

Senate Appropriations Subcommittee on Agriculture, about his understanding of the provision included in the conference report of the fiscal year 1997 Agriculture appropriations bill relating to the FDA's proposed medguide regulation.

Am I correct in saying that the conferees retained the language in the conference report that was adopted by the full Senate last week?

Mr. COCHRAN. Yes, Senator. This conference report retains the language, as adopted by the Senate, that prevents further finalization or implementation of the medguide regulation.

Mr. COATS. At this point, I would like to make sure I understand that this provision does not preclude the FDA from using its existing authority to require, on a drug-by-drug basis, the provision of written information prepared by the manufacturer to consumers about prescription drugs that pose a serious risk.

We have been informed by the FDA that it will only be required to use its existing authority to require patient information for a very limited number of products.

Mr. COCHRAN. That is the committee's understanding, as well. The committee believes that the FDA's current authority to require written patient information is essential for certain prescription drugs, on a drug-by-drug basis, in cases where they pose a serious risk to the patient if used inappropriately.

Mr. COATS. I thank the Chairman for clarifying this and appreciate his leadership and assistance in helping us craft a compromise that is acceptable to the committee and to the FDA.

MEDICATION GUIDES

Mr. KENNEDY. The provision we are enacting on medication guides places certain limitations on the FDA regarding its pending medication guide regulation as it pertains to voluntary information provided by pharmacists. However, as you know, there was another part of the pending FDA regulation that was not intended to be affected by this provision. That was the FDA's intention to require FDA-approved patient leaflets for drugs that pose a serious and significant public health risk. Those would be drugs that cannot be used appropriately without specific written information provided to the patient. Although the instances in which such leaflets would be required would be very small—no more than three or four per year—it is critical that FDA have the flexibility to use regulations to ensure that these drugs can be safely used, as was specifically provided for in the House language of H.R. 3603 as well as in the Senate report accompanying H.R. 3603 which stated "this provision is not to be construed as prohibiting the FDA from using its existing authority or regulatory authority to require as part of the manufacturers' approved product labeling the dispensing of written information inserts to consumers on a case-by-case basis

with select prescription drugs to meet certain patient safety requirements."

Mr. BUMPERS. Your understanding is correct. As we noted in the Senate report accompanying H.R. 3603 at the time, the provision covering the voluntary medication leaflet program was not to be construed as applying in any way to the FDA's use of its existing authority to require patient leaflets for drugs that can cause severe birth defects, have serious adverse reactions when used with other drugs, and similar instances that pose a serious and significant public health risk.

The PRESIDING OFFICER. Under the order of yesterday, the 31st of July, 1996, the Senate having received the conference report on H.R. 3603, the agriculture appropriations bill, the conference report is agreed to, and the motion to reconsider is laid on the table.

The conference report was agreed to.

PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, at the request of the minority, they desire one block of time, instead of rotation, between 12 and 1. I checked with our side. We are willing to do that provided that, for instance, they go from 12 to 1 and then from 1:15 to 2:15 we have a block of time. We assume that while this is the welfare bill that the minority intends to speak on a related subject—the economy and the current economic news. And we would like from 1:15 to 2:15 to speak to that same subject. I will control that 1 hour and be here myself with other Senators.

I ask unanimous consent that we proceed now to Senator BOND, 10 minutes; Senator KOHL, 3 minutes; if Senator HUTCHISON arrives, she takes 7; if not, we rotate and have a Democrat; then at the hour of 12 o'clock the Democrats have 1 hour under the control of whom ever they designate for discussion on the floor of the Senate; and, then at 1:15 the Republicans have 1 hour until 2:15. That means there are 15 minutes in between. Let us just say we will fill that in with Senators who desire to speak. I propose that as a consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the Chair.

I begin by expressing my sincere thanks and appreciation to the managers of the bill, particularly to my good friend, the Budget Committee chairman, the Senator from New Mexico, Senator DOMENICI. The fact that

we have this measure before us today reflects not only all the practice we have had in passing welfare bills but reflects the great skill, the compassion, and the wisdom that he has exercised throughout this process. I think all of us are deeply indebted to the tremendous skill he has shown in keeping us on track to bring us to this day.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. BOND. I am happy to yield.

Mr. DOMENICI. I ask whatever time I use be added to his time.

