We should not do something that might cause college costs to skyrocket even more.

Now, while I am usually for increasing tax deductions, Mr. Sammuelson voiced his concern that a new tax deduction for college costs might encourage further increases. ''By making tuition more 'affordable' the proposed new tax deductions might encourage further increases in college cost and tuition.''

It is a good thing to get a college degree, Mr. Speaker, but it is not much good to get one that is worthless on today's job market. Also it is not good to go head over heels in debt.

I am just urging both parents and students to be more careful, to look before they leap, so to speak.

Last week, the Osgood File, on CBS Radio—a very entertaining program, has a segment by Gil Gross, on this subject, in which he told about talking to a college dropout who said he just decided he didn't want to incur loan payments of $1,000 a month for as far as the eye could see.

Mr. Gross said:

The college dropout rate has hit an all-time high. One reason seems to be many students are not prepared by high schools to succeed in college, but another reason seems to be the cost. A college education has become incredibly expensive. When you consider that some of this money is wasted on things such as communications degrees, something that was invented so you could become a local TV anchor without actually having to know when the War of 1812 began, this is pretty amazing. It seems add that colleges where bright people congregate to solve problems can't seem to tackle this one. With all the new-fangled tools they have such as the internet and CD–ROMs, you'd think they could package a college education for far less than they do.

I would like to place this Osgood File program in the RECORD at this point and urge my colleagues and everyone to do everything possible to hold down college fees and tuition and to urge young people to very carefully choose a field of study that has at least some decent prospects for a good future.

THE OSGOOD FILE JULY 12, 1996

I'm Gil Gross for the vacationing Charles Osgood on the CBS Radio Network.

The college dropout rate has hit an all-time high. One reason seems to be many students are not prepared by high schools to succeed in college, but another reason seems to be the cost. A college education has become incredibly expensive. When you consider that some of this money is wasted on things such as communications degrees, something that was invented so you could become a local TV anchor without actually having to know when the War of 1812 began, this is pretty amazing. It seems odd that colleges where bright people congregate to solve problems can't seem to tackle this one. With all the new-fangled tools they have such as the internet and CD-ROMS, you'd think they could package a college education for far less than they do. What will happen if a little bit of knowledge continues to be an expensive thing? The answer after this:

I was talking to a college dropout and was trying to convince him to go back because any chance he had for success depended on it. He was resolutely unconvinced.

You can't afford not to get a college degree, I said. College graduates make much more than high school grads. He was having none of it.

Do you know how much my 4 years of college would cost, he asked? About $100,000, and that doesn't even count four years of lost income. Yes, but 4 years of a low lost income, I said. And do you know how much debt, I'd be carrying, he asked? About $85,000, which means, he explained, I'd probably be paying almost a grand a month in loan payments as far as the eye can see, unless I'm in a field where I also need a graduate degree, a law degree or a medical degree in which case I have a decent chance of being out of debt when I'm 40, if I don't buy a house and if I don't have kids and if, saying I do have kids, the public schools are good enough that I don't have to consider private schools and then if the kids are bright enough to send them to college which will probably be $500,000 a year by then.

Your point is what, I asked, though I already guessed. My point is I can't afford to go to college and be successful. I'd be broke the rest of my life! And you're satisfied with being a meter reader, he said its wonderful work. It involves math and I get to see what everyone's basement looks like. You realize what you've given up, I asked. Success comes at just too high a price, he said. Besides, he said, without a great job I don't get the credit rating to get head over heels in debt. No, he decided, the one thing you can say about failure is it's affordable.

I looked at him, struggling to think of one more thing to say and then I did. Look, I said, ummm could I borrow five bucks from you 'til Monday? The Osgood file. I'm Gil Gross on the CBS Radio Network.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FARR] is recognized for 5 minutes.

Mr. FARR of California. Mr. Speaker, I rise tonight to bring to the attention of this House that there is a war of words being waged in this House on the issue of campaign finance reform, and the No. 1 form of ammunition is the Dear Colleague letters that are going back and forth.

I know, because I have sent several of these missives myself, and also been the recipient of a couple of them.

