

days each week. Meaningful work requirements blended with education and training will lead to greater self-sufficiency.

As we set a higher standard of work and require welfare recipients to be active participants in improving their lives, Congress must give families the support necessary to make this transition. A combination of work and social services will provide a more effective approach to fighting welfare dependency and poverty than an approach that relies primarily on government handouts.

We also must remain responsive to people with multiple barriers to employment. As the reauthorization process moves forward, I am hopeful there will be a focus on allowing older individuals to take the time necessary to get a GED, as well as a greater emphasis on helping those who need intensive drug rehabilitation.

I applaud the decision to provide an additional \$2 billion in child care funds. Safe, affordable, high-quality child care is an important part of the support network needed to move people from welfare to work. Additional child care funds will allow parents to hold jobs.

I am also pleased this bill helps states address the unique challenges faced by their populations. H.R. 4737 enables states to conduct innovative demonstration projects and coordinate a range of problems in order to improve services. It gives states the freedom to better meet the needs of welfare recipients as they work toward independence.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. PAUL. Mr. Speaker, no one can deny that welfare programs have undermined America's moral fabric and constitutional system. Therefore, all those concerned with restoring liberty and protecting civil society from the maw of the omnipotent state should support efforts to eliminate the welfare state, or, at the very last, reduce federal control over the provision of social services. Unfortunately, the misnamed Personal Responsibility, Work and Family Promotion Act (H.R. 4737) actually increases the unconstitutional federal welfare state and thus undermines personal responsibility, the work ethic, and the family.

H.R. 4737 reauthorizes the Temporary Assistance to Needy Families (TANF) block grant program, the main federal welfare program. Mr. Speaker, increasing federal funds always increases federal control as the recipients of the funds must tailor their programs to meet federal mandates and regulations. More importantly, since federal funds represent resources taken out of the hands of private individuals, increasing federal funding leaves fewer resources available for the voluntary provision of social services, which, as I will explain in more detail later, is a more effective, moral, and constitutional means of meeting the needs of the poor.

H.R. 4737 further increases federal control over welfare policy by increasing federal mandates on welfare recipients. This bill even goes so far as to dictate to states how they must spend their own funds! Many of the new mandates imposed by this legislation concern work requirements. Of course, Mr. Speaker, there is a sound argument for requiring recipients of welfare benefits to work. Among other benefits, a work requirement can help a welfare recipient obtain useful job skills and thus increase the likelihood that they will find productive employment. However, forcing welfare

recipients to work does raise valid concerns regarding how much control over one's life should be ceded to the government in exchange for government benefits.

In addition, Mr. Speaker, it is highly unlikely that a "one-size-fits-all" approach dictated from Washington will meet the diverse needs of every welfare recipient in every state and locality in the nation. Proponents of this bill claim to support allowing states, localities, and private charities the flexibility to design welfare-to-work programs that fit their particular circumstances. Yet, as Minnesota Governor Jesse Ventura points out in the attached article, this proposal constricts the ability of the states to design welfare-to-work programs that meet the unique needs of their citizens.

As Governor Ventura points out in reference to this proposal's effects on Minnesota's welfare-to-work program, "We know what we are doing in Minnesota works. We have evidence. And our way of doing things has broad support in the state. Why should we be forced by the federal government to put our system at risk?" Why indeed, Mr. Speaker, should any state be forced to abandon its individual welfare programs because a group of self-appointed experts in Congress, the federal bureaucracy, and inside-the-beltway "think tanks" have decided there is only one correct way to transition people from welfare to work?

Mr. Speaker, H.R. 4737 further expands the reach of the federal government by authorizing \$100 million dollars for new "marriage promotion" programs. I certainly recognize how the welfare state has contributed to the decline of the institution of marriage. As an ob-gyn with over 30 years of private practice. I know better than most the importance of stable, two parent families to a healthy society. However, I am skeptical, to say the least, of claims that government "education" programs can fix the deep-rooted cultural problems responsible for the decline of the American family.