Does the Senator recall the hours spent in the Budget Committee putting together the first balanced budget resolution in 30 years, and then the floor debate which lasted for the entire time allowed, and then all of the amendments at the end? We did them all with 1 minute intervening, and then a reconciliation bill. We did all that was required to get a balanced budget.

Mr. BOND. I recall it as it if were yesterday.

Mr. DOMENICI. I also managed them both, and I spent more hours on the floor of the Senate and more votes occurred than any period in modern history of the Senate. I might say from time to time—you would agree, would you not—that we had thought perhaps that work was all in vain, at least for this year, but, as a matter of fact, in only a year, we have welfare reform doing away with the 60 years when people have been imprisoned by this system. It was all worthwhile.

Mr. BOND. Mr. President, I say that I well remember that. It only heightened my admiration for the Senator from New Mexico. It was a wonderful experience which I hope not to have to go through again but it was only because of his skill, good humor, wisdom, and kind judgment that we were able to accomplish that work. And it is truly a credit to his ability and his leadership.

Mr. President, today the Senate will take another historic step in trying to curb the size of Government and provide for new approaches to help families in poverty. I am enthusiastic about this welfare reform legislation which we will pass today because it will basically take control from the impersonal inefficient Washington welfare bureaucracies and the dead hand of Congress and return that to State and local governments who are closer to the people, giving them the freedom to implement new ways to fight poverty.

There can be no doubt that the current system is a failure. That should be the one thing that is agreed upon by Republicans, Democrats, liberals, conservatives, and anyone else who is concerned about their fellow man today. It is cruel to adults who are treated like numbers when they need public assistance. It is even crueler to the children because it encourages a lifetime of dependency and they are raised in an atmosphere without hope. The current system discourages work but it encourages illegitimacy. The current welfare

system does not punish poor behavior—even behavior which threatens children, like not sending them to school, or not seeing that they receive their immunizations. The current welfare system does not even punish drug abuse among parents who may be welfare recipients.

I am pleased that this conference report contains a provision which I authored that deals with an outrageous problem that came to my attention as a result of some efforts by the good folks in my home State of Sedalia, MO. In Sedalia, a private employer was trying to hire workers at a \$6.50 per hour wage to process food. The employer worked with the local Family Services Division office and had some welfare recipients come out and get jobs. That was a win-win for those folks who got jobs, and for all of us in Missouri as taxpayers. Some of the recipients were interviewed and then hired. They now have good paying jobs. They are paying taxes. They are not living off the Government. They are contributing members of society. They can take pride in what they are doing for themselves and their families.

However, a few folks did not get a job because they failed a mandatory drug test. They were not hired, unbelievably and terribly unfortunately, because of Federal rules and regulations. The State of Missouri cannot sanction those welfare recipients even though they were known to abuse drugs. They simply met their obligation by showing up for the work interview with drugs in their systems, and as a result of the Federal requirements they were sent back to get their food stamps without having to take a job.

Mr. President, what kind of perverse incentive is that? That is the incentive we have seen too many times in the welfare system today. The people of Missouri are fed up with it. They know it is not working. It is costing money, and not helping the people that it should help. This is an absurd result. It harms the recipients because no one forces them to be responsible for their actions. It certainly harms the children of the drug users because their parents have no incentive. They need not get off drugs to continue to get their assistance. Of course, I would say on a much broader scale it is unfair to all of us as taxpayers who have to finance those habits and provide support for those who are using drugs.

I think this is just one example that shows clearly that the Washington bureaucracy, the congressionally mandated and controlled scheme, cannot serve the needs of the millions of poor people in this country. The fact is in States like Massachusetts, Indiana, Wisconsin, and Utah where Governors have been able to take a tougher approach, welfare rolls have dropped, recipients have found jobs, and deadbeat dads have been forced to take responsibility for their children. Those are the results that we hope to duplicate throughout the country in this reform of welfare.

I am pleased that President Clinton has decided to join us, and I think the overwhelming number of Americans who really want to end welfare as we know it. Countless Americans and I have been terribly disappointed. I felt cheated—not just once but on two previous occasions—when we worked very hard in this body and with overwhelming bipartisan support passed meaningful welfare reform. Those measures were vetoed, protecting the welfare system and its bureaucrats as it exists. Apparently the President has decided to give the American people what they want—real welfare reform.

For some reason, an old story just came into my mind about a politician back home who had held a position for some time. When the clamor of the people got too great, he changed his position. A friend of mine went up to him and said, "Congratulations. I see you finally have seen the light." He shook his head sadly, and said, "No. I just felt the heat." But for whatever reason, the change was welcome in that situation.

