have come from the funding for the Family Formation and Healthy Marriage program. While very little research exists about marriage and its direct benefit to children, substantial research shows working fathers most effectively improves children’s emotional and financial well-being.

Violence is a fact of life for too many poor women; as many as 60% of women receiving welfare have been victims of domestic violence as adults. The incidence and severity of violence in their lives can keep them from escaping poverty. Therefore, the amendment I offered in committee would have required states to increase welfare taxes for incarcerated women to determine if they have been subjected to domestic or sexual violence and then states may refer them to necessary services. It is unfortunate that this assessment will not be included in the development of families’ self-sufficiency plan. It is critical that these women receive the necessary assistance to help them heal and escape poverty.

While it is unfortunate that my amendments were not included in the base bill, I am pleased to be a lead sponsor of the Democratic substitute and to have the opportunity to work on this issue. My colleagues and I worked hard to reach a compromise that we think will best serve our nation’s various populations and their needs. Most importantly, our alternative will allow states to focus on placing welfare recipients into real jobs and helping them escape poverty. That should be our number one priority, which sadly, the Leader’s bill does not accomplish.

Mr. THOMAS. Mr. Speaker, I would indicate that the gentleman from Wisconsin in his substitute is willing to impose $58.5 million of mandated increases in the Federal budget. Mr. Speaker, it is my pleasure to yield such time as he may consume to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. I thank my colleague from California for yielding me this time.

Mr. Speaker, the first thing I notice about the Democratic substitute is that, at least on the surface, it has no quarrel with strong work requirements. This really tells me they have been a long way since 1996, when many of my friends on the other side of the aisle made so many doom-and-gloom predictions about how welfare reform would bring about the end of civilization as we know it. Former Senator Pat Moynihan famously said that those who supported the 1996 reforms would “take this disgrace to their graves.” Mr. Speaker, I am one who voted for the bill and proud that I did.

This is why I am supporting the underlining bill today. By strengthening the work requirements and expanding flexibility, it builds on what is really best about the 1996 act. And while the Democratic substitute is a sign that my friends on the other side of the aisle are inclined to welfare reform, it is also a sign they are unwilling to move beyond the status quo.

While caseloads have declined dramatically since 1996, there is room for improvement. Fifty-eight percent of TANF recipients still are not engaged in any work-related activities. Now, there is one place where the substitute offers radical change, and that is in the area of child care. It proposes spending $11 billion more on child care over the next 5 years.

Mr. Speaker, to say this is generous would be an understatement. After not having even offered a budget here on the floor, our Democrat friends are asking for huge spending increases without even attempting to pay for them. Where would this additional child care money come from? We have no idea. In contrast to this fiscal irresponsibility, the underlying bill supports a $2 billion increase in child care and development, and we pay for our proposed increases.

The backers of the substitute are making the claim that the underlying bill does not do enough for education. Mr. Speaker, the claim is dead wrong. Under our bill, the welfare recipients can attend school full-time for 4 months in any 2-year period, and can spend up to 16 hours each week getting education and training to help further their ability to obtain gainful employment.

The chairman of the Committee on Education and the Workforce, let me remind my colleagues of the $66 billion Federal education budget already available to low income individuals, including Pell Grants, student loans, and Perkins loans. While these programs are not taken into account, it is clear that the welfare recipients will have time and the financial help they need to seek an education.
Mr. Speaker, we need to build on the success of the 1996 welfare reform law. I do not think the substitute we have before us does adequately strengthen the work requirements. It includes wildly unrealistic spending increases, and I urge my colleagues to defeat the substitute and vote "yes" on the underlying bill.

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

Mr. Speaker, I know the gentleman from Maryland (Mr. HOYER), my chairman, wants the record to be accurate, so let me just clarify the point he made about the States’ maintenance of effort requirements, which is current law. Wisconsin would receive well over $58 million in additional Federal support over and above the substitute, plus under the Republican bill they would truly have an unfunded mandate of $89 million. So I thank my friend the gentleman from Wisconsin (Mr. KIND) for looking after the citizens of Wisconsin.

Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. THOMPSON), a coauthor of the substitute.

Mr. THOMPSON of California. Mr. Speaker, I yield the gentleman for his good substitute proposal.

Mr. Speaker, I come down this afternoon to the floor to speak in favor of meaningful welfare reform, to speak in support of the substitute measure. The first goal of welfare reform should be poverty reduction, and this bill does reduce poverty by equipping people with the tools they need to find meaningful employment and then be able to keep that job once they get it. Many States have already found what works in their State, what is successful welfare reform, and that is because they have the flexibility to provide specific needs to the people in their State.

My State of California is a prime example of that. We have figured out how to make work pay and get people living in poverty out of that poverty. We have crafted a plan that puts people to work and works for the people in our State. Under our welfare reform, because of that flexibility, California has tripled the number of welfare recipients who have moved into employment, and their average monthly earnings has significantly increased. We have reduced our caseloads by over 40 percent in California. Unlike the underlying bill, the substitute continues to allow that flexibility to the States.

With 45 States experiencing budget problems right now, the unfunded State mandates in the majority’s bill are unaffordable to all States. I ask Members to support the substitute bill.

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

Mr. Speaker, I find it ironic that the gentleman from California is supporting a substitute which, if they want to receive the carrot in the bill, they are required to deal with the stick, which is a mandated inflationary payment by the State of almost $1 billion over 5 years, $944 million in a State which has just discovered under the Democratic Governor we have a $24 billion tub of red ink to begin with, and that my colleagues on the other side of the aisle are more than happy to dump additional red ink into that cesspool in California.