Furthermore, Mr. Speaker, federal promotion of marriage opens the door for a level of social engineering that should worry all those concerned with preserving a free society. The federal government has no constitutional authority to promote any particular social arrangement; instead, the founders recognized that people are better off when they form their own social arrangements free from federal interference. The history of the failed experiments with welfarism and socialism shows that government can only destroy a culture; when a government tries to build a culture, it only further erodes the people's liberty.

H.R. 4737 further raises serious privacy concerns by expanding the use of the "New Hires Database" to allow states to use the database to verify unemployment claims. The New Hires Database contains the name and social security number of everyone lawfully employed in the United States. Increasing the states' ability to identify fraudulent unemployment claims is a worthwhile public policy goal. However, every time Congress authorizes a new use for the New Hires Database it takes a step toward transforming it into a universal national database that can be used by government officials to monitor the lives of American citizens.

As with all proponents of welfare programs, the supporters of H.R. 4737 show a remarkable lack of trust in the American people. They would have us believe that without the federal

government, the lives of the poor would be "nasty, brutish and short." However, as scholar Sheldon Richman of the Future of Freedom Foundation and others have shown, voluntary charities and organizations, such as friendly societies that devoted themselves to helping those in need, flourished in the days before the welfare state turned charity into a government function. Today, government welfare programs have supplemented the old-style private programs. One major reason for this is that the policy of high taxes and the inflationary monetary policy imposed on the American people in order to finance the welfare state have reduced the income available for charitable giving. Many over-taxed Americans take the attitude toward private charity that "I give at the (tax) office."

Releasing the charitable impulses of the American people by freeing them from the excessive tax burden so they can devote more of their resources to charity, is a moral and constitutional means of helping the needy. By contrast, the federal welfare state is neither moral or constitutional. Nowhere in the Constitution is the federal government given the power to level excessive taxes on one group of citizens for the benefit of another group of citizens. Many of the founders would have been horrified to see modern politicians define compassion as giving away other people's money stolen through confiscatory taxation. In the words of the famous essay by former Congressman Davy Crockett, this money is "Not Yours to Give."

Voluntary charities also promote self-reliance, but government welfare programs foster dependency. In fact, it is the self-interests of the bureaucrats and politicians who control the welfare state to encourage dependency. After all, when a private organization moves a person off of welfare, the organization has fulfilled its mission and proved its worth to donors. In contrast, when people leave government welfare programs, they have deprived federal bureaucrats of power and of a justification for a larger amount of taxpayer funding.

In conclusion, H.R. 4737 furthers federal control over welfare programs by imposing new mandates on the states which furthers unconstitutional interference in matters best left to state local governments, and individuals. Therefore, I urge my colleagues to oppose it. Instead, I hope my colleagues will learn the lessons of the failure of the welfare state and embrace a constitutional and compassionate agenda of returning control over the welfare programs to the American people through large tax cuts.

WELFARE: NOT THE FED'S JOB

(By Jesse Ventura)

In 1996, the federal government ended 60 years of failed welfare policy that trapped families in dependency rather than helping them to self-sufficiency. The 1996 law scrapped the federally centralized welfare system in favor of broad flexibility so states could come up with their own welfare programs. It was a move that had bipartisan support, was smart public policy and worked.

Welfare reform has been a huge success. Even those who criticized the 1996 law now agree it is working. Welfare case loads are down, more families are working, family income is up, and child poverty has dropped.

The reason is simple: state flexibility. In six short years the states undid a 60-year-old federally prescribed welfare system and created their own programs which are far better for poor families and for taxpayers.

But now it appears the Bush administration is having second thoughts about empowering the states. The administration's proposal would return us to a federally prescribed system. It would impose rules on how states work with each family, forcing a "one size fits all" model for a system that for the past six years has produced individualized systems that have been successful in states across the country.

I would hope that as a former governor, President Bush would understand that these problems are better handled by the individual states. The administration's proposal would cripple welfare reform in my state and many others.

I know that my friend Health and Human Services Secretary Tommy Thompson did a wonderful job of reforming Wisconsin's welfare system. But that doesn't mean the Wisconsin system would be as effective in Vermont. My state of Minnesota is also a national model for welfare reform. It is a national model, in part because we make sure welfare reform gets families out of poverty. How do we do this? Exactly the way President Bush and Secretary Thompson would want us to do it: by putting people to work.

