Mr. Speaker, the spirit of GOP welfare reform lives in these words.

TERM LIMITS

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

Mr. COOLEY. Mr. Speaker, as a strong supporter of term limits, I have underscored my commitment by cosponsoring several measures that would allows States to determine their own limits on U.S. Representatives while ensuring that some measure of limitation would be placed on Representatives whose States did not enact term limits.

I and most of my colleagues want term limits. I also have no desire whatsoever to preempt States Law.

However, I have no intention of letting this historic opportunity pass us by. I would hope that the scorched-earth critics who will accept no less than their position also see the light. We may not always agree on the number of years but, we do agree on the necessity of limits.

More importantly, I believe that the people who elected us realize that we do not live in a perfect world. They realize that some limits are better than no term limits at all.

Mr. Speaker, I hope that during the debate on term limits we will not lose sight of our ultimate goal—to enact term limits that will return this body to the people.

FOOD ASSISTANCE

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

Mrs. CLAYTON. Mr. Speaker, today the debate in the House on the Personal Responsibility Act will conclude.

One of the issues that remains as a point of contention is whether the Personal Responsibility Act cuts or increases spending for child nutrition programs.

When we spend less, that is a ''cut.''

The Republican majority calls these cuts ''savings.''

But, while insisting on calling them savings, they refuse to apply the money to deficit reduction.

Instead, they intend to apply these savings to tax cuts for the wealthiest Americans.

It may seem confusing—however—let me summarize.

The Republicans say their bill will ''increase'' spending. To increase spending, they want to ''reduce'' spending and call a cut a savings—but instead of applying the savings to reduce the deficit, they want to apply the savings to a tax cut. By applying the savings to a tax cut—they will increase spending. Does that make it more clear?

Some refer to this logic as ''sincere confusion.''

In my State of North Carolina, we call it sleight of hand.

If it was not so sad, it would be very funny.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CUNNINGHAM). This concludes the 1-minutes this morning. Further 1-minutes will be taken at the end of legislative business.

PERSONAL RESPONSIBILITY ACT OF 1995

The SPEAKER pro tempore. Pursuant to House Resolution 119 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4.

□ 1057

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for further consideration of the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence, with Mr. LINDER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, March 23, 1995, the amendment in the nature of a substitute consisting of the text of H.R. 1267 offered by the gentleman from Georgia [Mr. DEAL], had been disposed of.

For what purpose does the gentlewoman from Hawaii [Mrs. MINK] rise?

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. MINK OF HAWAII

Mrs. MINK of Hawaii. Mr. Chairman, pursuant to the rule, I offer an amendment in the nature of a substitute.

The CHAIRMAN. 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 Mrs. MINK of Hawaii:

Strike all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Family Stability and Work Act of 1995''.

SEC. 2. REFERENCE TO SOCIAL SECURITY ACT.

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

SEC. 3. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

TITLE I—IMPROVING AID TO FAMILIES WITH DEPENDENT CHILDREN

SEC. 101. INCREASE IN STANDARD EARNED INCOME DISREGARD.

Clause (ii) of section 402(a)(8)(A) (42 U.S.C. 602(a)(8)(A)(ii)) is amended by striking ''$90'' and inserting ''$170''.

SEC. 102. INCREASE IN STATE FLEXIBILITY REGARDING RECIPIENT PARTICIPATION IN JOBS PROGRAM.

(a) CHANGES IN STATE PLAN REQUIREMENTS.—Paragraph (19) of section 402(a) (42 U.S.C. 602(a)(19)) is amended to read as follows:

''(19) provide—

''(A) that the State has in effect and operation a job opportunities and basic skills training program which meets the requirements of part F;

''(B) that, not later than 30 days after approving the application of a family for aid under the State plan approved under this part, the State shall—

''(i) conduct an initial assessment of the self-sufficiency needs of the family that includes an assessment of the family circumstances, the educational, child care, and other supportive services needs, and the skills, prior work experience, and employability of each recipient;

''(ii) determine whether it would be appropriate to require or permit any member of the family to participate in the program of the State under part F; and

''(iii) advise the family of the availability of child care assistance under section 402(g) for participation in education, training, and employment;

''(C) that—

''(i) the costs of attendance by a recipient at an institution of higher education (as defined in section 481(a) of the Higher Education Act of 1965), or a school or course of vocational or technical training, shall not constitute federally reimbursable expenses for purposes of section 403; and

''(ii) the costs of day care, transportation, and other services which are necessary (as determined by the State agency) for such attendance in accordance with section 402(g) are eligible for Federal reimbursement so long as the recipient is making satisfactory progress in such institution, school, or course and such attendance is consistent with the employment goals in the recipient's self-sufficiency plan developed under part F;

''(D) that—

''(i) if an individual who is required by the State to participate in the program of the State under part F fails without good cause to participate or refuses without good cause to accept employment in which such individual is able to engage which is offered through the public employment offices of the State, or is otherwise offered by an employer if the offer of such employer is determined to be a bona fide offer of employment—

''(I) the family of the individual shall cease to be eligible for aid under this part; unless

''(II) such individual is a member of a family in which both parents are living at home, and his or her spouse has not failed to comply under this clause, in which case the needs of such individual shall not be taken into account in making the determination with respect to his or her family under paragraph (7) of this subsection;

''(ii) any sanction described in clause (i) shall continue until the failure to comply ceases;

''(iii) no sanction shall be imposed under this subparagraph—

''(I) on the basis of the refusal of an individual to accept any employment (including any employment offered under the program), if the employment does not pay at least the Federal minimum wage under section 6(a) of the Fair Labor Standards Act of 1938; or

''(II) on the basis of the refusal of an individual to participate in the program or accept employment (including any employment offered under the program), if child care (or day care for any incapacitated individual living in the same home as a dependent child) is necessary for an individual to participate in the program or accept employment, such care is not available, and the State agency fails to provide such care; and

''(H) the State agency may require a participant in the program to accept a job only if such agency assures that the family of such participant will experience no net loss of cash income resulting from acceptance of the job; and any costs incurred by the State agency as a result of this subparagraph shall be treated as expenditures with respect to which section 403(a)(1) or 403(a)(2) applies;''.

(b) CHANGE IN PAYMENT TO STATES.—Section 403(l) (42 U.S.C. 603(l)) is amended by striking paragraph (2).

SEC. 103. ELIMINATION OF DIFFERENT TREATMENT OF 2-PARENT FAMILIES.

(a) IN GENERAL.—Section 402(a) (42 U.S.C. 602(a)) is amended by striking paragraph (41).

(b) CONFORMING AMENDMENTS.—

(1) Section 402(a)(38)(B) (42 U.S.C. 602(a)(38)(B)) is amended by striking ''or in section 407(a)''.

(2) Section 402(a) (42 U.S.C. 602(a)) is amended by striking paragraph (42).

(3) Section 402(g)(1)(A)(ii) (42 U.S.C. 602(g)(1)(A)(ii)) is amended by striking ''hours of, or increased income from,'' and inserting ''income from''.

(4) Section 406(a)(1) (42 U.S.C. 606(a)(1)) is amended by striking ''who has been deprived'' and all that follows through ''incapacity of a parent''.

(5) Section 406(b)(1) (42 U.S.C. 606(b)(1)) is amended by striking ''and if such relative'' and all that follows through ''section 407''.

(6) Section 407 (42 U.S.C. 607) is hereby repealed.

(7) Section 472(a) (42 U.S.C. 672(a)) is amended by striking ''or of section 407''.

(8) Section 473(a)(2)(A)(i) (42 U.S.C. 672(a)(2)(A)(i)) is amended by striking ''or section 407''.

(9) Section 1115(b) (42 U.S.C. 1315(b)) is amended by striking paragraph (5).

(10) Section 1115 (42 U.S.C. 1315) is amended by striking subsection (d).

(11) Section 1902(a)(10)(A)(i) (42 U.S.C. 1396a(a)(10)(A)(i)) is amended by striking subclause (V) and by redesignating subclauses (VI) and (VII) as subclauses (V) and (VI), respectively.

(12) Section 1905 (42 U.S.C. 1396d) is amended by striking subsection (m).

(13) Section 1905(n)(1) (42 U.S.C. 1396d(n)(1)) is amended—

(A) in subparagraph (A)—

(i) by striking ''(or'' and all that follows through ''407)''; and

(ii) by adding ''or'' at the end; and

(B) by striking subparagraph (B).

(14) Section 1925(a) (42 U.S.C. 1396r–6(a)) is amended by striking ''hours of, or income from,'' and inserting ''income from''.

(15) Section 204(b)(2) of the Family Support Act of 1988 (42 U.S.C. 681 note) is amended by striking the semicolon and all that follows through ''1998''.

SEC. 104. EXTENSION OF TRANSITIONAL CHILD CARE GUARANTEE.

Clause (iii) of section 402(g)(1)(A) (42 U.S.C. 602(g)(1)(A)(iii)) is amended to read as follows:

''(iii) A family shall only be eligible for child care provided under clause (ii)—

''(I) for a period of 24 months after the last month for which the family received aid to families with dependent children under this part; or

''(II) until the income of the family exceeds by more than 200 percent the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved;

whichever occurs first.''.

SEC. 105. INCREASE IN FEDERAL MATCHING RATES FOR CHILD CARE.

(a) AFDC AND TRANSITIONAL CHILD CARE.—

(1) INCREASE IN RATES FOR SEVERAL STATES AND DISTRICT OF COLUMBIA.—Clause (i) of section 402(g)(3)(A) (42 U.S.C. 602(g)(3)(A)(i)) is amended by striking ''1905(b)).'' and inserting ''1905(b)), increased by 10 percentage points.''.

(2) INCREASE IN RATES FOR OTHER STATES.—Clause (ii) of section 402(g)(3)(A) (42 U.S.C. 602(g)(3)(A)(ii)) is amended by striking ''1118).'' and inserting ''1118), increased by 10 percentage points.''.

(b) AT-RISK CHILD CARE.—Subparagraph (A) of section 403(n)(1) (42 U.S.C. 603(n)(1)(A)) is amended by inserting ''increased by 10 percentage points'' before ''of the expenditures''.

SEC. 106. INCREASE IN JOBS PROGRAM FUNDING.

Paragraph (3) of section 403(k) (42 U.S.C. 603(k)(3)) is amended—

(1) in subparagraph (E), by striking ''and'' at the end;

(2) in subparagraph (F), by striking ''and each succeeding fiscal year,'' and inserting a comma at the end; and

(3) by inserting after subparagraph (F) the following:

''(G) $1,500,000,000 in the case of fiscal year 1997,

''(H) $1,900,000,000 in the case of fiscal year 1998,

''(I) $2,800,000,000 in the case of fiscal year 1999,

''(J) $3,700,000,000 in the case of fiscal year 2000, and

''(K) $5,000,000,000 in the case of fiscal year 2001,''.

SEC. 107. REQUIREMENT WITH RESPECT TO JOBS PROGRAM PARTICIPATION RATE.

(a) REQUIREMENT.—Section 402 (42 U.S.C. 602) is amended by inserting after subsection (c) the following:

''(d)(1) With respect to the program established by a State under part F, the State shall achieve a participation rate for the following fiscal years of not less than the following percentage:

"Fiscal year:	Percentage:
1997	15
1998	20
1999	25
2000	30
2001	35
2002	40
2003 or later	50.

''(2) As used in this subsection, the term 'participation rate' means, with respect to a State and a fiscal year, an amount equal to—

''(A) the average monthly number of individuals who, during the fiscal year, participate in the State program established under part F; divided by

''(B) the average monthly number of individuals who, during the fiscal year, are adult recipients of aid under the State plan approved under part A or participate in the State program established under part F.

''(3) Each State that operates a program under part F for a fiscal year shall submit to the Secretary a report on the participation rate of the State for the fiscal year.

''(4)(A) If a State reports that the State has failed to achieve the participation rate required by paragraph (1) for the fiscal year, the Secretary may make recommendations for changes in the State program established under part F. The State may elect to follow such recommendations, and shall demonstrate to the Secretary how the State will achieve the required participation rates.

''(B) Notwithstanding subparagraph (A), if a State fails to achieve the participation rate required by paragraph (1) for 2 consecutive fiscal years, the Secretary may require the State to make changes in the State program established under part F.''.

(b) CHANGE IN PAYMENT TO STATES.—Section 403(l) (42 U.S.C. 603(l)) is amended by striking paragraphs (3) and (4).

SEC. 108. INCREASE IN MATCHING RATES FOR STATES WHOSE RECIPIENTS LEAVE AFDC FOR PAID EMPLOYMENT.

(a) INCREASE IN JOBS MATCHING RATE.—Section 403(l) (42 U.S.C. 603(l)), as amended by section 102(b), is amended by inserting after paragraph (1) the following:

''(2)(A) Notwithstanding paragraph (1), the Secretary shall pay to a State, with respect to expenditures made by the State that are described in paragraph (1)(A)(ii)(II), an amount equal to the greater of 70 percent or the Federal medical assistance percentage (as defined in section 1118 in the case of any State to which section 1108 applies, or as defined in section 1905(b) in the case of any other State) increased by 10 percent if the number of qualified families with respect to the State for a fiscal year equals or exceeds the proportion specified in subparagraph (B) for such year of the total number of individuals participating in the State program established under part F during such year.

''(B) The proportion specified in this subparagraph is—

''(i) ¼ for fiscal year 1998;

''(ii) ⅓ for fiscal year 1999;

''(iii) ½ for fiscal year 2000, and for each fiscal year thereafter.

''(C) For purposes of subparagraph (A), the term 'qualified family' means, with respect to a State for a fiscal year, a family—

''(i) that was receiving aid from the State under this part during such year;

''(ii) a member of which ceased to participate in the State program established under part F during such year as the result of the employment of such member in a job (other than a job provided under the job creation and work experience program under section 482(e)); and

''(iii) ceased to receive such aid as a result of such employment.''

(b) INCREASE IN TRANSITIONAL CHILD CARE RATE.—Paragraph (3) of section 402(g) (42 U.S.C. 602(g)(3)) is amended by adding at the end the following:

''(C) Notwithstanding subparagraph (A), in the case of amounts expended for child care pursuant to paragraph (1)(A)(ii) by any State that satisfies the requirement in section 403(l)(2)(A), the applicable rate for purposes of section 403(a) shall be the percentage specified in subparagraph (A) for such amounts, increased by 10 percentage points.''.

SEC. 109. INCREASE IN AT-RISK CHILD CARE FUNDING.

Subparagraph (B) of section 403(n)(2) (42 U.S.C. 603(n)(2)(B)) of the Social Security Act is amended—

(1) in clause (iv), by striking ''and'' at the end;

(2) in clause (v), by striking ''1995, and for each fiscal year thereafter.'' and inserting ''1995;''; and

(3) by adding at the end the following:

''(vi) $300,000,000 for fiscal year 1996;

''(vii) $800,000,000 for fiscal year 1997;

''(viii) $1,300,000,000 for fiscal year 1998;

''(ix) $1,800,000,000 for fiscal year 1999;

''(x) $2,300,000,000 for fiscal year 2000; and

''(xi) $2,800,000,000 for fiscal year 2001.''.

SEC. 110. IMPROVEMENTS IN JOBS PROGRAM SELF-SUFFICIENCY PLANNING AND CASE MANAGEMENT.

Section 482(b) (42 U.S.C. 682(b)) is amended—

(1) by amending the subsection heading to read as follows:

''(b) SELF-SUFFICIENCY PLAN.—'';

(2) by striking paragraph (1)(A), redesignating paragraph (1)(B) as paragraph (1)(A), and adjusting the placement and margins of paragraph (1)(A) (as so redesignated) accordingly;

(3) in paragraph (1)(A) (as redesignated by paragraph (2))—

(A) by striking ''such assessment,'' and inserting ''the initial assessment of self-sufficiency under section 402(a)(19)(B),''; and

(B) by striking ''employability plan'' each place such term appears and inserting ''self-sufficiency plan'';

(4) in paragraph (2)—

(A) by striking ''initial assessment and review and the development of the employability plan'' and inserting ''initial assessment of self-sufficiency and the development of the self-sufficiency plan'';

(B) by striking ''the State agency may require'' and inserting ''the State agency shall require''; and

(C) by striking ''If the State agency exercises the option under the preceding sentence, the State agency must'' and inserting ''The State agency must''; and

(5) in paragraph (3)—

(A) by striking ''may assign'' and inserting ''shall assign''; and

(B) by adding at the end the following:

''Case management services under this paragraph shall continue for a period of not fewer than 90 days after a participant becomes employed, and, at the option of the State, the State may extend such period to not more than 365 days.''.

SEC. 111. CHANGE IN MANDATORY SERVICES AND ACTIVITIES UNDER THE JOBS PROGRAM.

(a) MANDATORY AND PERMISSIBLE SERVICES AND ACTIVITIES.—Subparagraph (A) of section 482(d)(1) (42 U.S.C. 682(d)(1)(A)) is amended to read as follows:

''(d) SERVICES AND ACTIVITIES UNDER THE PROGRAM.—(1)(A) In carrying out the program, each State shall make available a broad range of services and activities to aid in carrying out the purpose of this part. Such services and activities—

''(i) shall include—

''(I) educational activities (as appropriate), including high school or equivalent education (combined with training as needed), basic and remedial education to achieve a basic literacy level, and education for individuals with limited English proficiency;

''(II) job skills training;

''(III) job readiness activities to help prepare participants for work;

''(IV) job development and job placement;

''(V) a job creation and work experience program as described in subsection (e); and

''(VI) group and individual job search as described in subsection (f); and

''(ii) may include—

''(I) on-the-job training; and

''(II) any other work experience program approved by the Secretary.''.

(b) ELIMINATION OF REQUIREMENT WITH RESPECT TO CERTAIN EDUCATIONAL ACTIVITIES.—Section 482(d) (42 U.S.C. 682(d)) is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

SEC. 112. JOBS CREATION AND WORK EXPERIENCE PROGRAM.

Section 482 (42 U.S.C. 682) is amended—

(1) by striking subsections (e) and (f);

(2) by redesignating subsections (g), (h), and (i) as subsections (f), (g), and (h); and

(3) by inserting after subsection (d) the following:

''(e) JOBS CREATION AND WORK EXPERIENCE PROGRAM.—

''(1) IN GENERAL.—In carrying out the program, each State shall establish a jobs creation and work experience program in accordance with this subsection.

''(2) GENERAL REQUIREMENTS.—A jobs creation and work experience program is a program that provides employment in the public sector or in the private sector in accordance with the following requirements:

''(A) PARTICIPATION.—A State shall require an individual to participate in the jobs creation and work experience program if the individual—

''(i) is eligible to receive aid under the State plan approved under part A;

''(ii) is prepared to commence employment, as determined under the self-sufficiency plan developed for the individual under subsection (b)(1)(A); and

''(iii) has demonstrated that the individual is not otherwise able to obtain employment in the public or private sectors.

''(B) PERIODIC JOB SEARCH REQUIRED.—As a continuing condition of eligibility to participate in the jobs creation and work experience program, each participant in the program shall periodically engage in job search.

''(C) ENTRY-LEVEL POSITIONS.—

''(i) IN GENERAL.—Subject to clause (ii), the jobs creation and work experience program shall provide entry-level positions, to the extent practicable.

''(ii) NO INFRINGEMENT ON PROMOTIONAL OPPORTUNITIES.—A job shall not be created in a promotional line that will infringe in any way upon the promotional opportunities of

persons employed in jobs not subsidized under this subsection.

''(D) MAXIMUM PERIOD OF SUBSIDIZED EMPLOYMENT AT SAME POSITION.—The jobs creation and work experience program shall not permit an individual to remain in the program for more than 24 months.

''(E) MINIMUM WAGE REQUIREMENT.—An individual participating in the jobs creation and work experience program may not be required to accept any employment if the wage rate for such employment does not equal or exceed the minimum wage rate then in effect under section 6 of the Fair Labor Standards Act of 1938.

''(3) WAGES TREATED AS EARNED INCOME.—Wages paid under a program established under this subsection shall be considered to be earned income for purposes of any provision of law.

''(4) PRESERVATION OF ELIGIBILITY FOR CHILD CARE ASSISTANCE AND MEDICAID BENEFITS.—Any individual who becomes ineligible to receive aid under a State plan approved under part A by reason of income from employment provided under a program established under this subsection to the caretaker relative of the family of which the individual is a member shall for purposes of eligibility for child care benefits under section 402(g)(1)(A)(i) and for purposes of eligibility for medical assistance under the State plan approved under title XIX, be considered to be receiving such aid for so long as the subsidized employment provided to the individual under this subsection continues.''.

SEC. 113. PROVISIONS GENERALLY APPLICABLE TO THE JOBS PROGRAM.

Section 484 (42 U.S.C. 684) is amended by striking subsections (b), (c), and (d) and inserting the following:

''(b)(1)(A) Funds provided for a program established under section 482 may be used only for programs that do not duplicate any employment activity otherwise available in the locality of the program.

''(B) Funds provided for a program established under section 482 shall not be paid to a private entity to conduct activities that are the same or substantially equivalent to activities provided by a State in which the entity is located or by an agency of local government with jurisdiction over the locality in which the entity is located, unless the requirements of paragraph (2) are met.

''(2)(A) An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by the employer of a participant in a program established under section 482.

''(B) No work assignment under a program established under section 482 shall result in any infringement of the promotional opportunities of any employed individual.

''(C)(i) A participant in a program established under section 482(e) shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of the employee.

''(ii) A participant in a program established under section 482 shall not perform any services or duties or engage in activities that—

''(I) will supplant the hiring of employed workers; or

''(II) are services, duties or activities with respect to which an individual has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures.

''(iii) A participant in a program established under section 482 shall not perform services or duties that have been performed by or were assigned to any—

''(I) presently employed worker if the participant is in a program established under section 482(e);

''(II) employee who recently resigned or was discharged;

''(III) employee who—

''(aa) is the subject of a reduction in force; or

''(bb) has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures;

''(IV) employee who is on leave (terminal, temporary, vacation, emergency, or sick); or

''(V) employee who is on strike or is being locked out.

''(c)(1) Sections 142(a), 143(a)(4), 143(a)(5), and 143(c)(2) of the Job Training Partnership Act shall apply to employment provided through any program established under section 482 of this Act.

''(2) Sections 130(f) and 176(f) of the National and Community Service Act of 1990 shall apply to employment provided through any program established under section 482 of this Act.

''(d)(1) A participant in a program established under subsection (e) of section 482 may not be assigned to fill any established unfilled position vacancy.

''(2)(A) A program established under section 482 may not be used to assist, promote, or deter union organizing.

''(B) A program established under section 482 may not be used to impair existing contracts for services or collective bargaining agreements.''.

TITLE II—MAKING WORK PAY

SEC. 201. TRANSITIONAL MEDICAID BENEFITS.

(a) EXTENSION OF MEDICAID ENROLLMENT FOR FORMER AFDC RECIPIENTS FOR 1 ADDITIONAL YEAR.—

(1) IN GENERAL.—Section 1925(b)(1) (42 U.S.C. 1396r–6(b)(1)) is amended by striking the period at the end and inserting the following: '', and that the State shall offer to each such family the option of extending coverage under this subsection for any of the first 2 succeeding 6-month periods, in the same manner and under the same conditions as the option of extending coverage under this subsection for the first succeeding 6-month period.''.

(2) CONFORMING AMENDMENTS.—Section 1925(b) (42 U.S.C. 1396r–6(b)) is amended—

(A) in the heading, by striking ''EXTENSION'' and inserting ''EXTENSIONS'';

(B) in the heading of paragraph (1), by striking ''REQUIREMENT'' and inserting ''IN GENERAL'';

(C) in paragraph (2)(B)(ii)—

(i) in the heading, by striking ''PERIOD'' and inserting ''PERIODS'', and

(ii) by striking ''in the period'' and inserting ''in each of the 6-month periods'';

(D) in paragraph (3)(A), by striking ''the 6-month period'' and inserting ''any 6-month period'';

(E) in paragraph (4)(A), by striking ''the extension period'' and inserting ''any extension period''; and

(F) in paragraph (5)(D)(i), by striking ''is a 3-month period'' and all that follows and inserting the following: ''is, with respect to a particular 6-month additional extension period provided under this subsection, a 3-month period beginning with the first or fourth month of such extension period.''.

(b) IMPOSITION OF PREMIUM PERMITTED ONLY DURING ADDITIONAL EXTENSION PERIODS.—

(1) IN GENERAL.—Section 1925(b)(5)(A) of such Act (42 U.S.C. 1396r–6(b)(5)(A)) is amended by striking ''(D)(i)),'' and inserting ''(D)(i)) occurring during the second or third additional extension period provided under this subsection,''.

(2) CONFORMING AMENDMENT.—Section 1925(b)(1) of such Act (42 U.S.C. 1396r–6(b)(1)), as amended by subsection (a)(1), is amended by inserting after ''same conditions'' the following: ''(except as provided in paragraph (5)(A))''.

(c) EXTENSION OF COVERAGE FOR LOW-INCOME CHILDREN.—Section 1925(b) of such Act (42 U.S.C. 1396r–6(b)) is amended by adding at the end the following new paragraph:

''(6) EXTENSION OF COVERAGE FOR LOW-INCOME CHILDREN.—

''(A) IN GENERAL.—Notwithstanding any other provision of this title, each State plan approved under this title shall provide that the State shall offer (in the last month of the third additional extension period provided under paragraph (1)) to each eligible low-income child who has received assistance pursuant to this section during each of the 6-month periods described in subsection (a) and paragraph (1) the option of coverage under the State plan, in the same manner and under the same conditions as the option of extending coverage under paragraph (1) for the second and third additional extension periods provided under such paragraph.

''(B) ELIGIBLE LOW-INCOME CHILD DEFINED.—In subparagraph (A), the term 'eligible low-income child' means an individual who has not attained 18 years of age and whose family income does not exceed 200 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar quarters beginning on or after October 1, 1996, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

SEC. 202. TEMPORARY EXCLUSION OF EARNED INCOME FOR PURPOSES OF DETERMINING RENT PAID FOR UNITS IN FEDERALLY ASSISTED HOUSING.

(a) IN GENERAL.—Notwithstanding any other provision of law, the amount of rent payable by a qualified family for a qualified dwelling unit may not be increased because of the increased income due to the employment referred to in subsection (b)(2)(A) for the period that begins upon the commencement of such employment and ends—

(A) 24 months thereafter, or

(B) upon the first date after the commencement of such employment that the income of the family exceeds 200 percent of the official poverty line (as defined by the Office of Management and Budget and revised periodically in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved,

whichever occurs first.

(b) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) QUALIFIED DWELLING UNIT.—The term ''qualified dwelling unit'' means a dwelling unit—

(A) for which assistance is provided by the Secretary of Housing and Urban Development in the form of any grant, contract, loan, loan guarantee, cooperative agreement, rental assistance payment, interest subsidy, insurance, or direct appropriation, or that is located in a project for which such assistance is provided; and

(B) for which the amount of rent paid by the occupying family is limited, restricted, or determined under law or regulation based on the income of the family.

(2) QUALIFIED FAMILY.—The term ''qualified family'' means a family—

(A) whose income increases as a result of employment of a member of the family who was previously unemployed; and

(B) who was receiving aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act immediately before such employment.

SEC. 203. CONTINUATION OF FOOD STAMP BENEFITS.

(a) AMENDMENT.—Section 5(c) of the Food Stamp Act of 1977 (7 U.S.C. 2014(c)) is amended by adding at the end the following:

''Notwithstanding any other provision of this subsection, in the case of a household that receives benefits under part A of title IV of the Social Security Act and whose income increases because a member of such household obtains employment, the earned income from such employment shall be excluded during a 2-year period for purposes of determining eligibility under such standards unless the aggregate income of such household exceeds the poverty line by more than 200 percent.''.

(b) APPLICATION OF AMENDMENT.—The amendment made by subsection (a) shall not apply with respect to certification periods beginning before the date of the enactment of this Act.

TITLE III—IMPROVING CHILD SUPPORT ENFORCEMENT

Subtitle A—Eligibility and Other Matters Concerning Title IV–D Program Clients

SEC. 301. STATE OBLIGATION TO PROVIDE PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE LAW REQUIREMENTS.—Section 466(a) (42 U.S.C. 666(a)) is amended by adding at the end the following new paragraph:

''(12) USE OF CENTRAL CASE REGISTRY AND CENTRALIZED COLLECTIONS UNIT.—Procedures under which—

''(A) every child support order established or modified in the State on or after October 1, 1998, is recorded in the central case registry established in accordance with section 454A(e); and

''(B) child support payments are collected through the centralized collections unit established in accordance with section 454B—

''(i) on and after October 1, 1998, under each order subject to wage withholding under section 466(b); and

''(ii) on and after October 1, 1999, under each other order required to be recorded in such central case registry under this paragraph or section 454A(e), except as provided in subparagraph (C); and

''(C)(i) parties subject to a child support order described in subparagraph (B)(ii) may opt out of the procedure for payment of support through the centralized collections unit (but not the procedure for inclusion in the central case registry) by filing with State agency a written agreement, signed by both parties, to an alternative payment procedure; and

''(ii) an agreement described in clause (i) becomes void whenever either party advises the State agency of an intent to vacate the agreement.''.

(b) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following:

''(4) provide that such State will undertake—

''(A) to provide appropriate services under this part to—

''(i) each child with respect to whom an assignment is effective under section 402(a)(26), 471(a)(17), or 1912 (except in cases where the State agency determines, in accordance with paragraph (25), that it is against the best interests of the child to do so); and

''(ii) each child not described in clause (i)—

''(I) with respect to whom an individual applies for such services; and

''(II) (on and after October 1, 1998) each child with respect to whom a support order is recorded in the central State case registry established under section 454A, regardless of whether application is made for services under this part; and

''(B) to enforce the support obligation established with respect to the custodial parent of a child described in subparagraph (A) unless the parties to the order which establishes the support obligation have opted, in accordance with section 466(a)(12)(C), for an alternative payment procedure.''; and

(2) in paragraph (6)—

(A) by striking subparagraph (A) and inserting the following:

''(A) services under the State plan shall be made available to nonresidents on the same terms as to residents;'';

(B) in subparagraph (B)—

(i) by inserting ''on individuals not receiving assistance under part A'' after ''such services shall be imposed''; and

(ii) by inserting ''but no fees or costs shall be imposed on any absent or custodial parent or other individual for inclusion in the central State registry maintained pursuant to section 454A(e)''; and

(C) in each of subparagraphs (B), (C), and (D)—

(i) by indenting such subparagraph and aligning its left margin with the left margin of subparagraph (A); and

(ii) by striking the final comma and inserting a semicolon.

(c) CONFORMING AMENDMENTS.—

(1) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking ''454(6)'' each place it appears and inserting ''454(4)(A)(ii)''.

(2) Section 454(23) (42 U.S.C. 654(23)) is amended, effective October 1, 1998, by striking ''information as to any application fees for such services and''.

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking ''in the case of overdue support which a State has agreed to collect under section 454(6)'' and inserting ''in any other case''.

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking ''or (6)''.

SEC. 302. DISTRIBUTION OF PAYMENTS.

(a) DISTRIBUTIONS THROUGH STATE CHILD SUPPORT ENFORCEMENT AGENCY TO FORMER ASSISTANCE RECIPIENTS.—Section 454(5) (42 U.S.C. 654(5)) is amended—

(1) in subparagraph (A)—

(A) by inserting ''except as otherwise specifically provided in section 464 or 466(a)(3),'' after ''is effective,''; and

(B) by striking ''except that'' and all that follows through the semicolon; and

(2) in subparagraph (B), by striking '', except'' and all that follows through ''medical assistance''.

(b) DISTRIBUTION TO A FAMILY CURRENTLY RECEIVING AFDC.—Section 457 (42 U.S.C. 657) is amended—

(1) by striking subsection (a) and redesignating subsection (b) as subsection (a);

(2) in subsection (a), as redesignated—

(A) in the matter preceding paragraph (2), to read as follows:

''(a) IN THE CASE OF A FAMILY RECEIVING AFDC.—Amounts collected under this part during any month as support of a child who is receiving assistance under part A (or a parent or caretaker relative of such a child) shall (except in the case of a State exercising the option under subsection (b)) be distributed as follows:

''(1) an amount equal to the amount that will be disregarded pursuant to section 402(a)(8)(A)(vi) shall be taken from each of—

''(A) amounts received in a month which represent payments for that month; and

''(B) amounts received in a month which represent payments for a prior month which were made by the absent parent in the month when due;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;'';

(B) in paragraph (4), by striking ''or (B)'' and all that follows and inserting ''; then (B) from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and then (C) any remainder shall be paid to the family.''.

(3) by inserting after subsection (a), as redesignated, the following new subsection:

''(b) ALTERNATIVE DISTRIBUTION IN CASE OF FAMILY RECEIVING AFDC.—In the case of a State electing the option under this subsection, amounts collected as described in subsection (a) shall be distributed as follows:

''(1) an amount equal to the amount that will be disregarded pursuant to section 402(a)(8)(A)(vi) shall be taken from each of—

''(A) amounts received in a month which represent payments for that month; and

''(B) amounts received in a month which represent payments for a prior month which were made by the absent parent in the month when due;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;

''(2) second, from any remainder, amounts equal to the balance of support owed for the current month shall be paid to the family;

''(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to the State making the collection shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

''(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and

''(5) fifth, any remainder shall be paid to the family.''.

(c) DISTRIBUTION TO A FAMILY NOT RECEIVING AFDC.—

(1) IN GENERAL.—Section 457(c) (42 U.S.C. 657(c)) is amended to read as follows:

''(c) IN CASE OF FAMILY NOT RECEIVING AFDC.—Amounts collected by a State agency under this part during any month as support of a child who is not receiving assistance under part A (or of a parent or caretaker relative of such a child) shall (subject to the remaining provisions of this section) be distributed as follows:

''(1) first, amounts equal to the total of such support owed for such month shall be paid to the family;

''(2) second, from any remainder, amounts equal to arrearages of such support obligations for months during which such child did not receive assistance under part A shall be paid to the family;

''(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned to the State making the collection pursuant to part A shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of

the Federal Government to the extent of its participation in the financing);

''(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned to any other State pursuant to part A shall be paid to such other State or States, and used to pay such arrearages, in the order in which such arrearages accrued (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing).''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1999.

(d) DISTRIBUTION TO A CHILD RECEIVING ASSISTANCE UNDER TITLE IV–E.—Section 457(d) (42 U.S.C. 657(d)) is amended, in the matter preceding paragraph (1), by striking ''Notwithstanding the preceding provisions of this section, amounts'' and inserting the following:

''(d) IN CASE OF A CHILD RECEIVING ASSISTANCE UNDER TITLE IV–E.—Amounts''.

(e) REGULATIONS.—The Secretary of Health and Human Services shall promulgate regulations—

(1) under part D of title IV of the Social Security Act, establishing a uniform nationwide standard for allocation of child support collections from an obligor owing support to more than one family; and

(2) under part A of such title, establishing standards applicable to States electing the alternative formula under section 457(b) of such Act for distribution of collections on behalf of families receiving Aid to Families with Dependent Children, designed to minimize irregular monthly payments to such families.

(f) CLERICAL AMENDMENT.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (11), by striking ''(11)'' and inserting ''(11)(A)''; and

(2) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

(g) MANDATORY CHILD SUPPORT PASS-THROUGH.—

(1) IN GENERAL.—Section 402(a)(8)(A)(vi) (42 U.S.C. 602(a)(8)(A)(vi)) is amended—

(A) by striking ''$50'' each place such term appears and inserting ''$50, or, if greater, $50 adjusted by the CPI (as prescribed in section 406(i));''; and

(B) by striking the semicolon at the end and inserting ''or, in lieu of each dollar amount specified in this clause, such greater amount as the State may choose (and provide for in its State plan);''.

(2) CPI ADJUSTMENT.—Section 406 (42 U.S.C. 606) is amended by adding at the end the following:

''(i) For purposes of this part, an amount is 'adjusted by the CPI' for any month in a calendar year by multiplying the amount involved by the ratio of—

''(1) the Consumer Price Index (as prepared by the Department of Labor) for the third quarter of the preceding calendar year, to

''(2) such Consumer Price Index for the third quarter of calendar year 1996,

and rounding the product, if not a multiple of $10, to the nearer multiple of $10.''.

SEC. 303. DUE PROCESS RIGHTS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 102(f) of this Act, is amended by inserting after paragraph (11) the following new paragraph:

''(12) provide for procedures to ensure that—

''(A) individuals who are applying for or receiving services under this part, or are parties to cases in which services are being provided under this part—

''(i) receive notice of all proceedings in which support obligations might be established or modified; and

''(ii) receive a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;

''(B) individuals applying for or receiving services under this part have access to a fair hearing that meets standards established by the Secretary and ensures prompt consideration and resolution of complaints (but the resort to such procedure shall not stay the enforcement of any support order); and

''(C)(i) individuals adversely affected by the establishment or modification of (or, in the case of a petition for modification, the determination that there should be no change in) a child support order shall be afforded not less than 30 days after the receipt of the order or determination to initiate proceedings to challenge such order or determination; and

''(ii) the State may not provide to any noncustodial parent of a child representation relating to the establishment or modification of an order for the payment of child support with respect to that child, unless the State makes provision for such representation outside the State agency;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

SEC. 304. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 454) is amended—

(1) by striking ''and'' at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting ''; and''; and

(3) by adding after paragraph (24) the following:

''(25) will have in effect safeguards applicable to all sensitive and confidential information handled by the State agency designed to protect the privacy rights of the parties, including—

''(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

''(B) prohibitions on the release of information on the whereabouts of one party to another party against whom a protective order with respect to the former party has been entered; and

''(C) prohibitions on the release of information on the whereabouts of one party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

Subtitle B—Program Administration and Funding

SEC. 311. FEDERAL MATCHING PAYMENTS.

(a) INCREASED BASE MATCHING RATE.—Section 455(a)(2) (42 U.S.C. 655(a)(2)) is amended to read as follows:

''(2) The applicable percent for a quarter for purposes of paragraph (1)(A) is—

''(A) for fiscal year 1997, 69 percent,

''(B) for fiscal year 1998, 72 percent, and

''(C) for fiscal year 1999 and succeeding fiscal years, 75 percent.''.