I would like to call a truce, if only temporarily, and will include the Congressional Research Service Report No. 96–628 GOV for the RECORD. I do this, Mr. Speaker, so that all the Members and the public can see laid out in chart style on a side-by-side comparison of the Thomas-Gingrich campaign finance bill and the Farr campaign finance bill, along with the current law.

The CRS report is done in its usual nonpartisan, unbiased style, and I commend it to everyone for solid information on the two bills that will be up for a vote next week before this body.

Mr. Speaker, I include for the RECORD the report.

CRS REPORT FOR CONGRESS

CAMPAIGN FINANCE BILLS IN THE 104TH CONGRESS: SUMMARY AND COMPARISON OF MAJOR PROVISIONS OF H.R. 3760, H.R. 2566, AND H.R. 3505

This report summarizes and compares major provisions of three campaign finance reform bills offered in the House during the 104th Congress. It provides capsule summaries of those sections which address the central focus of the reform debate: regulating the flow of money in federal elections through adding, deleting, or adjusting limits on expenditures and funding sources. These bills also contain provisions to improve disclosure and enforcement of federal election law; these and most miscellaneous provisions are omitted from the comparison.

H.R. 3760, the Campaign Finance Reform Act of 1996, was introduced by Representative Bill Thomas on July 9, 1996 and ordered reported by the House Oversight Committee on July 11, 1996. It is co-sponsored by the House Republican leadership. It represents a significant departure from Democratic-sponsored bills which passed the House in recent Congresses, which sought a voluntary system of spending limits and cost-saving benefits (or public funding) to complying candidates. H.R. 3760 seeks to promote greater competition and more broadly-based funding by augmenting the role of political parties and local citizens in the financing of campaigns. It thus attempts to offset the role played by wealthy candidates and political action committees (PACs) in recent elections.

H.R. 2566, the Bipartisan Clean Congress Act of 1995, was introduced by Representatives Linda Smith, Martin Meehan, and Christopher Shays on October 31, 1995. This bill is based on recent House-passed bills which offered a system of voluntary spending limits in House elections, in exchange for certain benefits. It departs from previous bills in replacing public funding with cost-reduction benefits to participating candidates. A prohibition on PAC contributions and expenditures in federal elections is another prominent feature.

H.R. 3505, the American Political Reform Act, was introduced by Representative Sam Farr on May 22, 1996. Co-sponsored by the House Democratic leadership, it closely resembles the House-passed bill of the 103d Congress (H.R. 3). Like H.R. 2566, it features voluntary spending limits and cost-saving benefits. Unlike that bill, it offers an aggregate PAC receipts limit and lower PAC contribution limit, rather than a PAC ban in federal elections.

TABLE 1.—CAMPAIGN FINANCE LEGISLATION BEFORE THE 104TH CONGRESS: COMPARISON OF SELECTED PROVISIONS

Current law	H.R. 3760 (Thomas)	H.R. 2566 (Smith/Meehan/Shays)	H.R. 3505 (Farr)
LIMITATIONS ON SOURCES OF FUNDS			
In general—Indexing			
Limits set in 1974 and 1976 FECA Amendments, not indexed for inflation.	All limits indexed retroactively to 1977, based on CPI, as of 1997 and every 2 years thereafter (rounded to next lowest $500 increment)[1].	No provision	No provision.

