

RETHINK WELFARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Illinois (Mr. DAVIS) is recognized for 60 minutes as the designee of the minority leader.

Mr. DAVIS of Illinois. Mr. Speaker, as we are moving rapidly towards reauthorization of TANF and as we continue to talk about welfare reform, and we continue to try and figure out what that really means, what is it that we are talking about? What is it that we are attempting to accomplish?

Well, it seems to me that one of the pieces that is often left out of the puzzle is there is conversation about movement but not necessarily conversation about movement away from what. It seems to me that any time we talk about that issue, that we really ought to be talking about the reduction and ultimate elimination of poverty. And so we talk about these as social issues, but in reality, they are really economic issues. And often we do not talk about the economic implications. We point out all of the difficulties of disadvantage. We point out the numbers of people, two million of them in our criminal justice system, who are locked up in the Nation's prisons and jails, or we will talk about the 40 million-plus people who do not have health insurance, or we will talk about those folk who lack decent housing, or people who live in disadvantaged areas.

And when we get right down to the bottom of it, it all revolves around the issue of poverty. Who are those who have and who are those who have not. Who are those who have more than they need and others who have not enough.

And so the question becomes, how do we balance the equation? How do we mix up the goods, services and resources of our Nation so that all of our citizens can try and live out the American dream of a decent house, a place to live, the ability to send their children to a good school, to send their children to college, for children to grow up, have their own families, and continue to progress?

When I think about it, it is almost incongruous that the America of the 21st century is home to millions of family who have left welfare but are worse off economically, because many of the State governments are not spending the Federal funds that were intended to help these individuals transition into work or to take care of their children. To my mind, it is an America where child poverty that remains at a historic high, with nearly one out of every five children in the United States of America living today in poverty after a decade of boom in the national economy, where the average person living in poverty is poorer today than they were at the beginning of the decade. And that is a real contradiction that it is difficult to morally justify; and I must confess that I have some difficulty understanding it.

In my mind, a society which celebrates the reduction in welfare roles but ignores the realities that half of those who have left welfare jobs have been unable to pay the rent, buy food, afford medical care, or keep their telephone or electric service from being disconnected. That seems to me to be a serious contradiction.

It is amazing that here we are, a Nation where at most, 15 percent of eligible children have ever been enrolled in Head Start. That is an indication that we talk about Head Start, but oftentimes do not provide it. But that is a national figure. At most, 15 percent of eligible children are served by Head Start. Even worse than that, most Head Start programs do not meet the needs of working moms because of insufficient hours. Child care for low income families often exceed 35 percent of the family income. Yet, child care workers are among the lowest paid and most poorly trained workers in the Nation. And yet we talk consistently about leaving no child behind. We talk about the great education system. We talk about all of the resources that are being provided. But what we have here is a kind of triple whammy. The needs of working families are not met, young minds are left unchallenged, and the families of child care workers themselves are locked in poverty.

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It is amazing that you will expect a person to devote their lives to working with children, providing child care at a day care center or a Head Start program and yet they themselves remain poverty stricken for so long as they continue to do that work.

My mind cannot rest when more than 20 percent of adolescents suffer from mental disorders, including anxiety, mood disruption, and substance abuse. Without new public resource, the problem of mental illness among children and youth will not be addressed. So we have all of these young children and adolescents growing up with mental and emotional problems that never get dealt with, who themselves are headed towards a welfare system, and so they will live their entire lives never experiencing the fulfillment of the American dream, what America is designed to be or yet to become.

The uninsured rate for children increased from 14.5 percent in 1994 to 15.6 percent in 1998. For families with incomes of less than 200 percent of poverty, the uninsured rate increased from 23.4 percent to 26.5 percent.

My mind recoils at our growing prison population, which has spawned a generation of parentless families and a new source of mass trauma. Our prison population is now in excess of 2 million people. More than any other developed nation on the face of the earth. More than any percent of prison inmates are parents, and so one would have to ask what happens to, with, and for these children?

The result is that 1.5 million children have a parent in prison. Yet we have

few programs to support these families while the parents are incarcerated or in the transition of trying to come back into the normalcy of a society.