(b) MAINTENANCE OF EFFORT.—Section 455 (42 U.S.C. 655) is amended—

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking ''From'' and inserting ''Subject to subsection (c), from''; and

(2) by inserting after subsection (b) the following new subsection:

''(c) MAINTENANCE OF EFFORT.—Notwithstanding the provisions of subsection (a), total expenditures for the State program under this part for fiscal year 1997 and each succeeding fiscal year, reduced by the percentage specified for such fiscal year under subsection (a)(2) (A), (B), or (C)(i), shall not be less than such total expenditures for fiscal year 1996, reduced by 66 percent.''.

SEC. 312. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) INCENTIVE ADJUSTMENTS TO FEDERAL MATCHING RATE.—Section 458 (42 U.S.C. 658) is amended to read as follows:

''INCENTIVE ADJUSTMENTS TO MATCHING RATE

''SEC. 458. (a) INCENTIVE ADJUSTMENT.—

''(1) IN GENERAL.—In order to encourage and reward State child support enforcement programs which perform in an effective manner, the Federal matching rate for payments to a State under section 455(a)(1)(A), for each fiscal year beginning on or after October 1, 1998, shall be increased by a factor reflecting the sum of the applicable incentive adjustments (if any) determined in accordance with regulations under this section with respect to Statewide paternity establishment and to overall performance in child support enforcement.

''(2) STANDARDS.—

''(A) IN GENERAL.—The Secretary shall specify in regulations—

''(i) the levels of accomplishment, and rates of improvement as alternatives to such levels, which States must attain to qualify for incentive adjustments under this section; and

''(ii) the amounts of incentive adjustment that shall be awarded to States achieving specified accomplishment or improvement levels, which amounts shall be graduated, ranging up to—

''(I) 5 percentage points, in connection with Statewide paternity establishment; and

''(II) 10 percentage points, in connection with overall performance in child support enforcement.

''(B) LIMITATION.—In setting performance standards pursuant to subparagraph (A)(i) and adjustment amounts pursuant to subparagraph (A)(ii), the Secretary shall ensure that the aggregate number of percentage point increases as incentive adjustments to all States do not exceed such aggregate increases as assumed by the Secretary in estimates of the cost of this section as of June 1995, unless the aggregate performance of all States exceeds the projected aggregate performance of all States in such cost estimates.

''(3) DETERMINATION OF INCENTIVE ADJUSTMENT.—The Secretary shall determine the amount (if any) of incentive adjustment due each State on the basis of the data submitted by the State pursuant to section 454(15)(B) concerning the levels of accomplishment (and rates of improvement) with respect to performance indicators specified by the Secretary pursuant to this section.

''(4) FISCAL YEAR SUBJECT TO INCENTIVE ADJUSTMENT.—The total percentage point increase determined pursuant to this section with respect to a State program in a fiscal year shall apply as an adjustment to the applicable percent under section 455(a)(2) for payments to such State for the succeeding fiscal year.

''(5) RECYCLING OF INCENTIVE ADJUSTMENT.—A State shall expend in the State program under this part all funds paid to the State by the Federal Government as a result of an incentive adjustment under this section.

''(b) MEANING OF TERMS.—For purposes of this section—

''(1) the term 'Statewide paternity establishment percentage' means, with respect to a fiscal year, the ratio (expressed as a percentage) of—

''(A) the total number of out-of-wedlock children in the State under one year of age for whom paternity is established or acknowledged during the fiscal year, to

''(B) the total number of children born out of wedlock in the State during such fiscal year; and

''(2) the term 'overall performance in child support enforcement' means a measure or measures of the effectiveness of the State agency in a fiscal year which takes into account factors including—

''(A) the percentage of cases requiring a child support order in which such an order was established;

''(B) the percentage of cases in which child support is being paid;

''(C) the ratio of child support collected to child support due; and

''(D) the cost-effectiveness of the State program, as determined in accordance with standards established by the Secretary in regulations.''.

(b) ADJUSTMENT OF PAYMENTS UNDER PART D OF TITLE IV.—Section 455(a)(2) (42 U.S.C. 655(a)(2)), as amended by section 111(a) of this Act, is amended—

(1) by striking the period at the end of subparagraph (C)(ii) and inserting a comma; and

(2) by adding after and below subparagraph (C), flush with the left margin of the subsection, the following:

''increased by the incentive adjustment factor (if any) determined by the Secretary pursuant to section 458.''.

(c) CONFORMING AMENDMENTS.—Section 454(22) (42 U.S.C. 654(22)) is amended—

(1) by striking ''incentive payments'' the first place it appears and inserting ''incentive adjustments''; and

(2) by striking ''any such incentive payments made to the State for such period'' and inserting ''any increases in Federal payments to the State resulting from such incentive adjustments''.

(d) CALCULATION OF IV–D PATERNITY ESTABLISHMENT PERCENTAGE.—(1) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended in the matter preceding subparagraph (A) by inserting ''its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and'' after ''1994,''.

(2) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended—

(A) in subparagraph (A), in the matter preceding clause (i)—

(i) by striking ''paternity establishment percentage'' and inserting ''IV–D paternity establishment percentage''; and

(ii) by striking ''(or all States, as the case may be)'';

(B) in subparagraph (A)(i), by striking ''during the fiscal year'';

(C) in subparagraph (A)(ii)(I), by striking ''as of the end of the fiscal year'' and inserting ''in the fiscal year or, at the option of the State, as of the end of such year'';

(D) in subparagraph (A)(ii)(II), by striking ''or (E) as of the end of the fiscal year'' and inserting ''in the fiscal year or, at the option of the State, as of the end of such year'';

(E) in subparagraph (A)(iii)—

(i) by striking ''during the fiscal year''; and

(ii) by striking ''and'' at the end; and

(F) in the matter following subparagraph (A)—

(i) by striking ''who were born out of wedlock during the immediately preceding fiscal year'' and inserting ''born out of wedlock'';

(ii) by striking ''such preceding fiscal year'' both places it appears and inserting ''the preceding fiscal year''; and

(iii) by striking ''or (E)'' the second place it appears.

(3) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A), as redesignated, by striking ''the percentage of children born out-of-wedlock in the State'' and inserting ''the percentage of children in the State who are born out of wedlock or for whom support has not been established''; and

(C) in subparagraph (B), as redesignated—

(i) by inserting ''and overall performance in child support enforcement'' after ''paternity establishment percentages''; and

(ii) by inserting ''and securing support'' before the period.

(e) REDUCTION OF PAYMENTS UNDER PART D OF TITLE IV.—

(1) NEW REQUIREMENTS.—Section 455 (42 U.S.C. 655) is amended by inserting after subsection (b) the following:

''(c)(1) If the Secretary finds, with respect to a State program under this part in a fiscal year beginning on or after October 1, 1997—

''(A)(i) on the basis of data submitted by a State pursuant to section 454(15)(B), that the State program in such fiscal year failed to achieve the IV–D paternity establishment percentage (as defined in section 452(g)(2)(A)) or the appropriate level of overall performance in child support enforcement (as defined in section 458(b)(2)), or to meet other performance measures that may be established by the Secretary, or

''(ii) on the basis of an audit or audits of such State data conducted pursuant to section 452(a)(4)(C), that the State data submitted pursuant to section 454(15)(B) is incomplete or unreliable; and

''(B) that, with respect to the succeeding fiscal year—

''(i) the State failed to take sufficient corrective action to achieve the appropriate performance levels as described in subparagraph (A)(i) of the paragraph, or

''(ii) the data submitted by the State pursuant to section 454(15)(B) is incomplete or unreliable,

the amounts otherwise payable to the State under this part for quarters following the end of such succeeding fiscal year, prior to quarters following the end of the first quarter throughout which the State program is in compliance with such performance requirement, shall be reduced by the percentage specified in paragraph (2).

''(2) The reductions required under paragraph (1) shall be—

''(A) not less than 6 nor more than 8 percent, or

''(B) not less than 8 nor more than 12 percent, if the finding is the second consecutive finding made pursuant to paragraph (1), or

''(C) not less than 12 nor more than 15 percent, if the finding is the third or a subsequent consecutive such finding.

''(3) For purposes of this subsection, section 402(a)(27), and section 452(a)(4), a State which is determined as a result of an audit to have submitted incomplete or unreliable data pursuant to section 454(15)(B), shall be determined to have submitted adequate data if the Secretary determines that the extent of the incompleteness or unreliability of the data is of a technical nature which does not adversely affect the determination of the level of the State's performance.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 403 (42 U.S.C. 603) is amended by striking subsection (h).

(B) Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended by striking ''403(h)'' each place such term appears and inserting ''455(c)''.

(C) Subsections (d)(3)(A), (g)(1), and (g)(3)(A) of section 452 (42 U.S.C. 652) are each amended by striking ''403(h)'' and inserting ''455(c)''.

(f) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—

(A) The amendments made by subsections (a), (b), and (c) shall become effective October 1, 1997, except to the extent provided in subparagraph (B).

(B) Section 458 of the Social Security Act, as in effect prior to the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years prior to fiscal year 1999.

(2) PENALTY REDUCTIONS.—

(A) The amendments made by subsection (d) shall become effective with respect to calendar quarters beginning on and after the date of enactment of this Act.

(B) The amendments made by subsection (e) shall become effective with respect to calendar quarters beginning on and after the date one year after the date of enactment of this Act.

SEC. 313. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking ''(14)'' and insert ''(14)(A)'';

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

''(15) provide for—

''(A) a process for annual reviews of and reports to the Secretary on the State program under this part, which shall include such information as may be necessary to measure State compliance with Federal requirements for expedited procedures and timely case processing, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which such program is in conformity with applicable requirements with respect to the operation of State programs under this part (including the status of complaints filed under the procedure required under paragraph (12)(B)); and

''(B) a process of extracting from the State automated data processing system and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including IV–D paternity establishment percentages and overall performance in child support enforcement) to the extent necessary for purposes of sections 452(g) and 458.''.

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

''(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of section 452(g) and 458, and determine the amount (if any) of penalty reductions pursuant to section 455(c) to be applied to the State;

''(B) review annual reports by State agencies pursuant to section 454(15)(A) on State program conformity with Federal requirements; evaluate any elements of a State program in which significant deficiencies are indicated by such report on the status of complaints under the State procedure under section 454(12)(B); and, as appropriate, provide to the State agency comments, recommendations for additional or alternative corrective actions, and technical assistance; and

''(C) conduct audits, in accordance with the government auditing standards of the United States Comptroller General—

''(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet requirements of this part, or of regulations implementing such requirements,

concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data, and the accuracy of the reporting systems, used for the calculations of performance indicators specified in subsection (g) and section 458;

''(ii) of the adequacy of financial management of the State program, including assessments of—

''(I) whether Federal and other funds made available to carry out the State program under this part are being appropriately expended, and are properly and fully accounted for; and

''(II) whether collections and disbursements of support payments and program income are carried out correctly and are properly and fully accounted for; and

''(iii) for such other purposes as the Secretary may find necessary;''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning on or after the date one year after enactment of this section.

SEC. 314. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting '', and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes and timely case processing) to be applied in following such procedures'' before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 104(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting ''; and''; and

(3) by adding after paragraph (25) the following:

''(26) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.''.

SEC. 315. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking '', at the option of the State,'';

(B) by inserting ''and operation by the State agency'' after ''for the establishment'';

(C) by inserting ''meeting the requirements of section 454A'' after ''information retrieval system'';

(D) by striking ''in the State and localities thereof, so as (A)'' and inserting ''so as'';

(E) by striking ''(i)''; and

(F) by striking ''(including'' and all that follows and inserting a semicolon.

(2) Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following new section:

''AUTOMATED DATA PROCESSING

''SEC. 454A. (a) IN GENERAL.—In order to meet the requirements of this section, for purposes of the requirement of section 454(16), a State agency shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section, and perform such tasks with the frequency and in the manner specified in this part or in regulations or guidelines of the Secretary.

''(b) PROGRAM MANAGEMENT.—The automated system required under this section shall perform such functions as the Secretary may specify relating to management of the program under this part, including—

''(1) controlling and accounting for use of Federal, State, and local funds to carry out such program; and

''(2) maintaining the data necessary to meet Federal reporting requirements on a timely basis.

''(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive and penalty adjustments required by sections 452(g) and 458, the State agency shall—

''(1) use the automated system—

''(A) to maintain the requisite data on State performance with report to paternity establishment and child support enforcement in the State; and

''(B) to calculate the IV–D paternity establishment percentage and overall performance in child support enforcement for the State for each fiscal year; and

''(2) have in place systems controls to ensure the completeness, and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

''(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required under this section, which shall include the following (in addition to such other safeguards as the Secretary specifies in regulations):

''(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

''(A) permit access to and use of data only to the extent necessary to carry out program responsibilities;

''(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data; and

''(C) ensure that data obtained or disclosed for a limited program purpose is not used or redisclosed for another, impermissible purpose.

''(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies specified under paragraph (1).

''(3) MONTIORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanism, to guard against and promptly identify unauthorized access or use.

''(4) TRAINING AND INFORMATION.—The State agency shall have in effect procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use sensitive or confidential program data are fully informed of applicable requirements and penalties, and are adequately trained in security procedures.

''(5) PENALTIES.—The State agency shall have in effect administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.''.

(3) REGULATIONS.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following:

''(j) The Secretary shall prescribe final regulations for implementation of the requirements of section 454A not later than 2 years after the date of enactment of this subsection.''.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by sections 304(a)(2) and 314(b)(1) of this Act, is amended to read as follows:

''(24) provide that the State will have in effect an automated data processing and information retrieval system—

''(A) by October 1, 1995, meeting all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988; and

''(B) by October 1, 1999, meeting all requirements of this part enacted on or before the date of enactment of this Act.

(but this provision shall not be construed to alter earlier deadlines specified for elements of such system), except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 452(j);''.

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(1) in paragraph (1)(B)—

(A) by striking ''90 percent'' and inserting ''the percent specified in paragraph (3)'';

(B) by striking ''so much of''; and

(C) by striking ''which the Secretary'' and all that follows and inserting '', and''; and

(2) by adding at the end the following new paragraph:

''(3)(A) The Secretary shall pay to each State, for each quarter in fiscal year 1996, 90 percent of so much of State expenditures described in subparagraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16), or meeting such requirements without regard to clause (D) thereof.

''(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1997 through 2001, the percentage specified in clause (ii) of so much of State expenditures described in subparagraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) and 454A, subject to clause (iii).

''(ii) The percentage specified in this clause, for purposes of clause (i), is the higher of—

''(I) 80 percent, or

''(II) the percentage otherwise applicable to Federal payments to the State under subparagraph (A) (as adjusted pursuant to section 458).''.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100–485) is repealed.

(d) ADDITIONAL PROVISIONS.—For additional provisions of section 454A, as added by subsection (a) of this section, see the amendments made by sections 21, 322(c), and 333(d) of this Act.

SEC. 316. DIRECTOR OF CSE PROGRAM; STAFFING STUDY.

(a) REPORTING TO SECRETARY.—Section 452(a) (42 U.S.C. 652(a)) is amended in the matter preceding paragraph (1) by striking ''directly''.

(b) STAFFING STUDIES.—

(1) SCOPE.—The Secretary of Health and Human Services shall, directly or by contract, conduct studies of the staffing of each State child support enforcement program under part D of title IV of the Social Security Act. Such studies shall include a review of the staffing needs created by requirements for automated data processing, maintenance of a central case registry and centralized collections of child support, and of changes in these needs resulting from changes in such requirements. Such studies shall examine and report on effective staffing practices used by the States and on recommended staffing procedures.

(2) FREQUENCY OF STUDIES.—The Secretary shall complete the first staffing study required under paragraph (1) by October 1, 1997, and may conduct additional studies subsequently at appropriate intervals.

(3) REPORT TO THE CONGRESS.—The Secretary shall submit a report to the Congress stating the findings and conclusions of each study conducted under this subsection.

SEC. 317. FUNDING FOR SECRETARIAL ASSISTANCE TO STATE PROGRAMS.

Section 452 (42 U.S.C. 652), as amended by section 115(a)(3) of this Act, is amended by adding at the end the following new subsection:

''(k) FUNDING FOR FEDERAL ACTIVITIES ASSISTING STATE PROGRAMS.—(1) There shall be available to the Secretary, from amounts appropriated for fiscal year 1996 and each succeeding fiscal year for payments to States under this part, the amount specified in paragraph (2) for the costs to the Secretary for—

''(A) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs (including technical assistance concerning State automated systems);

''(B) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part; and

''(C) operation of the Federal Parent Locator Service under section 453, to the extent such costs are not recovered through user fees.

''(2) The amount specified in the paragraph for a fiscal year is the amount equal to a percentage of the reduction in Federal payments to States under part A on account of child support (including arrearages) collected in the preceding fiscal year on behalf of children receiving aid under such part A in such preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the third calendar quarter following the end of such preceding fiscal year), equal to—

''(A) 1 percent, for the activities specified in subparagraphs (A) and (B) of paragraph (1); and

''(B) 2 percent, for the activities specified in subparagraph (C) of paragraph (1).''.

SEC. 318. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking ''this part;'' and inserting ''this part, including—''; and

(B) by adding at the end the following indented clauses:

''(i) the total amount of child support payments collected as a result of services furnished during such fiscal year to individuals receiving services under this part;

''(ii) the cost to the States and to the Federal Government of furnishing such services to those individuals; and

''(iii) the number of cases involving families—

''(I) who became ineligible for aid under part A during a month in such fiscal year; and

''(II) with respect to whom a child support payment was received in the same month;''.

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking ''with the data required under each clause being separately stated for cases'' and inserting ''separately stated for (1) cases'';

(ii) by striking ''cases where the child was formerly receiving'' and inserting ''or formerly received'';

(iii) by inserting ''or 1912'' after ''471(a)(17)''; and

(iv) by inserting ''(2)'' before ''all other'';

(B) in each of clauses (i) and (ii), by striking '', and the total amount of such obligations'';

(C) in clause (iii), by striking ''described in'' and all that follows and inserting ''in which support was collected during the fiscal year;'';

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

''(iv) the total amount of support collected during such fiscal year and distributed as current support;

''(v) the total amount of support collected during such fiscal year and distributed as arrearages;

''(vi) the total amount of support due and unpaid for all fiscal years; and''.

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking ''on the use of Federal courts and''.

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (I).

(b) DATA COLLECTION AND REPORTING.—Section 469 (42 U.S.C. 669) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

'''(a) The Secretary shall collect and maintain, on a fiscal year basis, up-to-date statistics, by State, with respect to services to establish paternity and services to establish child support obligations, the data specified in subsection (b), separately stated, in the case of each such service, with respect to—

''(1) families (or dependent children) receiving aid under plans approved under part A (or E); and

''(2) families not receiving such aid.

''(b) The data referred to in subsection (a) are—

''(1) the number of cases in the caseload of the State agency administering the plan under this part in which such service is needed; and

''(2) the number of such cases in which the service has been provided.''; and

(2) in subsection (c), by striking ''(a)(2)'' and inserting ''(b)(2)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to fiscal year 1996 and succeeding fiscal years.

Subtitle C—Locate and Case Tracking

SEC. 321. CENTRAL STATE AND CASE REGISTRY.

Section 454A, as added by section 315(a)(2) of this Act, is amended by adding at the end the following:

''(e) CENTRAL CASE REGISTRY.—

''(1) IN GENERAL.—The automated system required under this section shall perform the functions, in accordance with the provisions of this subsection, of a single central registry containing records with respect to each case in which services are being provided by the State agency (including, on and after October 1, 1998, each order specified in section 466(a)(12)), using such standardized data elements (such as names, social security numbers or other uniform identification numbers, dates of birth, and case identification numbers), and containing such other information (such as information on case status) as the Secretary may require.

''(2) PAYMENT RECORDS.—Each case record in the central registry shall include a record of—

''(A) the amount of monthly (or other periodic) support owed under the support order, and other amounts due or overdue (including arrears, interest or late payment penalties, and fees);

''(B) the date on which or circumstances under which the support obligation will terminate under such order;

''(C) all child support and related amounts collected (including such amounts as fees, late payment penalties, and interest on arrearages);

''(D) the distribution of such amounts collected; and

''(E) the birth date of the child for whom the child support order is entered.

''(3) UPDATING AND MONITORING.—The State agency shall promptly establish and maintain, and regularly monitor, case records in the registry required by this subsection, on the basis of—

''(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

''(B) information obtained from matches with Federal, State, or local data sources;

''(C) information on support collections and distributions; and

''(D) any other relevant information.

''(f) DATA MATCHES AND OTHER DISCLOSURES OF INFORMATION.—The automated system required under this section shall have the capacity, and be used by the State agency, to extract data at such times, and in such standardized format or formats, as may be required by the Secretary, and to share and match data with, and receive data from, other data bases and data matching services, in order to obtain (or provide) information necessary to enable the State agency (or Secretary or other State or Federal agencies) to carry out responsibilities under this part. Data matching activities of the State agency shall include at least the following:

''(1) DATA BANK OF CHILD SUPPORT ORDERS.—Furnish to the Data Bank of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) minimal information (to be specified by the Secretary) on each child support case in the central case registry.

''(2) FEDERAL PARENT LOCATOR SERVICE.—Exchange data with the Federal Parent Locator Service for the purposes specified in section 453.

''(3) AFDC AND MEDICAID AGENCIES.—Exchange data with State agencies (of the State and of other States) administering the programs under part A and title XIX, as necessary for the performance of State agency responsibilities under this part and under such programs.

''(4) INTRA- AND INTERSTATE DATA MATCHES.—Exchange data with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.''.

SEC. 322. CENTRALIZED COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 304(a) and 314(b) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting ''; and''; and

(3) by adding after paragraph (26) the following new paragraph:

''(27) provide that the State agency, on and after October 1, 1998—

''(A) will operate a centralized, automated unit for the collection and disbursement of child support under orders being enforced under this part, in accordance with section 454B; and

''(B) will have sufficient State staff (consisting of State employees), and (at State option) contractors reporting directly to the State agency to monitor and enforce support collections through such centralized unit, including carrying out the automated data processing responsibilities specified in section 454A(g) and to impose, as appropriate in particular cases, the administrative enforcement remedies specified in section 466(c)(1).''.

(b) ESTABLISHMENT OF CENTRALIZED COLLECTION UNIT.—Part D of title IV (42 U.S.C. 651–669) is amended by adding after section 454A the following new section:

''CENTRALIZED COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS

''SEC. 454B. (a) IN GENERAL.—In order to meet the requirement of section 454(27), the State agency must operate a single centralized, automated unit for the collection and disbursement of support payments, coordinated with the automated data system required under section 454A, in accordance with the provisions of this section, which shall be—

''(1) operated directly by the State agency (or by two or more State agencies under a regional cooperative agreement), or by a single contractor responsible directly to the State agency; and

''(2) used for the collection and disbursement (including interstate collection and disbursement) of payments under support orders in all cases being enforced by the State pursuant to section 454(4).

''(b) REQUIRED PROCEDURES.—The centralized collections unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

''(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the State agencies of other States;

''(2) for accurate identification of payments;

''(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

''(4) to furnish to either parent, upon request, timely information on the current status of support payments.''.

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 315(a)(2) of this Act and as amended by section 321 of this Act, is amended by adding at the end the following new subsection:

''(g) CENTRALIZED COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—The automated system required under this section shall be used, to the maximum extent feasible, to assist and facilitate collections and disbursement of support payments through the centralized collections unit operated pursuant to section 454B, through the performance of functions including at a minimum—

''(1) generation of orders and notices to employers (and other debtors) for the withholding of wages (and other income)—

''(A) within two working days after receipt (from the directory of New Hires established under section 453(i) or any other source) of notice of and the income source subject to such withholding; and

''(B) using uniform formats directed by the Secretary;

''(2) ongoing monitoring to promptly identify failures to make timely payment; and

''(3) automatic use of enforcement mechanisms (including mechanisms authorized pursuant to section 466(c)) where payments are not timely made.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1998.

SEC. 323. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—(1) Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

''(1) INCOME WITHHOLDING.—

(A) UNDER ORDERS ENFORCED UNDER THE STATE PLAN.—Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

''(B) UNDER CERTAIN ORDERS PREDATING CHANGE IN REQUIREMENT.—Procedures under which all child support orders issued (or modified) before October 1, 1996, and which are not otherwise subject to withholding under subsection (b), shall become subject to withholding from wages as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.''.

(2) Section 466(a)(8) (42 U.S.C. 666(a)(8)) is repealed.

(3) Section 466(b) (42 U.S.C. 666(b)) is amended—

(A) in the matter preceding paragraph (1), by striking ''subsection (a)(1)'' and inserting ''subsection (a)(1)(A)'';

(B) in paragraph (5), by striking all that follows ''administered by'' and inserting ''the State through the centralized collections unit established pursuant to section 454B, in accordance with the requirements of such section 454B.'';

(C) in paragraph (6)(A)(i)—

(i) in inserting '', in accordance with timetables established by the Secretary,'' after ''must be required''; and

(ii) by striking ''to the appropriate agency'' and all that follows and inserting ''to the State centralized collections unit within 5 working days after the date such amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part.'';

(D) in paragraph (6)(A)(ii), by inserting ''be in a standard format prescribed by the Secretary, and'' after ''shall''; and

(E) in paragraph (6)(D)—

(i) by striking ''employer who discharges'' and inserting ''employer who—(A) discharges'';

(ii) by relocating subparagraph (A), as designated, as an indented subparagraph after and below the introductory matter;

(iii) by striking the period at the end; and

(iv) by adding after and below subparagraph (A) the following new subparagraph:

''(B) fails to withhold support from wages, or to pay such amounts to the State centralized collections unit in accordance with this subsection.''.

(b) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

(c) DEFINITION OF TERMS.—The Secretary shall promulgate regulations providing definitions, for purposes of part D of title IV of the Social Security Act, for the term ''income'' and for such other terms relating to income withholding under section 466(b) of such Act as the Secretary may find it necessary or advisable to define.

SEC. 324. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)), as amended by section 323(a)(2) of this Act, is amended by inserting after paragraph (7) the following new paragraph:

''(8) LOCATOR INFORMATION FROM INTERSTATE NETWORKS.—Procedures ensuring that the State will neither provide funding for, nor use for any purpose (including any purpose unrelated to the purposes of this part), any automated interstate network or system used to locate individuals—

''(A) for purposes relating to the use of motor vehicles; or

''(B) providing information for law enforcement purposes (where child support enforcement agencies are otherwise allowed access by State and Federal law),

unless all Federal and State agencies administering programs under this part (including the entities established under section 453) have access to information in such system or network to the same extent as any other user of such system or network.''.

SEC. 325. EXPANDED FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows ''subsection (c))'' and inserting the following:

'', for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations—

''(1) information on, or facilitating the discovery of, the location of any individual—

''(A) who is under an obligation to pay child support;

''(B) against whom such an obligation is sought; or

''(C) to whom such an obligation is owed, including such individual's social security number (or numbers), most recent residential address, and the name, address, and employer identification number of such individual's employer; and

''(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

''(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual.''; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''social security'' and all that follows through ''absent parent'' and inserting ''information specified in subsection (a)''; and

(B) in paragraph (2), by inserting before the period '', or from any consumer reporting agency (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f))'';

(3) in subsection (e)(1), by inserting before the period '', or by consumer reporting agencies''.

(b) REIMBURSEMENT FOR DATA FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the fourth sentence by inserting before the period ''in an amount which the Secretary determines to be reasonable payment for the data exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the data)''.

(c) ACCESS TO CONSUMER REPORTS UNDER FAIR CREDIT REPORTING ACT.—

(1) Section 608 of the Fair Credit Reporting Act (15 U.S.C. 1681f) is amended—

(A) by striking '', limited to'' and inserting ''to a governmental agency (including the entire consumer report, in the case of a Federal, State, or local agency administering a program under part D of title IV of the Social Security Act, and limited to''; and

(B) by striking ''employment, to a governmental agency'' and inserting ''employment, in the case of any other governmental agency)''.

(2) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES AND CREDIT BUREAUS.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

''(g) The Secretary is authorized to reimburse costs to State agencies and consumer credit reporting agencies the costs incurred by such entities in furnishing information requested by the Secretary pursuant to this section in an amount which the Secretary determines to be reasonable payment for the data exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the data).''.

(d) DISCLOSURE OF TAX RETURN INFORMATION.—(1) Section 6103(1)(6)(A)(ii) of the Internal Revenue Code of 1986 is amended by striking '', but only if'' and all that follows and inserting a period.

(2) Section 6103(1)(8)(A) of the Internal Revenue Code of 1986 is amended by inserting ''Federal,'' before ''State or local''.

(e) TECHNICAL AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), and 463(e) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), and 663(e)) are each amended by inserting ''Federal'' before ''Parent'' each place it appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding ''FEDERAL'' before ''PARENT''.

(f) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (c)(2) of this section, is amended by adding at the end the following:

''(h) DATA BANK OF CHILD SUPPORT ORDERS.—

''(1) IN GENERAL.—Not later than October 1, 1998, In order to assist States in administering their State plans under this part and parts A, F, and G, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry to be known as the Data Bank of Child Support Orders, which shall contain abstracts of child support orders and other information described in paragraph (2) on each case in each State central case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

''(2) CASE INFORMATION.—The information referred to in paragraph (1), as specified by the Secretary, shall include sufficient information (including names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have established or modified, or are enforcing or seeking to establish, such an order.

''(i) DIRECTORY OF NEW HIRES.—

''(1) IN GENERAL.—Not later than October 1, 1998, In order to assist States in administering their State plans under this part and parts A, F, and G, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated directory to be known as the directory of New Hires, containing—

''(A) information supplied by employers on each newly hired individual, in accordance with paragraph (2); and

''(B) information supplied by State agencies administering State unemployment compensation laws, in accordance with paragraph (3).

''(2) EMPLOYER INFORMATION.—

''(A) INFORMATION REQUIRED.—Subject to subparagraph (D), each employer shall furnish to the Secretary, for inclusion in the directory established under this subsection, not later than 10 days after the date (on or after October 1, 1998) on which the employer hires a new employee (as defined in subparagraph (C)), a report containing the name, date of birth, and social security number of such employee, and the employer identification number of the employer.

''(B) REPORTING METHOD AND FORMAT.—The Secretary shall provide for transmission of the reports required under subparagraph (A) using formats and methods which minimize the burden on employers, which shall include—

''(i) automated or electronic transmission of such reports;

''(ii) transmission by regular mail; and

''(iii) transmission of a copy of the form required for purposes of compliance with section 3402 of the Internal Revenue Code of 1986.

''(C) EMPLOYEE DEFINED.—For purposes of this paragraph, the term 'employee' means any individual subject to the requirement of section 3402(f)(2) of the Internal Revenue Code of 1986.

''(D) PAPERWORK REDUCTION REQUIREMENT.—As required by the information resources management policies published by the Director of the Office of Management and Budget pursuant to section 3504(b)(1) of title 44, United States Code, the Secretary, in order to minimize the cost and reporting burden on employers, shall not require reporting pursuant to this paragraph if an alternative reporting mechanism can be developed that either relies on existing Federal or State reporting or enables the Secretary to collect the needed information in a more cost-effective and equally expeditious manner, taking into account the reporting costs on employers.

''(E) CIVIL MONEY PENALTY ON NON-COMPLYING EMPLOYERS.—(i) Any employer that fails to make a timely report in accordance with this paragraph with respect to an individual shall be subject to a civil money penalty, for each calendar year in which the failure occurs, of the lesser of $500 or 1 percent of the wages or other compensation paid by such employer to such individual during such calendar year.

''(ii) Subject to clause (iii), the provisions of section 1128A (other than subsections (a) and (b) thereof) shall apply to a civil money penalty under clause (i) in the same manner as they apply to a civil money penalty or proceeding under section 1128A(a).

''(iii) Any employer with respect to whom a penalty under this subparagraph is upheld after an administrative hearing shall be liable to pay all costs of the Secretary with respect to such hearing.

''(3) EMPLOYMENT SECURITY INFORMATION.—

''(A) REPORTING REQUIREMENT.—Each State agency administering a State unemployment compensation law approved by the Secretary of Labor under the Federal Unemployment Tax Act shall furnish to the Secretary of Health and Human Services extracts of the reports to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals required under section 303(a)(6), in accordance with subparagraph (B).

''(B) MANNER OF COMPLIANCE.—The extracts required under subparagraph (A) shall be furnished to the Secretary of Health and Human Services on a quarterly basis, with respect to calendar quarters beginning on and after October 1, 1996, by such dates, in such format, and containing such information as required by that Secretary in regulations.

''(j) DATA MATCHES AND OTHER DISCLOSURES.—

''(1) VERIFICATION BY SOCIAL SECURITY ADMINISTRATION.—(A) The Secretary shall transmit data on individuals and employers maintained under this section to the Social Security Admistration to the extent necessary for verification in accordance with subparagraph (B).

''(B) The Social Security Administration shall verify the accuracy of, correct or supply to the extent necessary and feasible, and report to the Secretary, the following information in data supplied by the Secretary pursuant to subparagraph (A):

''(i) the name, social security number, and birth date of each individual; and

''(ii) the employer identification number of each employer.

''(2) CHILD SUPPORT LOCATOR MATCHES.—For the purpose of locating individuals for purposes of paternity establishment and establishment and enforcement of child support, the Secretary shall—

''(A) match data in the directory of New Hires against the child support order abstracts in the Data Bank of Child Support Orders not less often than every 2 working days; and

''(B) report information obtained from such a match to concerned State agencies operating programs under this part not later than 2 working days after such match.

''(3) DATA MATCHES AND DISCLOSURES OF DATA IN ALL REGISTRIES FOR TITLE IV PROGRAM PURPOSES.—The Secretary shall—

''(A) perform matches of data in each component of the Federal Parent Locator Service maintained under this section against data in each other such component (other than the matches required pursuant to paragraph (1)), and report information resulting from such matches to State agencies operating programs under this part and parts A, F, and G; and

''(B) disclose data in such registries to such State agencies,

to the extent, and with the frequency, that the Secretary determines to be effective in assisting such States to carry out their responsibilities under such programs.

''(k) FEES.—

''(1) FOR SSA VERIFICATION.—The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, the costs incurred by the Commissioner in performing the verification services specified in subsection (j).

''(2) FOR INFORMATION FROM SESAS.—The Secretary shall reimburse costs incurred by State employment security agencies in furnishing data as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such data).

''(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—State and Federal agencies receiving data or information from the Secretary pursuant to this section shall reimburse the costs incurred by the Secretary in furnishing such data or information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and matching such data or information).

''(l) RESTRICTION ON DISCLOSURE AND USE.—Data in the Federal Parent Locator Service, and information resulting from matches using such data, shall not be used or disclosed except as specifically provided in this section.

''(m) RETENTION OF DATA.—Data in the Federal Parent Locator Service, and data resulting from matches performed pursuant to this section, shall be retained for such period (determined by the Secretary) as appropriate for the data uses specified in this section.

''(n) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

''(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

''(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

''(o) LIMIT ON LIABILITY.—The Secretary shall not be liable to either a State or an individual for inaccurate information provided to a component of the Federal Parent Locator Service section and disclosed by the Secretary in accordance with this section.''.

(g) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

''(B) the Federal Parent Locator Service established under section 453;''.

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''Secretary of Health, Education, and Welfare'' each place such term appears and inserting ''Secretary of Health and Human Services'';

(B) in subparagraph (B), by striking ''such information'' and all that follows and inserting ''information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;'';

(C) by striking ''and'' at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

''(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the directory of New Hires established under section 453(i) of the Social Security Act, and''.

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Section 303(a) (42 U.S.C. 503(a)) is amended—

(A) by striking ''and'' at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting ''; and''; and

(C) by adding after paragraph (9) the following new paragraph:

''(10) The making of quarterly electronic reports, at such dates, in such format, and containing such information, as required by the Secretary of Health and Human Services under section 453(i)(3), and compliance with such provisions as such Secretary may find necessary to ensure the correctness and verification of such reports.''.

SEC. 326. USE OF SOCIAL SECURITY NUMBERS.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 301(a) of this Act, is amended by adding at the end the following new paragraph:

''(13) SOCIAL SECURITY NUMBERS REQUIRED.—Procedures requiring the recording of social security numbers—

''(A) of both parties on marriage licenses and divorce decrees; and

''(B) of both parents, on birth records and child support and paternity orders.''.

(b) CLARIFICATION OF FEDERAL POLICY.—Section 205(c)(2)(C)(ii) (42 U.S.C. 405(c)(2)(C)(ii)) is amended by striking the third sentence and inserting ''This clause shall not be considered to authorize disclosure of such numbers except as provided in the preceding sentence.''.

Subtitle D—Streamlining and Uniformity of Procedures

SEC. 331. ADOPTION OF UNIFORM STATE LAWS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 301(a) and 328(a) of this Act, is amended by adding at the end the following new paragraph:

''(14) INTERSTATE ENFORCEMENT.—

''(A) ADOPTION OF UIFSA.—Procedures under which the State adopts in its entirety (with the modifications and additions specified in this paragraph) not later than January 1, 1997, and uses on and after such date, the Uniform Interstate Family Support Act, as approved by the National Conference of Commissioners on Uniform State Laws in August, 1992.

''(B) EXPANDED APPLICATION OF UIFSA.—The State law adopted pursuant to subparagraph (A) shall be applied to any case—

''(i) involving an order established or modified in one State and for which a subsequent modification is sought in another State; or

''(ii) in which interstate activity is required to enforce an order.

''(C) JURISDICTION TO MODIFY ORDERS.—The State law adopted pursuant to subparagraph (A) of this paragraph shall contain the following provision in lieu of section 611(a)(1) of the Uniform Interstate Family Support Act described in such subparagraph (A):

'''(1) the following requirements are met:

'''(i) the child, the individual obligee, and the obligor—

'''(I) do not reside in the issuing State; and

'''(II) either reside in this State or are subject to the jurisdiction of this State pursuant to section 201; and

'''(ii) (in any case where another State is exercising or seeks to exercise jurisdiction to modify the order) the conditions of section 204 are met to the same extent as required for proceedings to establish orders; or'.