It has been said on this floor to those of us who support this welfare reform, "How can you dare call it welfare reform?" How can we dare call it reform? And they contend it would lead to more poverty. It was said that the evidence is irrefutable.

Yes, Mr. President, the evidence is irrefutable. What the current system has done is to force more and more families and more and more children into welfare dependency. It has deprived the children and the families of the responsibility that each and every American citizen has the right to enjoy and the obligation to use. Those who oppose change in the current system must explain and defend the system that has forced so many more families and their children into poverty.

With this great federally controlled, congressionally mandated, Washington-bureaucracy-run poverty system, we have seen the number of families and children in poverty skyrocket. Those who take a poverty tour and want to go out and look at the faces of the welfare recipients, I tell them I have seen those faces, and I have felt the shame that the current system we have is not getting them off welfare.

When you go out and look at the people who are trapped in the system today, remember, it is the current system that has trapped them. Their plight is the direct responsibility of the system that we are here today to change, to give them an opportunity, to give them an incentive, to give them some encouragement to get off welfare, to help them reestablish themselves as responsible, contributing members of the community, able and willing to take care of their children.

To say, as has been said on this floor, that we are abandoning children because we are turning back to the States the opportunity to devise, revise, improve and implement a welfare system is to ignore reality.

I had the opportunity to serve on the other side of this intergovernmental

program for 8 years as Governor of Missouri. As we tried to implement the Federal programs handed down from Washington, we found time and time again that what may have been well-intentioned and what sounded like a good idea when it was expounded upon in this body and in the other body, when great ideas from Washington came down as to how we were going to improve the system, what they did was hamstringing our ability to shape a system that would serve our people and help them get off welfare.

Too often we have been tied up in red tape and bureaucracy. This now is an opportunity to let the States that do care and that are concerned about those in poverty develop means of getting them off welfare and into work.

I urge my colleagues to support this measure, and I thank those who have worked so hard for its passage.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank the Chair.

Mr. President, today, the Senate will take what is perhaps its most significant action in my years in this body. Today, we will send to the President a bill that abolishes the failed Federal welfare program. We will send to the President a bill that gives hope to more than 12 million mothers and children who have too long been left alone in a culture of despair and poverty.

I want to make clear a point that may have been lost in the partisan politics that has surrounded this legislation. This bill is not about punishing welfare recipients. This bill is not about turning our backs on families that have been broken and impoverished for too long. This bill is about hope. It is about giving hope to mothers who want to provide a better life for their children. It is about giving hope to children who do not deserve to be imprisoned in a life of crime, hunger and despair. It is about giving hope to communities that want to see their tax dollars go to build their neighborhoods up and not to tear local families down.

As a result of bipartisan input, there are many positive changes in this bill that improve upon previous welfare bills. Child care funding is increased by \$4 billion, while health and safety standards for child care facilities are preserved. The School Lunch Program is maintained. The Food Stamp Program remains a guarantee. Programs to prevent child abuse and neglect are continued, and, perhaps most importantly, basic Medicaid health coverage is retained.

There are also provisions in this legislation that I cannot support and I will work to change. We will not turn our backs on the people in communities this legislation is meant to help. As the States submit their plans and as the provisions in this bill take effect, we will continue to monitor them. We

will make sure that our new welfare system pulls people and communities up, gives them hope, gives them opportunity and makes them strong.

Yes, today is the beginning of the end of welfare as we know it, and it is good news for the families who have been trapped too long by hopelessness. Today begins a new commitment to bringing the poorest members of communities a new beginning, a chance to build their families, an opportunity for their children's future. This legislation is not about hate. This legislation is about hope. And so I urge my colleagues to support the conference report.

I thank the Chair.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. I understand there is unanimous consent for Senator HUTCHISON, who is not here, to speak. I ask unanimous consent to be allowed to speak for 10 minutes.

The PRESIDING OFFICER (Mr. ASHCROFT). Is there objection? Without objection, it is so ordered.

Mr. KERREY. Mr. President, many good and honorable Senators will vote for this bill today, and their votes and the signature of the President, in my judgment, in no way takes away from their good intentions to make this welfare system better. I do not intend to say or suggest that they are mean-spirited or they are heading in the wrong direction, or anything of the sort.