Mr. Speaker, as the old saying goes, "You can run but you can't hide." No part of our society can escape the consequences of the great inequalities which plague us as a Nation. We talk about disparities, the difference between this group and another group.

A report was just released about a month ago talking about the tremendous disparities in health status of African Americans, of Latinos and other minorities in our country. It is in the national interest, in the best self-interest of every sector of our society to address these great inequalities and inequities and to address the consequences and inequities in a constructive, humane and just manner.

It follows logically that the problems facing urban America require that every sector of our society become a part of the solution, public and private, secular and faith-based. When I think about problem-solving, I often think of what used to be the slogan of the Black Panther Party, and I used to think of what they would say. They would say, "You're either part of the solution or part of the problem," and it really means that every sector of American society must indeed be a part of the solution because injustice anywhere diminishes justice everywhere.

So I welcome all of those who rallied to the cause of the most vulnerable. My understanding of history suggests that the great movements in American history, our struggle for independence, our struggle to end the curse of slavery, our struggle for civil and human voting rights, our struggle for the equality of minors and women, our struggle for dignity in the workplace, have only succeeded when we called into action every resource, every heart and every hand of goodwill.

Mr. Speaker, welfare reform in the 1990s proved in a perverse kind of way that government does work and it works well. We just had the wrong public policy goals. We set a goal of reducing the number of persons on welfare and we succeeded. We succeeded spectacularly well. However, our failure was in setting the wrong goal.

We did not set the goal of reducing poverty. We did not set the goal of increasing the quality of life or improving health or education outcomes. I agree with those who hold that the record of welfare in America is a cycle of reducing benefits to force people to work, then increasing benefits when the activism of the poor begin to disrupt society. Then we cut benefits again to replenish the lower wage pool.

Let me just tell my colleagues that I am one who believes seriously in the concept of work. I believe very strongly in the work ethic, and I believe that we work not just to earn a living or to be able to live. I believe that we work because through work we demonstrate that we are a contributing member of

the society. We help to perpetuate that of which we are a part of. So we work not just to get paid, but we work as a kind of pay for the privilege of living in this society.

I maintain that not only is work a virtue, but it is difficult to be fulfilled if one does not feel that they are contributing to experience the wholeness of one's being, and so I maintain that it is time to break the cycle that we have become accustomed to by fundamentally changing the paradigm of our attack on the problem.

If we look at a problem one way, then we attack it one way. If we look at it another way, then perhaps we attack it differently. Let me walk through a few of the parameters which define for me where our children are today and what reform of our welfare system ought to really mean.

In 1994, 14 percent of all children were receiving welfare benefits. By 1999, only 7 percent of children received these benefits. The share of poor single mothers in the labor market grew from 39 percent to 57 percent, while the share of poor married mothers in the labor market remained constant at 39 percent.

There are those who would want to debate the merits and demerits of marriages and who want to spend a great deal of time talking about welfare reform couched in whether or not people should get married and whether or not they should not get married, whether there is coercion to get married, whether there are incentives for marriage, and I tell my colleagues, I do not believe that people ought to be coerced or skyjacked in any direction.

I also can tell my colleagues that I have no difficulty with the concept of marriage. As a matter of fact, marriage is a form of social organization, and I believe that where there is more organization, there is less chaos. So the first form of organization perhaps starts when two people form a union, and then of course the union might get larger, there might be other joiners, there might be other members of it, and then people expand it and we get something called a family.

Could my colleagues just imagine what our society would be like if there were no families, if everybody just kind of individually went their own way, without any of this social organization that comes as a result of the union and unification of people, oftentimes beginning with two?

Since the current recession began, and we are still arguing whether or not it is over, more than 2 million Americans have lost their jobs, and the old rule of last hired, first fired proved itself to be true once again, but, of course, that was not anything to not be expected or anything out of the ordinary.

For many form of welfare recipients, there is little or no security in the job market. Less than 60 percent of welfare leavers are currently working, though as many as 70 percent have had em-

ployment at some time or another, but only 40 percent have worked consistently. Those who do work are likely to earn wages which fail to bring the family above the poverty line.