''(D) SERVICE OF PROCESS.—The State law adopted pursuant to subparagraph (A) shall recognize as valid, for purposes of any proceeding subject to such State law, service of process upon persons in the State (and proof of such service) by any means acceptable in another State which is the initiating or responding State in such proceeding.

''(E) COOPERATION BY EMPLOYERS.—The State law adopted pursuant to subparagraph (A) shall provide for the use of procedures (including sanctions for noncompliance) under which all entities in the State (including for-profit, nonprofit, and governmental employers) are required to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor.''.

SEC. 332. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking ''subsection (e)'' and inserting ''subsections (e), (f), and (i)'';

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

'''child's home State' means the State in which a child lived with a parent or a person acting as parent for at least six consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than six months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the six-month period.'';

(3) in subsection (c), by inserting ''by a court of a State'' before ''is made'';

(4) in subsection (c)(1), by inserting ''and subsections (e), (f), and (g)'' after ''located'';

(5) in subsection (d)—

(A) by inserting ''individual'' before ''contestant''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(6) in subsection (e), by striking ''make a modification of a child support order with respect to a child that is made'' and inserting ''modify a child support order issued'';

(7) in subsection (e)(1), by inserting ''pursuant to subsection (i)'' before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting ''individual'' before ''contestant'' each place such term appears; and

(B) by striking ''to that court's making the modification and assuming'' and inserting ''with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume'';

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following:

''(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If one or more child support orders have been issued in this or another State with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

''(1) If only one court has issued a child support order, the order of that court must be recognized.

''(2) If two or more courts have issued child support orders for the same obligor and child, and only one of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

''(3) If two or more courts have issued child support orders for the same obligor and child, and only one of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

''(4) If two or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

''(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.'';

(11) in subsection (g) (as so redesignated)—

(A) by striking ''PRIOR'' and inserting ''MODIFIED''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting ''including the duration of current payments and other obligations of support'' before the comma; and

(B) in paragraph (3), by inserting ''arrears under'' after ''enforce''; and

(13) by adding at the end the following:

''(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.''.

SEC. 333. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666) is amended—

(1) in subsection (a)(2), in the first sentence, to read as follows: ''Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations.''; and

(2) by adding after subsection (b) the following new subsection:

''(c) EXPEDITED PROCEDURES.—The procedures specified in this subsection are the following:

''(1) ADMINISTRATIVE ACTION BY STATE AGENCY.—Procedures which give the State agency the authority (and recognize and enforce the authority of State agencies of other States), without the necessity of obtaining an order from any other judicial or administrative tribunal (but subject to due

process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal), to take the following actions relating to establishment or enforcement of orders:

''(A) GENETIC TESTING.—To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

''(B) DEFAULT ORDERS.—To enter a default order, upon a showing of service of process and any additional showing required by State law—

''(i) establishing paternity, in the case of any putative father who refuses to submit to genetic testing; and

''(ii) establishing or modifying a support obligation, in the case of a parent (or other obligor or obligee) who fails to respond to notice to appear at a proceeding for such purpose.

''(C) SUBPOENAS.—To subpoena any financial or other information needed to establish, modify, or enforce an order, and to sanction failure to respond to any such subpoena.

''(D) ACCESS TO PERSONAL AND FINANCIAL INFORMATION.—To obtain access, subject to safeguards on privacy and information security, to the following records (including automated access, in the case of records maintained in automated data bases):

''(i) records of other State and local government agencies, including—

''(I) vital statistics (including records of marriage, birth, and divorce);

''(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

''(III) records concerning real and titled personal property;

''(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

''(V) employment security records;

''(VI) records of agencies administering public assistance programs;

''(VII) records of the motor vehicle department; and

''(VIII) corrections records; and

''(ii) certain records held by private entities, including—

''(I) customer records of public utilities and cable television companies; and

''(II) information (including information on assets and liabilities) on individuals who owe or are owed support (or against or with respect to whom a support obligation is sought) held by financial institutions (subject to limitations on liability of such entities arising from affording such access).

''(E) INCOME WITHHOLDING.—To order income withholding in accordance with subsection (a)(1) and (b) of section 466.

''(F) CHANGE IN PAYEE.—(In cases where support is subject to an assignment under section 402(a)(26), 471(a)(17), or 1912, or to a requirement to pay through the centralized collections unit under section 454B) upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

''(G) SECURE ASSETS TO SATISFY ARREARAGES.—For the purpose of securing overdue support—

''(i) to intercept and seize any periodic or lump-sum payment to the obligor by or through a State or local government agency, including—

''(I) unemployment compensation, workers' compensation, and other benefits;

''(II) judgments and settlements in cases under the jurisdiction of the State or local government; and

''(III) lottery winnings;

''(ii) to attach and seize assets of the obligor held by financial institutions;

''(iii) to attach public and private retirement funds in appropriate cases, as determined by the Secretary; and

''(iv) to impose liens in accordance with paragraph (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

''(H) INCREASE MONTHLY PAYMENTS.—For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages (subject to such conditions or restrictions as the State may provide).

''(I) SUSPENSION OF DRIVERS' LICENSES.—To suspend drivers' licenses of individuals owing past-due support, in accordance with subsection (a)(16).

''(2) SUBSTANTIVE AND PROCEDURAL RULES.—The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

''(A) LOCATOR INFORMATION; PRESUMPTIONS CONCERNING NOTICE.—Procedures under which—

''(i) the parties to any paternity or child support proceedings are required (subject to privacy safeguards) to file with the tribunal before entry of an order, and to update as appropriate, information on location and identity (including Social Security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and telephone number of employer); and

''(ii) in any subsequent child support enforcement action between the same parties, the tribunal shall be authorized, upon sufficient showing that diligent effort has been made to ascertain such party's current location, to deem due process requirements for notice and service of process to be met, with respect to such party, by delivery to the most recent residential or employer address so filed pursuant to clause (i).

''(B) STATEWIDE JURISDICTION.—Procedures under which—

''(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties, and orders issued in such cases have statewide effect; and

''(ii) (in the case of a State in which orders in such cases are issued by local jurisdictions) a case may be transferred between jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.''.

(c) EXCEPTIONS FROM STATE LAW REQUIREMENTS.—Section 466(d) (42 U.S.C. 666(d)) is amended—

(1) by striking ''(d) If'' and inserting the following:

''(d) EXEMPTIONS FROM REQUIREMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), if''; and

(2) by adding at the end the following new paragraph:

''(2) NONEXEMPT REQUIREMENTS.—The Secretary shall not grant an exemption from the requirements of—

''(A) subsection (a)(5) (concerning procedures for paternity establishment);

''(B) subsection (a)(10) (concerning modification of orders);

''(C) subsection (a)(12) (concerning recording of orders in the central State case registry);

''(D) subsection (a)(13) (concerning recording of Social Security numbers);

''(E) subsection (a)(14) (concerning interstate enforcement); or

''(F) subsection (c) (concerning expedited procedures), other than paragraph (1)(A) thereof (concerning establishment or modification of support amount).''.

(d) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 115(a)(2) of this Act and as amended by sections 121 and 122(c) of this Act, is amended by adding at the end the following new subsection:

''(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required under this section shall be used, to the maximum extent feasible, to implement any expedited administrative procedures required under section 466(c).''.

Subtitle E—Paternity Establishment

SEC. 341. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended—

(1) by striking ''(5)'' and inserting the following:

''(5) PROCEDURES CONCERNING PATERNITY ESTABLISHMENT.—'';

(2) in subparagraph (A)—

(A) by striking ''(A)(i)'' and inserting the following:

''(A) ESTABLISHMENT PROCESS AVAILABLE FROM BIRTH UNTIL AGE EIGHTEEN.—(i)''; and

(B) by indenting clauses (i) and (ii) so that the left margin of such clauses is 2 ems to the right of the left margin of paragraph (4);

(3) in subparagraph (B)—

(A) by striking ''(B)'' and inserting the following:

''(B) PROCEDURES CONCERNING GENETIC TESTING.—(i)'';

(B) in clause (i), as redesignated, by inserting before the period '', where such request is supported by a sworn statement (I) by such party alleging paternity setting forth facts establishing a reasonable possibility of the requisite sexual contact of the parties, or (II) by such party denying paternity setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact of the parties;'';

(C) by inserting after and below clause (i) (as redesignated) the following new clause:

''(ii) Procedures which require the State agency, in any case in which such agency orders genetic testing—

''(I) to pay costs of such tests, subject to recoupment (where the State so elects) from the punitive father if paternity is established; and

''(II) to obtain additional testing in any case where an original test result is disputed, upon request and advance payment by the disputing party.'';

(4) by striking subparagraphs (C) and (D) and inserting the following:

''(C) PATERNITY ACKNOWLEDGMENT.—(i) Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the putative father and the mother must be given notice, orally, in writing, and in a language that each can understand, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

''(ii) Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

''(iii) Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

''(iv) The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and

birth record agencies. The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as, voluntary paternity establishment programs of hospitals and birth record agencies.

''(v) Such procedures must require the State and those required to establish paternity to use only the affidavit developed under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State.

''(D) STATUS OF SIGNED PATERNITY KNOWLEDGMENT.—(i) Procedures under which a signed acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within 60 days.

''(ii)(I) Procedures under which, after the 60-day period referred to in clause (i), a signed acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

''(II) Procedures under which, after the 60-day period referred to in clause (i), a minor who signs an acknowledgment of paternity other than in the presence of a parent or court-appointed guardian ad litem may rescind the acknowledgment in a judicial or administrative proceeding, until the earlier of—

''(aa) attaining the age of majority; or

''(bb) the date of the first judicial or administrative proceeding brought (after the signing) to establish a child support obligation, visitation rights, or custody rights with respect to the child whose paternity is the subject of the acknowledgment, and at which the minor is represented by a parent, guardian ad litem, or attorney.'';

(5) by striking subparagraph (E) and inserting the following:

''(E) BAR ON ACKNOWLEDGMENT RATIFICATION PROCEEDINGS.—Procedures under which no judicial or administrative proceedings are required or permitted to ratify an unchallenged acknowledgment of paternity.'';

(6) by striking subparagraph (F) and inserting the following:

''(F) ADMISSIBILITY OF GENETIC TESTING RESULTS.—Procedures—

''(i) requiring that the State admit into evidence, for purposes of establishing paternity, results of any genetic test that is—

''(I) of a type generally acknowledged, by accreditation bodies designated by the Secretary, as reliable evidence of paternity; and

''(II) performed by a laboratory approved by such an accreditation body;

''(ii) that any objection to genetic testing results must be made in writing not later than a specified number of days before any hearing at which such results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of such results); and

''(iii) that, if no objection is made, the test results are admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy.''; and

(7) by adding after subparagraph (H) the following new subparagraphs:

''(I) NO RIGHT TO JURY TRIAL.—Procedures providing that the parties to an action to establish paternity are not entitled to jury trial.

''(J) TEMPORARY SUPPORT ORDER BASED ON PROBABLE PATERNITY IN CONTESTED CASES.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, where there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

''(K) PROOF OF CERTAIN SUPPORT AND PATERNITY ESTABLISHMENT COSTS.—Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services and testing on behalf of the child.

''(L) WAIVER OF STATE DEBTS FOR COOPERATION.—At the option of the State, procedures under which the tribunal establishing paternity and support has discretion to waive rights to all or part of amounts owed to the State (but not to the mother) for costs related to pregnancy, childbirth, and genetic testing and for public assistance paid to the family where the father cooperates or acknowledges paternity before or after genetic testing.

''(M) STANDING OF PUTATIVE FATHERS.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.''.

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting '', and develop an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security account number of each parent'' before the semicolon.

(c) TECHNICAL AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking ''a simple civil process for voluntarily acknowledging paternity and''.

SEC. 342. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

(a) STATE PLAN REQUIREMENT.—Section 454(23) (42 U.S.C. 654(23)) is amended by adding at the end the following new subparagraph:

''(C) publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support through a variety of means, which—

''(i) include distribution of written materials as health care facilities (including hospitals and clinics), and other locations such as schools;

''(ii) may include pre-natal programs to educate expectant couples on individual and joint rights and responsibilities with respect to paternity (and may require all expectant recipients of assistance under part A to participate in such pre-natal programs, as an element of cooperation with efforts to establish paternity and child support);

''(iii) include, with respect to each child discharged from a hospital after birth for whom paternity or child support has not been established, reasonable follow-up efforts (including at least one contact of each parent whose whereabouts are known, except where there is reason to believe such follow-up efforts would put mother or child at risk), providing—

''(I) in the case of a child for whom paternity has not been established, information on the benefits of and procedures for establishing paternity; and

''(II) in the case of a child for whom paternity has been established but child support has not been established, information on the benefits of and procedures for establishing a child support order, and an application for child support services;''.

(b) ENHANCED FEDERAL MATCHING.—Section 455(a)(1)(C) (42 U.S.C. 655(a)(1)(C)) is amended—

(1) by inserting ''(i)'' before ''laboratory costs'', and

(2) by inserting before the semicolon '', and (ii) costs of outreach programs designed to encourage voluntary acknowledgment of paternity''.

(c) EFFECTIVE DATES.—(1) The amendments made by subsection (a) shall become effective October 1, 1997.

(2) The amendments made by subsection (b) shall be effective with respect to calendar quarters beginning on and after October 1, 1996.

Subtitle F—Establishment and Modification of Support Orders

SEC. 351. NATIONAL CHILD SUPPORT GUIDELINES COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the ''National Child Support Guidelines Commission'' (in this section referred to as the ''Commission'').

(b) GENERAL DUTIES.—The Commission shall develop a national child support guideline for consideration by the Congress that is based on a study of various guideline models, the benefits and deficiencies of such models, and any needed improvements.

(c) MEMBERSHIP.—

(1) NUMBER; APPOINTMENT.—

(A) IN GENERAL.—The Commission shall be composed of 12 individuals appointed jointly by the Secretary of Health and Human Services and the Congress, not later than January 15, 1997, of which—

(i) 2 shall be appointed by the Chairman of the Committee on Finance of the Senate, and 1 shall be appointed by the ranking minority member of the Committee;

(ii) 2 shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives, and 1 shall be appointed by the ranking minority member of the Committee; and

(iii) 6 shall be appointed by the Secretary of Health and Human Services.

(B) QUALIFICATIONS OF MEMBERS.—Members of the Commission shall have expertise and experience in the evaluation and development of child support guidelines. At least 1 member shall represent advocacy groups for custodial parents, at least 1 member shall represent advocacy groups for noncustodial parents, and at least 1 member shall be the director of a State program under part D of title IV of the Social Security Act.

(2) TERMS OF OFFICE.—Each member shall be appointed for a term of 2 years. A vacancy in the Commission shall be filed in the manner in which the original appointment was made.

(d) COMMISSION POWERS, COMPENSATION, ACCESS TO INFORMATION, AND SUPERVISION.—The first sentence of subparagraph (C), the first and third sentences of subparagraph (D), subparagraph (F) (except with respect to the conduct of medical studies), clauses (ii) and (iii) of subparagraph (G), and subparagraph (H) of section 1886(e)(6) of the Social Security Act shall apply to the Commission in the same manner in which such provisions apply to the Prospective Payment Assessment Commission.

(e) REPORT.—Not later than 2 years after the appointment of members, the Commission shall submit to the President, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, a recommended national child support guideline and a final assessment of issues relating to such a proposed national child support guideline.

(f) TERMINATION.—The Commission shall terminate 6 months after the submission of the report described in subsection (e).

SEC. 352. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

(a) IN GENERAL.—Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

''(10) PROCEDURES FOR MODIFICATION OF SUPPORT ORDERS.—

''(A)(i) Procedures under which—

''(I) every 3 years, at the request of either parent subject to a child support order, the State shall review and, as appropriate, adjust the order in accordance with the guidelines established under section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with such guidelines, without a requirement for any other change in circumstances; and

''(II) upon request at any time of either parent subject to a child support order, the State shall review and, as appropriate, adjust the order in accordance with the guidelines established under section 467(a) based on a substantial change in the circumstances of either such parent.

''(ii) Such procedures shall require both parents subject to a child support order to be notified of their rights and responsibilities provided for under clause (i) at the time the order is issued and in the annual information exchange form provided under subparagraph (B).

''(B) Procedures under which each child support order issued or modified in the State after the effective date of this subparagraph shall require the parents subject to the order to provide each other with a complete statement of their respective financial condition annually on a form which shall be established by the Secretary and provided by the State. The Secretary shall establish regulations for the enforcement of such exchange of information.''.

Subtitle G—Enforcement of Support Orders

SEC. 361. FEDERAL INCOME TAX REFUND OFFSET.

(a) CHANGED ORDER OF REFUND DISTRIBUTION UNDER INTERNAL REVENUE CODE.—Section 6402(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''The amount'' and inserting ''(1) IN GENERAL.—The amount'';

(2) by striking ''paid to the State. A reduction'' and inserting ''paid to the State.

''(2) PRIORITIES FOR OFFSET.—A reduction'';

(3) by striking ''has been assigned'' and inserting ''has not been assigned'', and

(4) by striking ''and shall be applied'' and all that follows and inserting ''and shall thereafter be applied to satisfy any past-due support that has been so assigned.''.

(b) ELIMINATION OF DISPARITIES IN TREATMENT OF ASSIGNED AND NON-ASSIGNED ARREARAGES.—(1) Section 464(a) (42 U.S.C. 664(a)) is amended—

(A) by striking ''(a)'' and inserting ''(a) OFFSET AUTHORIZED.—'';

(B) in paragraph (1)—

(i) in the first sentence, by striking ''which has been assigned to such State pursuant to section 402(a)(26) or section 471(a)(17)''; and

(ii) in the second sentence, by striking ''in accordance with section 457 (b)(4) or (d)(3)'' and inserting ''as provided in paragraph (2)'';

(C) in paragraph (2), to read as follows:

''(2) The State agency shall distribute amounts paid by the Secretary of the Treasury pursuant to paragraph (1)—

''(A) in accordance with section 457 (a)(4) or (d)(3), in the case of past-due support assigned to a State pursuant to section 402(a)(26) or section 471(a)(17); and

''(B) to or on behalf of the child to whom the support was owed, in the case of past-due support not so assigned.'';

(D) in paragraph (3)—

(i) by striking ''or (2)'' each place it appears; and

(ii) in subparagraph (B), by striking ''under paragraph (2)'' and inserting ''on account of past-due support described in paragraph (2)(B)''.

(2) Section 464(b) (42 U.S.C. 664(b)) is amended—

(A) by striking ''(b)(1)'' and inserting ''(b) REGULATIONS.—''; and

(B) by striking paragraph (2).

(3) Section 464(c) (42 U.S.C. 664(c)) is amended—

(A) by striking ''(c)(1) Except as provided in paragraph (2), as'' and inserting ''(c) DEFINITION.—As''; and

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

(c) TREATMENT OF LUMP-SUM TAX REFUND UNDER AFDC.—

(1) EXEMPTION FROM LUMP-SUM RULE.—Section 402(a)(17) (42 U.S.C. 602(a)(17)) is amended by adding at the end the following: ''but this paragraph shall not apply to income received by a family that is attributable to a child support obligation owed with respect to a member of the family and that is paid to the family from amounts withheld from a Federal income tax refund otherwise payable to the person owing such obligation, to the extent that such income is placed in a qualified asset account (as defined in section 406(j)) the total amounts in which, after such placement, does not exceed $10,000;''.

(2) QUALIFIED ASSET ACCOUNT DEFINED.—Section 406 (42 U.S.C. 606), as amended by section 302(g)(2) of this Act, is amended by adding at the end the following:

''(j)(1) The term 'qualified asset account' means a mechanism approved by the State (such as individual retirement accounts, escrow accounts, or savings bonds) that allows savings of a family receiving aid to families with dependent children to be used for qualified distributions.

''(2) The term 'qualified distribution' means a distribution from a qualified asset account for expenses directly related to 1 or more of the following purposes:

''(A) The attendance of a member of the family at any education or training program.

''(B) The improvement of the employability (including self-employment) of a member of the family (such as through the purchase of an automobile).

''(C) The purchase of a home for the family.

''(D) A change of the family residence.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1999.

SEC. 362. INTERNAL REVENUE SERVICE COLLECTION OF ARREARS.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 6305(a) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1), by inserting ''except as provided in paragraph (5)'' after ''collected'';

(2) by striking ''and'' at the end of paragraph (3);

(3) by striking the period at the end of paragraph (4) and inserting a comma;

(4) by adding after paragraph (4) the following new paragraph:

''(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor.''; and

(5) by striking ''Secretary of Health, Education, and Welfare'' each place it appears and inserting ''Secretary of Health and Human Services''.

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1997.

SEC. 363. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—

(1) Section 459 (42 U.S.C. 659) is amended in the caption by inserting ''INCOME WITHHOLDING,'' before ''GARNISHMENT''.

(2) Section 459(a) (42 U.S.C. 659(a)) is amended—

(A) by striking ''(a)'' and inserting ''(a) CONSENT TO SUPPORT ENFORCEMENT.—

(B) by striking ''section 207'' and inserting ''section 207 of this Act and 38 U.S.C. 5301''; and

(C) by striking all that follows ''a private person,'' and inserting ''to withholding in accordance with State law pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary thereunder, and to any other legal process brought, by a State agency administering a program under this part or by an individual obligee, to enforce the legal obligation of such individual to provide child support or alimony.''.

(3) Section 459(b) (42 U.S.C. 659(b)) is amended to read as follows:

''(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.—Except as otherwise provided herein, each entity specified in subsection (a) shall be subject, with respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or to any other order or process to enforce support obligations against an individual (if such order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), to the same requirements as would apply if such entity were a private person.''.

(4) Section 459(c) (42 U.S.C. 659(c)) is redesignated and relocated as paragraph (2) of subsection (f), and is amended—

(A) by striking ''responding to interrogatories pursuant to requirements imposed by section 461(b)(3)'' and inserting ''taking actions necessary to comply with the requirements of subsection (A) with regard to any individual''; and

(B) by striking ''any of his duties'' and all that follows and inserting ''such duties.''.

(5) Section 461 (42 U.S.C. 661) is amended by striking subsection (b), and section 459 (42 U.S.C. 659) is amended by inserting after subsection (b) (as added by paragraph (3) of this subsection) the following:

''(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE OR PROCESS.—(1) The head of each agency subject to the requirements of this section shall—

''(A) designate an agent or agents to receive orders and accept service of process; and

''(B) publish (i) in the appendix of such regulations, (ii) in each subsequent republication of such regulations, and (iii) annually in the Federal Register, the designation of such agent or agents, identified by title of position, mailing address, and telephone number.''.

(6) Section 459 (42 U.S.C. 659) is amended by striking subsection (d) and by inserting after subsection (c)(1) (as added by paragraph (5) of this subsection) the following:

''(2) Whenever an agent designated pursuant to paragraph (1) receives notice pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatories, with respect to an individual's child support or alimony payment obligations, such agent shall—

''(A) as soon as possible (but not later than fifteen days) thereafter, send written notice of such notice or service (together with a copy thereof) to such individual at his duty station or last-known home address;

''(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to

subsection (a)(1) or (b) of section 466, comply with all applicable provisions of such section 466; and

''(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatories, respond thereto.''.

(7) Section 461 (42 U.S.C. 661) is amended by striking subsection (c), and section 459 (42 U.S.C. 659) is amended by inserting after subsection (c) (as added by paragraph (5) and amended by paragraph (6) of this subsection) the following:

''(d) PRIORITY OF CLAIMS.—In the event that a governmental entity receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than one person—

''(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

''(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by the provisions of such section 466(b) and regulations thereunder; and

''(3) such moneys as remain after compliance with subparagraphs (A) and (B) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.''.

(8) Section 459(e) (42 U.S.C. 659(e)) is amended by striking ''(e)'' and inserting the following:

''(e) NO REQUIREMENT TO VARY PAY CYCLES.—''.

(9) Section 459(f) (42 U.S.C. 659(f)) is amended by striking ''(f)'' and inserting the following:

''(f) RELIEF FROM LIABILITY.—(1)''.

(10) Section 461(a) (42 U.S.C. 661(a)) is redesignated and relocated as section 459(g), and is amended—

(A) by striking ''(g)'' and inserting the following:

''(g) REGULATIONS.—''; and

(B) by striking ''section 459'' and inserting ''this section''.

(11) Section 462 (42 U.S.C. 662) is amended by striking subsection (f), and section 459 (42 U.S.C. 659) is amended by inserting the following after subsection (g) (as added by paragraph (10) of this subsection):

''(h) MONEYS SUBJECT TO PROCESS.—(1) Subject to subsection (i), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

''(A) consist of—

''(i) compensation paid or payable for personal services of such individual, whether such compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

''(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

''(I) under the insurance system established by title II;

''(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

''(III) as compensation for death under any Federal program;

''(IV) under any Federal program established to provide 'black lung' benefits; or

''(V) by the Secretary of Veterans Affairs as pension, or as compensation for a service-connected disability or death (except any compensation paid by such Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if such former member has waived a portion of his retired pay in order to receive such compensation); and

''(iii) worker's compensation benefits paid under Federal or State law; but

''(B) do not include any payment—

''(i) by way of reimbursement or otherwise, to defray expenses incurred by such individual in carrying out duties associated with his employment; or

''(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.''.

(12) Section 462(g) (42 U.S.C. 662(g)) is redesignated and relocated as section 459(i) (42 U.S.C. 659(i)).

(13)(A) Section 462 (42 U.S.C. 662) is amended—

(i) in subsection (e)(1), by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii); and

(ii) in subsection (e), by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B).

(B) Section 459 (42 U.S.C. 659) is amended by adding at the end the following:

''(j) DEFINITIONS.—For purposes of this section—''.

(C) Subsections (a) through (e) of section 462 (42 U.S.C. 662), as amended by subparagraph (A) of this paragraph, are relocated and redesignated as paragraphs (1) through (4), respectively of section 459(j) (as added by subparagraph (B) of this paragraph, (42 U.S.C. 659(j)), and the left margin of each of such paragraphs (1) through (4) is indented 2 ems to the right of the left margin of subsection (i) (as added by paragraph (12) of this subsection).

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661), as amended by subsection (a) of this section, are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking ''sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)'' and inserting ''section 459 of the Social Security Act (42 U.S.C. 659)''.

(c) MILITARY RETIRED AND RETAINER PAY.—(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

(A) by striking ''and'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting ''; and''; and

(C) by adding after subparagraph (C) the following new paragraph:

''(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a State program under part D of title IV of the Social Security Act).'';

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended by inserting ''or a court order for the payment of child support not included in or accompanied by such a decree of settlement,'' before ''which—''.

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by striking ''to spouse'' and inserting ''to (or for benefit of)''; and

(B) in paragraph (1), in the first sentence, by inserting ''(or for the benefit of such spouse or former spouse to a State central collections unit or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)'' before ''in an amount sufficient''.

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:

''(j) RELATIONSHIP TO OTHER LAWS.—In any case involving a child support order against a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of the Social Security Act.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 364. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—for purposes of this subsection;

(A) The term ''court'' has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term ''child support'' has the meaning given such term in section 462 of the Social Security Act (42 U.S.C. 662).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, is amended—

(A) by redesignating subsection (i) as subsection (j); and

(B) by inserting after subsection (h) the following new subsection (i):

''(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order or an order of an administrative process established under State law for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.''.

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the first sentence the following: ''In the case of a spouse or former spouse who, pursuant to section 402(a)(26) of the Social Security Act (42 U.S.C. 602(26)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.''.

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

''(6) In the case of a court order or an order of an administrative process established under State law for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisy the amount of child support set forth in a court or an order of an administrative process established under State law shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.''.

SEC. 365. MOTOR VEHICLE LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended—

(1) by striking ''(4) Procedures'' and inserting the following:

''(4) LIENS.—

''(A) IN GENERAL.—Procedures''; and

(2) by adding at the end the following new subparagraph:

''(B) MOTOR VEHICLE LIENS.—Procedures for placing liens for arrears of child support on motor vehicle titles of individuals owing such arrears equal to or exceeding two months of support, under which—

''(i) any person owed such arrears may place such a lien;

''(ii) the State agency administering the program under this part, shall systematically place such liens;

''(iii) expedited methods are provided for—

''(I) ascertaining the amount of arrears;

''(II) affording the person owing the arrears or other titleholder to contest the amount of arrears or to obtain a release upon fulfilling the support obligation;

''(iv) such a lien has precedence over all other encumbrances on a vehicle title other than a purchase money security interest; and

''(v) the individual or State agency owed the arrears may execute on, seize, and sell the property in accordance with State law.''.

SEC. 366. VOIDING OF FRAUDULENT TRANSFERS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 301(a), 328(a), and 331 of this Act, is amended by adding at the end the following new paragraph:

''(15) FRAUDULENT TRANSFERS.—Procedures under which—

''(A) the State has in effect—

''(i) the Uniform Fraudulent Conveyance Act of 1981,

''(ii) the Uniform Fraudulent Transfer Act of 1984, or

''(iii) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

''(B) in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

''(i) seek to void such transfer; or

''(ii) obtain a settlement in the best interests of the child support creditor.''.

SEC. 367. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 301(a), 328(a), 331, and 166 of this Act, is amended by adding at the end the following new paragraph:

''(16) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—Procedures under which the State has (and uses in appropriate cases) authority (subject to appropriate due process safeguards) to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue child support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.''.

SEC. 368. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

''(7) REPORTING ARREARAGES TO CREDIT BUREAUS.—(A) Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any absent parent who is delinquent by 90 days or more in the payment of support, and the amount of overdue support owed by such parent.

''(B) Procedures ensuring that, in carrying out subparagraph (A), information with respect to an absent parent is reported—

''(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

''(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency.''.

SEC. 389. EXTENDED STATUTE OF LIMITATION FOR COLLECTION OF ARREARAGES.

(a) AMENDMENTS.—Section 466(a)(9) (42 U.S.C. 666(a)(9)) is amended—

(1) by striking ''(9) Procedures'' and inserting the following:

''(9) LEGAL TREATMENT OF ARREARS.—

''(A) FINALITY.—Procedures'';

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and by indenting each of such clauses 2 additional ems to the right; and

(3) by adding after and below subparagraph (A), as redesignated, the following new subparagraph:

''(B) STATUTE OF LIMITATIONS.—Procedures under which the statute of limitations on any arrearages of child support extends at least until the child owed such support is 30 years of age.''.

(b) APPLICATION OF REQUIREMENT.—The amendment made by this section shall not be read to require any State law to revive any payment obligation which had lapsed prior to the effective date of such State law.

SEC. 370. CHARGES FOR ARREARAGES.

(A) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 301(a), 328(a), 331, 366, and 367 of this Act, is amended by adding at the end the following new paragraph:

''(17) CHARGES FOR ARREARAGES.—Procedures providing for the calculation and collection of interest or penalties for arrearages of child support, and for distribution of such interest or penalties collected for the benefit of the child (except where the right to support has been assigned to the State).''.

(b) REGULATIONS.—The Secretary of Health and Human Services shall establish by regulation a rule to resolve choice of law conflicts arising in the implementation of the amendment made by subsection (a).

(c) CONFORMING AMENDMENT.—Section 454(21) (42 U.S.C. 654(21)) is repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to arrearages accruing on or after October 1, 1998.

SEC. 371. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by sections 315(a)(3) and 317 of this Act, is amended by adding at the end the following new subsection:

''(l) CERTIFICATIONS FOR PURPOSES OF PASSPORT RESTRICTIONS.—

''(1) IN GENERAL.—Where the Secretary receives a certification by a State agency in accordance with the requirements of section 454(28) that an individual owes arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to section 171(b) of this Act.

''(2) LIMIT ON LIABILITY.—The Secretary shall not be liable to an individual for any action with respect to a certification by a State agency under this section.''.

(2) STATE CSE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 304(a), 314(b), and 322(a) of this Act, is amended—

(A) by striking ''and'' at the end of paragraph (26);

(B) by striking the period at the end of paragraph (27) and inserting ''; and''; and

(C) by adding after paragraph (27) the following new paragraph:

''(28) provide that the State agency will have in effect a procedure (which may be combined with the procedure for tax refund offset under section 464) for certifying to the Secretary, for purposes of the procedure under section 452(l) (concerning denial of passports) determinations that individuals owe arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24

months' worth of child support, under which procedure—

''(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

''(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.''.

(b) STATE DEPARTMENT PROCEDURE FOR DENIAL OF PASSPORTS.—

(1) IN GENERAL.—The Secretary of State, upon certification by the Secretary of Health and Human Services, in accordance with section 452(l) of the Social Security Act, that an individual owes arrearages of child support in excess of $5,000, shall refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

(2) LIMIT ON LIABILITY.—The Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1996.

SEC. 372. INTERNATIONAL CHILD SUPPORT ENFORCEMENT.

(A) SENSE OF THE CONGRESS THAT THE UNITED STATES SHOULD RATIFY THE UNITED NATIONS CONVENTION OF 1956.—It is the sense of the Congress that the United States should ratify the United Nations Convention of 1956.

(b) TREATMENT OF INTERNATIONAL CHILD SUPPORT CASES AS INTERSTATE CASES.—Section 454 (42 U.S.C. 654), as amended by sections 304(a), 314(b), 322(a), and 371(a)(2) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting ''; and''; and

(3) by inserting after paragraph (28) the following:

''(29) provide that the State must treat international child support cases in the same manner as the State treats interstate child support cases.''.

Subtitle H—Medical Support

SEC. 381. TECHNICAL CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking ''issued by a court of competent jurisdiction'';

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following: ''if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued by an administrative adjudicator and has the force and effect of law under applicable State law.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1996.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the first plan year beginning on or after January 1, 1996, if—

(A) during the period after the date before the date of the enactment of this Act and before such first plan year, the plan is operated in accordance with the requirements of the amendments made by this section, and

(B) such plan amendment applies retro-actively to the period after the date before the date of the enactment of this Act and before such first plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

Subtitle I—Effect of Enactment

SEC. 391. EFFECTIVE DATES.

(A) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) provisions of this title requiring enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon enactment.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions, but in no event later than the first day of the first calender quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if it is unable to comply without amending the State constitution until the earlier of—

(1) the date one year after the effective date of the necessary State constitutional amendment, or

(2) the date five years after enactment of this title.

SEC. 392. SEVERABILITY.

If any provision of this title or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this title which can be given effect without regard to the invalid provision or application, and to this end the provisions of this title shall be severable.

TITLE IV—REAUTHORIZATION OF CHILD CARE AND DEVELOPMENT BLOCK GRANT

SEC. 431. REAUTHORIZATION OF CHILD CARE AND DEVELOPMENT BLOCK GRANT.

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

''SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this subchapter—

''(1) such sums as may be necessary for fiscal year 1995;

''(2) $1,000,000,000 for fiscal year 1996;

''(3) $1,500,000,000 for fiscal year 1997;

''(4) $2,000,000,000 for fiscal year 1998;

''(5) $2,500,000,000 for fiscal year 1999;

''(6) $3,000,000,000 for fiscal year 2000; and

''(7) $3,500,000,000 for fiscal year 2001.''.

TITLE V—AMENDMENTS TO THE INTERNAL REVENUE CODE

SEC. 501. INCREASE IN TOP MARGINAL RATE UNDER SECTION 11.

(a) IN GENERAL.—The following provisions of the Internal Revenue Code of 1986 are amended by striking ''35'' and inserting ''36.25'':

(1) Section 11(b)(1).

(2) Section 11(b)(2).

(3) Section 1201(a).

(4) Paragraphs (1) and (2) of section 1445(e)

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after October 1, 1996, except that the amendment made by subsection (a)(4) shall take effect on October 1, 1996.

TITLE VI—EFFECTIVE DATE

SEC. 601. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect on October 1, 1996.

The CHAIRMAN. Pursuant to the rule the gentlewoman from Hawaii [Mrs. MINK] will be recognized for 30 minutes and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, I yield myself such time as I may consume.

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

Mrs. MINK of Hawaii. Mr. Chairman, I rise today to speak for the millions of women and children whose lives will be deeply affected by what we do. In the name of reform, we are about to destroy the foundations which have been built over the years to build a framework of support and help. What was a reform effort has now turned into a savage effort to cut away needed funds for our most vulnerable children in order to pay for the tax cuts for the wealthiest in America. Changing the AFDC Program from an entitlement to a block grant means that you blow away its foundation of support. Changing the National School Lunch Program from an entitlement to a block grant means that you place every schoolchild in jeopardy that their school may have to drop out of the program. What good is it to say that there are funds for needy children if the schools they attend have no school lunch program at all? Changing the child care programs from entitlements to block grants means that you diminish the level of commitment to child care as the most important element required to achieve work and self-sufficiency.

The Republican attack against our efforts to build back a future for welfare families by job training, job search, and child care argues that all we do is defend the status quo. For most of this century America has stood tall as a country that helped its poor, and fed its children, and nursed its sick. If this is the status quo, I am proud to defend it because this is what I believe America is all about.

It is not about bashing women as illicit and unfit mothers. It is not about bashing legal aliens. It is not about bashing children because they were born out of wedlock.

America is about having the greatness to offer help where needed. I rise today because I passionately reject the meanness that I see and hear. I reject that the poor are less deserving of our love and affection.

The facts my colleagues is what gives me the spirit to fight back today. The facts, if you care to read, tell you that

50 percent of the adult poor on welfare, work. You don't need to force them to get up everyday like you think. They struggle to feed their families. They know that they want something better for themselves. They don't need a law to force them to love their children. More than half of the adults on welfare have 4 years of work experience. They are not lazy and seeking dependency as a way of life. They are despondent because of events beyond their control, sickness, being laid off a job because of corporate downsizing, divorce, or death.

Our substitute bill that we offer is the truth about America. It acknowledges that States should have greater flexibility in designing the job training and child care programs. But we guarantee the funds with which to do it. If Federal funds are to be spent there must be uniformity throughout the Nation on such things as eligibility standards, but beyond that the States must have the ability to decide how to achieve the goals of job placement which are required in this bill.

We reward families that work by not pulling them out of essential support like food stamps, housing, and child care.

We extend support to low-income working families not on welfare, but as much in need of help, by providing them with child care services as well.