I come to the floor intending to vote against this bill and would like to explain why. I think this piece of legislation in the context of our budget and the context of our economy will not make things better. Those who believe this new law will make life better for poor Americans who depend upon Government payments for family support, for food stamps, for supplemental security income, the earned-income tax credit, child nutrition, foster care, and the social service block grant, have offered at least three, as I have heard them, three principal arguments with which I strongly agree.

First, I agree that our current welfare system has failed because it penalizes work and rewards behavior which is contrary to the core American values of family, personal responsibility and self-discipline.

I agree that States need far more flexibility and authority in designing systems which are appropriate for their varying needs and circumstances.

And I agree that deficit reduction will help low-income Americans by promoting growth and job creation.

My decision to vote no on this piece of legislation is based upon disagreements, strong disagreements with some of the ideas I have heard promoted in favor of this legislation.

First, I do not agree that income support all by itself promotes self-destructive dependency, lazy behavior, out-of-wedlock births, and many other things that I have heard offered on this floor.

I have been dependent on a generous Government check from the taxpayers of this country for 27 years since I was injured in the war in Vietnam. That check has not made me lazy. I have not had one child out of wedlock. I am not dependent upon the Government. I am grateful to my country and willing to give it back in kind.

My motivation predated the decision by a generous nation to say that if you are disabled in the war, we are going to provide you with monthly income support, and we are not going to torment you and constantly challenge you and require you to come in and justify your existence to a Government bureaucrat every single time we think that maybe we do not like what you are doing.

I do not agree that increased welfare spending has caused many of the societal problems we face, nor do I agree with the corollary argument that is oftentimes made that we spend a disproportionate amount of our GDP on the poor.

First, as to welfare causing problems, Mr. President, I would like to read just a few of the economic changes that have occurred in the last 30 years and ask my colleagues to consider what their impact could have been.

Thirty years ago, most communities had laws that said that you could not open your business on Sunday. But as a consequence of a desire to do more business on Sunday, that seventh day that was reserved for the Sabbath, we now have in every community not only stores open on Sunday but open 24 hours a day. Guess who is working in those stores? Not those of us who make over \$100,000 a year. We are shopping. We are playing golf. But it is those lower income families who are out there working.

You could make a much better case, Mr. President, that that change in the law has been destructive of families, has been hurtful of communities. I do not make this argument, by the way, but there is no question there have been significant changes in this country as a result of changing our Sunday closing laws.

And consider these economic facts. In 1945, 75 percent of the world's GNP was in the United States; in 1970, it was 50 percent; in 1992, it was 25 percent; in 1995, it was down to a fifth. In 1969, 9 of the 10 largest banks in the world were in the United States. Today, the top U.S. bank is No. 30. In the auto market, the U.S. share was 90 percent, today it is 55 percent. For manufacturing wages versus the rest of the world, we were No. 1 in 1969. In 1994 we are No. 5, after Japan, Germany, France, and Italy.

We have shifted from a manufacturing to a service economy over the last 30 years, and a worker out there, who is not protected as a consequence of being a Member of Congress, a worker out there has to compete against all of those people in the world. He has to compete against people in India who are willing to work for 40 cents an hour, against people in China who are

willing to work for 36 cents an hour, against many nations who are willing to pay their people who work 50 cents to a dollar an hour. This has put a tremendous pressure upon people who have lower wages. Mr. President, nearly 30 million people in the work force earn less than \$7 an hour.

Rather than merely focusing our attention on how to get people off of welfare, it is far more important for us to ask ourselves the question: In an age when we have an international economy, where we have that kind of pressure upon wages, where we have that kind of pressure on skills—and by the way, I would likely vote for this proposal if it had more money in there for education. We have title 1 students today who are not being taken care of. In Nebraska we have 30,000 students who qualify based upon their income, another 30,000 who qualify based upon math and science skills. We have 12,000 black students in the Omaha Public School System. Only 25 percent of those who graduate have a proficiency in mathematics. We are not fully funding Head Start. We do not say to all Americans, "Don't worry about it, you will be able to go to college." In Nebraska, working families take out a second mortgage on their homes in order to be able to send their kids to the land grant college—a college that was supposed to make it possible for everybody to be able to go to school.

If we had money for education in this legislation, if it was said we are going to do those things we know work—we know Head Start works, particularly title 1—at a cost of \$800 per child per year. And to half of the people who need it, based upon their performance in math and reading, we say we do not have the money for you.