Mr. Speaker, it is my pleasure to yield 3 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), the chairman of the Subcommittee on Health.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield the chairman for yielding me time.

Mr. Speaker, in my brief time, I want to direct myself to the requirements in this bill. First of all, the real work requirement is almost unchanged from current law. Under current law a person must work 20 hours a week. Under this bill they must work 24 hours a week. That is three 8-hour days. What is really changed in this bill is the opportunity requirement. And let me just say, let me not pass up this opportunity. In this bill you are required to plan how you are going to use the other 16 hours of the normal 40-hour workweek to create your own future. If you have substance abuse problems, part of that plan can be to deal with substance abuse. If you have mental health problems, part of that plan can be to deal with your mental health problems. If you have educational deficits, part of that plan can be to deal with your educational deficit.

You have the whole 3 months, even a semester this month. By dint of your educational issues without any work requirement, even the 3 days a week, and, after that, you have Tuesdays and Thursdays, 2 days a week, to continue to pursue your degree.

You do not have that under current law, and most low income working parents do not have that today. Only women coming off of welfare will have the opportunity, and that is why I call it the opportunity requirement, to plan for the additional 16 hours, working with the State, in such a way that they can create for themselves the educational base from which they can develop their careers.

I would point out that in this bill there are employment achievement bonuses. Those will go to States that create career paths for their people; that help people coming off welfare get into minimum wage jobs, but then help them move up through education and through pathways with good recommendations to higher paid jobs.

So the vision in this bill for women is about hope and opportunity, planning one’s own individual course of action, so that at the end of your time you not only will be in the workforce, but you will be earning a good living to support your child.

Make no mistake about it: The other bill has no vision for women on welfare now and no vision for our future. The waiver provision in this bill is the only hope of us breaking out of both a committee structure and a series of funding streams that were set 50 years ago. Fifty years ago. How many times have we had hearings that said that? And what did the workforce investment bill do? It block granted job training money so people could benefit more.

We need for States to integrate their systems so we treat people holistically. You have 15 million eligible children today uncovered. It is nice to talk about opportunity, but if you do not have the necessary child care, you will not be able to avail yourself of those opportunities.

This bill, in my opinion, discriminates as well against legal immigrants, prohibiting States from using Federal funds to assist them, not giving them the choice, the option, in Federalism. It even would eliminate education from the list of activities that count toward work requirements, and it would flat fund temporary assistance to needy families. I ask my Republican friends, where is the compassion in that? You voted a few months ago to give Enron $250 million in corporate handouts, and we have corporations billions of dollars more, and now, now you want to crack down on a single mom who is trying her best to work and still take care of her kids.

That is not common sense. It is not compassion. It is not even conservative. It is, however, shortsighted and punitive, and, therefore, may well be consistent.
I urge my colleagues to vote for the substitute and against the underlying bill.

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

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

Mr. Speaker, I yield such time as she may consume to the gentleman from California (Mr. HERGER), as the potential that the current program has to truncate opportunity for women in our country and undercut the accomplishments in reducing poverty among children and helping women realize their potential that the current program has initiated.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Maryland who is here, but not the gentleman from Maryland, not the gentleman from California (Mr. HERGER), the chairman of the Subcommittee on Human Resources.

Mr. HERGER. Mr. Speaker, I rise in strong opposition to the Democrat substitute. This substitute weakens work requirements, is fiscally irresponsible and ties the hands of States.

We have found from the successes of the 1996 welfare reform legislation that work is the best path from poverty to self-sufficiency. This substitute reflects the failed AFDC program, which was weak on work and trapped recipients into a cycle of dependency. This substitute would increase welfare dependency by allowing a recipient to work as little as 2 days a week and stay on welfare forever. Without work, recipients have no hope to leave poverty and support themselves.

Furthermore, the substitute is fiscally irresponsible. It would cost the working taxpayers about $20 billion over the next 5 years. Unlike the Republican plan, this amendment contains no offsets to pay for the additional spending.

My friends from the other side of the aisle speak of fiscal responsibility, but show none in this substitute. In addition to being fiscally irresponsible and weak on work, the substitute places more burdens on the States and actually limits their flexibility. Over the next 6 years, what they would be forced to spend more of their own money on welfare, despite the fact that rolls are going down. States must establish complicated new regulations restricting their ability to place recipients in work and community service programs. Also under the substitute, the States are restricted in enforcing the expectation that recipients work.

Mr. Speaker, I urge my colleagues to oppose this substitute, which represents a step back in welfare reform.

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

Mr. Speaker, I understand the Republican sensitivity on the dollars because the people of Maryland over the next 5 years will get significantly more Federal help for their $61 million investment. But under the Republican bill they have to lay out $144 million and they get zero in returns. I strongly oppose this proposed substitute because it will truncate the opportunity bill is the underlying bill, and I strongly oppose this proposed substitute because it will truncate opportunity for women in our country and undercut the accomplishments in reducing poverty among children and helping women realize their potential that the current program has initiated.

Mr. CARDIN. Mr. Speaker, it is my pleasure to yield 1½ minutes to the gentleman from New Jersey (Mr. MENENDEZ).

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, today the Republican leadership, the party that wants to be known as the education party and that has gone to great lengths to win Hispanic votes, has proposed a welfare reform bill that proves their rhetoric does not match their reality.