In truth, Mr. Chairman, this substitute bill which has 75 cosponsors is an expression of belief and hope which is the icon of American ideology. Best of all it demeans no one because they are poor, and it protects children and legal aliens by refusing to segregate their rights and privileges because of status, and assures stability of Federal support while allowing maximum flexibility to the States to provide for jobs, job training and child care. Yes, it cuts off support if the parent refuses a job offer, but it does not set an arbitrary time limit which could not be met either by the State or by the community. To cut off a family in need when there is neither job, nor job offer, is cruel. What will the children do to survive? Separate the siblings in foster care, in orphanages? A job must be found before any funds are cut. That is the object, isn't it? Help families find work that earns their way off of welfare. This is our goal. This is the goal of an American that cares. This is not the status quo, because there is no such goal in current law. Vote for the Mink substitute.

FAMILY STABILITY AND WORK ACT (H.R. 1250)
SPONSORED BY CONGRESSWOMAN PATSY T. MINK

SUMMARY

The Welfare debate has been centered around getting people off of welfare through arbitrary time limits and denying benefits to teenage mothers and children born into welfare families, all in an attempt to reduce federal welfare spending. Very little has centered around what is truly necessary to help families get off of welfare and stay off.

The Mink plan is a forthright and honest plan which seeks to move welfare families to self-sufficiency through employment. It provides the resources necessary to give welfare recipients the education, job training, job research assistance and child care that they need to find a job and sets them on a course toward employment through the Job Creation and Work Experience program. It also includes a strong work requirement and increases state flexibility.

Foremost is the fact the Mink plan protects children. It does not allow states to deny benefits to teenage mothers and children born into families already on AFDC. It does not allow children to be out on the street because they have been thrown off of welfare after two years. It helps to keep children and families off of welfare by allowing health care, child care, housing and Food Stamp benefits to continue for a short term after the family is off of AFDC. It increases child support enforcement so that single-parent families have a contribution from the absent parent to help sustain the family. And it eliminates the discrimination of two parent families in the AFDC system.

The major differences between the Mink plan and other welfare proposals are: retains entitlement status of the program; no arbitrary cut off of benefits (people who refuse to work or turn down a job are denied benefits); protects children because it does not include requirement to deny benefits to teenage mothers or children who are born to families already on AFDC; rewards states for successfully moving welfare recipients into jobs; makes the investments necessary to prepare welfare recipients for work; helps families stay off of welfare by allowing them to retain health, child care, housing and Food Stamp benefits for up to two years, and does not finance welfare by denying benefits to legal immigrants.

I. WORK OPPORTUNITIES AND REQUIREMENTS

Work and preparing for work are essential elements in a welfare reform. The Mink plan provides welfare recipients with the education, job training and child care necessary to obtain a job and stay employed. State are provided more flexibility in implementing the JOBS program to help prepare welfare recipients for work and enhances JOBS with a new work program (The Jobs Creation and Work Experience Program). This is not a one-size fits all approach. It eliminate cumbersome requirements under the JOBS program and allows states flexibility in determining who is required to participate in JOBS and who is exempt. There is no arbitrary time limit for AFDC benefits but allows states to work with individual families to determine what is necessary to get them off of welfare and become self-sufficient through employment.

The Mink plan includes a strong work requirement. Every recipient with a self-sufficiency plan must be in a job after the education, training or job search activities required in their self-sufficiency plan are completed. If they cannot find a job they must participate in the Job Creation and Work Experience Program for two years. States are given maximum flexibility to design the Work program to fit the needs of their AFDC families and their community.

The basic components of this program are:

Participation rates.—States decide who participates and who is exempt, so long as the following participation rates are achieved: 15 percent of AFDC families in FY 1997; 20 percent of AFDC families in FY 1998; 25 percent of AFDC families in FY 1999; 30 percent of AFDC families in FY 2000; 35 percent of AFDC families in FY 2001; 40 percent of AFDC families in FY 2002; and 50 percent of AFDC families in FY 2003 and each succeeding year.

Self-sufficiency plan.—Within 30 days of being determined eligible for AFDC, a preliminary assessment of the self-sufficiency needs of the family and whether they qualify for the JOBS program is required. A more detailed self-sufficiency plan must be developed for every participant in the JOBS program. The plan will explain how the State will help and what the recipient will do to pursue employment. It will identify the education, training and support services that will be provided to reach the goal of self-sufficiency, and it will set a timetable for achieving the goals.

Work Requirement.—Every recipient with a self-sufficiency plan must work after education, training, job search or any other preparatory activity required by their self-sufficiency plan. If the recipient cannot find a job, the state must provide a subsidized job through the Job Creation and Work Experience program for at least two years.

Components of the Job Creation and Work Experience Program.—Each State designs its own program to provide employment in the public or private sector for AFDC recipients. The jobs must pay at least Federal minimum wage and may be subsidized. Child care and Medicaid eligibility must be sustained throughout the program. Protections against displacing existing employees at a company or organization participating in a subsidized job program are included.

Time limits.—There are no arbitrary time limits on AFDC benefits. Requires a recipient to get a job once they have completed education or training as determined by their self-sufficiency plan. If a job is not available, they must be placed in the Job Creation and Work Experience program for at least two years. Any one who refuses to work or turns down a job will be cut off of welfare. However, AFDC recipients who play by the rules but cannot find a job because there are no jobs do not get punished by being cut off of welfare.

Jobs and work funding.—The Job Creation and Work Experience Program is a new program under JOBS. Funding for JOBS will continue to be based on a Federal/State share and remain a capped entitlement to the States at the following levels (including the $1 billion currently authorized for JOBS): $1.5 billion in FY 1997; $1.9 billion in FY 1998; $2.8 billion in FY 1999; $3.7 billion in FY 2000, and $5.0 billion in FY 2001.

Rewards success.—Increases Federal share of the JOBS program and Transitional Child Care program by 10 percent for States which meet a certain success rate in moving families on welfare into work (actual rate increase for JOBS program would equal 70% or the Federal Medicaid Match plus 10%). In order to receive the increased federal share the number of JOBS participants who leave the AFDC program due to employment (does not include subsidized employment) within the given year must equal: ¼ of JOBS participants in fiscal year 1998, ⅓ of JOBS participants in fiscal year 1999, and ½ of JOBS participants in fiscal year 2000 or any year thereafter.

Promotes families.—Eliminates requirements discriminating against two-parent families.

II. CHILD CARE

Child Care is essential in order for AFDC mothers to work or participate in an education or job training program. Child care is often the most difficult support service for mothers to find and the most expensive. The Mink plan increases the Federal investment in child care so that AFDC mothers can work to support their families and extend transitional child care assistance so that families who have left the AFDC system can stay off of welfare. In addition, the Mink

plan makes a significant investment in child care for other low-income families through the At-Risk Child Care program and the Child Care Development Block Grant program.

Child Care Guarantee.—Retains the Child Care Guarantee for AFDC recipients and JOBS participants. Extends the Transitional Child Care program for families who leave AFDC for an additional year. (current program is one year). Families who leave AFDC would be eligible for transitional child care for two years or until their family income reaches 200% of poverty.

Increase Federal Match.—Increases the federal share for the AFDC & Transitional Child Care by 10%.

Child Care for Non-AFDC families.—Increases the Federal Match for the At-Risk Child Care program by 10% and increases capped entitlement to: $800 million in fiscal year 1997; $1.3 billion in fiscal year 1998; $1.8 billion in fiscal year 1999; $2.3 billion in fiscal year 2000, and $2.8 billion in fiscal year 2001.

Reauthorizes the Child Care Development Block Grant program for five years with the following authorization levels: $1.0 billion in fiscal year 1996; $1.5 billion in fiscal year 1997; $2.0 billion in fiscal year 1998; $2.5 billion in fiscal year 1999; $3.0 billion in fiscal year 2000, and $3.5 billion in fiscal year 2001.

III. MAKING WORK PAY

Helping former AFDC families stay off of welfare must be one of our primary goals. Currently over ½ of the AFDC population cycles on and off of welfare. Low wage jobs which do not provide enough money to sustain a family coupled with the loss of health care, child care, housing and food stamps, often puts a family right back into the dire financial situation which put them on welfare in the first place. We must reward AFDC recipients who go to work and not punish them by taking away necessary assistance which will help stabilize the family. The Mink plan allows AFDC families to retain short-term assistance in the areas of health, housing, nutrition and child care to help stabilize the family and assure that they will not fall back into welfare, including:

Rewards work.—Eliminates disincentives for AFDC recipients to work by increasing the amount of earned income not included in calculation of AFDC benefits from $120 per month to $200 per month in the 1st year and $90 to $170 after fir first year.

Transitional health benefits.—Extends Medicaid benefits for an additional year (with state option to require families to pay a portion of the premium) after a family leaves AFDC and extends Medicaid benefits for the children until they reach 18 years of age or the family's income reaches 200 percent of poverty.

Transitional nutrition benefits.—Income earned by AFDC recipients and former AFDC recipients will not be counted for the purposes of Food Stamp eligibility until the family's income reaches 200% of poverty or for two years after the termination of AFDC benefits.

Transitional housing benefits.—Income earned by AFDC recipients and former AFDC recipients will not be counted for the purposes of Federal Housing assistance eligibility or rent determination until the family's income reaches 200% of poverty or for two year after the termination of AFDC benefits.

IV. CHILD SUPPORT

Failure to enforce child payments plays a key role in keeping single parent families in poverty. The FSWA incorporates the child support enforcement provisions developed by the Women's Caucus. It improves state and interstate child support enforcement through:

Establishment of state automated systems on child support orders;

Establishment of a Federal automated system which will include state data on child support orders and a directory of new hires;

Requiring all states to adopt the Uniform Interstate Family Support Act, which establishes a framework for determining which state retains jurisdiction of interstate cases and governs the relationship amongst states in this area.

Improved sanctions including, state guidelines for driver's license suspension, and the denial of passports for individual who are more than $5000 or 24 months arrears;

Granting families who are owed child support first right of access to an IRS refund credited to a delinquent non-custodial parent;

Increasing the Federal matching rate from 66% to 75% and including incentive payments of up to 15% for state's based on paternity establishment and overall performance of state program. 80% Federal matching rate for the development of automated systems.

V. FINANCING

Corporate America benefits from billions of dollar worth of corporate welfare—subsidies, tax breaks, credits, direct federal spending—every major corporation and business receives some kind of benefit from the Federal government. Corporations must do their share in investing in our nation's most vulnerable in our society.

The Mink bill is financed through raising the top corporate income rate by 1.25% to 36.25 percent. This is estimated to raise $20.25 billion over 5 years.

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

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania [Mr. GOODLING] rise?

Mr. GOODLING. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] is recognized for 30 minutes.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. PORTMAN].

Mr. PORTMAN. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to the Mink substitute. I believe it is an expansion of our current system rather than real reform.

Mr. Chairman the fundamental difference with the substitute, of course, is that it retains the entitlement status of the AFDC. But it goes beyond that, it increases the administrative burdens and imposes costly new unfunded Federal mandates on the States. It is mostly deficient for what it does not do. It does not give the States the flexibility to respond to the crisis we have before us.

Mr. Chairman, during our Committee on Ways and Means hearings on welfare reform we repeatedly heard from Governors and others closer to the delivery of public assistance that in order to affect real welfare reform, we need to stop the one-size-fits-all Federal approach and let States design welfare programs that are designed to meet the real needs of the population.

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Such an approach removes a whole layer of expensive Federal bureaucracy that will free up more resources, more resources, Mr. Chairman, to try innovative, new approaches at the local level to truly change people's lives. This substitute before us does not do that. It keeps the same expensive Washington welfare bureaucracy in place, and, in fact, increases costs and Federal requirements. It requires States, as an example, to provide a public sector or subsidized private sector job paying minimum wage for at least 2 years for each recipient. It raises the jobs program participation requirements 5 percent annually, and it guarantees former AFDC families child care indefinitely, until their income reaches 200 percent of poverty. It is the status quo, as the gentlewoman from Hawaii [Mrs. MINK] has said, but it is more than that. It is more of the same.

Again, I believe this substitute traps us in the failed welfare system of the past, so what we need to do is we need to end the perverse incentives of the past. We need to make people work, we need to encourage families to stay together, we need to slash the costly and ineffective Federal welfare bureaucracy.

Thomas Jefferson once said, ''I believe that the States can best govern our home concerns.'' I think he was right. Many of today's thinkers echo those words, sociologist James Q. Wilson among others. Quite frankly, Mr. Chairman, we have to oppose this substitute because it just increases the bureaucracy and the failed welfare system. We need to look ahead. We need to support the committee bill which gives our State partners the flexibility they need.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentleman from Montana [Mr. WILLIAMS], a member of my Committee on Economic and Educational Opportunities.

Mr. WILLIAMS. Mr. Chairman, along with the gentlewoman, I, too, along with many of my colleagues, have spent a lot of time thinking about welfare and trying to figure out how to reform it, a thing that this Congress has done many times, by the way, since welfare was first created. It is not easy, but there are some clear conclusions that one arrives at.

First, and the American people agree with this more than anything else, we have got to make being off of welfare more profitable than being on it. This bill does that better than any bill before us. The American people say, ''You've got to educate people, you got to job train them to take that job once they get on welfare.''

Now check it. This bill, Mr. Chairman, the gentlewoman from Hawaii's bill, does that better than any bill that is before us. I say to my colleagues, ''You have to improve employment

services so that the former welfare recipients now trained for a job can actually find a job.'' No bill does that better than this bill offered by the gentlewoman from Hawaii [Mrs. MINK], and it does something else. It is tough. It requires that the States increase the number of recipients who take jobs from the current 15 percent up to 50 percent, and I think it does that better than any bill that is before us.

I say to my colleagues, ''If you ask the American people what they don't want to do in welfare reform, they'd say, 'For heaven's sakes, don't cut the kids nutrition programs, don't cut school lunch.''' This bill does not cut it.

Mr. Chairman, I voted for the Deal bill last night because I thought it was a lot better than the Republican substitute. I say to my colleagues, ''I like Mrs. MINK's bill even better than the Deal bill,''

Now let me finally say a word about the Republican substitute. I know it is a major part of the contract, almost the crown jewels of the contract, and Republicans talk a lot about change. Now here is their great idea for change on welfare reform: Pass the buck to the Governors. Let the Governors do it.

I ask, ''Is that the best you can do in your contract? Is that the only change you could think of for welfare reform, if we don't know how to do it, let's let the Governors do it?''

No wonder the American people want their money back on the contract.

Mr. GOODLING. Mr. Chairman, I ask unanimous consent that my time be controlled by the gentlewoman from Kansas [Mrs. MEYERS].

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I oppose the Mink substitute. It maintains the entitlement nature of this program, and I think that is a serious mistake. It vastly expands the welfare state. It means a $13 billion increase in expanded jobs training programs. It means a $14.9 billion increase in expanded child care programs. It extends Medicare coverage for an additional year after beneficiary begins working. They already have 1 year Medicaid, I believe. It lets welfare beneficiaries earn more and still collect welfare.

Mr. Chairman, all of this will add over $30 billion a year to the $70 billion that we spend on the AFDC population now.

After 2 years in a job training program, the Federal Government requires States to provide make-work public jobs or subsidized employment for at least 2 years under the substitute offered by the gentlewoman from Hawaii. Now, while in this make-work job, beneficiaries must earn more than they did on AFDC. In other words, the Government is required to give them a job. While they are in this make-work job, they must earn more than they did on AFDC.

The corporate tax rate is going to be increased by 1.25 percent to subsidize welfare workers who are doing make-work jobs.

The Mink substitutes does not address out-of-wedlock births at all. Mr. Chairman, by the year 2000, 80 percent of minority children and 40 percent of all children in this country are going to be born out of wedlock. The younger that a woman has a child, the more likely it will be that she will end up on welfare and stay there for at least 8 to 10 years.

We know, Mr. Chairman, statistically—I am not saying that welfare children are bad. I do not believe that. Many children turn out extremely well, but we know from statistics and studies that children who get started in the welfare system get a very bad start in life sometimes. They do not have a lot of structure in their life. Frequently they do not have a father. Sometimes they do not even have enough food and clothing, and statistically we know that throughout their life they are going to have more trouble with education, health and crime. We are consigning people to a very bad life when we expand this system, and I vigorously oppose the Mink substitute.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida [Mrs. MEEK].

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Chairman, I stand to support the substitute offered by the gentlewoman from Hawaii [Mrs. MINK]. She definitely reforms AFDC, and that is where most of the problems are.

I say to my colleagues, ''Now, you can put any label on us as you want to. You can call us liberals or conservatives. But the main thing the children and the people of this country want: Benefits. They want services. They don't care what party you're in, and they don't care what rhetoric you spout. When a hungry stomach is hungry, they care nothing about whether you're conservative or liberal. That's why PATSY MINK is saying, 'Get a way to get us out of this morass, get some jobs, define them, show them how to get there.''

Now there are jobs out there, and I say to my colleagues, ''Don't let anyone fool you, there are jobs, but you must train people to get to the jobs, and that's what PATSY MINK does. She requires them to work, but with some skill so they can keep those jobs and not get on this hamburger chain from one McDonald's and one Burger King to the other because of all these ill-defined job programs that just making the people who started this train of illiteracy and poor work habits get on the train and not help them as they've never been.''

So let us make a deal. Deal tried to do it last night. My colleagues would not accept his substitute.

Let us make a deal and show that the substitute offered by the gentlewoman from Hawaii [Mrs. MINK] delivers a better trail, it delivers better jobs, it delivers better work, it delivers better benefits for poor people.

Now let me tell my colleagues something about helping people on welfare. The substitute offered by the gentlewoman from Hawaii does this, does job training, it does education, it will put emphasis on quality child care.

I ask, ''How do you expect people to work, mothers, if they don't have child care?'' Knowing that their babies are safe will make them have some incentive to go out and find a job. It will put emphasis on school lunches, that children are hungry. Go out there in the community, and my colleagues will see these hungry children.

It is time to do the real reform. We do not care about labels. I say to my colleagues, ''It's not what you call me, it's what I answer to.''

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 2½ minutes to the gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Chairman, it appears that the Mink substitute is yet another form of big government—more money, more bureaucracy, fewer answers. For more than 30 years we have tried welfare one way. What do we have to show for it?

We have a system that penalizes families, that penalizes a mother for wanting to marry the father of her children, that penalizes savings, and penalizes the person who wants to own property.

The Mink substitute increases spending by at least $1 billion over 5 years just for transitional child care. And, that's only one tiny part. For example, it expands the JOBS program by $14.9 billion and that program has not been proven effective. And it also increases taxes to the point where business may not be able to provide the very jobs we are training them to fill.

And that is just the beginning.

I would ask all of us to consider, What do we have to show for 30 years of throwing money at a problem?

We have more people on welfare with no hope of getting off. One of the other results is an inflated, overextended budget. Currently, the bankrupt budget burdens families with excessive taxes.

We need to get beyond the old law. We're the government and we're to help to the point where we can say, we're the government and we're going to get out of the way and let you dream your dreams.

Beyond the problems of the Mink substitute, there is a philosophical shift that needs to be made here. We need to make sure that we no longer measure compassion by how many people are on welfare and how much money we throw at welfare but by how few people are on welfare and how little money we take from our citizens to

get those who are down and out addicted to the government dole.

We have tried it one way for 30 years now and it hasn't worked. Throwing more money at the problem and increasing the bureaucracy is not the answer.

The answer lies in restoring hope—offering a helping hand—in the form of temporary assistance and then giving a hand up not just a hand out. The Mink substitute is not the answer. I urge a ''no'' vote.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to our distinguished ranking member, the gentleman from Missouri [Mr. CLAY].

(Mr. CLAY asked and was given permission to revise and extend his remarks.)

Mr. CLAY. Mr. Chairman, I am proud to serve as a cosponsor of the Mink substitute because it is the most humane of the three proposals before us.

The Mink substitute is justifiably silent on the nutrition issues that have so divided this House during the welfare reform debate. It says nothing about these issues because it doesn't need to say anything. Existing Federal nutrition programs work remarkably well. Leave the system alone. Each day, 26 million children are fed school lunches, and 7 million women, infants, and children participate in the WIC Program. The Mink substitute reminds us not to throw the baby out with the bath water.

Mr. Chairman, not one witnesses who testified before the Committee on Economic and Educational Opportunities this session supported block granting Federal nutrition programs.

Our Republican colleagues keep denying that their bill will hurt women and children. In fact they have become rather angry, complaining that they are being unfairly accused of cutting WIC and school lunch and breakfast programs. But the truth is, the Republican bill doesn't just cut these nutrition programs, it decimates them. National nutrition standards, gone; summer food programs, gone; child care food programs, gone; the guarantee that all children will be protected from hunger, gone; the automatic trigger to increase nutrition support when the economy worsens, gone. The Republican proposal relieves the Federal Government of all responsibility and blame.

Mr. Chairman, my Republican colleagues claim the will increase funds for nutrition programs. This is part of the distortion. It is the big lie. They quote authorizations as appropriations.

At least 6 million children will go to bed hungry every night if this bill becomes law. This Republican bill is not designed to address the programs of those on welfare, but to relieve the well-to-do of any tax obligations. It is nothing more than a money-laundering scheme, a shell game; take from the poor and give to the rich.

Mr. Chairman, if one child goes hungry because of the Republican proposal, shame on this Congress. If one child is born prematurely because his mother is denied WIC services, shame on this Congress. If one child dies from malnourishment because a tax cut was given to the rich, shame on this Congress, and on those insensitive voters who are supporting the callous provisions of this obnoxious Contract With America.

I urge my Republican colleagues to support the Mink substitute. It protects our Nation's children from the nightmare of the Republican bill.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from Indiana [Mr. SOUDER].

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Mr. SOUDER. Mr. Chairman, listening to this debate, I am struck by self-doubt. Maybe the Democrats are right. Maybe we are being too rash and too impulsive in trying to change the welfare system from the last three decades.

John Lennon said give peace a chance. Maybe my friends are correct that we just need to give the welfare state a chance. After all, we have only been at it for about 30 years. Nearly two-thirds of the households at the lowest one-fifth of the income distribution are headed by persons who work. Today that has declined by one-third. But maybe we should just give it a little bit more time and spend just a little bit more money.

In 1966 when the war on poverty began, the poverty rate was 14.7 percent. Today's poverty rate is even worse, 15.1 percent. But maybe we are being rash on this side and we should not really try to reform the system and just put a little bit more money in and that will help. Should we wait until illegitimacy rates reach 95, 100 percent in our public housing projects? Should we wait until 50 to 75 percent of white babies and over 90 to 100 percent of African-American babies are out of wedlock?

At what point do we decide that the system is broken, that the way we are doing it does not require just a little bit more money or a little bit more Federal program, but rather that we need a radical overhaul, that we need to put it back to the States where people can look at the local level, see what is working, see what is not working, tinker with the edges rather than having it directed from here in Washington?

As you go around and see young children and see that hope out of their eyes, they are not getting it from this welfare system. Maybe this system will not be that much better, but it can not be worse, and with economic opportunity and jobs we can at least try to put hope back in children's lives.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 15 seconds to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Chairman, can I ask my colleague, what page do you find the jobs on that is in the Republicans Personal Responsibility Act, because I have been looking for the last week. I have not found these jobs that you are talking about.

We have offered, you know, a work responsibility provision in the welfare reform package, but I cannot find it in the Republican bill.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I thank the gentlewoman from Hawaii for yielding.

Mr. Chairman, I proudly stand here for her bill. Her substitute is the right substitute, and let me add to what the gentleman from Tennessee [Mr. FORD] just said. You know, early on the Republicans appointed June O'Neill. She is their appointee to be head of the Congressional Budget Office, and she says their bill is weaker on work than the current system. The Washington Post editorial says theirs is weaker on work than the current system.

The question today, ladies and gentlemen, is do we want reform, which is the Mink bill, which helps people go to work, or do we want to be totally retro, do we want to go back to orphanages or do we want to go back to really making this almost a poor house mentality?

I do not think so. I think we want to go forward. That is what Americans want to do. They want to help teach people to fish. This is the teach people to fish bill. We have heard them say there is perverse incentives in this bill. Oh, yeah? I do not know what is wrong. How can you call a perverse incentive the fact that if you are offered a job you have to take it. That is a wonderful incentive. I would not call that perverse at all.

We also hear people saying, ''Oh, well, we like the block grants so much better.'' What you are really saying there is let us take all these problems and throw them at the Governors and hope it works.

Let me tell you, it is not going to work in States like mine because the block grants are always going to be much lower than the population increase. There will be States getting our money based on prior censuses, and we got their people.

So we are going to have a real shortfall. So this reform is really going to crunch growing States. But basically this goes to the dignity of work. It goes to the dignity of the individual. This goes to what this country was about. In other nations you were what your parents were. In this Nation you are what your children become. But your children cannot become much if you cannot help them work and go forward.

Mr. Chairman, I want to put a poem in the RECORD from a woman from my district.

(By Lisa R. Spano, Colorado)

Such a little thing missing
The tines on this simple tool
But you see without them being there
My food just slips right through

Noodles won't work and neither will chicken
And most of us don't like squid
But how can I expect you to listen to me
When I'm just a little kid?
I don't know how it got there
This hole in the middle of my spoon
My mommy says it's a budget cut
But to me it's just less food at noon
Soup won't work, it just falls right through
That holes just too darn big
But how can I expect you to understand
When I'm just a little kid.

I thank the gentlewoman from Hawaii for getting the right idea, and I hope everybody votes for her amendment.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I rise today in opposition to the Mink substitute. It not only retains our failed social welfare system, but embodies the tenets that have converted our social safety net into a trap of dependency and irresponsibility. The Mink substitute retains AFDC as an entitlement program and continues the failed practice of providing cash benefits to teenage mothers.

It is not compassionate to simply give a girl, with a child, a meager monthly check. I worked with abused and neglected children, and I know from experience that cash assistance is not the only assistance a pregnant child needs. She needs guidance to assume the responsibility of being a parent.

In this debate, my party has been unfairly accused of not caring for children. But the real brutality, the true cruelty is to turn our eyes away from the existing failed system and allow children, trapped in the welfare syndrome, to stay there.

H.R. 4 offers a responsible, humane solution to reducing and discouraging out-of-wedlock births. While this bill ends direct cash benefits to teenage mothers, it ensures that both children—mother and child—receive proper care. H.R. 4 provides teenage mothers with the education and parenting skills needed to achieve self-reliance and economic independence.

I encourage all of my colleagues to vote ''no'' on the Mink substitute.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, I thank the gentlewoman from Kansas for yielding this time to me.

Mr. Chairman, I rise in opposition to the substitute bill offered by Mrs. MINK of Hawaii. As I looked through the Mink substitute I arrived at the impression that this bill is simply more ''business as usual'' for the current failed welfare system. Indeed, it exacerbates it.

First, the Mink substitute fails to acknowledge that our Nation's current welfare system has failed—it has failed recipients, it has failed those who administer the programs, and it has failed taxpayers who fund the programs. The Federal programs which make up the welfare system have assisted folks with basic needs such as food and shelter. However, they have not supported—and in fact have been a major roadblock—for people who want to get up, off, and out of public assistance.

The Mink substitute does not fix what is broken. It does not take steps to curb fraud and abuse in the Food Stamp Program; it does not consolidate and streamline employment and training programs; and it does not address the endless cycles of poverty. What this bill does do is promise more and more benefits with no end in sight and preserve the failed welfare system.

I urge my colleagues to start measuring compassion by how few people are on welfare, and not by how much money the Federal Government pours into the welfare system. I urge my colleagues to oppose ''business as usual'' and oppose the Mink substitute.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

(Mrs. COLLINS of Illinois asked and was given permission to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in strong support of the Mink substitute.

Mr. Chairman, I rise in strong support of the substitute by Representative PATSY MINK to H.R. 4, the Personal Responsibility Act.

The Republicans have been claiming that they wish to reform the welfare system. Their idea of reform, however, is to cut and slash every program that helps feed and care for children and guts every attempt to help poor Americans get back on their feet. It fails to create a single job and instead hits poor Americans from all sides simply because they are in need of a helping hand.

By contrast, the Mink substitute offer real reform by increasing funding for education, job training, employment services, and child care in order to provide Americans in poverty a chance to improve their lives and their children's lives. Instead of cutting welfare to pay for a tax cut for the wealthy, the Mink substitute increases the corporate tax on the wealthiest companies to pay for a path out of poverty for poor Americans.

I was in my district for a townhall meeting earlier this month and had the opportunity to talk with one of my constituents, Ms. Donna McAdams. I would like to relate the story that she shared with me because, in my view, it describes exactly why H.R. 4 is so nefarious and should be rejected and why the Mink substitute is so important and deserves our support.

Ms. McAdams lives in the Robert Taylor Homes in my district in Chicago with her three children. She did not grow up on welfare. She was reared by her grandparents in Englewood on Chicago's south side because her mother abandoned her when she was 6 months old and she never knew her father. her grandmother was a registered surgical nurse and her grandfather worked for the railroad. They worked hard to raise Ms. McAdams who studied hard and was a member of the National Beta Society and National Honors Society in high school. After graduating, she took her State nursing boards and became a licensed practical nurse. Since she was pregnant at the time and lacked a pharmacology certificate, she was not able to take a nursing job. Instead, Ms. McAdams began working full time at McDonalds, making $3.35 an hour.

After the baby was born, Ms. McAdams was on welfare for 2 months, but returned to her job at McDonalds when her child was 4 months old. However, her $3.50 salary was not enough to make ends meet and pay the $350 monthly rent so she obtained a loan to go back to school to become a medical assistant. She had completed her program and internship when she unexpectedly became pregnant again. Unlike her mother, Ms. McAdams decided to keep her babies and not give them up. Unfortunately, at this time, her grandmother was recovering from surgery and her grandfather from a stroke. Ms. McAdams married her baby's father and they began to receive general assistance aid. She soon had to leave her husband because of domestic violence and rear her children on her own.

Currently, Ms. McAdams is going to college 1 day a week to get her pharmacology certificate in order to obtain a job as a nurse. She is also volunteering at her children's Head Start Program and trying to get into Project Chance which would help her with child care and transportation while she looks for a job.

When asked about the welfare reform proposals being debated, Ms. McAdams said:

All the things that the politicians are talking about just makes me tired. They want to cut everything that helps, even housing. Where are we going to go if we lose our apartment? I can't imagine me and my kids out on the street. I'm trying to hurry myself through school, but there's no guarantee that I'll get a job. I'm trying but each time I try it seems like I get another roadblock. I want to be a good role model for my children. I want to have a good job and a better place to live. But I know I can't do it by myself. Sometimes I just get so tired.

Mr. Chairman, the vast majority of welfare recipients are like Ms. McAdams. They are trying as best as they can to make their lives better and to provide for their children. Maybe they have hit some roadblocks though and need additional assistance to get back on their feet.

The Mink substitute would help to put Ms. McAdams on a self-sufficient course because it invests in welfare recipients by preparing them for work and rewarding States that successfully move them into jobs. It promotes work by providing the training and education needed to obtain jobs and guarantees child care for aid recipients and job training participants and increases funding for child care for at-risk families so that parents do not have to choose between caring for their children or maintaining a job. More importantly, the Mink substitute does not contain any of the extremist measures of H.R. 4 that punish newborns because their parents are not married or are already on welfare and have other children. It also does not take away children's school nutrition programs to pay for a tax break for wealthy Americans.

I urge my colleagues to reject the Republicans' tax cut for the wealthy out of the mouth of babes plan and support the Mink substitute.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, I rise in strong support of the Mink substitute.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in strong support of the Mink substitute to H.R. 4.

Mr. Chairman, this substitute provides a realistic framework for creating a positive and lasting reform that promotes self-sufficiency and the elimination of poverty through job training and supportive services, not simply through the reduction of AFDC rolls at any human cost.

As compared to the punitive approach of the Republican bill, the Mink substitute is compassionate and recognizes that all people have human and civil rights, especially the 68 percent of AFDC recipients across this country who are children.

The Mink substitute helps to move families out of the perpetual cycle of poverty by providing opportunities to gain permanent employment with sufficient security and advancement. The Mink substitute distinguishes itself from other welfare reform proposals through its realism and its sensitivity to human need.

Mr. Chairman, it deserves the support of every Member of Congress who values promoting long-term economic self-sufficiency for American families over a quick-fix approach based solely on reducing the assistance to the neediest in our society. Support the Mink substitute for meaningful and effective welfare reform.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I would like to recognize that the gentleman from Georgia [Mr. DEAL] has worked in a bipartisan manner in the past, but to gain support from the liberal members of his party, he had to increase the spending and raise taxes, the liberal answers to meet all problems.

He referred to Cinderella. The Mink bill, and the gentlewoman, I want to make clear I am talking about the bill because the gentlewoman is a friend, but the bill is the ugly sister of all sisters.

This bill increases the deficit by even billions of dollars and also increases taxes. The question has been should we give to the States the power. The States have proven that they have been able to manage the welfare programs much better than the Federal Government.

We happen to believe that the Government works best the closest to people. The Karl Marx Democrats want the bureaucracy to control everybody's life. Why? Because that gives them the power to dole out the money to get reelected. That is what the real answer is here.

They are fighting to keep their precious bureaucracy. We are increasing the amount for kids for food, we are increasing the responsibility, we are bringing deadbeat dads together, we are bringing families together. What they cannot stand is that we are taking their power of big bureaucracy away.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman, Members of the House, I want to strongly associate myself with the remarks of the gentlewoman from Hawaii [Mrs. MINK] a woman of great strength and of great principle. I want to associate myself with her remarks and promotion of her amendment, because what her amendment does is promote child nutrition over the Republican alternative that slashes $7 billion from child nutrition programs, $2 billion from the School Lunch Program, $145 million in 1996 alone.

It promotes work over the Republican proposal where CBO says none of the States, none of the States can make the work program in the Republican bill work for people on welfare. It promotes child protections for children who are abused over no Federal protections in the Republican bill. It promotes protection for severely disabled children rather than throwing them off of the SSI rolls, seriously disabled children with mental disabilities, with physical disabilities, children suffering from cerebral palsy and other afflictions like that.

No, the Republicans throw them off. What we cannot stand about the Republican bill is its cruelty, its concerted attack on America's children. Whether they are infants, whether they are in the womb, whether they are toddlers, whether they are in child care, whether they are in school, the Republicans attack them. That is what we cannot stand.

But we have a choice. We are going to have a choice in a few minutes to vote for the Mink substitute, a substitute that promotes work, promotes child protection, promotes child nutrition. That is what Americans want. They want people on welfare to go to work. And yet the Republicans have constructed a dynamic that is not favored by the people in the States who run work programs; it is not favored by the WIC directors; it is not favored by the school lunch people. And these are supposedly the people that know best because they are closest, and they are saying do not do what the Republicans want to do to nutrition and to work and to the women and infants and children's programs. Stop the cruelty, stop the cruelty, and vote for PATSY MINK.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield myself 5 seconds to say that the States will structure the work programs, and what CBO said was that our standards were tougher, not easier.

Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

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Mr. TRAFICANT. Mr. Chairman, I voted for the Deal substitute. I will not vote for this substitute. I will vote for H.R. 4.

I was raised in a poor home as everybody else. Our policies in the welfare system penalize achievement and work, promote illegitimacy, reward dependency, destroy family, and have created a class system.

We have talked about the middle class on this floor. It is not a Freudian slip. Is there an upper class, Congress? Is there now a lower class in America? We/they, they/we, politics of race, politics of fear, politics of division, politics of a welfare system.

Uncle Sam was never supposed to be mom and dad. We do not have mom and dads in America anymore.

I do not think the Republicans are trying to cut anybody's head off at all. We have a system that does not work. Schools now teach morality. Police and judges straighten out the kids. Food stamps feed our kids. HUD gives them a roof.

What a sad deal for our country. Where is mom and dad?

I can remember an interview with Wes Unseld. What was significant, they asked him, what is the greatest thing your dad ever did for you? And do you know what he said, ''The greatest thing my dad did for me is my dad loved my mom.''

We are destroying families. We are playing politics.

I liked Deal better and maybe when it comes back from the Senate there will be some Democrat language in there. But I am not going to stand today and vote for the status quo. I am not going to do that. And this vote does not help me. It hurts me politically.

I think it is time we do what is best for our country. Our kids have been left on the street. They are strung out. They need a mom; they need a dad.

I am a Democrat as well as anybody else. But the Democrats have had 40 years. The problem is, there are no damn jobs. And the Democrats in 40 years have not done a thing about jobs. Our jobs have gone overseas. The Republicans cannot give them any jobs. There is no jobs out there. The Democrats cannot give them any jobs. Trade policies have taken our work overseas, and then we talk about trying to incentivize work.

Ladies and gentlemen, let me say this: Uncle Sam is not a good parent. Uncle Sam is a great country but was

not designed to be the parents for the children of this Nation. And you are not going to resolve it with any of these bills. But I am not going to vote to sustain the status quo, and I am not going to demean the bill that has come from the other side of the aisle.

Anybody who supports the status quo, in my opinion, is antifamily, antikids and, damn it, anti-American. I will have no part of it.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Chairman, we have some tough cowboys here on the floor of the House. This is a new interesting kind of wagon train in which the cowboys have decided to throw the women and infants and the children and the senior citizens out of the wagon train so they can get where they are going faster.

It is cruel. And for anyone, Democrat or Republican, to defend this approach really questions the credibility of this entire Congress, because no one among the tough guys have offered to do anything about the 85 billion dollars' worth of welfare subsidies for corporate America in this year's budget. No one stood up to do anything about the $150 billion of tax giveaways and loopholes to American corporations.

Aid to Dependent Corporations, as the Cato Institute has said, is driving a hole in the Federal budget. But we have all of these willing people who are so eager to lighten the load of America by casting aside the poor.