TABLE 1.—CAMPAIGN FINANCE LEGISLATION BEFORE THE 104TH CONGRESS: COMPARISON OF SELECTED PROVISIONS—Continued

Current law	H.R. 3760 (Thomas)	H.R. 2566 (Smith/Meehan/Shays)	H.R. 3505 (Farr)
		Political Action Committees	
		To candidates	
Limit for multicandidate committee (which most PACs are) is $5,000 per election; no limit on PAC receipts by candidates.	Abolishes multicandidate committee status; PAC limit=individual limit: $2,500[1] per election.	Bans PAC contributions & expenditures in federal elections (If unconstitutional: lowers limit to $1,000 per election; sets an aggregate limit on PAC receipts by candidates of 25% of spending limit ($150,000).	Lowers limit to $8,000 per election cycle; Aggregate PAC receipts limit of 33⅓% of spending limit ($200,000), plus $100,000 if runoff, plus $66,600 if close primary.
		To parties	
$5,000 per year to a state committee (and its local affiliates); $15,000 per year to a national committee.	$43,500[1] per year to a state or national committee (same as for individual).	No provision	$15,000 per year to any state committee (incl. Grassroots Fund); $25,000 per year to a national committee.
		Leadership PACs	
Permitted as any other PAC	Prohibited after 2 year phase-out (by end of 1998 election); bans joint fundraising committees.	Prohibited upon enactment, with 1 year phase-out	Prohibited upon enactment, with 2 year phase-out.
		Individuals	
		Aggregate limit on all federal contributions	
$25,000 per year	$73,000[1] per year (contributions to any party committee exempted).	No provision	$100,000 per election cycle, with up to $25,000 per year to candidates and $20,000 per year to state parties.
		To candidates	
$1,000 per election	$2,500[1] per election (limits lifted for candidate whose opponent spends more than $150,000 in primary or general.	Under voluntary system: $2,000 to participating candidate if opponent exceeds spending limits.	No provision.
		To PAC's	
$5,000 per year	$2,500[1] per year	No provision	No provision.
		To parties	
$5,000 per year to a state committee (and local affiliates); $20,000 per year to a national committee.	$58,500[1] per year to a state or national committee (exempt from aggregate annual limit).	No provision	$20,000 per year to a state committee (including its Grassroots Fund).
		Parties	
		To candidates	
$5,000 per election from a state committee (including local affiliates or a national committee.	$14,500[1] per election from a state or national committee. Party committees may exceed limits to offset (and match): incumbents' carryover from previous cycle; general election opponents whose personal spending exceeds individual contribution limit.	No provision	$5,000 aggregate limit on all contributions from state and local committees of same political party.
National and state committees subject to limits (under 2 U.S.C. 441a(d)) on coordinated expenditures on behalf of general election candidates.	Exempts from limits costs of party communications with members (contributors, voters registered with party, voters in recent party primary, self-identified partisans).	No provision	No provision.
		To PACs	
$5,000 per year	$14,500[1] per year	No provision	No provision.
		Candidates	
No limits on contributions or loans to own campaign	Spending above individual contribution limit in general election triggers lifting of limit on party contributions (as match) to opponent. Spending above $150,000 in primary or general triggers lifting of individual and in-district limits for opponent.	Under voluntary system: limited to $60,000 per cycle; if candidate exceeds limit, triggers lifting of spending and large donor limits, and doubled contribution limit for participating opponents.	Under voluntary system: limited to $50,000 per cycle; if candidate exceeds limit, triggers increased spending limit for participating opponents.
		In-state and district receipts	
No geographical restriction on campaign receipts	House candidates must raise at least 50% of funds from individual residents of district.	House candidates must raise at least 60% of funds from individual residents of state; for eligibility threshold in voluntary system, 50% of required amount from in-state must come from in-district.	No provision.
		Large donor receipts	
No restrictions on campaign receipts	No provision	House candidates can accept up to 25% of voluntary spending limit ($150,000) in individual donations in excess of $250.	House candidates can accept up to 33⅓% of spending limit ($200,000) in individual donations in excess of $200, plus $100,000 if runoff, plus $66,600 if close primary.
		Lobbyists	
Subject to same contribution limits as any individual ($1,000 per candidate, per election).	No provision	Contributions from registered lobbyists reduced to $100 per candidate, per election.	No provision.
		INDEPENDENT EXPENDITURES	
No limit on expenditures expressly advocating election or defeat of clearly identified candidates, if made without cooperation or consultation with any candidate.	Clarifies definition of independent expenditure, and adds definition of express advocacy.	Amends definition of independent expenditure to include express advocacy (broadly defined); enumerates activities and agents which would indicate collaboration (thus precluding independent expenditure).	Amends definition of independent expenditure to include express advocacy (broadly defined); enumerates activities and agents which would indicate collaboration (thus precluding independent expenditure).
		BUNDLING	
No restriction on collecting donations to candidates by conduits or intermediaries; contribution counts against donor's limit.	Prohibits PACs and registered lobbyists from acting as conduit for contributions.	Counts contributions raised by conduit against conduit's contribution limit (as well as donor's), if conduit is a: PAC, party committee, or their employees and agents; union, corporation, registered lobbyist, or anyone acting in their behalf.	Counts contributions raised by conduit against conduit's contribution limit (as well as donor's), if conduit is a: connected PAC; party committee; union, corporation, or partnership; registered lobbyist; or any employee or agent acting in their behalf.
		SOFT MONEY	
		Party and Candidate Activity	
Only money raised in amounts and from sources permitted under federal law may be used in federal elections; FEC regulations contain formulae for allocating costs of "mixed" activities, which benefit both federal and nonfederal elections; allocation can be based on time and space of communication, ballot composition, funds expended, funds received, or fixed or minimum percentage.	Prohibits national party committees from using non-federal money for mixed activities (incl. registration, get-our-the-vote, and absentee ballot efforts. Party committees may use non-federal money for mixed candidate-specific activities, if allocated on time and space basis. Exempts party slate lists, volunteer mailings and phone banks, and collateral materials from contribution or expenditure definition, if allocated by ballot composition method.	Prohibits national party committees from raising, soliciting, or transferring soft money. Prohibits state and local party committees from spending soft money for mixed activities or for generic party activities and vote drives in a federal election year. Prohibits party committees from using soft money to raise funds. Prohibits federal candidates and officeholders from raising soft money.	Prohibits national party committees from raising, soliciting, or transferring soft money. Requires state activities in connection with federal activities to be funded with federal money through State Party Grassroots Funds. Prohibits use of soft money for any activity that significantly affects a federal election. Prohibits federal candidates and officeholders from raising soft money.
		Tax-Exempt Activity	
No provision in FECA	No provision	Prohibits party committees from raising money for tax-exempt organizations. Prohibits federal candidates from establishing, maintaining, or controlling a tax-exempt organization which raises funds from the public. Prohibits federal candidates from raising money for a tax-exempt organization involved in get-out-the-vote and registration drives.	Prohibits federal candidates and officeholders from raising money for a tax-exempt organization which he or she establishes, maintains, or controls and which is substantially involved in voter registration or get-out-the-vote drives.