When it comes time to build the next generation of attack fighter, we have the money for that. We have another \$30 or \$40 billion to build the Harrier, because we are afraid of God knows what. Actually, we are afraid of countries to whom we have sold F-16's. All of a sudden we are building a great fear of a new threat out there. We are not afraid, but we ought to be afraid, of what happens when our graduates from high school, in an international economy, cannot read, cannot write, cannot do multistat mathematics, cannot do the things that all of us know in an international economy they have to be able to do if they expect to earn the living that we would like to see all Americans be able to, in fact, earn.

Another presumption I hear is we are spending too much on the poor. These programs we are addressing—I understand we have Medicaid and it is about \$25 billion just for acute care for the poor. And we have some housing programs, some are low and moderate, some just for the poor. But just for these programs themselves we are going to spend 1.4 percent of the GDP. We have a \$7 trillion GDP right now. These programs represent about \$102 billion.

We are not going to address Social Security, Medicare, or benefits that go to people like me who have substantial income but still receive a Government check. We are not going to do any of that. We are going to go after people who have low incomes and we are going to say: You are really the problem. We have to take our deficit toll upon you. Mr. President, 1.42 percent, going to 1.5 percent of the Nation's economy.

By the way, for my colleagues, I believe there is a relationship between our economy and what we can afford. I am an advocate of economic growth, I want our tax, regulatory, and spending policies to promote growth. Our wealth does determine how much we are able to give to those who are less fortunate, whose lives have been affected by some disaster or another, who are struggling to compete in this economy of ours. But, for gosh shakes, 1.5 percent is hardly what I would call an excessive tithe. Indeed, under this proposal instead of going from 1.42 and adding 8 hundredths of a percent, we are going to go from 1.42 to 1.38.

You have not heard me come and say I think these cuts are draconian and people are going to be foraging in the street for food. But I do not think a generous Nation that has our children in the classroom saying we are "one Nation, under God, indivisible, with liberty and justice for all," can look at this and say 1.4 percent of our GDP going to poor Americans is excessive and it is something we are not able to afford.

In addition, I make over \$100,000 a year. I have not heard anybody come down and say, "Bob, this is what we think your contribution ought to be for deficit reduction." I have not heard anybody come to me and say, "We think you ought to give up a little bit, too." I think concerns about equity when we are doing deficit reduction are legitimate and need to be surfaced.

I hope, in the aftermath of this bill's passage and signing, we are able, in 1997, as we look at our budget, to adjust not just our entitlement programs, and those entitlement programs that are going to upper-income American, and say we are going to try to provide additional discretionary money for education and for low-income people so we can deal with many of the underlying problems that both the supporters and opponents of this legislation have addressed. I do not believe we can have a liberal democracy and a free enterprise system of capitalism, I do not believe we can say to our people you have to compete in a global society and we are going to try to keep the trade barriers as low as possible, I do not believe that any of that works unless we are willing to do those things that we know work. We are not doing them today. We are saying we are short for Titler 1, we are short for Head Start, we are short for college loans, short for all these other things. I think it will, indeed, come back to haunt us.

We do know what we can do as a follow-on to this legislation. As I indi-

cated, if there were more resources here for education, for training, for those things that would actually provide what I would consider to be a reasonable safety net in an international economy, I would likely support it.

Let me give one final example. The previous occupant of the chair, Senator INHOFE, introduced a piece of legislation dealing with limbs for low-income working families. He identified a very important problem.

The problem is this. We spent \$1 billion for all prostheses in America, arms and legs. That is about a fourth of what we spend on antacids to cure our stress, half of what we spend to feed our dogs and cats—hardly what I call an excessive expenditure. But if you are a working family that does not have health insurance and have an income of \$15,000 a year and your 10-year-old daughter loses her leg above the knee and you go to your prosthesis and find out the prosthesis will cost \$12,000, what do you do? You cannot afford it. So you consider trying to do the same sorts of things that are being done for Third World nations. Can we use used parts to try to assemble a limb and an arm for this 10-year-old child to be able to make life better?

I mention this only because all the arguments about wanting to provide an incentive for work are not going to be effective unless we, as a follow-up to this legislation, not only provide in the appropriations process the money needed to educate our people, but also as a follow-up, we consider this fundamental question: What kind of safety net do we want to provide for the citizens of the world's strongest economy and the world's most successful democracy? I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I inquire of the Chair, what is the order of business?

The PRESIDING OFFICER. Democrats control the time between now and 1 o'clock.