This is an unfortunate moment in the history of this country, and I would say to some of my millionaire colleagues that they are on the wrong side of history today, in this debate and on this subject.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Chairman, the Mink substitute substitutes commonsense welfare reform with increased taxes. Instead of bringing real change to our broken welfare system, this amendment flies in the face of the will of the people by increasing taxes by $20 billion. Clearly, a $20 billion tax increase is not what the voters asked for last November. This substitute retains the failed welfare status quo by retaining AFDC entitlements that have created a cycle of big Government dependency for millions of Americans. It guarantees that former AFDC families will continue receiving benefits almost indefinitely. This substitute is antigrowth and antijob and does little to fix a failed welfare system that has already consumed over $5 trillion in taxpayer dollars since its inception 30 years ago. Mr. Chairman, the Republican welfare reform proposal promotes personal responsibility and creates incentives for families to remain intact instead of creating lifelong dependency on welfare. It discourages illegitimacy by not rewarding unwed mothers that have additional children. It cuts endless, unnecessary Federal regulations and bureaucrats by returning power and flexibility to the States and communities where help for the needy can best be delivered. Let us not take steps backward. Instead, let us move forward and make substantive and fundamental changes in our current welfare system for our future generations. Vote ''no'' on the Mink substitute.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 1 minute to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I support this substitute. The Mink bill corrects a popular misconception. The Mink bill provides a real opportunity for people on welfare to demonstrate that they are willing to work. They want to work. Throughout this debate, there has been a recurring and underlying theme. Members have suggested, and many believe, that people on welfare want that status. That belief ignores certain, real situations.

Yesterday morning I was at breakfast with a single mother of six children. She was married at one time, then divorced. Her children needed to be fed. She got on welfare. She had no choice. But, she was willing to work. She wanted to work. Alone, she obtained the G.E.D. She then graduated from college, with a 3.7 grade point average. She is now pursuing a master's degree at the University of North Carolina. And, she is working. She is willing to work. She wants to work. Her's is a story that is old and new. There are many like her. They are willing to work. They want to work. They prefer a chance over charity.

The Personal Responsibility Act is weak on work. The Mink bill is strong on work. It provides funding to ensure that, when a person leaves welfare, a job is available. Welfare reform without a job is no reform. The Mink bill does not impose arbitrary time limits on finding a job, removing recipients only if there is a job. It recognizes that, in this economy, jobs are not easy to find. And, the Mink bill retains child care programs. Working mothers need reasonable and affordable child care. In short, Mr. Chairman, the Mink bill provides a serious and realistic framework for moving from welfare and into work. Mink is strong on work.

Finally, Mr. Chairman, I support the Mink bill because it does not provide for block grants. It does not slash the School Breakfast and Lunch Program. It does not remove thousands of women, infants and children from the WIC Program. And, it does not eliminate national nutrition standards. It retains one standard for our children. The Mink bill is strong on work and sensitive to poor families and children. And, that is as it should be.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, I represent Florida where we have many lakes and natural reserves. If you visit these areas, you may see a sign like this that reads, ''do not feed the alligators.''

We post these signs for several reasons. First, because if left in a natural state, alligators can fend for themselves. They work, gather food and care for their young.

Second, we post these warnings because unnatural feeding and artificial care creates dependency. When dependency sets in, these otherwise able-bodied alligators can no longer survive on their own.

Now, I know people are not alligators, but I submit to you that with our current handout, nonwork welfare system, we have upset the natural order. We have failed to understand the simple warning signs. We have created a system of dependency.

The author of our Declaration of Independence, Thomas Jefferson, said it best in three words: ''Dependence begets servitude.''

Let us heed these warnings. Today we have a chance to restore that natural order, to break the change of dependency and stop the enslavement of another generation of Americans.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

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

Ms. NORTON. Mr. Chairman, I want to say, do not feed the alligators but please feed the children.

Seldom, my friends, does this body have the opportunity to make wholesale change in a bad and a dysfunctional system, and we are about to blow it if we do not support the Mink substitute, because the Republican bill fails the reality test.

It is an invitation to do welfare on the cheap. A State has to do nothing, nothing to provide jobs. And they will do nothing. We know that from what happened in the 1987 bill.

If we provide an unemployment office for people who have been recently attached to the work force and provide nothing to people who have never had a job, how do we expect them to get off of the rolls?

Do my colleagues know what the inner city unemployment for people who have recently had work was in 1993? In this city it was 88.6 percent; in Detroit, it was 13.7 percent. And I could go on down that list.

When I go across the river to Anacostia, my friends, no one ever says to me, ''Brother, can you spare a dime'' or ''give me some more welfare.'' They say, ''Sister, can you get me a job.''

This bill will not get anybody a job and that is what we need to do. This bill does exactly what the American people told us not to do. It repeals the entitlement of children to food and shelter. It is a bill that allows a State to refuse to put up a single dollar of its own money to support its own children.

People told us what to do. They told up help get the parents off welfare. Do you make things worse for the kids.

Your bill, the Republican bill, betrays the public trust. It is not welfare reform. It is welfare fraud.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentlewoman for yielding time to me.

What I want to do is engage, very briefly, in a colloquy with the chairman of the subcommittee on educational and economic opportunities.

A clarification, I am requesting, Mr. Chairman. After considering the unique purpose of the Family Violence Prevention and Services Act, I understand that the Committee on Economic and Educational Opportunities decided not to authorize the Committee on Ways and Means to consolidate the act into the child protection grant.

I am asking, Mr. Chairman, if you would confirm that this was, in fact, the case and that the Committee on Economic and Educational Opportunities chose not to consolidate the program into the block grant but to keep it as it was intended?

Mr. CUNNINGHAM. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentlewoman from California.

Mr. CUNNINGHAM. Mr. Chairman, because of the importance of the act, the gentlewoman is correct.

Mrs. MORELLA. I thank the gentleman.

Mr. Chairman, as the House has debated the Personal Responsibility Act, H.R. 4, I have been asked to clarify the purpose of certain provisions in the new child care block grant which simplifies and extends the child care and development block grant.

I have been asked if it is the intention of the child care block grant to retain the preeminence of parent choice through certificates to parents. The House strongly believes that parental choice in child care should be maintained and that the use of parent certificates is preferable over contracts or grants for child care subsidy assistance. We have simplified many aspects of the child care and development block grant, but the parent choice provisions are sound and have not been modified. Because of this, the administration should not need to make significant regulatory changes regarding parent choice.

In addition, we inserted a program goal into the block grant regarding consumer information. This was written to ensure that parents will be provided with full and accurate information about their right to choose child care arrangements, their right to a child care certificate, information about complaint procedures and recourse to ensure parent choice, and complete information about the child care options available to them, including religious providers.

I would also like to address the important issue of the role of extended families in caring for children. We believe a child is best cared for by a member of his or her own extended family. We understand this is not always possible. But in the interest of encouraging the strengthening of families, we encourage States to pursue pro-family policies. Applicants for services funded by this block grant should be asked whether a qualified family member can provide care before counselors direct their child into other settings.

Regarding directing the States to spend a specific amount of funds for direct services, the child care block grant does not take this approach. But I want to be clear that the House has removed the current law's 25-percent set-aside for the specific purpose of freeing as much funding as possible for direct services. H.R. 4 gives States final say over this matter, but we believe that in most cases, funding for direct services is the best use of funding by the State.

Finally, regarding quality improvement, accreditation continues to be an appropriate means of quality improvement. We would encourage States to use a variety of child care program accreditations and various teacher training and credential programs in addition to the Child Development Association Program.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

(Mr. VENTO asked and was given permission to revise and extend his remarks.)

Mr. VENTO. Mr. Chairman, I am here to speak for the Mink substitute, which puts work first, which invests in people, which builds upon what is functioning in our society.

There are many successful examples of programs in place, and they are accountable. Problems today in our communities are because they are on overload, poverty, unemployment. Job programs, fully funded, will accomplish the task and will deal with what has become a growing human deficit in our society, not just a fiscal deficit but a human deficit, those on poverty.

Mink incorporates child support and fully funds the program, not just paper promises.

A vote for Mink is a vote for moving families into the world of work, in to the mainstream of our society, tax-paying families, independent, not dependent.

The Republican legislation is legislation by negative anecdote. It is demonizing people who have devoted their lives to helping those in need. The Republican program has no entitlement. The numbers do not count. No State match. That money is not going to be put in place. It takes 1 million kids and disabled off the Social Security supplemental.

It gives a new meaning to ''women and children first,'' the wrong meaning.

Welfare is meant to be a safety net for people in times of need. Children are 70 percent of the recipients of welfare. The children will suffer as a result of this Republican bill. Our focus in reforming the system should not destroy the social safety net. Our Nation must maintain a safety net while providing the services need to move welfare recipients into the work force. Cutting families off without reasonable support in terms of child care and education and job training will not help the States to achieve the work requirements which the Republicans want to establish. The CBO report pointed that fact out explicitly. Services help people to achieve a stable lifestyle and independence. The Republicans idea of flexibility for the States is to set work requirements and cut the funding the States need to achieve such standards. The Republican's proposal gives up on people abandoning people in need. This bill would have us give up on low-income families, give up on noncitizens and give up on disabled children. But giving up on the poor will not make the problems evaporate; they will persist as the poverty numbers grow; the homeless and a group of folks without hope or recourse. That is not the future or vision of the people we represent, but is the policy path of this GOP proposal. Despite what some would have you think there have been many successes as a result of the JOBS Program, which was signed into law in 1988. Unfortunately, the program has been underfunded, leaving States unable to move as many people into the work force as all had sought. Well, if we pass the Republican bill we will be increasing the burden on States while we cut the funding for child care, for temporary assistance, for child protection and child nutrition. The Mink substitute would help the States to achieve the goal of moving people toward independence and into the world of work. The Mink substitutes sets a requirement that people be in work or in training to work and backs it up with the real resources for child care and temporary assistance to families who have found it impossible to make it on the minimum of low-wage job, without health care benefits that they are able to find. The Mink substitute is a realistic approach to the needs of low-income children and families struggling to support themselves.

Individuals in our society are upset about the amount of taxes that they pay. We should be looking at the corporations in our country who are receiving benefits in the form of corporate welfare and paying less in corporate taxes than they were paying 25 years ago. We should not be responding to those same interest by further depreciating the programs of the poor taking food away from children as an example. We need to look at the benefits which the corporations are receiving from the Federal Government and whether they are performing for our Nation or simply for the bottom line.

Support a bill that will do something to help children and families and reform the current welfare system, support the Mink substitute.

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Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

(Mr. GUNDERSON asked and was given permission to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Chairman, can we make an agreement here this morning that we are all for children? Can we start from that premise that nobody has a bad motive, that nobody has suspicious intent?

The question we are going to face here is, What is the delivery system? That is the real question here. If you only believe in a Washington bureaucracy, if you are only convinced that nobody can protect children but Washington, DC, then vote against the Republican welfare reform proposal. Then vote for the status quo. If that is what you believe, and that is a legitimate opinion, but that is the debate. It is not a debate about whether we are for or against children.

We have these discussions about school lunch. It seems to me that pretty soon we are going to agree that we are increasing the numbers on school lunch every year.

I would ask my Democratic colleagues, take a second and consider what happens if we do nothing with school lunch in this proposal. Is there any one of you who really believes that in the context of deficit reduction we should subsidize every school student, every full-price-paying student, every banker's child to the tune of 18 cents a lunch, which is $516 million a year?

You take $516 million out of the existing school lunch program and tell me, how are you going to run that system?

What have we done? We have eliminated the means testing and we have increased by 4.5 percent a year the guarantee to the States to run that program.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Ms. VELÁZQUEZ].

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

Ms. VELÁZQUEZ. Mr. Chairman, I rise in strong support of the Mink substitute. It is the most responsible, comprehensive, and humane measure offered in this debate. It addresses the real problems confronted by poor families today offering them the tools they need to achieve self-sufficiency and dignity through work.

By contrast, the Republican bill plays a cruel game on many people of this country. It is a game where there are clear winners and losers.

In the Republican bill, by the year 2000, up to 2 million children will lose school lunches so that wealthy families with incomes of $200,000 will get a $500 tax break for each child.

The winners? The wealthy.

The losers? Two million children.

In the Republican bill, more than 700,000 disabled children will lose assistance so that families making over $200,000 will gain from a reduced capital gains tax.

The winners? The wealthy.

The losers? Seven hundred thousand disabled children.

In the Republican bill, 15 million children will be punished as a result of so-called reform while the contract calls for a $700 billion tax cut over 10 years with half the benefits going to families making over $100,000 a year.

The winners? The wealthy.

The losers? The rest of the American people.

It is for these reasons that I am supporting the Mink substitute, a bill that is strong on work and job training, strong on child care opportunities, and strong on giving poor families and children a chance to succeed.

Mr. Chairman, we don't need a public assistance program that is strong on homelessness, hunger, and despair. That is not about teaching people a lesson.

The choice is clear: Pork on the fancy china of the wealthy or food on our children's plates.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield myself 30 seconds.

The system that we have has not worked. We expanded the program in 1988 by $13 billion. We said we would have job training, job readiness, job search, day care, and 5 years later less than 1 percent of the welfare population is working. Let us not expand it again.

Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BILBRAY].

Mr. BILBRAY. Mr. Chairman, I happen to be an individual that comes from a working-class background with a neighborhood where there are a lot of welfare recipients but also a lot of middle-class working people.

I also happened to have been privileged to serve as a supervisor of a welfare system that was larger than the majority of the States of this Union. Let me tell you the frustration those of us that were trying to provide programs to the poor, especially when the Federal Government would stop us from doing innovative things.

I think the problem here is a credibility gap. We did not hear about this 10 years ago. In 1978 when my county proposed an idea, we were called cruel, we were called inhumane, we were called terrible, because we proposed a concept called workfare in 1978, and the gentleman and the gentlewomen from the other side of the aisle attacked us in San Diego County for that.

We proposed that people who get part-time jobs should not have their money taken away from them dollar for dollar in their benefits if they try to work out. The Federal bureaucracy has fought us for 10 years in this program. We just finally got them to get off our back so we can help the poor.

The fact is my working-class people complain about the abuses of the welfare system. It is not the rich, powerful people who complain. It is the people that are in the neighborhoods who see the abuses. When they say they want to fight the abuses, it is the Federal bureaucracy that stands in the way, Mr. Chairman.

I ask that we oppose the amendment and support the Republicans because they are the only ones with credibility.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. NADLER].

(Mr. NADLER asked and was given permission to revise and extend his remarks.)

Mr. NADLER. Mr. Chairman, I rise in support of the substitute offered by the gentlewoman from Hawaii. I consider this substitute to be the most viable welfare reform bill before us today.

Mr. Chairman, the Republican welfare reform bill is nothing but an assault on America's children, and on America's future. It would cut $46 billion from vital family survival programs, denying benefits to millions of children who are in desperate need. During this debate, my colleagues have eloquently described the great harm to children that would result from the Republican bill. From cuts in nutrition programs, to eliminating AFDC for children born to unwed mothers younger than 18 and, if States so choose, 21, the Republican alternative will cause suffering—or worse—for millions of innocent children nationwide.

The costs of the Republican welfare reform proposal would be vast. While children would suffer, States would be left to bear the financial burden of the long-term damage the bill would cause.

I authored an amendment which the Rules Committee did not permit to be considered on the House floor. The amendment called for the Federal Government to pay for the additional direct and indirect costs incurred as a result of reduced funding to certain Federal social programs. So, for example, States would not be burdened with the additional long-term costs of treating the brain damage caused in children by malnutrition resulting from elimination of WIC and other nutritional programs. This amendment, which would have helped States deal financially with the long-range devastation caused by the Republican bill was rejected for consideration on the floor of the House. It would seem that some merely want to cut benefits for children now, without addressing the long-term harm that would result, and the long-term costs that would be incurred.

The substitute before us now is a much more effective means of facilitating and rewarding independence. The Mink substitute emphasizes work and education, improves child support collections, and invests in child care assistance for low-income working parents. It also invests in nutrition programs, and in health coverage to protect the well-being of mothers and children. It encourages work by investing in real training. It does not discriminate against tax-paying, legal immigrants by denying them benefits. And it does not punish children by imposing an arbitrary cutoff of benefits. This substitute would result in real opportunities for those currently receiving assistance instead of arbitrarily penalizing those in need. I urge my colleagues to support this very positive amendment.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. I thank the gentlewoman for yielding me the time.

Mr. Chairman, I rise today in strong support of the Mink substitute and against the mean-spirited Republican bill which takes food out of children's mouths and gives tax breaks to the wealthy.

The Mink substitute provides for education and job training, two essential components to get people off welfare. The Republican plan does not.

The Mink proposal provides for child care which is important if welfare people are going to go to work. The Republican plan does not.

The Mink plan maintains child nutrition and school lunches. The Republican plan does not.

The Mink plan ensures that welfare recipients are better off economically by taking a job than by staying on welfare. The Republican plan does not.

Block grants, my friends, only work if you fully fund them. If you do not fully fund them, you are literally robbing children, particularly with this

proposal that you can take 20 percent of funds and move them around.

I am for welfare reform, Mr. Chairman, but the Republican plan is mean-spirited and goes too far. Support the Mink substitute.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. FORBES].

(Mr. FORBES asked and was given permission to revise and extend his remarks.)

Mr. FORBES. Mr. Chairman, the tale being weaved by Democrats, grown adults who are misleading the American public, is really a travesty. We are talking about building the future, restoring decency and dreams for all Americans.

Children, parents and families who have had a tough go of it deserve to have a break. This Republican bill restores hope, it restores opportunity, respect, and the Democrats who have been protectors of a broken, demeaning system ought to be ashamed of themselves for misleading the American public.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. FAZIO].

(Mr. FAZIO of California asked and was given permission to revise and extend his remarks.)

Mr. FAZIO of California. Mr. Chairman, I rise in support of the Democratic alternatives and in strong opposition to the Republican bill.

Mr. Chairman, the current welfare system is a national embarrassment and outrage. Democrats are committed to reforming a system that contradicts the American work ethic, and undermines the American dream for millions. As a nation, we cannot afford to support a program that encourages able-bodied adults to stay at home rather then look for a job.

Economic self-sufficiency must be the primary goal of any valid proposal, and the Democrats face this issue head-on.

The Deal substitute's work requirement for the first year is four times higher than the Republicans'.

Welfare recipients must have the opportunity to learn marketable skills to find better jobs—opportunities the Democrats provide. Enduring job skills will prevent repeat visits to the welfare rolls and end the cycle of dependency.

Mr. Chairman, the Republican proposal is only an outrageous pretense at real welfare reform.

The Personal Responsibility Act does not create a single viable avenue to move families away from dependency and in to work. Instead, it cuts essential programs, such as day care services which enable parents to go to work while leaving their children in safe, reliable day care.

The Republicans would force the States to create work programs at a breakneck speed, without regard to effectiveness. The resulting Republican programs could not be anything but sloppy and cheap.

Tremendous savings can be earned in the long run through an initial investment in job preparedness and placement. By providing welfare recipients with a real opportunity to find a permanent, well-paying job, the Democrats would permanently reduce welfare costs, raise worker productivity, and increase revenues.

The Republican plan ignores this reality, and now does not even pretend to use their spending cuts for deficit reduction. Instead, the Republicans would give the rich the $69 billion they took from the poor.

Mr. Chairman, I am gravely disappointed in the Republicans and their plan. We all want change, but this plan does not begin to break the cycle of dependency. It breaks the backs of our families and children, and does nothing to demand work.

Mrs. MINK of Hawaii. I yield such time as he may consume to the gentleman from Illinois [Mr. RUSH].

(Mr. RUSH asked and was given permission to revise and extend his remarks.)

Mr. RUSH. Mr. Chairman, I rise in strong support of the Mink substitute.

Mr. Chairman, I rise today in strong support of the substitute offered by my colleague from Hawaii, PATSY MINK.

I do so as an original cosponsor of her proposal because in the real world, it helps people find real solutions to their real problems: Jobs.

Mr. Chairman, I have listened to the debate surrounding the welfare reform bill.

I have been disturbed to hear the name of a constituent of mine who was killed last year, young Eric Morse.

His name was invoked several times by majority party members as a way of compelling support for H.R. 1214.

I agree with those Members that Eric's death was a senseless tragedy, and that Eric and nearly 100,000 of my constituents who reside in public housing live—and sometimes die—amidst great hardship.

However, I vigorously disagree with the conclusions that my Republican colleagues draw from his death.

Mr. Chairman, it escapes me why those who support the coldblooded, coldhearted Republican bill feel that anything it contains could have prevented Eric's death.

I also fail to understand why all of the discussions have merely been about symptoms rather than diseases.

There is certainly no better example of that sort of public policy nonsense than H.R. 1214.

I challenge each Member from the other side of the aisle to come to the south side of Chicago and ask a dozen of my constituents what is the most important missing element in their lives or in their communities.

I guarantee to you that every single one of that random group would have one answer and one answer only: We need jobs.

And that, Mr. Chairman, is the reason why we must attach Congresswoman MINK's substitute to the underlying bill.

For, despite the Republican bill's requirement that recipients work, it does nothing to help them find and keep real jobs.

Nor does this bill make sure that jobs are made available in areas like my district which have astronomical unemployment rates.

Mr. Chairman, I urge my colleagues, if you indeed have genuine respect for the memory of little Eric Morse, to vote in favor of the Mink substitute to provide jobs.

Only by doing so can this Congress bring about genuine welfare reform instead of welfare window dressing and fake, sound bite reform.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. WAXMAN].

(Mr. WAXMAN asked and was given permission to revise and extend his remarks.)

Mr. WAXMAN. Mr. Chairman, I rise in support of the Mink amendment.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. WOOLSEY].

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

Ms. WOOLSEY. You see, Mr. Chairman, I was on welfare, I know that the Mink amendment is the right way to go.

Mr. Chairman, as the only Member of this body who has actually been a single, working mother on welfare, I rise to give my strong support to the Mink substitute.

My ideas about welfare reform do not come from books or theories, Mr. Chairman. They come from experience and I know the Mink substitute is what we need.

I know the welfare system is broken. It doesn't work for recipients and it doesn't work for taxpayers. It needs fundamental change.

First, we must have jobs that pay a livable wage. If, in the end, a recipient is better off on welfare than in the work force, we have wasted the taxpayers' money.

Second, we must help recipients make the transition from welfare to work by increasing funding for education, job training, child care, and health care.

Third, we must be flexible about transition from welfare to work. It took me 3 years to get off welfare and I was educated, healthy, and working.

Fourth, if we collected all the child support owed by deadbeat parents, we could move 300,000 mothers, and over half a million children, off the welfare rolls immediately—tomorrow.

The Mink substitute meets each of these criteria, and I commend the gentlewoman from Hawaii on this excellent bill. It is a fair and just plan that moves recipients into work by supporting poor women and children, not by punishing them.

Mr. Chairman, the choice comes down to this: We either punish poor children, as the Republican bill does, or, as in my case, we invest in families so they can get off welfare permanently. Let's do what is right for our children. Support the Mink substitute.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SERRANO].

(Mr. SERRANO asked and was given permission to revise and extend his remarks.)

Mr. SERRANO. Mr. Chairman, I rise in strong support of the Mink amendment and against the mean-spirited, anti-children Republican amendment.

Mr. Chairman, I rise in emphatic opposition to the so-called Personal Responsibility Act.

It has long been clear to most thinking people that our current welfare system is failing

the very people it is meant to help. But the approach of the Personal Responsibility Act will make the situation of the poor much worse, not better.

Perhaps the clearest sign that this bill is totally wrong-headed is that is saves so much money. Everyone know it takes more spending, not less, to give poor mothers the tools they need to get and keep jobs and to escape poverty—they need education, training, job search assistance, day care for their children, jobs. Cost is the main reason Congress has been slow to face welfare reform in the past.

But this bill cuts the programs that sustain our neediest families at the same time it cuts the programs that might give them a hand up. And why? To cut taxes for big corporations and the well-to-do. What a scandal.

A very, very big problem with this bill is how it treats our children. I hardly know where to begin.

If we pass this bill, we risk increasing the number of babies born too small to thrive.

We punish the neediest children because we don't approve of their parents' conduct.

We shortchange child care even as we attempt to force more mothers into the work force.

We leave abused and neglected children in grave danger for lack of child protection resources.

We put children's nutrition at risk, threatening their ability to learn and grow into healthy adults and productive participants in our economy.

This bill slashes the safety net for poor children and families. It removes the entitlement—the guarantee that some modest assistance will be there for those families whose desperate circumstances make them eligible. If Federal funds run out, what recourse will these wretched families have?

It cuts off whole classes of people—most legal immigrants, babies born to unwed mothers under 18, people who have received 5 years of assistance—however dire their circumstances. And that is in good times, never mind recession.

Mr. Chairman, another big problem with the bill is title IV, the provisions related to immigrants. That the United States is a nation of immigrants is a cliché precisely because it is true. We all have roots beyond the borders of the United States; we all have ancestors, as near as parents or as remote as many-time-great grandparents, who, willingly or not, came to America.

We know that immigrants do not come for public assistance; they come to join family members already here and to provide a better life for their children. They work, they pay taxes, they participate in community life, and they play by the rules. Why should they be targeted by this bill?

If these restrictions were only to affect future immigrants, who would know the rules before they immigrated, well, I would disagree with the policy but it would be a little fairer. However, title IV, in cutting off people who are already here—and who face horrendous backlogs when they try to naturalize—makes sense only as a spending offset. It is certainly not fair to immigrants or their families and sponsors.

A relatively small problem, Mr. Chairman, but one with a big impact is that under this bill, there will be no national nutritional standards for the nutrition block grants. Nutritional needs do not vary among the States, and 50-plus separate standards will make uniform national data collection and evaluation impossible. This bill won't just permit States to substitute Kool-Aid for milk if they're short of funds, it will make it impossible to tell what the nutrition picture is nationally or by State.

Mr. Chairman, I could go on about the failings of this ugly, mean-spirited bill—frozen block grants, transfers among grants, distribution formulas that stress participation rates but not serving the neediest.

But instead, Mr. Chairman, I will just mention that I am a cosponsor and strong supporter of the Family Stability and Work Act, which the gentlewoman from Hawaii [Mrs. MINK] is offering as a substitute. Her approach is, I believe, the right one.

Mrs. MINK's amendment seeks to move welfare families to self-sufficiency through work.

It retains entitlement status for the safety net.

It protects children.

It invests in preparing welfare recipients for work.

It does not automatically cut anyone's benefits unless they refuse to work or refuse a job.

It continues critical benefits for up to 2 years after a family gets off welfare.

It doesn't overreach by fooling around with existing nutrition, child care, or child welfare programs.

It rewards States for success in moving welfare recipients into the work force.

It does not finance itself on the backs of legal immigrants.

Mr. Chairman, I believe this is the right way to go. I urge all my colleagues to reject the Personal Responsibility Act and support the Mink substitute.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from Guam [Mr. UNDERWOOD].

(Mr. UNDERWOOD asked and was given permission to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Chairman, I rise in support of the only welfare bill that feeds children, not alligators.

Mr. Chairman, I join my colleague from Hawaii in strong support of her substitute to the Republican welfare reform. The Mink substitute is a fair and comprehensive plan devoted to moving people from welfare to work. It ensures that adequate funds are available for education, job training, employment services, and child care while at the same time providing incentives not punishment in order to help welfare recipients move into the work force.

I want to raise two points missing from the current debate: First, the impact of the Republican bill on non-State areas such as Guam and, second, the denial of SSI benefits to U.S. citizens in the territories.

Many colleagues are upset about the GOP plan to cap Federal spending of antipoverty programs over the next 5 years. Guam is already operating under caps on AFDC and the end result is that the local government provides 80 percent, with only 20 percent from Federal grants.

If the Republican bill is approved, Guam stands to lose $35 million more from existing caps. Local governments take notice—this fate awaits you.

Second, it is not clearly known that not all U.S. citizens participate in the SSI Program. Let me repeat this: If you are a U.S. citizen from Guam you are ineligible for SSI benefits. Wherever you stand on noncitizens qualifying for SSI, we should all support all U.S. citizens receiving SSI benefits.

In this debate, I've heard supporters of the Republican bill have argued that they resent people on welfare and that their bill does not punish children unfairly. Are we to conclude that welfare policy should be based on resentment and punishing children fairly? We must resist all efforts to turn welfare reform into an effort to tap into resentment, an effort to punish rather than reward; if we have learned nothing from rearing children or the development of public policy, it is that punishment does not work—and that abuse begets abuse; let us work at attacking poverty, not attacking poor people.

The Democratic alternatives to welfare reform are fair to children, realistic on work expectations, and generous on resources that support welfare to work programs. I urge my colleagues to vote for the Mink substitute and the Deal substitute; let us get off the welfare debate and let's get on with the business of helping to improve the lives of innocent children, the elderly, and the less fortunate amongst us.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I support the Mink amendment.

Why must we divide America to cure welfare?

Let me give an example of what I am talking about.

Just recently a township in my State decided to do away with and refuse the Federal School Lunch Program. They decided instead to have a sharing table where less fortunate children could come to the sharing table and take up the scraps, the half sandwiches and the unfinished cokes that were left by the more affluent students.

I believe this is dehumanizing, I believe this is destructive of any kind of self-esteem and pride, and I believe that this is what would happen when we give the States and localities the authority to handle the problems as they see fit.

I have heard, No. 1, some horrible statements today. I will attempt my best to overcome my emotion to ignore the statement comparing welfare recipients to alligators made by my very wealthy friend the gentleman from Miami.

Before you vote for final passage, think of your own child or grandchild cowering in shame as he approaches the sharing table.

That's not the America I want to see for our children.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I was asked whether I wanted to get up and correct all the misstatements that were made in relationship to school lunch/child nutrition programs. The answer is no.

If they don't believe what the nonpartisan entities tell us, they there is not anything I can do to correct that.

What I can say, however, is, ''Don't feed the bureaucrats. Feed the children.'' That is exactly what we are doing in H.R. 4.

We can talk about what everybody apparently agrees on, at least that is what I get for the last 3 weeks, 4 weeks of our discussion. Everybody agrees the present system has failed millions of Americans, has enslaved them, has prevented them from ever getting an opportunity to get part of the American dream.

So what can we do?

Well, there are three approaches, I suppose.

We can hope and pray. If you think hoping and praying will do it, then just hope and pray. I do not believe it will.

Or we can put more money into the same failed system. That is the usual approach the Federal Government has taken. If you just do more programs, more money, it will all correct itself. I do not believe that will happen.

There is a third alternative. The third alternative is to admit the system failed, which I think everybody is, and then do something to correct it.

I believe that in H.R. 4 we have finally given those who have been trapped all these years an opportunity to get a part of that American dream. I would hope that that is the approach we would take. We owe it to those people who have been trapped.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, one of the speakers on the other side said, ''Can we accept that we are all for children?''

Well, we can't for a couple of reasons. First of all when one of the Members on that side used the analogy of feeding alligators as the basis for his argument for cutting off welfare entitlements, I heard no protests on that side.

He cited the Declaration of Independence. Apparently in his version it says all men are created equal to alligators and we will treat them equally. That kind of dehumanizing and degrading analogy is why we cannot take seriously that profession.

There is another reason. You are block-granting everything here and you say, ''Well, why is that a problem?'' Because it is very clear. When the Republican Party cares about something, they don't block-grant it.

When they were worried about manufacturers' liability, they went into the States, took it out, and brought it up.

When the elderly complained about elderly nutrition being block-granted, they dropped it out of their bill.

If taking it and block-granting it is such a good thing for the children, are we to believe you are penalizing the elderly?

I mean, you were originally going to block-grant elderly lunches and children's lunches. Now you are only doing it for the children. Is that because you are mad at the elderly, you are showing how tough you are?

Nonsense. It is because they have the political clout to get out of your scheme, and I am glad they do.

The same with food stamps. You almost all voted against an effort to really block-grant food stamps yesterday because the farmers did not want you to do that.

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As a matter of fact we here all of these arguments against even entitlements. I will be waiting to see my friend from Kansas and my friend from Wisconsin when we talk about the antimeans testing of entitlements in America, the ones that go to wealthy farmers and the wealthier you are the more you are entitled to get. Let us see how antientitlement you are then.

Finally, we have a jobs program in this bill and it is a public jobs program because we do not believe everybody now on welfare is going to be hired in the private sector, especially with the Fed trying to slow it down.

What does that bring forward? Denigration. The gentlewoman from Kansas sneers at ''make-work jobs.'' Well, when you sneer at public service jobs in that tone you are hardly showing a respect for the work ethic.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. CHRISTENSEN].

Mr. CHRISTENSEN. Mr. Chairman, the Mink substitute contains many bad provisions, but the one I want to focus on, that I believe is one of the worst, is the fact that it is going to increase the tax rate for corporations from its current 35 percent to 36.25 percent.

The Democrats raised income taxes and they raised corporate income tax in 1993 and now they want to do it again.

This income tax rate increase makes absolutely no sense. The point of welfare reform is to take people off of the welfare rolls and to put them on the tax rolls.

How are current welfare recipients going to move into the work force if we have a job-killing tax increase? This is not a tax increase on big corporations. Corporations do not pay taxes. People pay taxes. This is a tax increase on the little guy, employees of large corporations, the people who own stock through a pension plan or a mutual fund and the people who supply products and services to large corporations. They are the ones that ultimately will pay for this tax increase.

Republicans want to create jobs. We need to not pass this bill.

Mr. GIBBONS. Mr. Chairman, this is an important debate and I am going to ask unanimous consent that we be allowed to extend the debate time equally divided by 5 minutes on each side.

The CHAIRMAN. A unanimous-consent request in the Committee of the Whole cannot overrule a resolution from the Committee on Rules adopted by the House.

Mr. GIBBONS. I was under the impression you could ask unanimous consent to do almost anything around here. Mr. Chairman. That has always been my understanding. Unanimous consent waives all of the rules including the Committee on Rules' rules. I think the Chair is wrong, Mr. Chairman.

The CHAIRMAN. The Parliamentarian has advised me if the time is allotted equally on both sides as the rule provides, the Committee of the Whole can do that.

Mr. GIBBONS. I wanted to allocate it. This is an important debate and there are lots more speakers.

The CHAIRMAN. Is the gentleman making a unanimous-consent request?

Mr. GIBBONS. Yes, I am making a unanimous-consent request.

The CHAIRMAN. Five minutes each side?

Mr. GIBBONS. Five minutes additional on each side.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mrs. MEYERS of Kansas. Reserving the right to object, Mr. Chairman, what is the gentleman requesting, how much additional time?

Mr. GIBBONS. If the gentlewoman will yield, it gives you 5 minutes and gives Mrs. MINK an additional 5 minutes, that is all. That is reasonable.

Mr. BURTON of Indiana. Reserving the right to object——

The CHAIRMAN. The gentlewoman from Kansas has the reservation.

Mr. BURTON of Indiana. Mr. Chairman, will the gentlewoman yield?

Mrs. MEYERS of Kansas. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, let me just say that the rules have been established for debate, and we have already on one occasion extended the debate time on a previous bill, and it seems to me that we should object to this. And if the gentlewoman will not, I will.

The CHAIRMAN. The gentlewoman from Kansas still controls the time.

Mrs. MEYERS of Kansas. Mr. Chairman, after consultation with the two chairmen involved in this, I would request that we have an additional 5 minutes for each side.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentlewoman from Kansas [Mrs. MEYERS] has 8 minutes remaining, the gentlewoman from Hawaii [Mrs. MINK] has 7½ minutes remaining.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. RANGEL], a member of the Committee on Ways and Means.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Chairman, the reason I support the Mink substitute is because it is about jobs. All I can say is that we did not promise $200 billion to the richest people in America. We did not promise $780 billion. We did not promise a 50-percent tax cut in capital gains.

But we do not blame you for doing it. It worked for you. But worse than making a bad campaign promise is keeping it. We cannot afford to give away that type of revenue with the deficit we have.

But more importantly, we cannot do it by taking $68 billion away from the poorest among us. If you want people to have jobs, for God's sake, give them training, give them an education, a place to live, give them hope, give them an opportunity to be productive. But you do not cut off a child who did not ask to be born just to show how mean you can be. You do not really just tell somebody they cannot get assistance when there are no jobs available.

If you really want a strong America, you do not beat up on immigrants, but give them a chance to become participating and productive so that we can become competitive.

There is an opportunity to have a tax cut when we get rid of the deficit and we all move forward together in a more equal way. But you will have it on your conscience by passing the Government's responsibility and say pass it on to the Governors. One day the Governors are going to come back and say we do not have the money and then what are we going to do?

This is a great opportunity under the Mink substitute, not for welfare but for jobs. That is what we want. And if you are not prepared for a job you cannot get employment.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Wyoming [Mrs. CUBIN].

Mrs. CUBIN. Mr. Chairman, in view of the fact that the alligator analogy was hissed and booed, I thought I should bring up another story that is near and dear to my State. My home State is Wyoming, and recently the Federal Government introduced wolves into the State of Wyoming, and they put them in pens and they brought elk and venison to them every day.

This is what I call the wolf welfare program. The Federal Government introduced them and they have since then provided shelter and they have provided food, they have provided everything that the wolves need for their existence.

Guess what? They opened the gate to let the wolves out and now the wolves will not go. They are cutting the fence down to make the wolves go out and the wolves will not go.

What has happened with the wolves, just like what happens with human beings, when you take away their incentives, when you take away their freedom, when you take away their dignity, they have to be provided for.

The biologists are now giving incentives outside of the gates, trying to get them out. What a great idea.

Mrs. SCHROEDER. Mr. Chairman, will the gentlewoman yield?

Mrs. CUBIN. No, I will not yield. What a great idea. Give more welfare.

The CHAIRMAN. The gentlewoman will suspend. The Committee will be in order. This is not adding to the dignity of this debate.

Mrs. CUBIN. Just like any animal in the species, any mammal, when you take away their freedom and their dignity and their ability, they cannot provide for themselves, and that is what the Democrats' proposal does on welfare.

Let us give our folks dignity and initiative and jobs.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 15 seconds to the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Chairman, in my 34 years here I thought I had heard it all, but we have a millionaire from Florida comparing children to alligators and we have a gentlewoman in red over here comparing children to wolves. That tops it all.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

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

Ms. WATERS. Mr. Chairman, I rise in support of the Mink proposal. I support it because I know something about this subject matter.

As a little girl growing up in St. Louis in a welfare family, I know what it means to be hungry, to be cold, to be without health care, to have to put cotton in a cavity because there is no preventive care.

I know what it means to be a frightened little child, thinking everybody hates you. I often said that if I ever had the opportunity to support children, to be an advocate, to talk about what you could do to get families off welfare, I would do that.

This proposal gives me that opportunity. It provides child care. That is what my mother needed. She needed some training, she needed to be educated. This proposal would allow that. She needed a transition period in which to wind off welfare. This proposal provides that.

Do not be mean, do not be cruel, do not knock children on disability off welfare. Do not make the children victims.