Instead of providing and expanding educational opportunities for all, the Republicans emphasize the opportunity to get an education, to get a better job, and to get their family out of poverty permanently. Instead of providing an equal opportunity for permanent residents who are here legally and who have served in the Armed Forces of the United States in many cases, are veterans of our country, and who have fueled the economic boom of the last decade, Republicans refuse to give them the helping hand they need to get back on their feet. The current recession has not bypassed Hispanics, but the Republican welfare plan does.

It is ironic to me that less than a week before Republicans planned to pour millions of dollars into new Spanish-language infomercials to woo Hispanic voters, they refused to invest any money in helping poor Hispanic families get the education and training they need to lift themselves out of poverty. What family value refuses to invest in the money needed to provide child care to those families who are making every effort to work, but still cannot afford the cost of child care?

Today we see the true meaning of compassionate conservatism, and there is nothing more compassionate about it. The Republicans' new marketing strategy should really be called “la mentira grande” or “the big lie” instead of forging new paths, because today's bill shows that Republicans really have no intention of helping people forge new paths. Their rhetoric simply throws up roadblocks on the highway of opportunity.

I will tell the gentleman before he gets up that Republicans have already left New Jersey with a $56 billion deficit.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume. I was prepared to yield the gentleman from New Jersey a little more time so that he could cover up his tracks, because 6 years ago he voted to keep people on the program, he was opposed to the program. Now, of course, what they want to do is outbid people with Monopoly money to show how compassionate they are and how people work.

They were wrong then and they are wrong now.

Mr. Speaker, it is my pleasure to yield 4 minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the Committee on Ways and Means.

Mr. PORTMAN. Mr. Speaker, I appreciate the gentleman yielding me this time. I was not planning to get into the issue of legal immigrants, but I would think that some people might take from the last comments that somehow the underlying legislation takes benefits away from legal immigrants. No es verdad.

The truth is that there is no change with regard to illegal immigrants in this legislation. If anything, we have improved the benefits for legal immigrants because in the farm bill which was just passed we are now providing food stamps for legal immigrants. So I hope the gentleman is not trying to leave the wrong impression.

Mr. Speaker, the underlying bill I think is a great improvement to a great law. Since 1996, there are nearly 3 million children who have been lifted out of poverty. The opportunity bill has been a huge success. What the legislation does before us today, the underlying bill, is it builds on what works.

I had the opportunity last week to go visit one of our great organizations back in my hometown of Cincinnati that is taking the flexibility we gave them in 1996 and helping people move from welfare dependency to the kind of dignity and self-respect they get from work. They fix someone's car if it is broken, they help people with child care, they help people with medical bills. They provide that bridge, and they are flexible about it. They like this new flexibility built into the legislation. They are using this already, and they want more of it.

What has worked is requiring work. What has worked is strengthening families, and the underlying bill does that better, I would say, than the Democrat substitute. What works is protecting children, improving child care, and the more they are in child care in the underlying bill. In the Democratic substitute, there is more money, but it is not paid for. Creating additional opportunities, yes, for education and training, that is important and that is in the underlying bill and, finally, giving the States the tools to encourage self-sufficiency, and that is the flexibility.

I have heard some of my colleagues on this side say gee, to quote the gentleman from Maryland, who has here, but the one who left, it fails to provide adequate funding, the underlying bill. Well, I do not know how they can say...
that. We have had a more than 50 percent reduction in the welfare rolls; and yet we are continuing the Federal commitment. So we are going to be providing over $16 billion a year. We are not cutting the TANF funding, plus we are adding another at least $2 billion on children. In 1996 we were covering $7,000 per family on average. In the year 2003, we are going to be paying $16,000 per family on average. How is that a cut? How is that not adequate funding?

Then I hear the debate over the unfunded mandate, and I was the author of the Unfunded Mandate Relief Act, and I have to tell my colleagues, I have the letter here from the Congressional Budget Office. This is not an unfunded mandate. The underlying bill is not an unfunded mandate. Why? Because as we all set out, and I know the gentleman from Maryland and my other colleagues voted for the unfunded mandate bill, we said that if you give States the flexibility to be able to move money, transferred monies from agency to agency and give adequate flexibility, then it is not an unfunded mandate, and that is what CBO says.

So with regard to this unfunded mandate, the issue is just clear. We have a process here in Congress where the Congressional Budget Office, a non-partisan part of our congressional organization here, decides whether something is an unfunded mandate or not, and they have told us there is adequate flexibility and adequate funding in here, and it is not an unfunded mandate.

So with all due respect to my colleagues on this side who I know have the best intentions to try to pull more people out of poverty and into work, I think the underlying bill is a better approach to it. I hope that my colleagues today will reject the substitute and stick with what we know works, and that is encouraging work and encouraging people who are able-minded people, those capable of working getting back to work, being able to lift their families, and they have told us there is adequate flexibility in here, and it is not an unfunded mandate.

I would like to speak to the Democratic substitute. Mr. CARDIN. Mr. Speaker, normally the gentleman from Ohio's math is a little better than it was today.

Mr. Speaker, I am proud to yield 1½ minutes to the distinguished gentlewoman from California (Ms. Pelosi), the Democratic whip, formerly from Maryland.

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Maryland for yielding me this time and for his leadership on this important Democratic substitute that is on the floor today.

Unfortunately, our Republican colleagues refuse to allow the Democrats to bring an amendment to the floor which would talk about child care, which is one of the most serious deficiencies in their bill. It is loaded with deficiencies; but if I could talk about one, it would be child care.