Mr. BREAUX. Mr. President, under that agreement, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BREAUX. Let me start by acknowledging that following my good friend from Nebraska, who is indeed a close friend, I have a great deal of respect for his opinions, even though we disagree on the merits of the welfare legislation that will pass the Senate today as it passed the House yesterday.

There is a great deal of second-guessing about the President's decision yesterday to sign the welfare bill. We have had statements by various Members as to whether it was a good idea or a bad idea. I think his decision was the correct decision, and it also, at the same time, is a very courageous decision. I know it was tough, but I think, ultimately, in signing the bill, the President will be doing the right thing.

I think one thing that is clear, certainly when you get outside of Wash-

ington, is that the American people know that the current welfare system does not serve very well the people who are on it, who it was intended to help, nor does it serve very well the people who are paying for it: the American taxpayer.

It simply is not working when you see generation after generation of families who have been on welfare assistance continue to be on welfare assistance. The goal of any welfare reform is to end welfare, not to continue it, not to perpetuate it.

Since 1935, we have seen families really who have been locked in a prison of welfare dependency and have been shackled by the concepts that have continued generation after generation and decade after decade. The question is not should we change the system but how we change it. I think the President was absolutely correct in setting out the priorities. Welfare reform should be tough on work but good for kids. While that is a simple and catchy phrase, it also is the basis for the legislation that we are going to adopt.

This bill is tough on work, but it says welfare is not going to be permanent, that it should be temporary, that it is a maximum of 5 years in a person's lifetime, and States can come up with a shorter period if they want.

The goal of making work part of welfare reform is that we should be turning welfare offices, that for too long have only been an office giving out a check, into an office that helps people find a job. It was interesting this morning, a local TV station was interviewing a number of people who were actually on welfare, mothers with small children, who said they agreed with this legislation. They did not want to be on welfare for the rest of their lives. They wanted the welfare office to be a workfare office. They wanted the welfare office to be a job placement office. They wanted the welfare office to help them get off welfare. I think this legislation will do exactly that.

The bill, I think, is very important in some of the things it does do, such as child care. This legislation provides about \$14 billion for child care, particularly for mothers with small children, so that child care will be available so they can go to work. That is about \$5 billion more than under the current law and \$4 billion more than in the bill that the President was forced to veto because it was not good for children. This bill, in fact, is good for children.

I was interested in some who have said, "Well, after 5 years, we're just going to abandon families." There is nothing further from the truth. We were looking over the various programs that would still be available after the 5-year period is reached. There are some 49 Federal programs that are available for families and would continue to be available for families after they have reached their time limit of 5 years.

This country, as strong as we are, is not going to be deserting families, is not going to be deserting children of families who have exceeded the time limit. There will still be a large number of programs that will provide direct assistance to these families after they have reached their time limit.

This bill, I think, goes a long ways to correcting problems that the President addressed when he first vetoed the welfare bill. For instance, we maintain health care coverage through Medicaid for all those families who are eligible today, even though a State may change their welfare program. We clearly say that families that are on AFDC today will continue to be eligible for health care, and this, indeed, is very important.

In addition to the child care, the President had very strong concerns about just arbitrarily block granting the Food Stamp Program, which is a Federal program, to the States. This bill guarantees that additional benefits will be available when need increases, such as during a recession. The program would still essentially be a Federal program. It would not be block granted to the States.

I think, on balance, the President of the United States was absolutely correct and being courageous in saying, "Yes, we are going to change the system; yes, we are going to try something different. And, yes, we are going to be tough on work for people who can work and, yet, at the same time, do good for children of those families." I think that is incredibly important.

GOOD ECONOMIC NEWS

Mr. BREAUX. Mr. President, let me take a couple of minutes to comment on something else, and that is the economic news that was announced today, which I personally am very proud of, as I think every Member of this Congress can be, and this administration can be proud of the news.

I know when I look at my own State of Louisiana, Louisiana's unemployment in 1992 was 8.2 percent; 8.2 percent of the people in my State did not have a job. Today, the unemployment rate is 6.9 percent, a substantial drop.

In 1992, the growth rate in this country was 2.7 percent, and the deficit stood at \$290 billion. Today's growth rate figures of 4.2 percent is incredible progress, and we should be proud of it. Hopefully, we are moving in the right direction with regard to the Federal deficit.

In 1992, we looked at a Federal deficit that had staggered up to \$290 billion. Today's figures we are estimating are somewhere between \$115 billion and \$130 billion—still too high, but real progress.