I know what it takes and I would ask Members to listen to me. Let us have a fair proposal in the form of the Patsy Mink proposal that really speaks for the needs of welfare families.

If you want to make families independent, let a welfare child tell you how to do it. It can happen. And let me reiterate, whatever penny, whatever dollar, whatever dime was invested in this welfare child, it has paid off for America and for our people.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1½ minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I listen to the Democrats, and it sounds like to me they have a corner on the market as far as poverty is concerned. Believe it or not, some of the Republicans grew up in very difficult situations. I myself did. You do not believe that. Listen to this.

My mother was a waitress for 18 years and I shined shoes at a place called J.D. Rushton's Barber Shop and we did not get welfare back in those days. They did not have it. You had to go to the township trustees.

But one of the great things we had going for us was we lived in America and we were a land of opportunity, and we would pick ourselves up by our bootstraps and move out of the white ghetto and make something of ourselves. As a result, my brother, my sister, and I have succeeded to a degree.

Now let me just tell you this. The dependency that has been created by the Great Society back in the 1960's has led us to the condition we are in today where the vast majority of the people on welfare are in a cycle of dependency and they cannot get out. That was why the people of this country changed the way Congress was made up last November. They want that cycle of dependency broken, and we are trying to do it.

You keep telling the people of this country we are trying to take money and food out of the mouths of hungry children. That is insane. We are spending 4½ percent more on the Children's Lunch Program than we were before. we are giving more, but we are taking it away from the bureaucrats and giving it to the Governors so they can handle it within block grants.

We want to break the cycle of dependency and you do not. You want to keep the people of this country dependent on you so you can get reelected and reelected and reelected.

The times have changed. The times have changed.

Mrs. MINK of Hawaii. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN. The gentlewoman from Kansas [Mrs. MEYERS] has 5 minutes remaining, and the gentlewoman from Hawaii [Mrs. MINK] has 3½ minutes remaining.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1 minute to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN of Washington. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I would like to respond to some of the comments we have heard in this discussion this morning. Americans are a generous people and they have long demonstrated their commitment to help their neighbors and families and children in need. But the American people

also demand results for their investment.

We all know and it is agreed upon that the American welfare system right now is a $5 trillion failure. We have talked about the School Lunch Program that the Republican plan increases that by 4½ percent a year.

But I want to mention something else that was inserted as an amendment on the floor by the women Republicans, and that is the Day-Care Program.

Mr. Chairman, the Day-Care Program in the Republican plan adds $2.1 billion a year for child day-care for women who are working off of the welfare rolls on to work. We know it can be a problem for them, and the Republican day-care plan helps individuals meet that responsibility by giving them peace of mind as they move off the welfare rolls back into work.

Mr. Chairman, last Saturday at home I met with a group of Head Start women who were unanimous and emphatic in their desire to get off AFDC and off welfare. The one thing they asked for was help in child care. Help them find good, safe, child care and they will find work in the private sector.

I urge rejection of the Mink amendment and support of the Republican bill, H.R. 4.

□ 1215

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

(Mr. FALEOMAVAEGA asked and was given permission to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Chairman, I rise in support of the Mink amendment. Block grant, Mr. Chairman, is a copout.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. PAYNE].

(Mr. PAYNE of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. PAYNE of New Jersey. Mr. Chairman, I rise in strong support of the Mink substitute.

Mr. Chairman, today I rise in support of H.R. 1250, the Family Stability and Work Act because the Personal Responsibility Act is an all-out assault on America's children, on America's elderly, on America's poor, on our most vulnerable populations.

My colleagues claim that they are not out to get women and children, that the Personal Responsibility Act does not punish poor people, that we need to have an honest discussion about this proposal.

I don't know that we can have an honest discussion about legislation that was built on distortions and misperceptions.

The truth is that kids are hurt. The Family Stability and Work Act does not set arbitrary time limits on poverty, because there is no cut off of benefits for those who make a concerted effort to find work. There is no pandering to assumptions that poor people have no work ethic.

It protects children because it does not include a requirement to deny benefits to teenage mothers or children who are born to families already on AFDC.

H.R. 1250, helps families in the critical transition from welfare to work because it retains crucial support systems that allow families to keep health, child care, housing, and food stamps for up to 2 years, until they accrue the security to do it themselves.

Three weeks ago, I offered an amendment during Economic and Educational Opportunities deliberations on welfare reform that would protect our Nation's children. My amendment would allow children, whose family income fall under 130 percent of poverty, to continue to receive free meals at school. This program was eliminated in H.R. 999, the Welfare Reform Consolidation Act. My amendment was unilaterally defeated by the supporters of the so-called contract.

And since under this rule, I am not permitted to offer the amendment during this process, I have introduced the measure as a House resolution.

So what if we go into another recession? We can't meet existing need. There is no fail-safe approach for American children in the Contract With America.

Are young people, who have no agenda, no vote, any less important because they don't vote? If the Personal Responsibility Act, becomes law, States or school districts will decide whether or not to provide any free meals at all; States will not be required to serve meals to children who cannot afford to pay for them.

As a former teacher, I know that you cannot teach a hungry child, because hunger impairs their ability to learn.

I remember the deep conviction of the American people and their compassion for the less fortunate. I urge my colleagues to continue that tradition by supporting the Family Stability and Work Act.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. TUCKER].

Mr. TUCKER. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, we are not talking about alligators. We are not talking about wolves. We are talking about America's children. We are talking about human beings.

The Republicans have gotten on the floor. They have said that some of them have come from less than meritorious beginnings. If that is true, then they need to remember those humble beginnings, because but for the grace of God, there go you. We are talking about human beings.

You said that there are no cuts. Sixty-six billion dollars' worth of cuts: We are concerned about these cuts, because this is food that could go into the mouths of our children. This is money that you are going to use to put in the hands of rich people who do not need a tax break. This is what we are talking about.

Mr. Chairman, we are talking about not crippling our Nation's poor, but we are talking about empowering them. Yes, we know that welfare can be a drug. This is why the Mink substitute is talking about empowering our children and our poor by giving them job training, by giving them child care, so they can go out and be more productive members of society.

If this bill, this underlying bill, is not mean spirited, I do not know what is.

The way we can help America is by not giving them a handout but a hand. This country needs a hand, and the Mink substitute accomplishes that.

The Republicans have said that they have accomplished it, but all we see with them is the operation is a success, but the patient dies.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, perhaps not by design, but certainly by experience, the welfare system has become corrupt and immoral. The Mink substitute seeks not to end that welfare system, not to reform that welfare system, but to expand it.

Why would anyone want to spend more on a system that has not only failed but has become corrupt and immoral? It is immoral to take money away from hard-working middle-class Americans and give it to people who refuse to work.

The welfare system defines corruption. Study after study has shown it is fraught with waste, fraud, and abuse. Studies of the Food Stamp Program have shown up to 20 percent of the money ends up in waste, fraud, and abuse. Why do we want to expand that system?

One of the speakers who was on the floor here from the other side a few minutes ago proposed a couple of years ago to give $100 a week to people to keep well groomed. We cannot afford this, folks. We have got to stop the immorality. We have got to stop the corruption.

Reform the system. Do not vote for the Mink amendment.

Mrs. MINK of Hawaii. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Chairman, I thank the gentlewoman for yielding time.

I cannot think of anything more corrupt than to take from the poor to give tax breaks for the rich, and I cannot think of anything more immoral than to punish people who are poor just because they are poor.

Reject the bill before us and support the Mink amendment.

Mrs. MINK of Hawaii. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. MINETA].

(Mr. MINETA asked and was given permission to revise and extend his remarks.)

Mr. MINETA. Mr. Chairman, I rise in strong support of the Mink amendment.

Mr. Chairman, I rise in strong support of the Mink amendment.

This amendment embodies the belief all of us say we share: that our welfare system will never be a success until it becomes a system which actively works to make itself obsolete.

The Republican proposal downsizes welfare simply by kicking out the most vulnerable in our society to sink or swim. It will succeed only in perpetuating the cycle of hopelessness into which far too many American families have fallen.

It would say to immigrants who have chosen to make the United States their home that—despite the taxes they pay, despite the businesses they have formed, despite the educational success of their children which contribute so much to this Nation—their well-being isn't any cause for concern.

Those who have become the most strident in criticizing immigrants in America frequently use the same criticism that has been used for generations—that immigrants are not assimilating into American society quickly enough.

Yet the Republican bill actively pushes these newest Americans toward the margins of our society.

Well, Mr. Chairman, I can assure every Member of this Chamber that the Asian Pacific-American and Latino communities in this Nation will never forget that insult.

In contrast to the punitive proposals in the Republican bill, the Mink amendment takes the steps necessary to truly build a system of public assistance that moves Americans in need toward independence—through job training, child care, and educational assistance.

It is fair, it is workable, and it is just. To me, that is the definition of good public policy. I urge my colleagues to support the Mink amendment, and enact meaningful welfare reform for America.

Mrs. MINK of Hawaii. Mr. Chairman, I yield the balance of my time to the distinguished gentleman from New York [Mr. OWENS] for closing on our side.

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

Mr. OWENS. Mr. Chairman, of all the proposals on the table, only the Mink substitute insures that families are given the tools they need to obtain living-wage jobs and achieve self-sufficiency, independence, and dignity.

We have welfare in this country because welfare is so much cheaper than full employment. The average welfare payment per month is about $350, $350 to survive. That is far different than a minimum-wage job. The substitute also contains the most stringent work requirements we will see on the House floor. Every welfare recipient with a self-sufficiency plan must be in a job after the various education and job-training activities are completed. Investing in jobs is the best investment we can make.

Even the Congressional Budget Office has acknowledged a 1-percent reduction in the unemployment rate leads to a net gain of $40 to $50 billion to the Treasury. Let us put people to work.

Republicans do not support bills that put people to work. In H.R. 1214, Republicans are merely continuing a hostile pattern of neglect that they have always had toward jobs.

In order for Republicans to save money, they do not have to take money away from the free lunches. We do not have to tell the children of America there is a fiscal crunch, and this Nation needs their lunch. We do not have to do that.

We can save money in many other ways. Sixteen billion dollars is spent on aid to children; $16 billion is spent on aid to rich farmers. Rich farmers receive the welfare without any means-testing. Let us take some of the money away from rich farmers to pay for the training and job experience in this bill.

I urge my colleagues to support this bill. It is the only effective proposal for welfare reform. Vote for the Mink substitute.

Mr. Chairman, I rise in strong support of the Mink substitute for H.R. 1214. Congresswoman MINK's substitute is the most comprehensive welfare reform plan that we are considering this week because it focuses on what welfare recipients need and want most—jobs.

American voters have spoken loud and clear about their job fears and anxiety. In the interviews at the exit polls on November 8, working people explained their anger. Wages are too low. Corporate downsizing, streamlining, and the pursuit of slave labor in Mexico and China have intensified the fears of those who are working today about losing their jobs tomorrow. And among the millions who have been unemployed for many months, and some for years, all hope of ever getting a decent job is fading fast.

Welfare recipients have the same fears and anxiety. They wonder what will happen to them and their children if their benefits are taken away, but education, job training, child care, and job search assistance are not provided for them. Of all the proposals on the table, only the Mink substitute ensures that families are given the tools they need to obtain living wage jobs and achieve self-sufficiency, independence, and dignity.

Instead of eliminating the current Job Opportunities and Basic Skills [JOBS] program, the Mink substitute sensibly enhances it by striking cumbersome mandates and increasing the States' flexibility to determine who is required to participate in JOBS and who is exempt. There is no arbitrary time limit for AFDC benefits, but the substitute allows states to work with families to determine what is necessary to get them off welfare and into jobs.

The substitute also contains the most stringent work requirement we will see on the House floor. Every welfare recipient with a self-sufficiency plan must be in a job after the various education and job training activities are completed. If they are unable to find a job on their own, then they still must go to work at a job that either has been created or is subsidized by their State.

Investing in jobs is the best investment we can make. A full employment economy is an economy that grows and can afford to do more. People with jobs produce goods and services, generate income, buy goods and services, pay taxes, and consume less government transfer payments such as Aid to Families with Dependent Children [AFDC] and unemployment insurance. Even the Congressional Budget Office [CBO] has acknowledged that a 1-percent reduction in the unemployment rate leads to a net gain in the U.S. Treasury of $40 to $50 billion.

In a report to the Ways and Means Committee last Monday, the CBO concluded that States will not be able to meet the work requirements in H.R. 1214 calling for 50 percent involvement in job training or work programs by 2003, and 90 percent involvement for two-parent families. That conclusion should not be surprising. Welfare-to-work programs have been consistently underfunded. Specifically, the JOBS program has only received about $1 billion a year even though it would need $6 billion a year to operate at full capacity and enable all eligible AFDC recipients to participate.

In H.R. 1214, Republicans are merely continuing this pattern of hostile neglect. In contrast to the Mink Substitute, the Republican bill provides no job or job training guarantees, and it is not funded with any additional money to make sure that people work.

CBO has estimates that it will cost $11,440 a year to place just one welfare mother in a welfare-to-work program. That includes the costs of child care, paying supervisors, job training, and paying wage subsidies. But my friends on the other side of the aisle are not interested in such details. Their message to the middle- and upper-income earners in this country is as follows: we are going to save money by stripping poor people of the few benefits they have so that we can give you a tax cut. We will talk about how we want poor people to go to work, but we are not going to spend one dime or create a single job to make that happen. That would cost too much money, and our economy depends on the existence of an underclass of serfs anyway.

The Republicans have completely skewed the welfare reform debate. We should not be talking about cutting one form of welfare in this country without talking about cutting all forms of welfare. If sacrifices must be made to balance the budget, then everyone must share in the pain.

In order for the Republicans to save money, they do not have to single out AFDC. In 1993, the Federal Government spent $16 billion on AFDC, but the Federal Government also spent $16 billion on commodity price and farm income support programs.

Despite the fact that the Government has been spending the same amount of money on programs for tobacco and

peanuts as the AFDC program, Republicans have not attacked the agriculture expenditures as vigorously. Somehow, it's alright to subsidize agribusiness, but it's not alright to make sure that single mothers and their children continue to have food on the table, roofs over their heads, and shirts on their backs. There is a double standard here that smacks of racism.

Therefore, the test of a true and comprehensive welfare reform plan is not merely whether it is vigilant about reforming the AFDC program, but whether it is just as vigilant about reforming our welfare system for agribusiness and all other corporations. For, wealthy corporations in this country are spoonfed a whole variety of pork, ranging from huge tax breaks for multinational corporations which export American jobs overseas, to hundreds of millions of dollars to agribusiness corporations to market and promote their products abroad. The Mink substitute passes this test.

The Mink substitute pays for the cost of welfare reform by attacking the hundreds of billions of dollars in handouts to corporations by increasing the top corporate income tax rate by a modest 1.25 percent. That sends the right message to working-class Americans—that the fat-cat freeloaders can no longer belly-up to the Government trough.

Mr. Chairman, the Mink substitute represents real welfare reform because it ensures that everyone who is willing and able to work will obtain a minimum wage job. It therefore addresses the deficit about which Americans are most concerned—the jobs deficit. I enthusiastically endorse this approach and urge all of my colleagues to vote for the Mink substitute.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise to correct obvious misstatements by a colleague on the other side about a school district in my district.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 3 minutes, the remainder of my time, to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, I thank the gentlewoman for yielding and allowing me to close on this debate.

The hollering and shouting, the innuendoes and name calling are hopefully now over, and we will be asked in not too long to decide between the status quo and the Republican welfare reform bill.

History tells us that they came from farms, they came from all over this Nation in search of a better life for themselves and their families. They settled in the cities, they settled in the coal mines, and they were hard-working because there was a hard-work ethic.

Then the jobs went away, after these people who they themselves and their ancestors built the greatest economic machine on the face of this Earth. So when the jobs left the big cities and the mines closed, why did not the same people who were the children of the ones who came to the factories, who came to the cities seeking a better way of life, why did they not follow suit? Why did they not go where there were better jobs and better opportunities? They did not because the Congress of the United States, this Government, put into place a welfare system that was corrupt, although well-meaning, was destructive, although thought to be kind and gentle, and for generations now, we have seen this destructive welfare system stay in place and keep people where they are, a system that is destructive of future self-esteem, destructive of family, destructive of the basic moral fiber that has held this Nation together and the work ethic that we have been so proud of as Americans.

Now is the time to sweep this away.

The gentleman from Georgia yesterday and again the day before said that now the Republicans are coming for the poor and the children. Yes, they are. We are coming for them to pull them out of the life of dependency and poverty, and we are going to ask you the Democrat side, after the passage of welfare reform, hopefully some before, to join with us, because we are only on the first step to the road of doing something about taking people out of poverty. We are sweeping away a destructive system, and we are putting in a system that can work.

But we cannot now walk away from it, because the road of the poor is going to be a tough road. It is going to be a treacherous road. It is going to be a road that we in the Congress are going to have to do more after the passage of welfare reform to take people out of poverty in this country.

For once, after we pass this, let us join together in a new meaning of the American spirit and solve the problem of poverty in this country to give people back self-dignity, to discourage illegitimacy, to promote the family and to promote the values that have made this country great.

I urge a ''yes'' vote on H.R. 4. I urge a ''no'' vote on the Mink substitute.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise today in support of the Mink substitute, and in opposition to H.R. 3.

Mr. Chairman, I submit to my distinguished colleagues that the lives and well-being of some 21.6 million of our Nation's children are at risk if we allow the Republican welfare reform bill to become law.

We are all in agreement that our welfare programs need reform. And in fact, Democrats intended to reform these programs this year; however, as the people of this country are seeing, our minority status is now working to the detriment of our Nation's children.

Some of my friends across the aisle have repeatedly said the best way to administer our welfare programs is to give block grants to the States. Without question, some States have been successful at getting people off the welfare rolls and getting them into productive jobs, but so have the Federal programs.

The problem, Mr. Chairman, is that not all States operate with the same efficiency, and I can just imagine that with 50 different bureaucracies, with 50 different sets of laws and regulations, with 50 different State court rulings, with 50 different budgetary priorities—well, let me just say that I suspect the result will be utter chaos and confusion. We are going to have people moving from one State to another just to obtain better benefits. But of course the States that provide the better benefit packages will be overwhelmed and will have to lower the quality of their packages to that of their neighbors so they do not continue to be overwhelmed. And if I am correct, Mr. Speaker, when you block grant a Federal program to a State, the States have considerably more latitude with the funds, and they do not necessarily have to spend the funds as Congress would like or have intended.

Unlike H.R. 4, which does nothing more than cut the funds expected to be needed to support our nation's children, Congresswoman MINK's substitute is an honest plan which seeks to move welfare families off welfare by training them and putting them to work.

Mr. Chairman, the Congressional Budget Office has estimated that all 50 States will likely fail to meet the job requirements contained in H.R. 4. Shouldn't that send a message to our friends across the aisle? Shouldn't that alert those with the ability to change this bill to do so now? Are they simply going to say it's not true, or it doesn't matter, we can fix it in conference?

Mr. Chairman, I would find that position rather embarrassing to be associated with, and I want to use this opportunity to state unequivocally my strongest opposition to H.R. 4, and my strongest support for the Mink substitute.

Mr. STOKES. Mr. Speaker, I rise today to express my support for the Family Stability and Work Act. I commend my distinguished colleague from Hawaii, PATSY MINK, on her efforts in crafting meaningful legislation in response to the issue of welfare reform.

The Family and Stability Act replaces the punitive measures of H.R. 4 with a much more realistic and focused alternative. It is sound, sensible and compassionate and deserves the full support of this House. I am supportive of this legislation because it provides a safety net of training and support services to help welfare recipients into gainful employment. In addition, this plan does not impose time limits on recipients, or repeal the entitlement status of essential nutritional and child care programs.

The Mink substitute logically attempts to reform our Nation's welfare system. It demonstrates that we can effectively reform the welfare system without hurting the very people that it is designed to help. This alternative recognizes that reducing other programs which assist the poor is counterproductive.

Of the 14 million people on AFDC, 10 million are children. This substitute sensibly invests in those programs that most benefit our Nation's youth. Furthermore, it takes necessary steps toward ensuring that recipients are helped out of dependency and into self-sufficiency.

Work and preparing for work are essential elements in welfare reform. The Mink plan provides welfare recipients with education and

job training necessary to obtain a job and stay employed. The Mink substitute guarantees child care to parents who are working, or in work preparation programs. According to the Department of Health and Human Services, 378,000 children from low-income families struggling to get off welfare or remain independent would no longer have Federal child care assistance under the Republican proposal. It is irrational and unrealistic to expect young mothers to get into the work force without adequate child care.

The welfare plan proposed by my colleague from Hawaii would attempt to exercise compassion for welfare recipients without encouraging dependency. It includes provisions which do not impose time limits for low-income individuals receiving aid to families with dependent children [AFDC]. In a congressional district such as mine, more than 40 percent of the population lives below poverty. I believe the Mink substitute addresses this issue by helping families stay off of welfare, and allowing them to retain essential health, housing, and food stamp benefits for up to 2 years.

One of the most unjustifiable aspects of the personal responsibility act is the block-granting of highly successful nutrition and childcare programs. Under the Mink welfare substitute, the entitlement status of important services like AFDC, nutrition programs, child care programs and child welfare programs would be retained, thereby ensuring that poor families and children are protected.

The challenge that our Nation faces is to provide aid to those in need while ensuring adequate training and support to enable recipients to move into gainful employment. The welfare reform package proposed by Representative MINK addresses this problem by effectively assisting recipients to overcome barriers to work.

As we continue our debate on welfare reform, and stress personal responsibility, let us not forget our own responsibility as legislators, as leaders, and as a voice for those who cannot speak in the this Chamber. For these reasons, I urge my colleagues to support the Mink substitute.

Ms. BROWN of Florida. Mr. Chairman, I rise today in support of the Mink substitute which will transform the AFDC Program into a program that will really move people off welfare and into real jobs.

The Mink substitute significantly increases the funding for education, job training, employment services, and child care for welfare recipients. These components are essential to any program to help people move into the work force.

H.R. 4 is the wrong way to go. It eliminates the entitlement status of important programs and ends our long-term national commitment to make sure that all Americans have a safety net. Block grants to the States is not the way to go.

H.R. 4 is weak on work. The work requirements in the Republican's bill are weaker than current law. Even the Congressional Budget Office says the GOP plan will not put people to work. It will only hurt children, the elderly, and the Nation's veterans.

Beware Republicans. American's will not be hoodwinked for long.

Mr. ABERCROMBIE. I rise in strong support of the Mink substitute because it addresses the causes of poverty rather than penalizing people for falling on hard times.

The Mink substitute would provide families with real opportunities to get off welfare and lead a successful self-sufficient lifestyle.

Yes, Mr. Chairman, we do need to change the welfare system;

But it is cruel and mean-spirited to dismantle altogether the safety net and basic services for poor families and disadvantaged children.

The Republican's answer to welfare reform is to drop hungry children from the school lunch program, deny basic assistance to lawful immigrants who pay Federal taxes, pit foster children against victims of domestic violence for the same scarce funds, eliminate assistance to disabled kids, and cut programs to reduce child abuse.

In the State of Hawaii, we stand to lost $68 million over the next 5 years in Aid to Families With Dependent Children under the Personal Responsibility Act.

The Republican plan caps cash assistance with total disregard for the unique economic situations in each State.

Last year Hawaii experienced an unexpected increase in enrollment for AFDC.

In February, Hawaii's Department of Human Services Director Susan Chandler testified before the Hawaii State Legislature that this increased caseload was the direct result of the depressed economy in Hawaii and its growing unemployment rate.

As a result the Department requested an emergency appropriation of $8 million for the State share of AFDC payments to be matched by $8 million from the Federal Government.

Without this appropriation Hawaii's poor families would have been cut off from AFDC for 4 months.

This emergency appropriation would be impossible under the Republican's welfare reform proposal.

Under their bill, AFDC payments would not increase accordingly with changes in the economy or unemployment rate.

If the Republican proposal had been law, Hawaii's AFDC recipients—most of them children—would have been left to fend for themselves, abandoned by the Government in their time of greatest need.

The Mink substitute would reform the welfare system without causing undue suffering for our poor families.

It provides the resources necessary to give welfare recipients the education, job training, job search assistance, and child care that they need to find a job and get off welfare.

It includes a strong work requirement and increases State flexibility.

It allows children and families to continue to receive vital assistance such as health care, child care, housing and food stamp benefits for a short term after the family leaves the AFDC rolls.

We need to recognize that simply eliminating assistance for poor families does not eliminate their needs.

Most importantly, we cannot forget who is receiving the assistance.

In Hawaii, approximately 42,698 children received AFDC benefits in fiscal year 1994.

If we pass the Republican bill we will be abandoning our children.

We know that family poverty harms children significantly and places young children at risk.

Ultimately society will suffer for the abandonment of families and States will have to shoulder the burden of homelessness, crime, family violence, substance abuse, and health problems.

We have an opportunity to improve the lives of the poor in this country by changing the welfare system in a positive, not punitive, effort.

I urge my colleagues to support the Mink substitute.

Mr. RICHARDSON. Mr. Chairman, I rise in support of the Mink substitute bill because it demands work and responsibility from recipients, but does not pay for future tax cuts by punishing legal immigrants and children.

The Mink bill sets aggressive work requirements, and is tough on those who do not work—recipients who refuse to work will have their benefits terminated.

Unlike current Republican proposals, the Mink bill makes the investments necessary in education and training to prepare recipients for work, and this is critical.

We must not adopt legislation, merely for the sake of change, that ignores the root causes of poverty—otherwise we will be faced with many more years of failed policy.

The Mink bill makes work pay. It provides short-term nutrition, medical, and housing assistance to stabilize families as they move into the work force.

The Mink bill gives States flexibility: States may design work and education programs to fit local needs, and States are not forced to interfere with family size or family planning.

The Mink bill strengthens child support collection methods so that primary responsibility for children is where it belongs: With their parents.

Finally, the Mink bill is not financed by denying help to children and legal immigrants; rather, it cuts corporate welfare by asking companies who make in excess of $10 million in profits per year to pay an additional 1.25 percent in taxes.

Mr. Chairman, the Mink bill departs from the status quo by creating responsible, realistic welfare reforms.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentlewoman from Hawaii [Mrs. MINK].

The question was taken; and the Chairman announced that three-fifths of those present not having voted in the affirmative, the noes appeared to have it.

RECORDED VOTE

Mrs. MINK of Hawaii. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 96, noes 336, not voting 2, as follows:

[Roll No. 267]

AYES—96

Abercrombie	Conyers	Filner
Ackerman	Coyne	Flake
Barcia	de la Garza	Foglietta
Becerra	Dellums	Ford
Bishop	Dicks	Frank (MA)
Bonior	Dingell	Frost
Brown (FL)	Dixon	Gejdenson
Clay	Engel	Gephardt
Clayton	Evans	Gibbons
Clyburn	Farr	Gonzalez
Coleman	Fattah	Green
Collins (IL)	Fazio	Gutierrez
Collins (MI)	Fields (LA)	Hall (OH)

Hastings (FL)
Hilliard
Hinchey
Jackson-Lee
Johnson, E. B.
Johnston
Kennedy (RI)
Kennelly
Lantos
Lewis (GA)
Lofgren
Martinez
Matsui
McDermott
McKinney
Meek
Mfume
Miller (CA)
Mineta
Mink
Nadler
Oberstar
Olver
Ortiz
Owens
Pastor
Payne (NJ)
Pelosi
Rahall
Rangel
Reynolds
Richardson
Rivers
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Scott
Serrano
Stark
Stokes
Studds
Thompson
Torres
Towns
Tucker
Velazquez
Vento
Waters
Watt (NC)
Waxman
Williams
Woolsey
Wynn
Yates

NOES—336

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—2

Brown (CA)
Furse

☐ 1243

Messrs. MCINTOSH, HEFNER, and MOAKLEY changed their vote from ''aye'' to ''no.''

Mr. GEJDENSON changed his vote from ''no'' to ''aye.''

So, three-fifths of those present not having voted in the affirmative, the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Mr. QUINN. Mr. Chairman, I rise today in support of the family-based nutrition block grant contained in H.R. 4, the Personal Responsibility Act, which combines funding for WIC, the Child Care Food Program, the Summer Food Program, and the Homeless Children Nutrition Program.

There have been concerns raised regarding the future of the WIC program under this proposal. I believe, however, it will work well. States are often in a better position than Washington to determine what is best for their area and how funds could be used most efficiently.

Funds under the block grant must be used for those in greatest need—the low-income families who require assistance, not the administrators. A provision caps the percentage of funding that may be used for administrative costs, once again less money for bureaucrats. WIC is certainly not forgotten—at least 80 percent of the funding under the grant is earmarked for the WIC Program.

The quality of the WIC is also not left behind. The nutrition standards provision in the bill provides for the development of model nutrition standards for the programs. This makes good nutritional sense and will ensure healthy supplemental foods.

Mr. Chairman, the value of the WIC Program cannot be disputed. It finds bipartisan support because it is effective in improving the nutrition and health of low-income pregnant, postpartum, and breastfeeding women as well as infants and children who are determined to be at nutritional risk. This leads to better health and decreased medical costs.

Mr. Chairman, H.R. 4 will help us to continue to meet the needs of low-income children and pregnant and nursing mothers and actually increase funding by $500 million over 5 years.

I am pleased to support the family-based nutrition block grant. I hope that opponents' fears will be diminished when they see how effectively the States can administer these important nutrition programs while at the same time retaining the quality demanded of them.

Mr. LUTHER. Mr. Chairman, everyone agrees that the current welfare system in America is broken and needs to be fixed. The American people are fed up with inefficient spending and questionable programs that result in little or no bang for the taxpayer buck.

While I support strong efforts to reform our Nation's welfare system, I am concerned by the direction in which some have chosen to take this debate. Partisan policies and the quest for a quick fix have resulted in proposed policies that simply fail to take a long-term view and are counterproductive to our country's future.

Welfare abuses exist today and they need to be dealt with strictly. But, many Americans aren't proud to be on welfare and they don't aspire to make it a way of life. In many cases, they are on welfare because we have failed to create the proper incentives to move them from welfare to work. The focus of welfare reform must be on getting these people off welfare and to work as quickly as possible. To do this, we need to give people the supportive environment necessary to get a job. Welfare can then serve as the temporary safety net it was meant to be.

Representative NATHAN DEAL's substitute welfare reform bill has the necessary ingredients to get people off the welfare rolls and into the work force. While setting a time limit in which one can receive assistance, it requires people to actively search for a job or get the necessary training. The Deal plan rewards work by raising asset thresholds which, for years, have been a disincentive to getting a job. The plan also consolidates and expands child care opportunities and maintains the integrity of the Head Start, school lunch, and Meals on Wheels programs. Finally, the Deal substitute works to reduce the deficit. By streamlining existing programs, fighting fraud and abuse, and moving people into jobs, the Deal plan will cut long-term costs as it increases the number of Americans contributing productively in our society.

Let's rise above partisan politics today and restore the opportunity for millions of Americans to live a better life than they are living today.

Mrs. MEEK of Florida. Mr. Chairman, there is no question that our welfare system needs to be reformed. The American people want a welfare system that is tough, but fair. They want welfare checks to be replaced with paychecks and they want vulnerable children protected while their parents work.

But the American people also want the job done right, not a rush job like this one, which is being rammed through the House to meet an arbitrary deadline set by the Contract With America. The terribly flawed bill before us is not reform; it is a sham. It is weak on work, but very hard on poor children and pregnant

women. It punishes the poor instead of helping them to move into the mainstream economy.

The driving force behind the Republican welfare reform bill is not concern for the least fortunate in our society—the vast majority of whom are children. The real purpose of this bill is not to help poor people aggressively prepare for work and look for a job.

Rather, the purpose of this bill is to scrape up dollars to fund tax breaks for the already well-off. Because of this bill, the people of Florida will have to pay $3.87 billion over the next 5 years to fund tax relief for the wealthy at the expense of the poor. Instead of saving money, this bill simply shifts costs onto State and local taxpayers.

This bill also demonstrates to all what the opportunity society contemplated by the Contract With America really means—seizing the opportunity to exploit the vulnerable and the poor for the benefit of privileged special interests.

It is good policy to promote work and require it of those capable of holding a job. But what is needed to help people get off and stay off welfare is not to be found in this bill: Education; job training; day care so that parents can safely leave their children while they work; health care; and counseling for people who have never written a resume or called an employer for an interview. This bill assumes that work will somehow just happen.

The bill proposes a new, consolidated child-care block grant program that will mean a cut nationally of $2.4 billion in funding over the next 5 years. In Florida alone, more than 20,000 children are awaiting child care services so that their parents can work. This bill ignores the problem, at a loss to Florida of an estimated $388 million.

This bill merges the National School Lunch Program with other school-based nutrition programs, completely eliminates Federal nutrition standards, and caps the funding. The only reason they are attacking these programs, which work quite well, is to fund the Republican tax breaks.

Mr. Chairman, on Monday of this week, I visited Frederick Douglass Elementary School in the Overtown neighborhood in Miami. This neighborhood is so poor that 97 percent of the children there are eligible for free school lunches.

I ate lunch there with a group of third graders, and I asked them what they thought about lunch. One little girl was particularly loquacious. ''Oh, the lunches are good,'' she said. ''If we didn't get our lunch, we would be hungry.''

And, Mr. Chairman, I can report that there were no picky eaters in that cafeteria; the food was good, and these children ate everything. For most, this was their best meal of the day. The authors of this bill should come to my district and eat with these children. They are not statistics or numbers on some ledger book. They are the little ones who need our help the most—and this bill pushed them aside in the name of fiscal responsibility.

The bill also repeals the supplemental nutrition program for women, infants, and children [WIC]—widely regarded as one of the most effective Federal programs ever—and other child nutrition programs and replaces them with a family nutrition block grant. It cuts food stamp spending by $14.4 billion over 5 years—more than $1.2 billion from the State of Florida alone.

The authors of this bill boast that it will save $7.2 billion in nutrition funding over the next 5 years. But at what cost? This bill puts the health and development of little children at risk, needlessly, in the name of cost savings. This kind of false economy is unconscionable.

Finally, the bill is terribly unfair to legal U.S. immigrants. These are lawful U.S. residents who played by the rules and became legal residents by faithfully following our laws.

Mr. Chairman, U.S. immigration law is a matter of national policy. The Federal Government decides how many legal immigrants are allowed into our country each year—not Dade County, and not the State of Florida. Since these are Federal decisions, the Federal Government must pay. But this bill says that local taxpayers must pay.

Legal immigrants are not a drain on our economy; in fact, they earn an estimated $240 billion each year and pay over $90 billion in taxes in the United States. Many of them serve in our Armed Forces. By working, paying taxes, and creating jobs, legal immigrants more than carry their weight. The fact that they are not yet U.S. citizens in no way increases the burden on the Government.

Mr. Chairman, this bill punishes children for the sin of being born to a family on welfare. It punishes children, until the mother is 18 years of age, for being born out of wedlock. It punishes children if a State drags its feet on paternity establishment. It eliminates guaranteed foster care to any child who is abused or neglected.

This bill is neither compassionate nor fair. It is not reform. It is the legislative equivalent of clearcutting a forest—cut, cut, cut, with little regard to the consequences.

Mr. LAZIO of New York. Mr. Chairman, I rise today to support H.R. 4, the Personal Responsibility Act. The vast social welfare policies of the past 30 years have been a miserable failure. They have failed to adequately serve our needy neighbors, and in the process, they have ripped apart our communities and hurt us all. This bill is the first step on the road to rejecting these policies, healing our communities, and helping our children.

The reality in 1995 is that far too many of our Nation's communities contain deep pockets of poverty and dependence. In some urban areas, an alarming 8 in 10 children are born out of wedlock, many into a world of poverty. The unfortunate fact is that these children are three times more likely than children from families with married parents to go on welfare as adults. We have learned that a spending policy that is not value-driven is a recipe for failure. It is imperative that this cycle be broken.

I have visited Job Corps sites in the South Bronx and met young women who had never learned how to open a checking account, write a résumé, or go on a job interview. The system that fostered this must be changed to provide these young people with the incentive and tools to enter the job market and become productive members of the community. It is time to look to the future. These young people are where our energies must lie. They provide us the opportunity to help break the dead-end cycle of poverty and dependence. They will be the key to healing our communities.

We must not be deterred by those who claim that we are not compassionate. We are compelled to help all Americans, particularly our neighbors struggling to survive in the poorest neighborhoods. Our current social welfare policies have not demonstrated compassion to those trapped by poverty, rather, they have failed them miserably. Those who would continue these policies are doing the same. There is no compassion in that.

Mrs. MORELLA. Mr. Chairman, I rise to speak on the subject of the Personal Responsibility Act.

There is considerable disagreement within this body, and certainly among the American public at large, about the legislation that we have, before us today. Yet there is one point upon which we can all agree—our present welfare system has failed. It has failed our families in poverty, it has failed our children who depend upon it, and it has failed the American taxpayers who support it.

The question than, Mr. Chairman, is not whether we should implement far-reaching reforms in our welfare system but how we should implement these reforms. After many, many months of debate on this issue, after countless meetings with constituents, social workers, ''welfare mothers,'' business people, and others, I concluded that the best proposal for overhauling our Nation's welfare system was the one proposed by Congressman NATHAN DEAL of Georgia.

I voted for the Deal proposal because it struck a wise balance between the need for comprehensive reform and our duty as a society to maintain a basic safety net for our citizens. This proposal, which was put forth by a group of respected, moderate Members, embraced the center—rather than either the left or the right wing extreme—of the welfare debate.

The Deal bill contained work requirements that were more stringent, yet more effective, than those in the Personal Responsibility Act. It would have placed a 4-year limit—rather than the 5-year limit contained in the Personal Responsibility Act—for individuals to remain on AFDC. The Deal bill would have required AFDC recipients to work for benefits or participate in mandatory education and training programs aimed at transitioning them to private sector employment. The Personal Responsibility Act, on the other hand, contains no job training or other mechanisms to ensure that individuals can get—and keep—a job. If we're not willing to train low-skilled individuals for private sector employment, how do we expect them to stay off of welfare?

Second, the Deal proposal would have guaranteed child care for mothers with young children who participate in the bill's mandatory work programs. The Personal Responsibility Act, on the other hand, does not contain a guarantee of child care. How can we ensure that mothers on welfare will enter and stay in the workforce if they have no safe place to leave their children during the day? Clearly, without some guarantee of child care, our efforts to transition mothers from welfare to work cannot succeed.