The Democratic substitute gives women and their families the tools to leave poverty behind. It gives women access to job training opportunities; and the chance to make better lives for themselves and their families. It gives the States flexibility to implement the best approach. It focuses on real work and helps families escape poverty and achieve independence.

The Republican bill that is on the floor not only short-changes the important component of child care, which is essential to women lifting themselves out of poverty, it also foists on the States additional funding requirements to implement the requirements of H.R. 4737. In my own State of California alone, a $2.5 billion addition in costs to California, costs we can ill afford in a time of deficit, and that is required by this bill.

But I want to talk again about child care. The complete missing link in lifting people out of poverty and putting people to work is the answer to the question, Who is going to take care of the children? We all talk about family values here; and we are all committed, both Democrats and Republicans alike. But why is that not reflected in the Republican bill? The Democratic substitute puts five times more resources to retraining the Nation's educated, to work, to lift their families out of poverty. I urge a "yes" on the substitute and a "no" on the Republican bill.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume, once again, as a Member from California, California currently, under the Democratic Governor, is $24 billion in the red and this would add another $1 billion over 5 years of an induced stick, if they want to remove the illusory benefits under the bill. Once again, as my colleagues can see in the well, I find it ironic that just 6 years ago, the gentlewoman from California said, "I hope children throughout this country never have to feel the pain of this legislation. I hope it does not pass." Indeed, there was offered a substitute which would have saved money in an attempt not to have the legislation go forward. Of course, that is what we know the process works, as the gentleman from Missouri (Mr. Gephardt) said it works; they are now offering a substitute which throws money at the problem.

Ms. PELOSI. Mr. Speaker, the gentleman from Maryland, who is being spent on purposes such as job assistance, and that is good; and there-receiving noncash assistance than cash assistance, which is encouraging work and encourages the States the flexibility to be able to make better lives for themselves and believing in people and trusting people, and understanding that every person has the ability to get on their own feet and to be able to provide for themselves and their families, and that is what they want to do.

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have come such a long way from the days where someone who is capable of working could not work for 15 years or more and still receive welfare benefits. That was giving up on them, and we no longer do that. It is important that we do not institute welfare reform in Rhode Island. Our program, one I have supported implementing nationally, has promoted a steady decrease in our welfare caseload. Today, while other states’ caseloads are growing, Rhode Island’s continues to drop.

Our steady progress can be attributed to the policy decisions we made to invest in families to help them gain the skills to obtain and retain jobs. It also provides the resources for recipients to work. But the biggest problem with the bill is that while increasing work requirements for recipients, it only provides a modest increase for child care, barely enough to keep up with inflation. Let’s examine the logic here. Increase work requirements for mothers with children under six years of age who have the capacity to work but who are not fall behind before kindergarten even starts.

I urge my colleagues to defeat this misguided legislation and support the substitute. Mr. CARDIN. Mr. Speaker, I yield 1 minute to the delegate from Guam (Mr. Underwood).

Mr. UNDERWOOD. Mr. Speaker, I thank the gentleman from Maryland (Mr. CARDIN) for yielding me time. Mr. Speaker, I am here to express my opposition to the base bill and to speak on behalf of the Democratic substitute to H.R. 4737. There is no compassion in requiring States and Territories to increase workforce requirements when 39 States and all of the Territories are struggling currently to meet work requirements.

In an atmosphere of recession, unprecedented unemployment rates and lack of available jobs, the base bill would create the scenario where precious resources are spent on fines and the safety net becomes full of holes. There is no compassion in continuing to restrict access to programs that are supposed to help all American families get help for work. The bill does exactly that. It actually increases welfare dependency and poverty and seriously undermines the time limits that have been imposed on recipients. Again, it is not giving up on anyone person capable of being self-sufficient and having a job.

My point is that our job is not finished. We have a lot more people that we can help get out of poverty and off of welfare, helping them get an education, helping them develop their skills, and insisting that they move toward what all of us hope to do, to work full time in a job that one can raise one’s family and live on and move from welfare to work. The Republican bill does exactly that. It continues what we want all of us hope to do, that is the right approach.

Finally, I think when we look at the substitute, it is well intentioned; but it actually, I think, increases welfare dependency and poverty and seriously undermines the time limits that have been imposed on recipients. Again, it is not giving up on anyone person capable of being self-sufficient and having a job.

Mr. Speaker, I yield just point out that in the motion to instruct on the agricultural bill concerning food stamps, all of the Members and the Republican leadership voted against it to cover legal immigrants.

Mr. Speaker, I yield such time as he may consume to the gentleman from Rhode Island (Mr. Kennedy).

Mr. KENNEDY of Rhode Island asked and was given permission to revise and extend his remarks.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise in support of the Cardin substitute and against the leave-the-millions-of-children-behind act that is currently before the House of Representatives.

Mr. Speaker, I rise today to support the substitute legislation. We have done a good job with welfare reform in Rhode Island. Our program, one I have supported implementing nationally, has promoted a steady decrease in our welfare caseload. Today, while...
Mr. CARDIN. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means.

Mr. RANGEL asked and was given permission to revise and extend his remarks.

Mr. RANGEL. Mr. Speaker, first let me thank the gentleman from Maryland (Mr. CARDIN) and his team for an attempt to put together a bill that would wipe out partisanship as we deal with this very sensitive issue.

It is tragic that when we talk about aid to needy families or children that need some assistance from their government, albeit State government, that it gets so political that we start talking about raising the standards, forcing people to work, increasing the hours of work, but we do not concentrate on putting the resources there to see that we can reach these laudable goals that we would want.