TABLE 1.—CAMPAIGN FINANCE LEGISLATION BEFORE THE 104TH CONGRESS: COMPARISON OF SELECTED PROVISIONS—Continued

Current law	H.R. 3760 (Thomas)	H.R. 2566 (Smith/Meehan/Shays)	H.R. 3505 (Farr)
MISCELLANEOUS			
	Approval for payroll deduction Requires employees who make PAC contributions through payroll deduction to give authorization at least annually, with rights to withdraw approval at any time; employers must inform them of these rights at least annually.	Franking Bans unsolicited mass mailings in election year, until after general election.	
VOLUNTARY SPENDING LIMITS AND PUBLIC BENEFITS IN HOUSE ELECTIONS			
Limits on Campaign Expenditures			
No provision	No provision	$600,000 limit in 2 year cycle, plus $120,000 if runoff and $180,000 if close primary winner; $60,000 limit on candidate's personal funds; Limit raised (and individual contribution limit doubled) for participant if non-complying opponent exceeds certain limits; Limit raised to offset extent of independent expenditures against participant or for opponent, one in excess of $25,000 overall.	$600,000 limit in 2 year cycle, plus $200,000 if runoff and $200,000 if close primary winner; $50,000 limit on candidate's personal funds; Limit raised for participant if non-complying opponent exceeds certain limits; Limit raised to offset extent of independent expenditures, once over $5,000 total or $2,500 by one source; limit removed if $15,000 spent, which parties can match (beyond their contribution limits).
Fundraising Threshold for Eligibility			
No provision	No provision	$60,000 in individual contributions of $200 or less, at least 60% in-state, with half of in-state amount from in-district.	$60,000 in individual contributions of $200 or less.
Benefits for Participating Candidates			
No provision	No provision	Broadcast rate of 50% of lowest unit rate in last 30 days of primary and last 60 days in general election; 3 mailings per eligible voter at non-profit 3rd class bulk rate.	Broadcast rate of 50% of lowest unit rate in last 30 days of primary and last 60 days in general election; Unlimited mailings at non-profit 3rd class bulk rate.
Penalties for Non-Participating Candidates			
No provision	No provision	No provision	35% tax on receipts of candidates who exceed spending limits; Not eligible for lowest unit rate for broadcast time.