Third, the proposal put forth by Mr. DEAL preserves the highly successful nutritional programs upon which many poor and working class Americans have come to depend—in particular, WIC and the school lunch program. These programs enjoy broad bipartisan support, and there is widespread agreement that they are remarkably effective in their current form. These programs work. Millions of poor

and working class children are fed cheaply and nutritiously thorough these programs. We do not need to toss them into the jumble of the welfare debate.

In addition, Mr. Chairman, in its well-intentioned efforts to discourage illegitimacy and teen-age births, the Personal Responsibility Act contains some measures which are so punitive as to be completely illogical. For instance, the bill cuts the cash assistance grant of children whose paternity is not legally established, yet it makes no distinction between children whose paternity is unestablished as a result of their mother's failure to cooperate with State officials, and children whose paternity is unestablished because, in spite of the mother's full cooperation, the father has successfully evaded State officials or managed to escape a DNA test. The Deal proposal on the other hand, recognizes that parents—not children—are the ones who should be penalized for evading their families responsibilities.

In addition to these points, Mr. Chairman, I believe that the Deal substitute is preferable to the Personal Responsibility Act because it preserves, subject to time limits and other restrictions, a basic safety net to which indigent Americans can turn in times of need. The Personal Responsibility Act, on the other hand, goes too far in its effort to devolve the Federal Government of responsibility in the realm of public assistance. In its effort to seek greater flexibility for State governments—a goal with which I wholeheartedly agree—the Personal Responsibility Act weakens the modest safety net that we, as a society, believe should be in place for our citizenry.

Finally, the Deal bill contained important and historic reforms in our Nation's child support enforcement laws—reforms that, as Republican cochair of the Congressional Caucus for Women's Issues, I have advocated for many years. In particular, the Deal bill adopted child support legislation that I had coauthored with the caucus earlier this year—the Child Support Responsibility Act of 1995. I also worked successfully to incorporate these reforms into the Personal Responsibility Act and am gratified that they were, in fact, included in the final bill. I commend the Republican leadership for incorporating these provisions into the act. On balance, however, the child support reforms in the Personal Responsibility Act were not enough to overcome my other objections to the bill.

Mr. Chairman, you can be assured that I will work with my colleagues in the Senate to ensure that Congress enacts meaningful, far-reaching, and comprehensive welfare reform.

Mr. OXLEY. I rise today in strong support of the Contract With America's Personal Responsibility Act. Welfare has become a way of life for too many recipients. By making it easier to collect a hand out than to work, the system has destroyed individual initiative and actually perpetuated poverty. Bureaucratic barriers frustrate motivated recipients who want to get a job or acquire an education. We've seen an alarming breakdown of the family occur under programs that simply are not working.

The Personal Responsibility Act will reform our welfare system to provide a helping hand, not a handout, to millions of Americans caught in this dead-end trap. I've heard a lot of talk lately that the Republican plan would be hard on children. This couldn't be further from the truth. Our plan will actually increase funding for many children's services. For example under our plan funding for school lunch and breakfast programs would actually increase by $1 billion over 5 years. By eliminating the Federal middle man, and block granting funds, the savings we achieve now could be used for providing increased assistance to needy children.

Mr. Chairman, in the name of short-term compassion we have inflicted long-term cruelty. Let us pass this legislation so we can offer hope for our children's future, not despair.

Mr. FOGLIETTA. Mr. Chairman, why do we have to divide America to cure welfare?

We divide America when we pull families apart.

We divide America when we make teenage mothers give up their children, or encourage them to have abortions.

We divide America when we use arbitrary deadlines that will move families who have depended on welfare because they can't get jobs, into homelessness.

We divide America when we punish children by dismantling the school lunch program.

We divide America when we use hot rhetoric like we heard in this debate—when one compares people on welfare to wolves or alligators, when one compares welfare to the $600 toilet seat of the Pentagon, when one says that he would not let some welfare mothers take care of a cat.

We didn't need this kind of talk, and we don't need to create two Americas to reform welfare.

Our Republican colleagues may insist that they are not engaging in the politics of division, but that's just what happened during this debate over welfare reform.

Let me give you an example of how one aspect of the majority bill will encourage a divisive America.

The Philadelphia Inquirer told a story the other day of a suburban township near my district.

Many years ago, they decided to reject Federal school lunch dollars, and do away with reduced price school lunches for low-income children. In its place, they use a so-called sharing table—a place where a hungry student can pick up a left-over peanut butter and jelly sandwich that a better-off student left behind.

Some people like the idea of the sharing table, but I don't. To me, it sounds like ''Oliver Twist.''

I can't think of anything more humiliating for a young child than having to rely on leftovers from their classmates. This deepens the divide in our society between the haves and the have nots.

What's worse, I'm afraid that it will teach kids to beg—that's not what American kids should be learning in school. I wanted to share with my colleagues an editorial from the Philadelphia Daily News, lest there be any confusion about my criticism of this program.

I supported the Mink substitute because it would have worked to accomplish the goal we all want to accomplish—moving people from welfare to work. It didn't use gimmicks, or arbitrary deadlines. It also didn't feed into the cynical politics of hate, division and making children victims.

What I don't want to see are begging tables at schools across America.

I hoped before my colleagues voted for this legislation, that they could think of their own child or grandchild cowering in shame as he approaches the sharing table.

That's not the America I want to see for our children.

[From the Philadelphia Daily News, Mar. 23, 1995]

NO LUNCH? TRY THE ''SHARING TABLE''

There is a fanciful, down-the-rabbithole quality to Republican welfare ''reform'' legislation being debated in the House of Representatives.

In the wonderland inhabited by Newt Gingrich and the Contract with America crowd, the outrageous idea that ''less is more'' has become an article of faith.

But not to worry. Instead of scrambling to close the funding gaps likely to be created by welfare ''reform,'' social-service agencies and public schools can find a model for Life Under the Contract close to home—in Upper Darby, Delaware County.

Back in 1982, Upper Darby dropped out of the federal school lunch program, and with it, federal nutrition standards. Local officials made the move because the program was losing money, kids didn't like the food and free lunches weren't needed.

Replacing the free- and reduced-price lunch meals is the ''sharing table'' sort of a give-what-you-can/take-what-you-need approach to combating child hunger. On the sharing table sits a ''sharing can'' for spare change.

It works like this: If Johnny eats only one of his two sandwiches, he leaves the extra on the ''sharing table,'' where Sarah—who perhaps came to school without breakfast—can have if free, along with some coins to buy a drink.

It's a simple neighbor-helping-neighbor kind of thing.

But what if Sarah is too embarrassed to come to the sharing table? And what if children who regularly show up without lunches or lunch money turn down offers of ''sharing table'' assistance out of pride and fear of being stigmatized?

Doing without the federal lunch program would be less problematic if Upper Darby were a wealthy community—which it isn't. Welfare rolls are growing—up 15 percent since last year, to 956 children. Yet only 300 kids signed up recently for a free milk program—perhaps a sign of reluctance to expose their need.

Upper Dabry school officials explain it with denial. The need just isn't that great they say.

Denial is likely to be a useful tool when the full GOP welfare reform package hits town.

Following the Upper Darby model, we should start with the premise that those lazy ol'poor people don't need any assistance. And for those who do (destitute teen mothers, for instance), we could erect ''sharing tables'' everywhere—near steam grates, bus stops, homeless shelters, soup kitchens and schools.

For disable kids cut from SSI, there could be medical sharing tables, from which to borrow walkers, wheelchairs, prescriptions and other medical services.

The possibilities are endless * * *

And absurd.

Every credible analysis of poverty and illegitimacy acknowledges that making the chronically dependent self-sufficient will cost more in the near future rather than less—because of multiple expenditures for child care, education and training, and public works jobs if the private sector cannot provide employment.

''Sharing tables'' and denial obscure that reality—but can't change it.

Mr. GIBBONS. Mr. Chairman, during this debate, the Democratic record on welfare reform has been regularly maligned. Republicans have frequently suggested that Democrats are simply defenders of the status quo—who have done little or nothing in the 40 years that we controlled the House of Representatives to improve the programs that serve our most vulnerable citizens. Any responsible examination of the record quickly shows this is not the case.

In the past decade alone, Democrats have enacted reforms to virtually every part of our social safety net—usually without much support from Republicans. Those reforms have been carefully crafted to improve the system without inflicting irresponsible and unnecessary damage on the families who have turned to us for support.

For example, in the 103d Congress, Democrats passed and the President signed into law:

The Family Preservation and Support Act.—This was the first significant reform of child welfare programs in 12 years. It provides flexible funds to States to strengthen families and prevent child abuse and neglect. It will also help State courts assess and expedite judicial child welfare proceedings, so that more foster children find permanent homes.

Legislation making these reforms was vetoed once by President Bush in 1992 but signed into law in 1993. The reforms are just now taking effect, yet the Republican majority wants to dismantle them in favor of untested block grants that leave abused and neglected children with no guarantee of foster care when they need it.

OBRA 93.—Amendments included in this budget reconciliation bill encouraged marriages for families on welfare by relaxing the rules for counting the income of a stepparent, made certain that children owed child support also get health insurance when the noncustodial parent has such coverage, significantly expanded the earned income tax credit to encourage work and offset Federal taxes paid by low-income working families. OBRA 93 also authorized empowerment zones and enterprise communities to test comprehensive solutions to the problems of distressed areas.

The Social Security Administrative Reform Act of 1994.—This reform bill limited the SSI eligibility of substance abusers to no more than 3 years. It also created the Commission on Childhood Disability to recommend ways to eliminate fraud in the SSI children's program—report due in 1995. Legislation authorizing the Commission was vetoed once by President Bush in 1992. Instead of waiting for the Commission report, Republicans are attempting to dismantle the SSI children's program in this bill.

The Social Security Administrative Reform Act of 1994 also included reforms to the child welfare and foster care programs. If reduced paperwork burdens for State child welfare programs by modifying the reviews required under section 427 of the Social Security Act. Legislation making these reforms was vetoed once by President Bush in 1992.

The Unemployment Compensation Act of 1993.—Miscellaneous amendments attached to this unemployment compensation bill reformed the SSI program to require that sponsored aliens, for the first 5 years after the alien's entry into the United States, be qualified for SSI benefits based on the income of their sponsor. The Republican proposal—included in this bill—denies virtually all benefits to legally admitted aliens.

In the 102d Congress, Democrats passed and the President signed into law

The Child Support Recovery Act of 1992.—This bill imposed a Federal criminal penalty for willful failure to pay a past-due child support obligation.

Democrats also passed the Revenue Act of 1992 which President Bush vetoed. That bill would have established a tax deduction for the costs of adopting children with special needs, such as those with a physical or mental impairment, encouraged welfare families to save—up to $10,000—for education, to purchase a home, or to move to a safer neighborhood, and allowed welfare families to save—up to $10,000—to start a business.

In the 101st Congress, Democrats passed and the President signed into law:

OBRA 90.—This law guaranteed child care for low-income families at risk of going onto welfare, improved the quality of child care services, and required States to report known instances of child abuse or neglect of children receiving AFDC, foster care, or adoption assistance.

OBRA 89.—This law reformed the AFDC quality control program to improve protections against fraud and abuse in the AFDC system.

In the 100th Congress, Democrats passed and the President signed into law:

The Family Support Act of 1988.—This comprehensive welfare reform measure strengthened work, education, and training requirements for welfare recipients and, for the first time, required mothers of young children to actively participate in work and training. It also barred discrimination against needy two-parent families and guaranteed transitional child care and health benefits for families leaving AFDC for work. Under the law, increasing numbers of welfare recipients must be engaged in work-related activities. As a result, 595,000 families are now engaged in work activities.

The Family Support Act contained child reforms as well. It mandated State use of uniform guidelines for child support awards, required States to initiate the establishment of paternity for all children under the age of 18, set paternity establishment standards for the States and encouraged them to create simple civil procedures for establishing paternity in contested cases.

Finally, the act provided Federal financial assistance to States to improve the quality and licensing of child care services.

In the 99th Congress, Democrats passed and the President signed into law:

The Tax Reform Act of 1986.—This comprehensive reform of our Nation's tax system eliminated the tax obligations of millions of America's poorest families and provided adoptive families with a one-time payment to offset the costs associated with adopting children with special needs, such as those with a mental or physical disability.

In the 98th Congress, Democrats passed and the President signed into law:

The Social Security Disability Amendments of 1980.—This law established the requirement that sponsored aliens, for the first 3 years after their entry in the United States, must include the income of the sponsor to be eligible for SSI.

The Child Support Enforcement Amendments of 1984.—These comprehensive amendments created the Internal Revenue Service collection mechanism to withhold from Federal tax refunds any past-due child support owed to children of non-AFDC families, expanded the child support enforcement program to nonwelfare families, required States to develop uniform guidelines for setting child support award amounts, extended research and demonstration authority for States to test innovative approaches to child support enforcement, and authorized special project grants to improve the collection of interstate child support orders.

Mr. MFUME. Mr. Chairman, I rise today in opposition to H.R. 4, the Personal Responsibility Act as offered. This legislation, the Republican version of welfare reform, is a wolf in sheep's clothing.

This legislation has significant ramifications for Americans both poor and nonpoor. We pride ourselves on being one of the most caring, compassionate, and advanced countries in the world. Yet, for a variety of reasons, this bill takes food from the mouths of babies, and cuts mothers off welfare, for the purpose of funding an upcoming tax break for the wealthy.

Clearly, the Nation's welfare system is in need of repair. No community yearns more for welfare reform than the people of my district. But they have said overwhelmingly, do not support reform for the sake of reform.

Most want, and I support, reform that genuinely allows America's poor to move from welfare to work. The House GOP bill will not do that. I stand opposed to this bill both for what it will and will not do. This bill does not meet our community's desperate need for jobs. Successful reform of welfare means jobs, jobs, and more jobs; it means child care for both poor women and men, and it means a commitment to ensure the rights of all children.

However, this bill fails to create a single job, but requires welfare recipients to work after 24 months and be tossed off the rolls after 5 years. This bill provides no additional funding to support the welfare-to-work transition, but requires States to have an increasing percentage of their welfare population in the work force.

Since cash assistance would no longer be an entitlement and States could determine who and how many get aid, States could increase their work participation rate simply by denying aid to a large number of currently eligible families.

In addition, this bill cuts resources for child care, health care, transportation, and other necessary support services; factors keeping many on welfare today. Under this act more than 7,500 children would lose their Federal child care assistance in my State of Maryland alone. Mr. Chairman, more than 1,700 children in Maryland will lose all SSI benefits and Medicaid benefits under this bill. I am mindful of the difficult fiscal choices facing us at this time and must evaluate the competing claims on our Nation's diminishing discretionary resources, but I do not believe that children should be the losers.

Furthermore, the bill ignores the Nation's economic trends. In an economy in which wages have declined for the working poor since the mid-1970's and in which the number of working poor has grown phenomenally, this

bill is a dismal failure. We must consider welfare reform in the context of our Nation's overall economic condition.

This bill forces children, who may be the object of violence and sexual abuse in some cases, back to the homes where the abuse took place. Our children are our future. Unfortunately, the Personal Responsibility Act is not likely to be an investment at our children's future. America cannot afford to leave its children dangling in the wind.

We were elected to represent the views of our constituents on issues of national, economic, and social significance. The opportunity for welfare reform is one of the most important issues facing America. In this critical time in our Nation's history, we should not allow politics to interfere with the responsibility to be fair to our children. Today, we have an opportunity to demonstrate the gravity of our commitment to children, the poor, to deficit reduction, and our commitment to redirecting our efforts to the critical needs of the American people.

I urge my colleagues to vote for our children, vote for our future, and vote against the bill as offered.

Mr. YOUNG of Florida. Mr. Chairman, I rise in strong support of H.R. 4, the Personal Responsibility Act.

The American voters spoke last November and demanded a change in the way Government operates. For too long, past Congresses saw Washington as the solution to every problem, and created Federal program after Federal program in an attempt to eliminate poverty. Unfortunately, those programs, many which were born during the Great Society push of 30 years ago, failed. After spending more than $5 trillion on Federal welfare programs, the number of welfare recipients, illegitimate births, and fraudulent welfare claims have skyrocketed. We have to change the welfare system that has failed so badly to meet the needs of our society.

With this legislation, Congress can begin to break the cycle of poverty and hopelessness that has trapped generation after generation of Americans. It is a welfare system that often penalizes those trying to break their reliance on Government subsidies, money doled out by a Federal bureaucracy that has become too big, too inefficient, and too expensive. To free the next generation of Americans from this trap, the Personal Responsibility Act, one of the most critical components of the Republican Contract With America, promises comprehensive reform of the American welfare system.

The present system penalizes the working poor, and offers little incentive to leave the welfare rolls once they begin receiving benefits. We must reform these programs to discourage people from ever becoming dependent on welfare in the first place, and do everything we can to get them off as quickly as possible. This bill gives States broad flexibility to design work training and education programs, and tells welfare recipients they will have to work in order to receive cash benefits. The Personal Responsibility Act will teach people job skills, assist them in assuming more productive roles in society, and help them earn the dignity that comes from working for a living.

For too long, many welfare recipients have taken their benefits for granted, and forgotten that their actions have consequences. This bill would deter teen pregnancies by ending cash payments to unwed mothers under 18. States could use these savings to establish programs to help young mothers with pregnancy prevention and counseling, adoption services, small-group homes, and other helpful innovations. Additionally, the bill streamlines procedures to collect child support and implements strict policies to enforce child support orders, to ensure that both parents live up to their responsibilities.

Despite the misleading rhetoric of those opposed to this legislation, the Personal Responsibility Act offers far greater hope for children than the current system. Aside from its tough enforcement of child support—which ensures that parents, not the taxpayers, care for their children—the legislation significantly increases the funds that will actually go toward serving the needs of our Nation's children.

Currently, programs that provide school lunches and breakfasts, low-cost milk for children, and nutritional supplements for pregnant women and infants are all run from Washington with separate rules for eligibility, regulations for operation, and sources of funding. While Congress will continue to fund these programs, their day-to-day operations will be left to the States, who know how to meet the needs of their own residents far better than bureaucrats in Washington, who attempt to design one program that meets the needs of people in 50 very different States. As a result, the funds spent helping children, as opposed to feeding the bureaucracy, will actually increase under this bill.

For example by capping administrative costs in State agencies administering child care programs at 5 percent, the Personal Responsibility Act will make 95 cents of every dollar available for direct child services. This is in sharp contrast to the 68 cents per dollar that currently goes directly for child care services. Thirty-two cents of every dollar is being lost in layers of bureaucracy and centralized planning activities.

Eliminating administrative overhead will make available $162 million more for direct child care services next year alone. In addition, with the adoption of an amendment Wednesday, which I strongly supported, we provide another $150 million per year to care for children so their parents can work. This means with the additional funding and administrative savings, there will be $322 million more available for direct child care services next year, an increase of 17.5 percent.

There are also increases in other areas. Many of my constituents and many State and local officials from Florida from whom I have received input on this legislation, stress the success and importance of the Women, Infants, and Children Program, or WIC. This legislation addresses those concerns by guaranteeing that not less than 80 percent of the funds provided for family nutritional programs will go to WIC, ensuring an increase of $588 million over the next 5 years.

With regard to the School Lunch Program, this legislation provides for a $1.2 billion, or 17.5-percent increase in funding over the next 5 years. Moreover, States would be required to devote not less than 80 percent of these funds to meet the needs of low-income children. No more than 2 percent of the funds may be spent on administrative costs.

By ending cash benefits to certain groups such as noncitizens, unwed mothers under 18, and individuals with fraudulent claims, and by limiting administrative overhead, section after section of this legislation makes greater resources available for those trying to put themselves back on their feet. As they do this, by taking advantage of the federally-funded—but State and locally run—job training and child care programs to get off the welfare rolls, an even smaller pool of welfare recipients will have access to even more help.

By cutting layer upon layer of Washington bureaucracy out of the equation and allowing State and local governments to care for their own people, we will create a more effective, less costly system that will truly put children and families first.

This legislation does not threaten needy Americans willing to take responsibility for their lives. It threatens Washington bureaucrats and entrenched lobbyists that make their living tending to the cruel, ineffective welfare trap that has developed over 30 years. We have an opportunity with this legislation to bring about real reform that makes those who have opposed progress for decades uncomfortable. They had 30 years to change a crumbling and ineffective welfare system, and did nothing. Now they are forced to defend the status quo where only one of every 250 people on welfare work, where one-third of the children born in our country are to unwed mothers, and where the average welfare family receives benefits on-and-off for 13 years. This must change.

Mr. Chairman, the welfare reform provisions of the Contract With America are designed to give people a way out of poverty, not surround them with it for the rest of their lives. These bold reforms are expected to put 1.5 million welfare recipients to work and save the American taxpayer almost $80 billion over the next 5 years. The emphasis on self-reliance will make welfare a program of temporary assistance, not a way of life. Americans who believe in a day's pay for a day's work are the cornerstones of our society. The programs Congress passes should foster this attitude, instead of encouraging millions of people to depend on the American taxpayers for their livelihood. The Personal Responsibility Act meets this goal, fulfills our contract promise, and responds to the wishes and demands of the American people.

Mr. HAYWORTH. Mr. Chairman, I voted for the rule on H.R. 1214 and I support passage of this legislation. I do, however, want to express my concern with the Rules Committee failure to make in order an amendment which would have reaffirmed our Nation's obligation to American Indian communities.

A bipartisan amendment, offered by Resources Chairman DON YOUNG, would have set aside 3 percent of appropriations for block grants to native American communities. This amendment was important because it would have recognized the unique nature of the Federal Government's relationship with native American tribes.

My concern is that direct block grants to the States may adversely affect tribes for two reasons: One, States do not have the same obligations to tribes that the Federal Government has; and two, some tribes, like the Navajo Nation, cross State borders and would have to petition more than one State for funding. The Young amendment would have addressed this concern, and I regret that it was not made in order.

Mr. Chairman, I want to assure concerned tribal leaders that, although the Rules Committee did not make this amendment in order, our bipartisan efforts to secure protections in H.R. 1214 for native Americans will continue.

Mr. ORTON. Mr. Chairman, I rise in opposition to the Archer-Kasich amendment.

It is absurd to call this measure a technical correction. In actuality, this amendment strikes language in the bill which prohibits savings in the bill from being used to pay for tax cuts.

If we are ever to balance the budget, we must make cuts in Federal spending which are difficult, require sacrifice, and reduce benefits to individuals. Savings from such spending cuts should reduce the deficit, not be spent on tax cuts.

Mrs. LOWEY. Mr. Chairman, we all agree that reform of the welfare system is long overdue. The current system is costing billions of dollars and is not solving the problem. It is not putting people to work but instead has created an unhealthy cycle of dependency.

WORK

In reforming the welfare system, our focus must be on moving people into real jobs. I will vote against the Republican bill for many reasons—but primarily because it makes no guarantee that welfare recipients will move into work. In fact, a recently released Congressional Budget Office report found that their bill is doomed to fail in achieving that end. Furthermore, under that bill, there is less accountability for the dollars spent than under the current system. They do nothing to improve access to and the quality of existing education and training, so that people have the skills they need to get a job.

Last year, I introduced my own Work First welfare reform plan that was designed to get people off of welfare and into jobs. My bill removed the crazy disincentives to work that exist in the current welfare system. The majority of Americans get up every morning and go to work to support themselves and their families—and they resent the fact that billions of tax dollars are spent supporting people who don't have to do the same. We must reform welfare to assure able-bodied Americans work. That is a matter of simple fairness.

EFFECTIVE PROGRAMS—CHILD CARE AND NUTRITION

We cannot afford to fail in this effort. But moving to the extreme—as the majority's proposal will do—will only create another system that fails families and taxpayers. Their proposal will push families with young children into the street and create a whole class of women and children with no hope of becoming self-sufficient. The Republican proposal cuts child care and nutrition—programs that are critically important to supporting working families. Why does this bill block grant the WIC Program—when leaders of corporate America have testified to its cost-effective benefits to the health of women and children? Why does this bill do away with the School Lunch Program as we know it, when this program helps children from working families get the nutrition they need to succeed in school? Why does this bill cut assistance for child care, when Americans know that child care is crucial to the ability of people who truly want to work to stay in the work force?

TEENAGE PREGNANCY

There is another area of critical importance on which this bill fails the American people—the crisis of teenage pregnancy. Earlier this year, I introduced a bill to: First, require teenagers who are parents themselves to live with an adult family member or in an appropriate adult-supervised setting in order to receive benefits; and second, require teenage parents to continue to receive education and training in order to receive assistance. In addition, my bill would provide grants to localities to design teen pregnancy prevention programs. This approach balances responsibility with opportunity. It promotes responsibility so that teenage parents understand that they must assume responsibility for the consequences of their action. At the same time, it invests in preventing teenage pregnancy so that fewer children are born to teens.

The majority's bill denies most benefits to teenage parents and their children, but goes no further. It includes no provisions to encourage responsible behavior among teenage parents—and no provisions to realistically discourage teenagers from becoming parents in the first place. Most troubling, the majority bill punishes innocent newborns for the actions of their parents.

CHILD SUPPORT ENFORCEMENT

There's another issue of great importance in this debate: Child support enforcement. The Republican bill was originally silent on the need for parental responsibility for child support—in spite of the fact that each year deadbeat parents fail to pay more than $5 billion they owe to support their own offspring. Many of their children are reliant on welfare as a result. This is more than 40 percent of the entire Federal cost of AFDC. At the beginning of this Congress, I cosponsored H.R. 785, the Child Support Responsibility Act of 1995, along with other members of the Congressional Caucus for Women's Issues. The caucus leadership testified on behalf of our bill before the Ways and Means Committee. I am pleased that—as a result of persistence on our part—the bill has now been modified to include strong child support enforcement provisions. I do, of course, support these provisions and hope that they will become law through some means very soon.

THE DEAL SUBSTITUTE

The Deal substitute provides a balance in this debate. It is tough on work, requiring participants to establish contracts detailing what they will actually do to secure private sector employment. The substitute provides a serious deadline: Participants can participate in a workfare program for 2 years. After 2 years are up, States have some flexibility to work with these populations—but ultimately people must work, or they lose their cash benefits. The Deal substitute also provides States with resources to improve existing workfare systems, so that participants actually obtain the skills they need to get and hold a job. Without those skills, any employer will tell you, they just won't find work.

The Deal amendment increases State resources for child care, so families can work while ensuring adequate care for their children. The Deal amendment preserves the nutrition programs that are essential underpinning for the health of our Nation's children. I support the Deal substitute because it reforms welfare programs without destroying programs that have proven effective and important to millions of working Americans and their families. The Deal amendment includes tough provisions to strengthen the current child support enforcement systems so that millions of young people will be supported by parents who have the means to do so—instead of being supported by taxpayers. Finally, the Deal amendment helps address the crisis of teenage pregnancy and provides communities with the resources they need to prevent teenage pregnancy. In short, the Deal substitute provides sensible responses to the American public's demand for reform, but does not in the process hurt vulnerable children or simply shift costs to other programs.

The Deal substitute does reform legal immigrants' eligibility for benefits. It builds on good ideas that already exist in the law, but which have not worked as they should. First and foremost, legal immigrants would be required to have sponsors who agree—in a legally binding document—that they will be financially responsible for the immigrant for the life of the immigrant or until the immigrant becomes a citizen. This amendment recognizes the problems that exist in current law—that sponsorship currently ends after 5 years regardless of the citizenship status of the immigrant and that sponsorship is not a legally binding obligation—and effectively corrects them.

I urge my colleagues to support the Deal substitute. We must reform the welfare system to move people from welfare to work. We cannot afford to fail.

Mr. PORTMAN. Mr. Chairman, we are in the midst of a historic effort to change Government as we know it. Not since the New Deal has Congress had such an active legislative agenda to address the most pressing problems of our day. But our philosophy of governing is very different from the New Deal and different from the President's approach: consistent with the Founders of this great country, our goal is to give government back to the people.

In addressing the role of the Federal Government, Thomas Jefferson once said, ''I believe that the states can best govern our home concerns.'' We share Jefferson's fundamental faith in the ability of people to organize in their neighborhoods, towns, cities, counties, and States all across our Nation to identify and resolve our toughest problems. As a result, we have already begun to shrink the Federal Government and return power to communities, to the people back home where it does the most good.

Our new ideas to reduce the size and scope of government and give States and communities the freedom to fashion solutions that work are embodied in our proposal to fix our failing welfare system. The current system is broken, big Government programs are lifeless and impersonal and it has become clear that large bureaucracies based in Washington do little to uplift the poor. It is a bad system that is cruel to children, and cruel to families.

Republicans recognize that Washington does not have all the answers and are willing to give States real flexibility and resources to try what they find works. We know today's welfare system is full of perverse incentives that destroy families, denigrate the work ethic and trap people in a cruel cycle of government dependency. We're committed to replacing that failed system of despair with reforms based on the dignity of work and the strength of families, and yes, parental responsibility. By not accepting the status quo in Washington, we are moving solutions closer to home where we offer real hope for the future.

Today, the House passed a new plan to fix welfare that returns power and flexibility to States, cutting out a whole level of Federal bureaucracy and giving the States the ability to respond in innovative ways to real needs. By reducing the role of the large and costly bureaucracy, and by slashing redtape, we will free up more resources to try new local programs that will help change people's lives.

The defenders of the status quo have had every opportunity to fix the failed welfare system. But they chose not to do so. Now, they continue to fight change—using irresponsible scare tactics to blur the debate and confuse the American people about our plan. It's simple. Our plan does three things: it makes people work; it stresses personal and parental responsibility and creates incentives for families to remain intact; and it cuts the endless, unnecessary Federal regulations and bureaucracy typical of the current system.

Mr. ALLARD. Mr. Chairman, I rise to say it is about time. Since President Johnson declared a war on poverty 30 years ago, we have spent over $5 trillion and created 336 programs to fight this war. So, who won? No one. Not the welfare recipient or the taxpayer. The amount we spend in a year on welfare is roughly three times the amount needed to raise the incomes of all poor Americans above the income thresholds.

My constituents tell me that the current welfare system does not work, they want reform. Those who oppose reform continue to say that the number of people on welfare will grow and thus more money is needed. If that is the case then this system can only be called a massive failure. Misguided policy incentives have resulted in a program that encourages economic dependence rather than independence. Welfare is supposed to help people become responsible and self sufficient.

The Personal Responsibility Act will give the decisionmaking back to the States. State officials know what will work best. The ''one size fits all'' approach of the Federal Government has not worked. The States have consistently been the places where new ideas have been allowed to grow and work. It is time to allow the States to have the flexibility and resources to get people back to work and off the dependence treadmill.

This bill has a tough work requirement, it is tough on illegitimacy, and tough on deadbeat parents. No longer will alcoholics and drug addicts get cash payments to help them continue their addiction with taxpayer money.

Contrary to what the other side is saying, this bill will not cut off assistance to kids. Low-income children will still receive school lunch and WIC benefits, but no longer will the money be micromanaged by the Federal Government middle man. This means that more money will make it to women and children in need, instead of Federal bureaucrats.

Reforming the welfare system should not cost more money or add more people to the rolls. It should save money and be more efficient than the current system. The Personal Responsibility Act saves $66.3 billion over 5 years by slowing the growth of welfare spending—without eliminating the safety net for those who truly need it. We should not measure compassion for the poor by how much the Government spends on welfare or the number of people collecting checks. We should measure compassion by how few people are trapped in welfare and dependent on the Government. If we want to protect our children, then we must reduce Government spending, balance the budget, and foster an economy that will create opportunities and jobs. That is why I am supporting H.R. 4, the Personal Responsibility Act.

Mr. GANSKE. Mr. Chairman, there has been a lot of talk about the welfare problem plaguing our country. Everyone agrees that something must be done; everyone that is, but my colleagues on the other side of the aisle who seem content with the status quo. I fail to understand how opponents can be satisfied with a welfare state that has seen a 25-percent increase in out-of-wedlock births since 1960. There are areas in my hometown of Des Moines, IA, where the illegitimacy rate is as high as 60 percent.

This is totally unacceptable. We must provide incentives that help get individuals off of welfare. We can no longer reward young mothers for having more children out-of-wedlock. We can no longer be satisfied with the lifestyle of welfare dependency being passed from generation to generation.

I was encouraged to see the language added to the Personal Responsibility Act which provides an incentive to States to decrease their rate of illegitimate births, a provision I recommended during my testimony earlier this year before the Ways and Means Committee. This is clearly a step in the right direction.

Let's continue this step in the right direction and pass the Personal Responsibility Act.

Ms. LOFGREN. Mr. Chairman, I would like to add my voice to the debate on welfare reform.

A true welfare reform proposal should seek to end dependency, promote employment and offer a helping hand to those who deserve it. What the Republican majority has offered us in H.R. 4, the Personal Responsibility Act, however, is nothing more than another giveaway to big business and the wealthy. By adopting Mr. ARCHER's amendment Republicans assured that the savings from this legislation will go directly toward the funding of the GOP tax cut bill.

The Republican welfare reform bill cuts vital programs that provide financial and nutritional assistance to low-income families. According to the Congressional Budget Office, the GOP bill will likely cause nearly 3 million families to lose $2.8 billion in benefits over the next 5 years. After that, the situation only get worse. Cash payments are reduced 50 percent by the year 2003. Needy families will suffer these losses through the elimination or reduction of programs like aid to families with dependent children [AFDC], food stamps, school lunches, disability payments, foster care and nutrition supplements for pregnant women and infant children.

Children and legal immigrants are the real victims of this bill. No needy child should be denied lunch at school or food stamps at home because his or her parents applied after the set allocation had dwindled. Withdrawing assurance of help to children who are needy, hungry, abused, or disabled is simply unacceptable. Children should not suffer because their parents cannot provide.

Nor should legal immigrants who have played by the rules and paid taxes be denied in their time of need. Making legal immigrants ineligible for public assistance should they become sick, disabled or unemployed 10 or 20 years after their arrival in this country is unfair and cruel. If the aim of the Personal Responsibility Act is to teach welfare recipients about work, family and responsibility, then why does it scapegoat a group that is the embodiment of these values?

Under the Republican proposal States would get the same amount of money block granted to them each year—regardless of changes in the number of needy children or newcomers. This would result in some States being hurt disproportionately. Fewer immigrants and disabled children will be eligible for supplemental security income [SSI], with legal immigrants being denied AFDC, food stamps and Medicaid as well.

This bill would be a disaster for my home State of California, which alone stands to lose $15.177 billion over the next 5 years. The House Republican welfare proposal would eliminate Federal funding for family preservation and support and several other programs that work to prevent child abuse and neglect. It would restrict welfare for legal immigrants, resulting in a $7.777 billion loss in Federal funding for California's residents. California would also receive $2.486 billion less in funding for food stamps and $1.099 billion less in nutrition assistance.

Not only does this bill cut much needed assistance, but it does shamefully little in the way of moving welfare recipients into the work force. Those individuals who can work should work. But the GOP bill offers no help to people who need training or other assistance to get and hold a job.

Unfortunately, the Republican bill is filled with rigid guidelines and unrealistic mandates. It compounds these drawbacks with a surprising lack of practical solutions, such as the opportunity for recipients to improve their education or gain practical work experience. Simply cutting off assistance will not prepare recipients to join the work force or provide them with jobs. True reform would offer education, training and transitional assistance to those individuals who want to exchange a welfare check for a paycheck.

The so-called Personal Responsibility Act is nothing more than a tax gift for the rich and a surrender of responsibility to the States. It attacks the very elements of our society we should most want to help—needy children who do not vote, have done nothing wrong, and desperately need our assistance to survive. It erodes basic American values by denying survival assistance to children and equal treatment under the law to all. This is certainly not my idea of welfare reform and you can be assured that I will oppose it at every turn.

As a member of the board of supervisors for Santa Clara County for 14 years, I learned a lot about welfare. The county administers the welfare programs for the Federal and State governments. I know very well the need to change welfare—to make it more effective, less bureaucratic and to promote work. The Republican bill does none of this. It is not reform, but is instead just a budget cut and a cost shift to local government.

Mr. PACKARD. Mr. Chairman, our current welfare epidemic continues to erode the American family and work ethic. For a growing segment of the population, America no longer represents the land of opportunity but rather the land of the welfare check. Our current welfare system discourages work and promotes Government dependency. Republican reforms

work to get people off of the Government dole and back on their own feet.

Currently, there are over 5 million families on welfare. Only 20,000 of those people work. For 30 years we have been measuring compassion by how many people are on welfare. Isn't it time we began measuring compassion by how few people are on welfare?

Our Personal Responsibility Act, H.R. 4 puts the millions of people now on the welfare rolls onto payrolls. Republicans replace a failed welfare system of despair with a more compassionate solution focusing on work and offering hope for the future. Our bill encourages people to earn the freedom, responsibility, and dignity that comes with working.

The welfare message of the past 30 years is clear. Liberal Federal handouts promote Government reliance and dependency. We must end this depressing trend. Working today prevents welfare despair and dependency tomorrow. Our Republican Personal Responsibility Act restores lost dignity and promotes a strong work ethic.

Mr. KLECZKA. Mr. Chairman, I was prepared to vote for true welfare reform today. As the only Democrat on the House Ways and Means Committee to support that panel's reform proposal earlier this month, I believe it represented real change of our welfare system.

Though well-intentioned, that system is indefensible and in dire need of massive changes. It encourages a cycle of poverty, hopelessness, and despair. At the same time, it discourages family cohesiveness, constructive behavior, and self-reliance.

The Ways and Means bill, while not perfect, would have started us down the path to dramatic, yet meaningful reform. I worked long and hard on the plan's SSI reforms and am proud of the outcome in that area. Moreover, turning welfare over to the States is a bold step forward and it represents an improvement over the status quo.

Unfortunately, the bill that passed the House today contains a fatal flaw that I could not, in good conscience, support. Namely, it reduces funds for child nutrition in the name of welfare reform. Because of this mean-spirited provision, I will vote against this measure.