It is one thing to say that illegal immigrants and the kind of thing that appears to be with a rural program as well as an urban one. Rather than assuming that they will do that, that language will be inserted language that said that we would address the issue of rural America as well.

Mrs. CLAYTON. Are there any poor counties in California?

Mr. THOMAS. There are. I can assure you, and I represent the poorest. And agricultural counties by nature of the cyclical work tend to be the poorest and have the highest unemployment and low literacy. Child care needs are very high. That is why we put the provisions in the bill that I will emphasize that the States should respond with a rural program as well as an urban one. Rather than assuming that they will do that, that language will be in the bill.

Mr. CARDIN. Mr. Speaker, what time is remaining?

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Maryland (Mr. CARDIN) has 8 minutes remaining. The gentleman from California (Mr. THOMAS) has 2½ minutes remaining.

Mr. CARDIN. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Speaker, it is truly an outrage that we are here today talking about the money that we are going to spend on the weakest when the President and the Republican leadership want to make permanent tax cuts in this country to their country club friends to the tune of over $500 billion. And it is really worse for the poor people of Florida because we have a Governor, Jeb Bush, our own reverse Robin Hooder, deciding to spend the $6 billion on corporate welfare instead of making sure that the State can afford and look after all of its children.

Perhaps I should remind the Governor and the President of Rilya Wilson, the poor little girl from Florida. I have a picture here. Rilya Wilson, the poor little girl from Florida that has been missing for 15 months.

It is so sad that the Republicans can come up with all of these little slogans, Leave No Child Behind, well, my question is where is the beef? Where are the resources to make sure that this does not happen to other children in this country?

Mr. CARDIN. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL).
to me if we are talking about a better America, more productive families, communities, that can have self-esteem, then when you talk about jobs you are not talking about just make-shift jobs, you are talking about making people feel good about themselves because they learned something, they had training and they can be productive.

Please vote for the Democratic substitute and reject the Republican political rhetoric.

That we could get some good bipartisan cooperation in the House, and now is buying her new home. I wish that we could get some good bipartisan cooperation instead of the old Democratic rhetoric.

I am saddened for today it is my pleasure to yield 1 minute to the gentleman from Georgia (Mr. KINGSTON).

Mr. Kingston. Mr. Speaker, I yield myself such time as I may consume. I would note that the gentleman from New York voted "no" in 1996; and as a matter of fact, quoted in the People's Weekly World, he said that if Clinton signs the bill, he would be, quote: "at least saving 1 million children into poverty."

I have here the most recent edition of the Governor of New York's statement on welfare in New York. It says on page 32: "Teen pregnancy rates and teen births have declined. Child support has increased and fewer children are living in poverty today than in 1994."

What we did was right in 1996, and what we are doing is right today, notwithstanding the gentleman from New York (Mr. Rangel) who voted against us apparently both times.

Mr. Speaker, it is my pleasure to yield 1 minute to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, what seems to be happening here is a political sock hop; but instead of listening to old Elvis records, we are listening to old Democrat rhetoric. We are hearing it over and over again, over and over again.

The ranking member of the Committee on Ways and Means, 1996: "The only losers we have are the kids." The gentleman from New York (Mr. Nadler), 1996: "I am saddened for today it seems clear that this House will abdicate its moral duty." The president of NOW, who I do not quote very often, again denounced the plan in 1996.

It is the same group over and over again saying not this bill, not this time, not this time. It happened. Much to their, I guess, chagrin, they are spending on TANF and child care up to $15,888 compared to 1996 where it was $6,900. The number of cases has dropped from 4 million to 2 million, cut in half, and the number of welfare caseloads has fallen from 14 million to 5 million.

Welfare reform works. Just ask Tanya who was on public assistance and now is buying her new home. I wish that we could get some good bipartisan support instead of the old Democratic rhetoric.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Maryland (Mr. CARDIN) has 4 minutes remaining. The gentleman from California (Mr. THOMAS) has 1 minute remaining.

Mr. CARDIN. Mr. Speaker, it is my pleasure to yield 1½ minutes to the gentleman from California (Mr. Brown), who is one of the co-authors of the substitute.

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

It seems that too often the 435 Members of this body forget about the real world. We, fortunately, are paid well. We are cared for by our government, and we all try to do the same for our constituents; but somehow this particular bill that is before us forgets about that, because somehow it talks about helping a woman who for the most part is short on education or short on training and expects her to go out to work and earn a wage that will compensate her so she can feed her family because she has got kids, because otherwise she would not be on welfare, and let her survive the daily grind of living well at $16,000, let me tell my colleagues, which is probably what most of these women will be making, $16,000, are going to be putting about a third of that money into day care and a third of that into housing and the rest in food.

They do not have money for health care, they do not have money for any specialities of life, and what is going to happen is these women will be right back in welfare because this Republican welfare bill does nothing to deal with reality.

My colleagues need to have flexibility. If we had 50 votes here from the Governors of our Nation, they would vote against this bill. My colleagues need to pay for unfunded mandates, and they need to deal with the realities that children must be cared for. No wonder mothers go out there and not be cared for. This bill should not pass. Vote for the substitute.

Mr. CARDIN. Mr. Speaker, it is my pleasure to yield 1 minute to the gentleman from Oregon (Mr. Blumenauer), one of the co-authors of the substitute.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy. I am from one of the States that was involved with welfare reform 5 years before the Federal action, and we made real progress. We made real progress, not with unfunded mandates from the Federal Government, which the bill would be, not with goofy work requirements that are rejected by virtually all the Governors, Republicans and Democrats alike, and not by underfunding child care. That is why there is no enthusiasm for the Republican alternative from our Nation's Governors, whether they are Republican or Democrat.