One group of studies determined that the median earnings in the first quarter after leaving TANF for people was \$2,526 and in the fourth quarter \$2,821. About 40 percent of the leavers are not working at all. This group is more likely to have less education, less prior work history, and greater health problems. They are more likely to face problems of domestic violence, which is not necessarily in many instances an issue by itself. It is oftentimes an issue that is intertwined with other factors that cause people to exhibit this kind of behavior.

They are more likely to be dealing with mental illnesses. Families which have been sanctioned have a very high poverty rate, 89 percent, according to one study, and after leaving assistance, many families lose their food stamps and Medicaid, even though they are still poor, and fewer than one-third receive child care subsidies.

In other words, the support system for low income families is riddled with holes. Thirty-three percent of leavers report not enough food, 39 percent report inability to pay the rent, and 7 percent report having to move in with others because of inability to afford housing.

We know that today 82 percent of new mothers return to the workforce in less than 1 year, but only 42 percent are able to work full time. Most Head Start programs do not meet the needs of working mothers because of insufficient hours. Child care for low income families often exceeds 35 percent of their total income.

So when we talk about our ability to move, the fact of the matter is that many of the individuals are in a Catch 22 position, and that remains the case.

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In a majority of the States, and in my State, the great State of Illinois, the land of Lincoln, the recession has decimated the State budget. Illinois now has unpaid bills totaling over \$1.2 billion and is facing a \$1 billion deficit over the coming year. Every program in the State budget is vulnerable, including education.

In the area of education, we have faced for a long time tremendous disparities. While average spending nationally is about \$6,000, in Illinois, and in some other States, spending ranges from less than \$4,000 to more than \$15,000. That is to say, in some school districts they are spending \$4,000 per pupil; in other school districts they are spending as much as \$15,000 per pupil. Now, I am not a mathematician, and I am not sure I always know exactly what equality means, but I guess any way that you cut it, there is something uneven and unequal about that equation.

Since most school funding comes from property taxes, rich communities

have well-financed schools and poor communities, those most in need of supportive programs, have less-than-well-financed schools. Instead of focusing on the needs of students with smaller class sizes and repairing substandard buildings and providing remedial and before- and after-school programs, we are being swept away by the rhetoric of testing.

I spent a little bit of time teaching and serving as a counselor, and I can attest to the fact that testing can help teachers, students, and parents to understand what materials remain to be mastered, or it can be used as an arbitrary and irrelevant standard, in which case the curriculum is narrowed to whatever the test is on, and instructional time is allocated to whatever is on the test. The result is higher test scores but less real learning and a failure to develop the real potential of our children.

As you know, after the great debate, we passed a major reform of Federal assistance to education with bipartisan support. What many Americans do not know is the refusal of this House, and if we are very honest, a very partisan refusal, to pass a budget which provides funding for many of the new programs and initiatives. So we have programs and initiatives on the books, but it is like saying there is still no water in the well; or, in many instances, it would be the same as having a brand-new shiny automobile but no gasoline.

The surgeon general's recent report, "Mental Health," has highlighted the critical need for expansion of mental health services for children and youth. Many of these children are the very same children who need assistance from TANF. They are the children of needy families. More than 20 percent of adolescents suffer from mental disorders. The report details some of the inherent limits of the for-profit health system in addressing our mental health needs. Without new public resources, the problem of mental illness among children and youth cannot and will not be seriously addressed.

The share of children without health insurance increased from 14.5 percent in 1994 to 15.6 percent in 1998. For families with incomes of less than 200 percent of poverty, the uninsured rate increased from 23.4 percent to 26.5 percent.

The CHIP program, Children's Health Insurance Program, is struggling because it is not an entitlement program, like Medicaid or Medicare. States can cut back on CHIP when budgets face crisis, as we are experiencing in my State of Illinois. Medicare and Medicaid have been enormously successful in providing health care to their target populations; 98.7 percent of seniors have health insurance. We need a similar entitlement for children.