According to Congressional Budget Office statistics—the most reliable and non-partisan figures available—this legislation is projected to underfund child nutrition programs by $11.77 billion over the next 5 years. At that level, funds will not keep pace with demand: CBO says child nutrition dollars will increase by only 2.1 percent per year, while demand has historically grown at a much higher level. For example, the Agriculture Department reports that between the 1990 and 1994 school years, demand for school lunches increased by 23 percent.

In my judgement, that lower level is unconscionable. We have the compassion to meet the basic nourishment needs of our children. Surely feeding children is not too much to ask of this great Nation.

All along, I have been clear about my opposition to these changes in the child nutrition program. In a letter to Speaker GINGRICH last week, I indicated that while I could support the Ways and Means bill because it represents true welfare reform, the school lunch program should not be included in the bill. My request unfortunately was ignored by the Speaker.

I deeply regret that we could not vote on just the Ways and Means Committee's welfare reform plan today. It is my hope that cooler heads will prevail in the Senate and that Chamber will leave child nutrition intact while returning to the House true welfare reform. If and when that occurs, I stand ready and willing to support it.

Mr. POSHARD. Mr. Chairman, I have long supported reforming our Nation's welfare system, because I believe our current system discourages welfare recipients from going to work and encourages our children to have children without the means to provide for them in their future. I supported President Clinton's efforts last year to reform welfare, and I strongly believe we must continue to work to create a welfare system that truly assists people.

Though the Personal Responsibility Act attempts to reform our current welfare system, I am afraid it takes us in the wrong direction. This bill takes away benefits from our Nation's poor without providing a sensible path for them to find and maintain work.

This bill cuts funding that would provide child care services to welfare recipients. How can we expect those on welfare to go to work when they are unable to pay for any type of child care? The bill mandates States to require welfare recipients to go to work after receiving benefits for 2 years, but it fails to provide for increased funding for needed welfare-to-work programs.

Instead, the bill repeals the Job Opportunities and Basic Skills Program, which currently provides 90 percent Federal matching funds for education, training, and support services for welfare recipients. The bill also includes no requirements for States to include education, training, and support services in their welfare programs.

The bill also replaces our Nation's School Lunch and School Breakfast Programs with a school-based nutrition block grant. By converting these important nutrition programs targeted at our children into a block grant, we would be capping these benefits and ultimately, we would be cutting access to this program to some 2 million children.

In the 19th Congressional District, over 1.3 million meals are subsidized by this program each year, and I can not imagine having to turn away one child who looks to this program for their only nutritious meal of the day. As rural Americans face high unemployment in their communities, these programs are often necessary to bridging the gap between the loss of work and future economic stability.

Like many of the block grants created in this bill, States would get a fixed amount of money to fund school-based nutrition programs. If a recession occurred, States would receive no additional Federal funding to assist the increased number of children who would be eligible for this program. During the last recession, the number of low-income children receiving meals under this program increased by 1.2 million.

I believe the State of Illinois will be seriously affected by this block grant legislation that would reduce Federal support for child welfare by $5.6 billion over 5 years. This would mean a 5-year loss of $512 million in Federal child welfare funds to Illinois between 1996 and 2000. In an attempt to put parents back to work, we would end up only punishing the children caught in this difficult situation.

Finally, the savings from this bill are not going to deficit reduction or even to programs that will help people leave welfare. Instead, the $69.4 billion is going to finance a number of tax cuts proposed in the Contract With America. I can not support a bill that takes from the poor in order to provide tax cuts to businesses and wealthy Americans, especially when Congress is working to balance the Federal budget.

I support the Deal substitute for welfare reform, because I feel this plan would successfully move recipients from welfare to work. The plan helps welfare recipients move into the work force by increasing funding for education, job training, and child care. In addition, it creates a work first program that puts people back to work, and requires States to increase participation by welfare recipients in this program over 8 years.

The Deal substitute limits welfare benefits going to a recipient after 2 years. Welfare recipients would then be eligible, for an additional 2 years, for either a workfare job or a job placement voucher. The Deal plan is reasonable and workable, because it contains provisions to ensure that welfare recipients are better off economically by taking a job rather than staying on welfare.

It is vital that we pass welfare reform that puts people back to work, but it is equally important to do it in a reasonable manner. The Republican bill clearly fails to provide an opportunity to welfare recipients, because it cuts or eliminates important programs that allow people to make the transition into the workplace. Unless we can guarantee welfare recipients a fair and sensible chance to go back to work, Congress must continue to develop a reform package that helps and not hurts people in need.

Mr. RICHARDSON. Mr. Chairman, the legislation before us today, the Personal Responsibility Act, H.R. 4, will drastically alter the welfare system in our Nation. I support welfare reform, but there are serious flaws in this bill. One of the primary problems of the bill is that it does not even mention the 1.2 million Native Americans or the 553 federally recognized American Indian tribes who reside in this country. To remedy this situation, Members from both sides of the aisle worked together to develop an amendment to allow Indian tribes access to the block grant provisions in the bill. Mr. Young of Alaska, the distinguished chairman of the Resources Committee, and I sponsored this amendment, but remarkably, the Rules Committee would not accept it for presentation on the floor. I am outraged that the Rules Committee has chosen to ignore the recommendations of the Resources Committee, and more importantly, the vital needs of Native Americans.

The amendment would restore existing block grants to tribal governments that have been repealed by H.R. 4. The amendment is consistent with many current Federal statutes, including a 3 percent allocation to tribes under the child care and development block grant and a 3.3 percent allocation to tribes under the Job Training Partnership Act. It is also consistent with longstanding policy, endorsed by every administration since the early 1960's, that we must maintain government-to-government relationships with tribes, and further Native American self-determination.

These principles take on heightened significance as we restructure our welfare system.

Establishing direct allocations to Native Americans provides tribal governments with the same meaningful opportunity to develop new assistance programs that is being afforded each of the 50 States. Indian tribes are not subunits of State governments. Their relationship is on a government-to-government basis with the Federal Government.

Tribes and tribal organizations are service providers and are in the best position to develop and administer services in their communities. Tribal governments are no different than State and local governments in understanding they have unique knowledge and qualifications critical to providing effective services to their communities. Political leaders and program administrators throughout the United States recognize that community-based assistance programs are typically cost effective and deliver better services, and tribal leaders share these views.

Tribes have developed local infrastructures to manage funds and administer programs despite the fact that their access to Federal funding has been inconsistent and below amounts given to States. Tribal programs include cash assistance, child care, education, job training, and law enforcement.

I am deeply concerned that State block grants and spending cuts will have acute effects on Native Americans. Tribal communities experience some of the highest levels of poverty of any group in the United States. According to the 1990 census, 31 percent of Indian people live below the poverty line, the highest rate of any single group reported. Nearly 40 percent of Native American children live in poverty. Certain State rates for Indian children living in poverty are astounding: 63 percent in South Dakota, 58 percent in North Dakota, 57 percent in Nebraska, 50 percent in New Mexico, 49 percent in Wyoming, and 47 percent in Utah. Tribal families face serious challenges to becoming self-sufficient: 27 percent are headed by women with no husband present, and 50 percent of those families live in poverty. Increased funding and locally-based services are critical to improving these statistics.

As currently proposed, State block grants would result in disparate treatment for Native Americans. Native Americans will be treated differently from State to State, even where their tribal boundaries spread across State lines, which is illogical and unfair. Also States may overlook the unique cultural, geographic, and economic needs of Native Americans.

Mr. Chairman, the Rules Committee must accept personal responsibility for destroying current block grants to Native Americans. By denying Members the opportunity to vote on our bipartisan amendment, tribal governments have been shut out of welfare reform. Native Americans had the first contract with America; once again, we have failed to honor that contract.

The CHAIRMAN. Under the rule, the Committee rises.

□ 1245

Accordingly the Committee rose, and the Speaker pro tempore (Mr. KOLBE) having assumed the chair, Mr. LINDER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence, pursuant to House Resolution 119, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any further amendment thereto?

If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GIBBONS

Mr. GIBBONS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GIBBONS. I certainly am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GIBBONS of Florida moves to recommit the bill H.R. 4 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

At the end, add the following new section:

SEC. . DEFICIT REDUCTION

Reductions in outlays from the enactment of this Act shall be used to reduce the deficit and shall not be taken into account for purposes of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

PARLIAMENTARY INQUIRY

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

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GIBBONS. Mr. Speaker, as I understand the procedure we are under now, the proponents and the opponents of the motion to recommit have a total of 5 minutes each.

Is that correct?

The SPEAKER pro tempore. That is correct. Under the rules of the House the gentleman is recognized for 5 minutes.

Mr. GIBBONS. A further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GIBBONS. Would it be in order if I were to request by unanimous consent that the gentleman from Texas [Mr. ARCHER] have 5 additional minutes and that the gentleman from Florida, myself, have 5 additional minutes?

The SPEAKER pro tempore. The gentleman's request is in order by a unanimous-consent request.

REQUEST FOR ADDITIONAL DEBATE TIME ON MOTION TO RECOMMIT

Mr. GIBBONS. Mr. Speaker, I make a unanimous-consent request.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GIBBONS] is making a unanimous-consent request that time for debate on the motion to recommit be extended to 10 minutes a side; is that correct?

Mr. GIBBONS. Yes, I make that unanimous-consent request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. ARCHER. Mr. Speaker, reserving the right to object, the motion to recommit is very simple. It is an issue that has been debated for hours in this House already. I see no reason why the standard rules of operation of 10 minutes on a motion to recommit with instructions should not be followed as it routinely has been over all the years that I have been in this House of Representatives.

Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PARLIAMENTARY INQUIRIES

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

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. ROEMER. Mr. Speaker, is it not considered proper under the rules of the House for the manager of the majority's time to ask for up to an hour of debate on a motion to recommit? Is that not correct?

The SPEAKER pro tempore. If the majority manager of the time requests it, yes.

Mr. ROEMER. So, under the rules, Mr. Speaker, it would be OK to get an hour, and we are asking for 5 minutes.

The SPEAKER pro tempore. The unanimous-consent request was to extend time by 5 additional minutes on each side. Objection was heard under the rules of the House.

The Chair recognizes the gentleman from Florida [Mr. GIBBONS] for 5 minutes.

Mr. GIBBONS. A further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GIBBONS. Did the Chair say I can ask for an hour?

The SPEAKER pro tempore. The gentleman from Florida is incorrect. Under the rules the manager of the bill, the gentleman from Texas [Mr. ARCHER], could ask for up to an hour.

Mr. GIBBONS. Oh, he could?

The SPEAKER pro tempore. The gentleman is correct.

The chair recognizes the gentleman from Florida [Mr. GIBBONS] for 5 minutes.

Mr. GIBBONS. I yield myself 1 minute.

Mr. Speaker, the motion to recommit is very straightforward and very easily understood. It has passed this House on record vote on this issue by substantial bipartisan support. I hope it will be adopted on a bipartisan basis.

Mr. Speaker, it says simply that the 70 billion dollars' worth of savings here

that comes out of the mouths of hungry children can only be spent for deficit reduction.

Now charges have been made that this $70 billion will be spent for an untimely tax reduction for some people whose names I will not mention, but this is very simple, very straightforward. It takes this money, puts it in a lockbox and says, ''This $70 billion can only be used for deficit reduction.''

It seems fair that, if we are going to take this money from these children, we at least ought to not leave them with debt.

Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Speaker, let us do the math.

Mr. Speaker, let us see if we can figure out how the Republicans will pay for those tax cuts they have promised their rich friends. Look at this chart and see how it would work.

The tax cuts cost about $200 billion over the next 5 years with nearly a half of that going to people earning more than $100,000 a year.

Who pays for this gift from Uncle Sam to the privileged few in this country? Let us take a look at it.

Twenty-four billion dollars is donated by poor families with children. Food stamp recipients contribute $19 billion. Kids who lose school lunches, child care, WIC, ante up another $12 billion. Abused and neglected children pay $2 billion. Legal immigrants contribute about $21 billion. The only thing we can be certain of now is that the $70 billion is going to be taken from the children and the poor of this country to go to the rich.

I say to my Republican colleagues, Pick on someone your own size.

PARLIAMENTARY INQUIRY

Mr. GIBBONS. Mr. Speaker, may I make another parliamentary inquiry?

The SPEAKER, pro tempore. The gentleman may state his parliamentary inquiry.

Mr. GIBBONS. Mr. Speaker, I was wondering if the gentleman from Texas [Mr. ARCHER] would like to yield to some Republican at this point.

The SPEAKER pro tempore. The gentleman from Florida must use his time now, and the gentleman from Texas [Mr. ARCHER] has his 5 minutes after the gentleman from Florida [Mr. GIBBONS] has completed.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, every 2 minutes this Nation spends $1 million on interest on the national debt, every 2 minutes. I say to my colleagues:

In a moment you're going to have an opportunity to say enough is enough, that we're going to save some money, but we're going to take that money and apply to towards the deficit and apply it towards the debt rather than giving millionaires a tax break.

Mr. Speaker, again I would like to make the point that every 2 minutes the citizens of this country are paying $1 million on interest on the national debt. That is not going toward principal, that is just the interest.

Now in a moment the people in this Chamber will have an opportunity to make a vote toward reducing the deficit and, hopefully, reducing the debt, or my colleagues can vote no and give millionaires another tax break.

I say to my colleagues:

If you care about the people of this country, vote to reduce the deficit. If you are what you told the people back home last fall, be a real conservative and vote to reduce the deficit.

PARLIAMENTARY INQUIRY

Mr. GIBBONS. Mr. Speaker, may I make another parliamentary inquiry?

The SPEAKER pro tempore. The gentleman shall state his parliamentary inquiry.

Mr. GIBBONS. I would like to yield to a few Members for unanimous-consent requests, but I do not want it to come out of my time. Am I correct that unanimous-consent requests do not come out of the remaining 3 minutes that I have?

The SPEAKER pro tempore. The gentleman from Florida [Mr. GIBBONS] has 2 minutes remaining, and the time for unanimous-consent requests does not come out of his remaining 2 minutes providing the Members do not make speeches when they ask for unanimous consent to revise and extend.

Mr. GIBBONS. I understand that, Mr. Speaker, yes, that is fair.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, I rise to support the motion to recommit and in opposition to H.R. 4.

Mr. Speaker, I rise in strong opposition to H.R. 4, it is bad public policy and it is bad politics.

The American people sent both Republicans and Democrats here to reform our welfare system.

As a member of our Democratic task force on welfare reform, I join my colleagues in acknowledging that the current welfare system is broken and must be fixed.

We want to reform the system so it can truly fulfill its original purposes and promises—to lift people out of poverty, move them into real jobs, and empower them to become independent, self-supporting and productive citizens.

To achieve these goals, welfare reform must include a renewed sense of individual responsibility through a commitment to work.

Real jobs, real job training and transitional child care must be a part of any bill that we realistically expect to change things for the better.

Mr. Speaker, H.R. 4 ignores all of these critically important aspects of true reform.

I cast my vote against the bill because: It slashes benefits—most of which go to children;

It fails to articulate guidelines and principles for the States as it washes the Federal Government's hands of a responsibility that has had bipartisan support for decades;

It makes no provisions for providing real jobs, real training and child care that would free the minds of welfare parents from their worries about their children's safety and care while they struggle to turn their lives around;

It fails to protect the very health of our children by cutting into longstanding, bipartisan school and family nutrition programs that, for decades, helped form the foundation of our Nation's very humanity; and

Most egregious of all, Mr. Speaker, is the fact that the purported budget savings of H.R. 4 have been earmarked by my colleagues in the majority for tax breaks for many of our most well-to-do citizens.

This $66-billion redistribution of wealth—from the very poor to the rather comfortable—disregards entirely the will of the American people who have made it clear that, what they want most, is deficit reduction.

Mr. Speaker, my Democratic colleagues, Mr. DEAL and Mrs. MINK, offered welfare bills comprising real reform, and I voted to support those bills.

Mr. Speaker, I also voted to recommit the short-sighted and punitive H.R. 4 to the Ways and Means Committee for revisions.

I will continue to raise my voice in support of effective, constructive welfare reform that includes heavy doses of both compassion and individual responsibility.

Mr. GIBBONS. Mr. Speaker, I yield 30 seconds to the gentlewoman from Michigan [Ms. RIVERS].

Ms. RIVERS. Mr. Speaker, I rise in support of this motion to recommit. It is a clear choice between bringing down the deficit and spending money on tax cuts.

Make no mistake about it. This is an opportunity to do something good for children. A ''no'' vote is an insult to injury. We will hurt children today by taking food out of their mouth and the programs they need, and we will hurt children tomorrow by leaving them a staggering national debt.

There is no possible justification for a ''yes'' vote.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DIXON].

(Mr. DIXON asked and was given permission to revise and extend his remarks.)

Mr. DIXON. Mr. Speaker, I rise today in strong opposition to H.R. 4, the Personal Responsibility Act. The Republicans claim that their bill will break the cycle of poverty for welfare families. Nothing can be further from the truth. The measure does not provide the education and training people need to move from welfare to work, would allow States to produce illusory work program participation rates, and punishes children. I thought the goal of reforming the welfare system was to provide people with real opportunities to become self-sufficient, not to set up faulty work requirements and to place children at risk.

Contrary to the Republican rhetoric, there are no real work requirements in this legislation. It only requires States to run welfare-to-work programs and increase participation rates to 50 percent by 2003. H.R. 4 repeals the Job Opportunities and Basic Skills [JOBS] Program under the Family Support Act, which

provided education and training to enable people to find employment. According to the Department of Health and Human Services, as of fiscal year 1993, 17 percent of the AFDC caseload is working or participating in JOBS. Under H.R. 4, only 4 percent of a State's caseload has to be participating in any kind of work activity in fiscal year 1996.

Moreover, in calculating the number of people who must be engaged in work activities, States may count people kicked off the rolls as being employed or working toward employment. This does not appear to be a good incentive for the States to provide work opportunities. Indeed, we may be creating a system that encourages States to disqualify as many welfare recipients as possible in order to meet participation requirements.

By ending the entitlement status of nutrition programs, such as the School Breakfast and Lunch Programs, the Child and Adult Care Food Program, and the Special Supplemental Food Program for Women, Infants, and Children [WIC], this legislation removes the safety net for the most vulnerable in our society. Over 5 years, the block grants and meager funding levels provided in H.R. 4 will have the effect of taking $6.6 billion from children's nutrition programs when the number of poor increases due to rescissions. According to the Children's Defense Fund, cuts to the child care food program alone would result in 1 million children losing meals in the fifth year of the act's implementation.

The bill even eliminates national nutrition standards that guarantee America's children access to healthy meals at school, standards developed over 50 years of the programs' operations.

Through their faulty work requirements and the elimination of nutritious meals for children, the Republican welfare plan offers nothing but continuing unemployment, hunger, and homelessness. I strongly urge my colleagues to oppose these misguided efforts to reform our welfare system.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Speaker, I rise in support of the motion to recommit.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina [Mr. HEFNER].

(Mr. HEFNER asked and was given permission to revise and extend his remarks.)

Mr. HEFNER. Mr. Speaker, I rise in support of the recommittal motion.

Mr. GIBBONS. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana [Mr. ROEMER].

□ 1300

Mr. ROEMER. Mr. Speaker, it is lunchtime in Indiana, and the Republican meat ax has fallen, not just on chicken and sausage, but on carrots, peas, milk, and orange juice. Now, we can have on this amendment, if you are going to take those nickels and dimes and quarters from children, you have the opportunity to at least put it to deficit reduction if you vote for the motion to recommit. Or if you do not, that nickel and dime and quarter will go for tax breaks, tax cuts for people making up to $190,000 a year.

Vote for the motion to recommit. Vote for children.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

(Mr. COLEMAN asked and was given permission to revise and extend his remarks.)

Mr. COLEMAN. Mr. Speaker, I rise in favor of the motion to recommit.

Mr. Speaker, I rise to state my vociferous opposition to the Republican welfare bill that is being considered today.

Mr. Speaker, the Republican welfare reform proposal does not succeed in delivering to the American public what they want: a welfare system that encourages parents to work to support their families and protects vulnerable children.

The American people want a welfare plan that replaces a welfare check with a paycheck. The Republican bill, however, takes the State flexibility aspect to the extreme by block granting programs to the States with few strings attached. For example, the Republican bill subjects only 4 percent of the caseload to a work requirement in 1996. It effectively lets the States do nothing for 2 years, then it cuts people off without a safety net. Mr. Speaker, this is not a work-based welfare system.

There is also no requirement for education, training, and support services. If we truly want welfare families to support themselves, education, training, and job placement services must be a part of each State program.

Let me also cite a few facts of the Ways and Means passed version of this bill affecting children:

The Republican bill punishes a child—until the mother is 18 years old—for being born out-of-wedlock to a young parent—title I.

The Republican bill punishes a child—for his or her entire childhood—for the sin of being born to a family on welfare, even though the child did not ask to be born—title I.

The Republican bill punishes a child, by denying cash aid, when a State does not establish paternity in a reasonable time.

The Republican bill leaves children out in the cold when a State runs out of Federal money—title I.

The Republican bill throws some medically-disabled children off SSI because of bureaucratic technicalities.

The Republican bill eliminates our most precious national entitlement, that foster care will be guaranteed to any child who is abused or neglected—title II.

And finally, the Republican bill cuts aid to poor children to pay for tax cuts for the rich, as stated by the Budget Committee chairman the other day.

For my State of Texas, the effects of the Personal Responsibility Act could be devastating. By replacing the Aid to Families with Dependent Children [AFDC], Emergency Assistance [EA], child care, child welfare, and nutrition assistance with block grants to the States, this bill will ensure that Texas and its residents will receive less funding for welfare related programs.

A recent Department of Health and Human Services study showed that Texas could lose $5.208 billion over 5 years. The number of Texas children losing AFDC benefits because of block granting is estimated at 297,000.

Further, block grant funding will not make all the States share equally in the reduced cost of Federal aid. The formulas disproportionately hurt States that have a growing population, especially the States with high percentages of young people in poor and near-poor families and that have historically been conservative in paying for their federally aided social services programs. That description fits Texas to a ''T''.

Texas will lose in welfare-related programs, from Medicaid to AFDC to nutrition to nursing homes, while richer, no-growth, higher benefit States gain because the block grants are based on what States are doing for whom right now. Texas is growing. It is like buying a full wardrobe for an adolescent boy. Pretty soon he will need new clothes.

Even more, the community that I represent, El Paso, TX, has historically never done well in block grant funding distributed by our State capital. My district, located almost 600 miles from Austin, has recently been the focus of a court of inquiry exploring the reasons why it has never received funding at the levels of other similarly sized Texas cities. When the Federal Government abdicates its responsibilities to the States, El Paso will again be the overlooked sibling.

The Republicans finance their plan by cutting welfare to legal immigrants. Mr. Speaker, this is the wrong way to go. We are talking about taxpaying residents of this country. Legal immigrants are less likely than native-born citizens to use welfare. A legal immigrant who has worked hard, paid his taxes, and has an unforeseen disaster is ineligible for benefits under SSI, temporary family assistance block grant [AFDC], the child protection block grant, and the title XX block grant regardless of the circumstances. In addition, the Republican bill encourages States and localities to deny assistance to legal immigrants.

But there is a provision hidden away in this bill that gives benefits to a special category of agricultural workers known as foreign agricultural guestworkers [H–2A's]. Mr. Speaker, these H–2A's are made eligible for public benefits, while our hardworking and poor American farmworkers who are displaced from these very jobs are made ineligible for those same benefits. This provision is surely an agribusiness handout from the committee of jurisdiction.

Our Nation's welfare system needs an overhaul. It locks many families in generational poverty. It creates disincentives for fathers to live at home with their families. It fails to offer a clear road back to the work force for those who have stumbled along the way. However, the Republican proposal is clearly not a better alternative. It would force single parents to choose between the dignity of work and safety of their children.

Despite the stereotypes, welfare is not a way of life for most AFDC recipients. Most leave welfare within 2 years, and many do not return. Much of what lies at the core of this debate is divisive and hypocritical. Other national problems burden the Federal Treasury more than welfare. Other categories of ''handouts'' extend billions of Federal benefits to corporate recipients. Where is the Republican outrage over that kind of dependency?

Mr. Speaker, in their eagerness to deliver on their campaign promise, the Republicans are rushing to act on the welfare question

without taking the time to examine their reforms. This bill is so bad that the Rules Committee approved more than 30 amendments in a vain attempt to fix this bill. Let me tell my colleagues on the other side that if they adopt some of these amendments, the bill will not be fixed; it will be worse than before. The Senate will be forced to start from scratch to develop their welfare proposal, because this bill is too extreme.

Mr. Speaker, this is the wrong bill to address the welfare dilemma. I oppose it, and urge my colleagues to do the same.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky [Mr. WARD].

(Mr. WARD asked and was given permission to revise and extend his remarks.)

Mr. WARD. I rise in support of the motion to recommit for children.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. STENHOLM], the granddaddy of the economy drive around here, and the granddaddy of the balanced budget amendment.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, this motion to recommit could not be more clear. It is the exact same motion that I wished to give as part of the regular bill, but was denied under the rule. It says simply reductions in outlays resulting from this act shall be used to reduce the deficit.

Proponents of H.R. 4 have claimed impressive savings from their welfare reform, trusting that the public will hear the word ''savings'' and interpret that to mean deficit reduction. I want to make it perfectly clear, on this vote there is not 1 cent of the Republican welfare reform guaranteed to go for deficit reduction, unless we approve this motion to recommit. Do not be fooled into believing anything to the contrary.

I am appalled that organizations which have claimed to be for deficit reduction have now chosen to key vote in opposition to recommittal. It is one thing to say you support the reforms in this bill, which many do, and that is an honest position to hold. It is entirely different to say that you do not want to guarantee deficit reduction.

My friends who have always claimed that deficit reduction is of the highest priority, vote yes on this motion to recommit, and be for deficit reduction. We may not have many more opportunities.

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

The gentleman from Texas [Mr. ARCHER] is recognized for 5 minutes.

Mr. ARCHER. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I strongly oppose the Democrat's latest attempt to dress their big spending, big taxing ways in the clothes of a deficit cutter. Just yesterday the Democrats' welfare substitute showed their true colors. They proposed to increase welfare spending by $70 billion more than our proposal, and they raised taxes on middle-income working Americans to pay for their extra spending.

Mr. Speaker, that is going precisely in the wrong direction. Government is too big and it spends too much. Republicans intend to cut the size of Government and, in doing so, to give the taxpayers a well-deserved tax refund. The taxpayers should not have to pay again and again so that bureaucrats in Washington can add more failure to the failed welfare state. That is why I am proud that our bill cuts spending by $66 billion, and we do not raise taxes.

Make no mistake about it, the American people are overtaxed. And when you look at the broken welfare system that we stand on the verge of fixing, you can see why. As we fix welfare, of course, we intend to stop making taxpayers pay for failure. We intend to let the working people of this country keep more of the money that they make.

When it comes to welfare reform, I believe Congress should say to the taxpayers and welfare beneficiaries, satisfaction guaranteed or your money back. The failed welfare state has not guaranteed satisfaction to anyone, not to welfare beneficiaries, and certainly not to taxpayers. It is time that taxpayers got their money back. After all, it is their money to begin with. It is not ours. We have no business taking it from them in the first place if we are only going to spend it on a failed program. We are fixing welfare, Mr. Speaker, and the taxpayers deserve a piece of the fix.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget.

Mr. KASICH. Mr. Speaker, I want everybody on both sides of the aisle to know that in May, we are all going to have this great opportunity to vote on the largest deficit reduction package achieved by spending cuts in the history of this Congress. This May we are going to vote on it, and we are going to watch how we all vote.

Mr. Speaker, it is truly incredible when we come back in April we are going to lay down a package that not only give American taxpayers some of their money back, but it is going to have $60 billion in greater deficit reduction than the President's package. In fact, his package when scored under actual 1995 spending, sends up the deficit by over $30 billion. We have done better than what the President has done in just March, and we have not even got until May, when we are going to lay the whole package down.

Let me suggest to all of you here, come May, and I am not just talking to my friends on the Democrat side, I am talking to my colleagues as well, in May we are going to come through these doors and we are going to have a card and we are going to be able to vote on balancing the budget.

Now, let me tell you, I saw one of my American heroes this morning. I see him every morning. You know who he is? He is out in Crystal City. He sells newspapers. He runs from one car to another car to another car. He is out there when it is raining, he is out there when it is snowing, he is out there when it is hot, he is out there when it is cold. He is wet. He does his job. And you know what? If we are going to take any money out of his pocket, it better be for real good things. Government does not have a right to take more than what it needs out of that gentleman's pocket. And do you know what we are going to do?

The SPEAKER pro tempore. The House will be in order.

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

The SPEAKER pro tempore. Does the gentleman from Ohio [Mr. KASICH] yield for a parliamentary inquiry?

Mr. KASICH. Mr. Speaker, does it go off my time?

The SPEAKER pro tempore. Yes, it does.

Mr. KASICH. Mr. Speaker, I will not yield if it goes off my time.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. KASICH] has 15 seconds remaining. The gentleman may proceed.

Mr. KASICH. Mr. Speaker, my dad carried mail on his back. You know why he wants us to have a prosperous country through capital gains? So his kid could become educated and become a Congressman.

Let me tell you one other thing. You know who hates the rich? You know who hates the rich? Guilty rich people hate the rich. That is who hate the rich.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. ARMEY], the majority leader.

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

Mr. Speaker, we have come to the end of a long and arduous task. Over 3 years our minority leader, Mr. Michel, created the first task force on welfare reform because he knew we must do something about this system, not because people abuse the system, but because the system so much, so often, abuses the people.

In those days when we were in the minority we had only a task force with which to take recourse to try to develop legislative initiatives, and we despaired of the unwillingness of the majority to address the issue.

We took heart during the campaign of 1992 when the Democrat candidate for President said we must do something to end welfare as we know it, because it is as we know it too cruel to the Nation's children, and we thought real reform would come forward when they won their majority in both houses and the White House.

It did not happen. It did not come forward. Last November, we had a new

charge and a new responsibility, a new opportunity, a new opportunity to move beyond task forces and into the committees, and three committees have worked long and hard and worked in a way that has been more inclusive than I have ever seen before, including all the Governors with whom we would charge this responsibility.

We have created a truly compassionate reform. This reform effort has been assaulted. We have often as individuals been assaulted, all too often with language that is neither kind nor gentlemanly.

Now they use this motion to recommit to try to stop the contract because they could not stop this reform.

Mr. Speaker, I ask my colleagues to vote no on this motion to recommit; vote yes on the bill.

PARLIAMENTARY INQUIRIES

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

The SPEAKER pro tempore. The gentleman from Florida will state it.

Mr. GIBBONS. Mr. Speaker, could we possibly get as much time as the majority leader spent?

The SPEAKER pro tempore. The gentleman has not stated a parliamentary inquiry.

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

The SPEAKER pro tempore. The gentleman from Texas will state it.

Mr. DELAY. Has it not been the longstanding tradition of this House to allow the majority leaders of both parties, including the Speaker of both parties, to have a little extra time when they are speaking?

☐ 1315

The SPEAKER pro tempore (Mr. KOLBE). The gentleman is making an observation, not stating a parliamentary inquiry.

All time on the motion to recommit has expired.

Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 205, noes 228, not voting 2, as follows:

[Roll No. 268]

AYES—205

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

NOES—228

Allard	Chrysler	Funderburk
Andrews	Clinger	Gallegly
Archer	Coble	Ganske
Armey	Coburn	Gekas
Bachus	Collins (GA)	Gilchrest
Baker (CA)	Combest	Gillmor
Baker (LA)	Cooley	Gilman
Ballenger	Cox	Gingrich
Barr	Crane	Goodlatte
Barrett (NE)	Crapo	Goodling
Bartlett	Cremeans	Goss
Barton	Cubin	Graham
Bass	Cunningham	Greenwood
Bateman	Davis	Gunderson
Bereuter	DeLay	Gutknecht
Bilbray	Dickey	Hancock
Bilirakis	Doolittle	Hansen
Bliley	Dornan	Hastert
Blute	Dreier	Hastings (WA)
Boehlert	Duncan	Hayworth
Boehner	Dunn	Hefley
Bonilla	Ehlers	Heineman
Bono	Ehrlich	Herger
Brownback	Emerson	Hilleary
Bryant (TN)	English	Hobson
Bunn	Ensign	Hoekstra
Bunning	Everett	Hoke
Burr	Ewing	Horn
Burton	Fawell	Hostettler
Buyer	Fields (TX)	Houghton
Callahan	Flanagan	Hunter
Calvert	Foley	Hutchinson
Camp	Forbes	Hyde
Canady	Fowler	Inglis
Castle	Fox	Istook
Chabot	Franks (CT)	Johnson (CT)
Chambliss	Franks (NJ)	Johnson, Sam
Chenoweth	Frelinghuysen	Jones
Christensen	Frisa	Kasich
Kelly	Myrick	Shuster
Kim	Nethercutt	Skeen
King	Neumann	Smith (MI)
Kingston	Ney	Smith (NJ)
Klug	Norwood	Smith (TX)
Knollenberg	Nussle	Smith (WA)
Kolbe	Oxley	Solomon
LaHood	Packard	Souder
Largent	Paxon	Spence
Latham	Petri	Stearns
LaTourette	Pombo	Stockman
Lazio	Porter	Stump
Leach	Portman	Talent
Lewis (CA)	Pryce	Tate
Lewis (KY)	Quillen	Taylor (NC)
Lightfoot	Quinn	Thomas
Linder	Radanovich	Thornberry
Livingston	Ramstad	Tiahrt
LoBiondo	Regula	Torkildsen
Longley	Riggs	Upton
Lucas	Roberts	Vucanovich
Manzullo	Rogers	Waldholtz
Martini	Rohrabacher	Walker
McCollum	Roth	Walsh
McCrery	Roukema	Wamp
McDade	Royce	Watts (OK)
McHugh	Salmon	Weldon (FL)
McInnis	Sanford	Weldon (PA)
McIntosh	Saxton	Weller
McKeon	Scarborough	White
Metcalf	Schaefer	Whitfield
Meyers	Schiff	Wicker
Mica	Seastrand	Wolf
Miller (FL)	Sensenbrenner	Young (AK)
Molinari	Shadegg	Young (FL)
Moorhead	Shaw	Zeliff
Myers	Shays	Zimmer

NOT VOTING—2

Brown (CA)	Mollohan

☐ 1332

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

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

RECORDED VOTE

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

A recorded vote was ordered.

The SPEAKER. This is a 15-minute vote.

The vote was taken by electronic device, and there were—ayes 234, noes 199, not voting 2, as follows:

[Roll No. 269]

AYES—234

Allard	Calvert	Ehlers
Andrews	Camp	Ehrlich
Archer	Canady	Emerson
Armey	Castle	English
Bachus	Chabot	Ensign
Baker (CA)	Chambliss	Everett
Baker (LA)	Chenoweth	Ewing
Ballenger	Christensen	Fawell
Barr	Chrysler	Fields (TX)
Barrett (NE)	Clinger	Flanagan
Bartlett	Coble	Foley
Barton	Coburn	Forbes
Bass	Collins (GA)	Fowler
Bateman	Combest	Fox
Bereuter	Cooley	Franks (CT)
Bilbray	Cox	Franks (NJ)
Bilirakis	Cramer	Frelinghuysen
Bliley	Crane	Frisa
Blute	Crapo	Funderburk
Boehlert	Cremeans	Gallegly
Boehner	Cubin	Ganske
Bonilla	Cunningham	Gekas
Bono	Davis	Gilchrest
Brownback	DeLay	Gillmor
Bryant (TN)	Dickey	Gilman
Bunning	Doolittle	Gingrich
Burr	Dornan	Goodlatte
Burton	Dreier	Goodling
Buyer	Duncan	Goss
Callahan	Dunn	Graham

Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—199

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

NOT VOTING—2

Brown (CA)
Skelton

□ 1350

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BROWN of California. Mr. Speaker, on rollcall Nos. 267, 268, and 269, I was unavoidably detained away from the Capitol. Had I been present, I would have voted ''yes'' on rollcall No. 267, ''yes'' on No. 268, and ''no'' on No. 269.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4, PERSONAL RESPONSIBILITY ACT OF 1995

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4, the clerk be authorized to make technical corrections and conforming changes, and to correct section references, in the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST FOR APPOINTMENT OF CONFEREES ON H.R. 889, EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR THE DEPARTMENT OF DEFENSE FOR FISCAL YEAR 1995

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

Mr. OBEY. Mr. Speaker, reserving the right to object, I take this time to simply note that for the last 2 days, this side of the aisle has been trying to find out what the process would be by which we would go to conference, who would be on that conference, and when this motion would be made.

It was not until literally 2 or 3 minutes ago that I was informed what the decision had been. No opportunity was given to me to consult the members of my committee who would not be contemplated as being conferees and no consultation was made on this side of the aisle about the wisdom of dividing conferees between the defense conference and the domestic conference, even though it is the apparent intention of the majority party to raid domestic programs in order to finance defense add-ons.

It was explained to us that the Speaker was even considering the unprecedented action of reducing the number of Democratic conferees below the ratio that we hold on the committee in order to provide a stacked deck for the conference. We had no knowledge about who would be on the conference until just several moments ago.

Given the fact that I have had no opportunity at all to consult with Members on my side of the aisle and given the fact that the majority party apparently intends to go to conference on Tuesday and given the fact that they can still do that if they wait until next week to make this motion, I object.

The SPEAKER pro tempore. Objection is heard.

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

Mr. LIVINGSTON. Mr. Speaker, as the gentleman from Wisconsin readily knows, for the last 40 years it has been the rules of this House for the Speaker of the House to determine the conferees, and we have always, as Members of the former minority, been told who the conferees would be and have had to adhere to the restrictions laid down by the Speaker.

But the gentleman also might know that I hold in my hand a list of proposed conferees dated March 23, 1995, which we gave to the gentleman as far back as yesterday——

Mr. OBEY. Two minutes ago.

Mr. LIVINGSTON. Yesterday the gentleman had this exact list, either directly or through his staff. It is exactly what we have been talking with the Speaker about and have gotten agreement on.

The gentleman's objections are way off base. I would simply urge all Members to let us go to conference as rapidly as possible.

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

Mr. OBEY. Mr. Speaker, I would simply note with all due respect to my friend the gentleman from Louisiana, that it is true that we were given a tenative list of conferees yesterday but at the same time we were told by persons on that side of the aisle that the Speaker was contemplating changing