I strongly urge support for the Democratic substitute, which speaks to continuing the strong parts, strengthening the opportunities for child care, rejects the notion of more unfunded Federal mandates, and does not play fiscal roulette with the program at a time when States are slipping into fiscal disarray across the country.

Mr. CARDIN. Mr. Speaker, it is my pleasure to yield 15 seconds to the gentleman from New Jersey (Mr. HOLT), and I regret we do not have more time.

Mr. HOLT. Mr. Speaker, empowerment is a word that has become a cliche, but that is what this is about. The bill before us today does not empower people to become self-sufficient. This bill will result in more, not fewer, people ending up in poverty.

I support strongly the substitute amendment, and I urge my colleagues to oppose the underlying bill.

Mr. Speaker, the percentage of Americans on public assistance today—about 21 percent—is at its lowest since 1964. The percentage of working recipients is also at its highest ever—at about 33 percent—and according to the best figures available two-thirds of those who've left welfare since 1996 are holding down jobs. Despite these statistics, in many ways welfare reform is still an experiment in progress. We still do not know what happens to people who leave the welfare rolls. Are they working? Are they unemployed? Are they simply off the rolls? No one knows for sure. Another question is what are the factors that contribute to the ability of people to comply with the TANF work requirement?

There are good indications that the 1996 welfare reforms are helping disadvantaged individuals and society at large. We have an opportunity to build on the success of the 1996 welfare reform law, and to make it better, to do the things Congress should have done before. Congress should resist attempts to relax TANF's time limits and work requirements. That means continuing ambitious work and job programs, providing financial incentives and rewards for those who succeed. We must keep in mind that the goal of welfare is to create productive self-sufficient citizens. There are a number of things we must do to see that people on welfare can and do meet these stronger requirements.

As we go through this reauthorization process it is vitally important that we improve the research and data reporting in TANF. In order to make informed decisions on the direction that TANF and other programs will take we need accurate information on the progress being made.

I offered an amendment in the Rules Committee to begin this process. However, they refused to make it in order.

While maintaining pressure on the states to move people from welfare to work, the renewed TANF should also help families move up the job and income ladders. We should consider a number of amendments to help do this. We should eliminate the caseload reduction credit and phase in an employment credit. For each 1 percent of the caseload that decreases, the work participation rate would be reduced by 1 percent. In addition, there would be extra credit for recipients who obtain higher paying jobs. That is a good step.
Another way of assisting families in moving up the income ladder is giving individuals the tools to get a good job. This should be a job with the potential for advancement—not a dead-end make-work job. This is the best way to ensure that families will not return to the welfare rolls in order to obtain good quality jobs we need to provide the training for individuals to qualify for them.

We must also provide the resources for parents to achieve these work requirements. First and foremost this means providing funding for quality preschool. A parent will not make a reliable employee if she is concerned about the quality of her child’s care, or cannot get childcare at all. This cannot be over-emphasized. For a positive change in our society welfare recipients must have real jobs that uplift their self-sufficiency and if children are going to have the care and attention they need to grow positively, we must have programs of adequate childcare. The bill before us today does not have adequate programs.

Finally, Mr. Speaker, I hope that we will provide the kind of resources and flexibility that has allowed welfare caseloads to fall by 57 percent since 1996. It is not achieved by simply allowing states to do what they want or by eliminating a national safety net for people who need help. Our action on the floor today is not the end of the process aimed at having all Americans support themselves and contribute to our common economy.

I urge my colleagues to support the substitute of Mr. CARDIN, and if that should fail, I urge them to oppose the bill before us today. This bill likely will result in more not fewer people trapped in poverty.

And I must express outrage at how this has been conducted. This afternoon the House will go into recess for an awards ceremony. Nearly everyone here has supported and does support that award, but no member should have the nerve to tell us or the public that there just wasn’t time to debate and vote on amendments to his major bill on welfare reform, to improve education, childcare, or to gather data.

Mr. CARDIN. Mr. Speaker, I yield 15 seconds to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Speaker, I join my colleagues in urging support for the Democratic substitute in opposition to the base bill for one simple reason, and that is, we cannot ask of a single parent on welfare that they leave their children without adequate child care. Yes, we need to move them to work; and yes, we need to increase the level of that work, but we cannot leave their children out in the street.

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

Mr. Speaker, if I might, I am going to first urge my colleagues to support the substitute. If my colleagues believe in flexibility on education, if they believe States (Mr. LEVIN), the resources and they think we should have fairness to our immigrants, our only opportunity will be this vote.

Mr. Speaker, I yield the balance of our time to the gentleman from Michigan (Mr. LEVIN), one of the co-authors of the substitute.

Mr. LEVIN. Mr. Speaker, I want to say a word about a difference in terms of the employment credit. What the Republican bill does is essentially ignore the important goal of welfare reform, and that is giving incentives to the States to help people move off of welfare into productive work. Instead, their focus is on keeping people on welfare, working andreshift jobs. That is a stark difference.