I believe that when it comes to health care, we have to set our sights on universal health care and coverage for everybody without regard to their ability to pay. There is a new movement afoot to develop a consensus

around a set of family support principles and to find ways to operationalize them with regard to public policy. So let me offer just as suggestions a few thoughts; and, hopefully, some of these will be found in the TANF reauthorization bill once we are finished with it.

The goal of TANF should be to reduce poverty, to improve the quality of life and to enhance the independence of families. The health, education, and well-being of every child in America must be protected. People in need should receive assistance whenever and wherever they need it, and in many forms, not just in face-to-face visits.

People in need of assistance need to have necessary information and the ability to exercise the degree of control they choose over decisions which affect them and their lives. Each member of the community needs to be unfettered and have access to personal information to the status of their community and to the latest advances in social and scientific practice.

Individuals and families should be protected from injury caused by the system. The community needs to play a key role in anticipating the needs of the Nation and being involved in that. There has to be cooperation among programs and professionals. There should be no reason to have a maze of programs that people cannot find their way through when we have stated and indicated that all of these programs were in fact for the benefit of the people.

So as we reauthorize TANF, we must be serious with ourselves and say to ourselves that we know that education is the key, and so there ought not to be these restrictions on training for people. Because we already know that unless they get serious education and training, there will be no jobs in the workplace for them. How do they move from welfare to work unless they have the ability to do what somebody else needs to have done?

Lyndon Baines Johnson was supposed to have said one time that we have to speak truth to the American people. We have to let them know that there is no gain without some pain. So as a Nation we have to adopt that same principle, and we have to know that if we are going to successfully move people from welfare to work, they must be able to convey to others that they are in a position to do for them what they need to have done.

Nobody gives a person a job just because they need to work. I mean, there is no such thing as a job in a capitalistic society just because somebody needs to work. People are able to acquire jobs because they can go into the marketplace with a demonstrable skill, and they can say to that marketplace that I can do for you whatever it is that you are willing to pay for, and I can do for you what you need to have done.

A good example: lots of people go to the barber shop, and some of them will

go there and just sit and engage in conversation and talk and have fun. Here the barber is wanting to cut hair because he wants to make money. But if people do not need a haircut, they do not just get in the chair and say cut my hair because you need to make money. No, they get in when they need a haircut or when they need a shave.

So we have to give people the opportunity to develop the skills that they need to go to school, to get educated, to learn technology, develop computer skills, to be able to go in the marketplace.

And then we have to be serious about this whole business of the minimum wage. I do not know how you get off welfare and out of poverty with a job that pays \$6.25 an hour or \$6.50 an hour. You certainly cannot do it in Chicago. I do not believe that you can do it in New York, I do not believe you can do it in Los Angeles, you cannot do it in St. Louis, you cannot do it in Philadelphia, and you cannot do it in Jackson, Mississippi. The real deal is you cannot do it anywhere in this country.

So we need to seriously, seriously, seriously look at raising the minimum wage so that there can be a greater level of sharing of the great resources of this Nation.

Yes, people go looking for something. But when they do, I am reminded of the song that Billie Holiday used to sing: "Them that's got shall get and them that's not shall lose. So the Bible say, and that still is the rule. Mama may have, Papa may have, but God bless the child that's got his own." And what we have to provide for the individuals in need of assistance is their own computer skills, their own education, their own carpentry training, their own sheet metal training, their own mechanical training, their own ability to go into the workplace and provide for someone that which is needed.

They ought to be able to get an associate in arts degree in college, at the very least. We all talk about how education has been the great equalizer, and yet we will restrict how much education and training that we are willing to provide for the individuals on TANF.

We also need to understand where jobs are and what is going on. Seventy-five percent of all new jobs in this country are being created in what is called suburban America.

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So many of the people who are unemployed live in inner city or rural or semi-rural communities. If there are no jobs in those locations for them, and we cannot create the jobs for them, then we have to make sure that they can get to where the jobs are, which means that we need strong transportation access. So in the TANF reauthorization, there has to be enough money to get people on welfare, to get the participants from where there are no jobs to where there are some jobs.