[1] Dollar amounts with asterisks are estimated indexed values.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I listened to the debate over the so-called welfare reform legislation today, as well as last night, and I felt very strongly that the Republican leadership bill was not welfare reform, would not accomplish the goal of getting people off of welfare and working into productive jobs, into being productive members of society. I also was very concerned over the fact that it would take away many of the protections for children in this country.

It disturbed me to a great extent to listen to some of the statements that were being made on the Republican side of the aisle on the issue of welfare reform and what we need to do to get people back to work, one of the basic tenets of this Republican leadership bill, and I think that is how it differs a great deal from the Democrat or bipartisan Castle-Tanner substitute, which I supported, is that the Republican leadership bill essentially is money-driven. In other words, its major focus, if you will, is to try to save significant amounts of money that would theoretically help us balance the budget and reduce the Federal deficit.

In its drive to save money, it assumes that by cutting back on programs like food stamps and other types of assistance, that that will ultimately end the welfare system and get people to work and get people productive jobs.

Historically, if you look at successful welfare reforms that have been tried out in may States in this country, and the States really have been good laboratories to experiment with ways to produce welfare reform, in many cases it has actually cost the State more money, and the notion that somehow welfare reform will at least in the short run result in monetary savings is simply a false premise.

Think about it for a minute. If you are saying that the State is going to get people off welfare, oftentimes that involves job training, which costs money; oftentimes it requires day care, because most welfare recipients, at least those on AFDC, Aid to Families with Dependent Children, are mothers with dependent children.

So it costs money to provide day care. It costs money to provide job training or education. If often costs money to provide for health benefits so that there is health insurance coverage for children.

So where does the notion come that somehow we are going to save money for the deficit, at least in the short run, by providing for welfare reform? I think that is a basic tenet of this Republican bill that is false and is creating the problems that result in less protection and measures in this bill that actually hurt children.

If you look at the Republican bill, the largest share of the welfare bill's food stamp savings would come from across-the-board cuts in food stamp benefit programs. A lot of my Republican colleagues talked about how there were a lot of people on welfare who were fraudulent, or how they wanted to end benefits for people failing to comply with work requirements.

But actually if you look at this bill, only 2 percent of the food stamp savings in the bill, and the food stamps is the largest savings in the bill, only 2 percent of that food stamp savings come from provisions to reduce administrative costs, curbing fraud or ending benefits for people found to comply with work requirements.

Most of the savings is achieved by just slashing the amount of money that goes to food stamp programs. So even people who legitimately need the food stamps, because they are working in many cases, will actually suffer losses in their benefits under the food stamp program.

The other myth I think that was promulgated by the Republicans was this notion that, well, the welfare system is a failure because the poverty rate has climbed in the last few years under the existing welfare program. I guess the theory is that throwing money at the problem does not work.

Well, the reality is that the reason why more and more people are sinking into poverty in this country is because the safety net is being cut. In other words, the food stamps, the cash assistance, the housing assistance that many of the poor individuals that need this type of assistance receive, in real dollars has actually decreased over the last 5 or 10 years. So the reality is that more and more people are going into poverty because we are not providing sufficient funding for them to eke through an existence, to have a healthy life, to have proper housing, to have enough money to take care of their children.

So I honestly believe that the basic premise, if you will, of this Republican plan, which says that somehow we are going to be able to save money by making the kind of welfare reform that they propose, is a false premise, and one of the biggest problems with their bill.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

[Mrs. CLAYTON address the House. Her remarks will appear hereafter in the Extensions of Remarks.]