I want to close by saying a word about the very partisan nature of this discussion. My colleagues have forfeited the opportunity to work together on a bipartisan bill, forfeited it. The employment credit is in the Senate bill on a bipartisan basis. They have thumbed their nose at every bipartisan effort. They have thumbed their nose at the efforts of the Clinton administration. They have twisted that legacy. My colleagues also twisted the efforts of Democrats 5 and 6 years ago to move ahead welfare reform in the right direction. Fortunately, there is a Senate to correct the hopelessly partisan effort at the House.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield the remainder of the time to the gentleman from Virginia (Mr. GOODLATTE), a member of the Committee on Agriculture, who will explain to the American people and to the American electorate why the food stamp component of this bill has made a significant contribution to make sure that Americans in need have those needs met.

(Mr. GOODLATTE asked and was given permission to revise and extend his remarks.)

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman from California (Mr. THOMAS) for his good work.

I rise in strong opposition to this substitute and in strong support of the bill.

In 1995, this is what the current Democratic whip said about welfare reform: “I hope children throughout this country never have to feel the pain of welfare reform; this legislation must not pass.” It did pass. It was signed into law by President Clinton. Here is what happened.

Children in hunger went down from 4.5 million to 2.5 million since that time. Black children in poverty went from 42 percent. Of all black children in 1970, rose, rose to nearly 50 percent, and then when this bill was put into effect in 1995, dropped to about one-third of all children, black children. Welfare caseloads dropped precipitously from 12 million to about 6 million. Welfare reform works: 4.2 fewer million Americans today live in poverty than in 1996; 2.3 million fewer children live in poverty today than in 1996, including 1.1 million African American children.

Build on that success by passing this bill which promotes work, improves a child’s well-being and promotes healthy marriages and all families. This is a good bill. Support it.

This welfare reform bill includes provisions for additional state flexibility so that Governors may coordinate welfare programs. The food stamp program is one of the qualified programs under this state flexibility provision, which will allow the Secretary of Agriculture to waive portions of the Food Stamp Act as long as she maintains that all benefits are used for food, and as in the current food stamp program. To ensure the integrity of the program states must also complete quality control reviews and fund the food stamp program eligibility standards.

Additionally, the Secretary of Agriculture will be allowed to approve 5-year block grant demonstration projects for up to 5 states. The block grant will provide opportunities for experimentation among states. Eligible state plans must include a description of the eligibility rules to which a State would adhere when providing assistance. The competition among states would boil down to the selection of states with innovative management plans, quality of program proposals and maximizing benefits to people in need. As in the food stamp state flexibility portion of this bill, states must retain the current law that mandates that all benefits must be used for food.

The temporary assistance for needy families (TANF) program has shown that block grants work. Critics assumed that the states cared less than people in Washington. States have proven the critics wrong with regard to their successful implementation of this program. The American Public Human Service Association testified that state success is contingent upon “maintaining and enhancing the flexibility of the TANF block grant.” The time has come for us to take the first steps in allowing the same successes to be made with the food stamp program.

This is a small step for the food stamp program because only 5 states will be allowed to operate a food stamp block grant. It is up to the Secretary of Agriculture to approve those states asking for a block grant. I expect that the Secretary will seize this opportunity to challenge states to design food stamp programs that will be effective, efficient and ease the burdens of families applying for food benefits and the people who administer the program.

States have proven over the past 5 years, evaluating the most hardship states, that they can operate good public assistance programs that meet the test of providing what needy families need most—the ability to get and keep a job and provide for their families. We are asking that these same people in the states, at least 5 of them, are able to provide this same proof to skeptics of food stamp block grants.

In addition to these food stamp provisions, I support the bill’s flexibility for states. This bill offers our states more flexibility and allows them to create these programs more efficient by allowing states and localities to combine certain program requirements so they would have to submit only one application. I urge my colleagues to support this bill as it continues welfare as a temporary alternative and not a permanent crutch for folks who are on hard times.

Mr. BENTSEN. Mr. Speaker, I rise in opposition of H.R. 4737, the “Personal Responsibility, Work and Family Promotion Act,” the Republican attempt at reforming the current welfare system. Since we enacted welfare reform in 1996, a number of issues have been brought to the forefront of the welfare reform debate including, job training, work requirements, funding, legal immigrant assistance,
and poverty reduction, all of which H.R. 4737 fails to adequately address. I believe the true measure of the success of welfare reform is in our ability to reduce poverty and to move recipients off of welfare and into long-term employment. The Cardin Substitute, which I support, recognizes that the 1996 welfare law by requiring welfare recipients to move toward employment, while providing the resources necessary to escape poverty, to move up the economic ladder.

H.R. 4737 places a huge unfunded mandate burden on the states, while at the same time significantly limiting the flexibility of states to develop their own approaches to moving people off welfare. It enacted over 80 percent of the states will have to implement fundamental changes to their current welfare program. The provisions in this bill will cost states an estimated $8.3–11 billion dollars by 2007, almost four times what the Republican bill provides, at the same time states are facing large budget cuts and enormous budget deficits. Under H.R. 4737, the State of Texas alone, would have to provide over $688 million to support such mandates, ultimately forcing the state to either raise taxes or cut benefits.

Mr. Speaker, I also oppose H.R. 4737 because it jeopardizes our ability to protect America’s children, by merely providing an additional $2 billion for mandatory child care. H.R. 4737 also imposes major new work requirements on recipients, but made no progress toward reducing the severe child care shortage. The so-called “increase” that its proponents are touting provides only enough inflation, costing the states an additional $3.8 billion in child care cost. This bill also unfairly continues the existing ban on providing assistance to legal immigrants.