I was interested in just this week—and these are not just figures that apply in Washington. A lot of people back home say, "Well, some Department in Washington issued figures I don't really understand." The home-

town paper in New Orleans has a special report just this week on the economy in my State of Louisiana. It shows what we are talking about on the floor today, about this good economic news in Washington is good economic news throughout the United States of America.

This is a special in the Times-Picayune in New Orleans. It says in comparison:

A decade ago, the economic world as New Orleans knew it seemed over. The oil boom that had turned into the oil slowdown was now the oil bust.

Almost before anyone knew what had happened, tens of thousands of jobs had disappeared from the local economy. . .

Fast forward to 1996. Traffic is bustling—

On all of our roads and highways:

Houses in prime neighborhoods seemingly sell in seconds. Banks are cheerfully advertising their services or rates. The oil and gas business looks pretty good.

Residential building contracts in New Orleans, Baton Rouge and statewide are up through June from a year ago 11 percent for this area, 29 percent for the State.

Get the picture?

"Fundamentally, the State's economy is in great shape," said Hibernia Corp. President Stephen Hansell.

What I am trying to point out is that this is good news in my State and, I daresay, in the other 49 States as well.

I was interested in how the article concluded:

The Federal Government didn't manufacture it.

And they talk about other things that didn't have anything to do with it. I want to make the point that I think the actions here in Washington did, in fact, have something to do with it. I think the 1993 Deficit Reduction Act had something to do with this.

Many of my colleagues said this is going to destroy the economy of America; this Deficit Reduction Act is a terrible thing. The news today is that the results are in and the news is good news. The tough things that we had to do in 1993 to get this country back on a course of economic recovery have worked, and there should be celebration in the Congress for recognizing that something that was very difficult to do, in fact, was done.

The deficit went from \$290 billion to \$115 billion to \$130 billion. I say to the writers of this editorial that that had something to do with that economic boom.

That meant that there was more money for private citizens, more money for the private economy to be able to borrow, to invest, to expand their businesses and to create jobs. That had a direct effect on the news today in my State and other States that things are on the right track, the economy is strong, that more jobs are being created. And it just cannot happen by accident.

Some of the tough things we had to face when we voted for the 1993 Deficit Reduction Act in fact was very much a part of the economic recovery that we are seeing in Louisiana and the other

49 States. So I think we can all be proud to say that Government does sometimes do the right thing, even though at the time we do it there may be a great deal of questioning whether it is the right thing. Today the results are in and it was the right thing to do. And we will continue to do that.

I think that we, as Democrats, can be proud of our activity in that area. I feel very strongly that we, as Democrats, can still promote economic growth by tax cuts that are paid for, the bipartisan group Chafee-Breaux, so-called, promoted a capital gains tax cut that was paid for. I think that is very important. We should continue to consider tax cuts for the economic growth. But we ought to make sure they are paid for, that they do not increase the deficit. A tax cut that merely increases the deficit may be easy to pass but it is bad economic policy.

So I think that we should move forward with tax cuts of which I do support. The President has supported tax cuts. The \$10,000 tuition tax deduction is one. The penalty-free withdrawals from individual retirement accounts for educational expenses is another good economic policy that will be paid for. There is the HOPE scholarship tax cut, \$1,500, again, which is a move in the right direction. So I think that we as Democrats can be proud of the results that are in today, and continue to look at new ideas in terms of tax cuts that are paid for to promote economic growth and development in this country. Mr. President, I join with my colleagues on both sides of the aisle to continue to do what is necessary to promote the economic growth that we now see in the United States. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, per a previous agreement that I understand has been entered into, at this time I would like to set aside 1 hour of the 5 hours allowed to this side of the aisle on the debate on the welfare conference report to talk about some other economic matters that several Members on this side of the aisle, including this Senator, would like to address. So if it is convenient and agreeable to those on that side of the aisle, we would like to proceed in that fashion at this point.

The PRESIDING OFFICER. The Chair would inform the Senator that the Democrats are in control of time between 12 and 1 o'clock under the current order that is under discussion.

Mr. EXON. How much time has been consumed on the economic debate up until now?

Mr. CONRAD. None.

Mr. EXON. How much of the 1 hour has been used?

The PRESIDING OFFICER. Twenty-two minutes.

Mr. EXON. Twenty-two minutes. Then I would like to ask that the remainder of that time proceed, and if