I live in a community where we have lost more than 130,000 well-paying,

good manufacturing jobs over the last 30 years. I can go by places and point to them and say there used to be 10,000 people working here, there used to be 10,000 working here. There used to be 2,000 people working here. All of those companies are gone. Many of them have moved not only out of the areas where they were, but they have actually moved out of the country. They have moved to Taiwan, to Mexico, to other places in South and Central America. They have gone where the labor costs are not the same. And yet the ability to explore it continues to exist.

So when some of the Members of this body talk about trying to make sure that there are labor protections and standards so that people who work earn enough money to live and so that they have decent places in which to work, they are trying to maintain a quality of life to which we have become accustomed, and we are saying that other countries ought to be able to move in this direction as opposed to allowing businesses and corporations and companies to move out in other directions and not only diminish the quality of life for those in our own country, but also the quality of life for others in places where they would go.

And so welfare reform is more than just a notion. Welfare reform has to provide the necessary support services so that as individuals are trying to make this transition, there are people available to help them.

What does that really mean? It means every time we develop a self-sufficient person, that person can take care of him or herself and their family and does not have to look to public resources, does not have to go to the public warehouse or public storehouse or do what some people call "feed from the public trough."

I believe that America, my country 'tis of thee, that America is big enough, strong enough, understands enough, recognizes the need enough, that we can provide for all of our citizens, even those who have fallen behind, even those who have maybe gotten off track, even those who are maybe incarcerated and coming back home this year, like the 630,000 people who are slated to be released from prisons and jails but do not necessarily have warm, inviting communities to come back to that will help them readjust, help them to have a solid place to live, the opportunity to get training, develop a skill, get a job, work their way back.

That is why I introduced in February something called the Public Safety Ex-Offenders Self-Sufficiency Act of 2002, which is not a difficult program to understand. Build 100,000 units of SRO-type housing over a period of 5 years so that as ex-offenders come back home, they will have structured living environments in which to live and receive help. And the good thing about it, it does not ask for any Federal grants because we model the program after the

low income housing tax credits, but rather than using the population of a State, we use the ex-offender population of the State to determine the number of credits that a State would be allocated or would be eligible for.

We think that there are innovative and creative ways of meeting the needs of those who are disadvantaged in our society, and we think that there are innovative and creative ways of helping structure reform of our public welfare system so that it does not recycle people on and off, but so that it develops people into solid, self-sustaining, self-developing citizens who themselves can reach the point where they can take care of themselves.

Mr. Speaker, I appreciate the opportunity to engage in this discussion, for the opportunity to express a position and a point of view that we have a great opportunity with TANF reauthorization. We have an opportunity to help demonstrate that America can become the America that it has never been, but yet the America that it can and must be, that we can lift even those boats at the bottom.

I have been told that a rising tide would lift all boats. If we can lift people out of poverty, get them off welfare, we also reduce the number of individuals in prison. We reduce the number of children who are walking and wandering the streets, we reduce the number of those who have not been able to experience all of the greatness and the goodness of what this United States of America, my country 'tis of thee, has the potential for being, has the potential to become. I believe, Mr. Speaker, that we will do that. It may take a little longer than we hope, but I think we are moving in that direction.

PROBLEMS WITH THE FARM SECURITY ACT

The SPEAKER pro tempore (Mr. BOOZMAN). Under the Speaker's announced policy of January 3, 2001, the gentleman from Michigan (Mr. SMITH) is recognized for 60 minutes as the designee of the majority leader.

Mr. SMITH of Michigan. Mr. Speaker, I am going to spend some minutes talking about something that I think is very important to this country, certainly important to farmers. That is the new farm bill.

In 1996, we passed farm legislation that was called Freedom to Farm. It was actually a program that phased out government farm program payments, and the challenge that we are facing in this country, almost everybody wants some of those open spaces, almost everybody in America would like the opportunity to have fresh products. In America, we appreciate the fact that we have the most healthy, the most low-cost food in terms of a percentage of our take-home dollar of any country in the world.