Since the enactment of the 1996 welfare law, millions of previously dependent families joined the labor force in unprecedented numbers as caseloads fell by more than half and the percentage of working recipients rose to historic heights. However, as one who supported the 1996 reforms, I believe there is a point to where we need to accept that these remaining on welfare are likely to be the hardest to place in jobs due to a lack of education, training, or available child care. Mr. Speaker, there is a better way. My colleague from Maryland, Mr. CARDIN has put forth an alternative that focuses on providing opportunity, demanding responsibility and reflect the approach that work itself is the fastest and most effective means of preparing recipients for self-sufficiency. Yet the H.R. 4737 fails to recognize this reality. The Cardin Substitute, provides states with the flexibility and freedom to develop approaches that allow recipients to account education and training, including post-secondary training toward participation rates for up to 24 months. This bill raises the bar on the work requirement and provides the states with the resources to meet these challenges by providing an additional $11 billion for mandatory child care funding over five years to meet the work requirement. By requiring those who can work to do so, we recognize the dignity of all labor and the moral imperative of self-reliance. We should insist on work for it’s intrinsic value, as well as the only certain way to end the cycle of welfare addiction. Additionally, this bill removes the ban on states serving legal immigrants with Federal TANF funds, eliminates the ban on providing Medicaid to pregnant women and children, and it restores Supplemental Security Income (SSI) benefits for disabled legal immigrant children.

The Cardin substitute rewards self-sufficiency and gives families the help they need to successfully move from welfare to work. It strengthens the responsibility of Congress to build on the successes of the 1996 welfare law’s and to ensure that low-income families are given a legitimate opportunity to move out of poverty. For this reason, I urge my colleagues to support the Cardin Substitute.

Mr. Speaker, I rise today in opposition to the Republican bill. My home state of Massachusetts has operated a successful welfare program, utilizing a waiver in order to focus mandatory work activities on families without major barriers to work. Through this, we have succeeded in moving most of these families into employment. The current caseload is barely half of what it was before state welfare reform began.

Despite this success, three-quarters of those remaining are families with serious barriers to employment, including a disability or the need to care for an elderly or disabled child. Massachusetts and other states need the ability to decide what is the approximate mix of services and activities in order to move welfare families from poverty to self-sufficiency. Unfortunately, this bill reduces state discretion. Further, the benefit cut in this bill fall short to help teen mothers break the cycle of welfare and poverty. While only 6 percent of the case load in my home state of Massachusetts consists of teen parents, historically about 50 percent of teen mothers started parenting as teenagers. While the 1996 law set strong goals for teen parents, this bill fails to make some modest improvements which would help these families break out of welfare dependency.

I urge my colleagues to oppose the bill and support the Democratic alternative.

Mr. COSTELLO. Mr. Speaker, I rise today in opposition to H.R. 4737 and in support of the Democratic substitute. It is imperative that we provide families with the necessary ingredients to produce self-sufficiency and job stability. The Democratic substitute accomplishes this important goal.

I supported welfare reform under the Clinton Administration and these reforms have been effective in cutting our welfare rolls in half. In my home state of Illinois, the number of welfare recipients has been reduced by 74 percent over the past five years. However, H.R. 4737 will undo the successful strategies states now employ to move Temporary Assistance to Needy Families (TANF) recipients to jobs. While H.R. 4737 is well intended, I am concerned that we have determined the laws stated goal of ending dependence on government assistance if we do not have adequate resources available for safe and affordable child care, transportation, and healthcare. The legislation provides no help to states in implementing the new welfare requirements which I support, and does nothing to expand child care to the estimated 15 million children who are currently eligible for such assistance, but lack coverage because states do not have the necessary resources.

The Democratic substitute maintains state flexibility, focuses on real work, and helps families escape poverty and achieve permanent employment. It increases child care funding by $11 billion over 5 years so that the tough work requirements can be met without harming the children of those receiving benefits. This substitute does not impose massive new mandates on states and work requirements on impoverished mothers without the assistance necessary to make welfare reform work.

Mr. Speaker, although I support responsible welfare reform, the Republican proposal is not sufficient. I do not want to see the federal government take a step backward in our effort to reduce the welfare rolls. For these reasons, I oppose H.R. 4737 and support the Democratic substitute.

The SPEAKER pro tempore. All time for debate on the substitute offered by the gentleman from Maryland (Mr. CARDIN) has expired. Pursuant to the order of the House of yesterday, further proceedings on H.R. 4737 will be postponed until later this afternoon.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Evans, one of his secretaries.

COMMUNICATION FROM THE HON. NANCY L. JOHNSON, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable Nancy L. JOHNSON, Member of Congress:

Congress of the United States, House of Representatives, Washington, DC, May 16, 2002

Hon. Dennis J. Hastert,
Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: This is to formally notify you, pursuant to rule VIII of the Rules of the House, that I have determined that the subpoena for documents and testimony issued to me by the United States District Court for the District of Columbia is not material and relevant, nor is it consistent with the privileges and rights of the House. Accordingly, I have instructed the Office of General Counsel to object to and to move to quash the subpoena.

Sincerely,

Nancy L. Johnson,
Member of Congress.

COMMUNICATION FROM THE HON. DAVID L. HOBSON, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable David L. Hobson, Member of Congress:

Congress of the United States, House of Representatives, Washington, DC, May 15, 2002

Hon. Dennis J. Hastert,
Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: This is to formally notify you, pursuant to rule VIII of the Rules of the House, that I have determined that the subpoena for documents and testimony issued to me by the United States District Court for the District of Columbia is not material and relevant. Nor is it consistent with the privileges and rights of the House. Accordingly, I have instructed the Office of