The Freedom to Farm Act passed in 1996 gave farmers a farm payment in

1996. The total payout amounted to about \$6 billion. It phased down the payment for each of the next 7 years, in a sense, telling farmers in the United States that they are going to have to start producing for the market, not for government programs. They are going to have to make their best guess on how much of what crop to plant based on the information they have for the marketplaces. That is the way that the system in America has always worked.

That is why we have surged ahead economically. We had a system when our Founders wrote the Constitution, that the people that work hard and try and are most efficient and learn, and put that learning to use end up better off than those that do not, and that has been part of the motivation in our economy. And it has also been part of the reason our farm industry has become probably more efficient than any other country, and we are competitive in almost every commodity. If there was an open playing field, we probably could compete effectively with most countries.

We are now making a dramatic change to make farmers dependent on government farm payments, and we do this in a couple of ways. We encourage more production which brings down the price of the commodity that they sell, and we say to the very huge megafarms and large landowners with 20,000 acres of farmland or 80,000 or 120,000 acres of farmlands, the giants, the corporation-type farms, that we will give them a government price support check for every bushel of grain that they produce and every pound of cotton that they produce.

What reaction does that have in the marketplace? It is going to mean that there is going to be more production, and the challenges are that more production is going to result in lower prices. We now find ourselves in the midst in a battle for democracy. Even as the President works against the undemocratic axis of evil, he may want to take a few moments to counter some undemocratic currents in our own Congress.

At the conclusion of the conference on the farm bill reauthorization that was just completed, H.R. 2646, the conference report was filed earlier this morning and it is on the floor tomorrow, I think it is clear that the conferees have defied the will of both Houses of Congress by perpetuating these unlimited farmer subsidies which will allow farms to draw millions of dollars in price support payments. By giving these very large farms this kind of unlimited guarantee of a government price support, they can farm the program rather than farm the products of their soil in relation to the marketplace.

The purpose of subsidies since farm programs began back in 1933 has been to protect family farmers. It was a mistake to get into the business of subsidizing every single acre and sub-

sidizing every single bushel and every single pound of production, regardless of the producer's size and income.

□ 1600 By providing unlimited payments, we encourage farm operations to get bigger and bigger. About 82 percent, Mr. Speaker, 82 percent of all farm production subsidies now go to the largest 17 percent of farms.

I would like to take a moment, Mr. Speaker, to invite any of my colleagues, both who support unlimited payments and those that do not support unlimited payments, to come to the floor to talk about this issue, because tomorrow we are going to have a recommit vote of the agriculture bill. We are going to talk about the agriculture bill, and then there is going to be a motion to recommit with instructions that some of the provisions of limitation apply to that particular farm bill. So it is important that we talk about this today, because under the rules of the House, there will not be any debate or discussion tomorrow on that motion to recommit.

Mr. Speaker, this policy of giving most of the farm government payment subsidies to the largest farms also puts upward pressure on land prices and rents, and, as we mentioned, it contributes to overproduction because the largest farm operations can get a guaranteed government price on unlimited acres. The result is lower commodity prices, driving more family farmers off the farm.

I see the gentleman from Oregon (Mr. BLUMENAUER) has arrived in the Chamber. I want to yield to the gentleman. I was disappointed that the gentleman did not have a chance to present his motion to instruct because they very quickly brought to the floor their filing of the agriculture bill, which preempted your opportunity to give more suggestions to the conferees.

But, on the other hand, when 265 Members of this Chamber, almost two-thirds of this Chamber, voted the other week to instruct conferees to have some kind of real payment limitations, they disregarded it. It approaches arrogance when they say we do not care how most of the Members of this Chamber vote or, how many, it was 64 to 31 in the Senate, that said let us have real payment limitations. Maybe the gentleman's amendment would not have accomplished what we hoped it would.

Mr. Speaker, I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy and I appreciate his leadership in focusing America's attention on the tremendous lost opportunity that is represented by the agriculture bill that has been put before us for a vote tomorrow.

The gentleman is right, there are issues large and small that illustrate the problems with the mindset that we have been greeted with the Committee