But here's the rub—it matters how families on welfare get to work. In Minnesota, we work with each family one on one and use a broad range of services to make sure the family breadwinner gets and keeps a decent job. For some families it might take a little longer that what the president is comfortable with, but the results are overwhelmingly positive. A three-year follow-up of Minnesota families on welfare found that more than three-quarters have left welfare or gone to work. Families that have left welfare for work earn more than \$9 an hour, higher than comparable figures in other states. The federal government has twice cited Minnesota as a leader among the states in job retention and advancement.

An independent evaluation of Minnesota's welfare reform pilot found it to be perhaps the most successful welfare reform effort in the nation. The evaluation found Minnesota's program not only increased employment and earnings but also reduced poverty, reduced domestic abuse, reduced behavioral problems with kids and improved their school performance. It also found that marriage and marital stability increased as a result of higher family incomes.

The administration's proposal would have Minnesota set all this aside and focus instead on make-work activities. In Minnesota we believe that success in welfare reform is about helping families progress to a self-sufficiency that will last. While it may be politically appealing to demand that all welfare recipients have shovels in their hands, it makes sense to me that the states—and not the feds—are in the best position to make those decisions.

We know what we are doing in Minnesota works. We have evidence. And our way of doing things has broad support in the state. Why should we be forced by the federal government to put our system at risk?

I believe in accountable and responsive government, and have no problem with the federal government holding states accountable for results in welfare reform. But I also believe that in this case the people closest to the problem should be trusted to solve the problem and be left alone if they have.

Secretary Thompson, with the blessing of the president, seems to be taking us down a road that violates the tenets of states' rights.

Say it ain't so, Tommy. As long as it's working, why not let the states do our own thing?

Ms. EDDIE BERNICE JOHNSON of Texas.
Mr. Speaker since the historic overhaul of this

country's welfare system in 1996, we have witnessed dramatic changes in how this nation treats our poor children and families. While welfare rolls have dropped by more than 50 percent, many families have lost Food stamp benefits and Medicaid despite continued eligibility. In addition, numerous low-income families remain below the poverty line despite employment.

One of the most important issues Congress must address when considering reauthorization of the 1996 Welfare Reform Act is how race and ethnicity factor in why some welfare recipients have failed to obtain gainful and lasting employment. Research has shown that minorities face significantly more discrimination in the services they receive from welfare agencies as well as in the treatment they receive on the job.

Numerous studies have documented cases of racial disparities in Welfare Reform, and I believe they are worth mentioning.

A recent Chicago Urban League study found that while more than 50 percent of white recipients were referred to education programs, less than 20 percent of African Americans were referred to the same programs.

A statewide study of welfare recipients in Virginia by Professor Susan Gooden of Virginia Tech found that although African American program participants were, on average, better educated than whites, zero African Americans were directed to education programs to fulfill their requirements. At the same time, 41 percent of whites were steered to education programs. The study also found that African Americans were also less likely to receive discretionary support such as transportation assistance, less likely to be placed in jobs by the state employment agency, and more likely to be subjected to drug and background tests, than white recipients.

A Gooden Employer study (1999) found that whites were more likely to have longer interviews than blacks (25 min v. 11 min), less likely to have a negative relationship with their supervisor (29 percent v. 64 percent), and less likely to undergo pre-employment testing (24 percent v. 45 percent).

Cruel and Usual, an Applied Research Center survey of more than 1,500 welfare recipients in 13 states, found that discriminatory treatment on the basis of gender, race, language, and national origin was a common experience. Forty-eight percent of African American women and 56 percent of Native American women who received job training were sent to demeaning "Dress for Success" classes, compared with only 24 percent of white women.

At the same time that people of color are being marginalized by our welfare system, (according to an Applied Research Center study) African Americans and other minorities are disproportionately affected by our current recession:

After September 11, the increase in unemployment rates for African Americans and Latinos was more than double that for whites. Unemployment among African Americans soared to 11.2 percent in April of this year and rose to 7.9 percent for Hispanics. African Americans has reached its highest point in 8 years, while Latino unemployment is its highest in 5.

In New York City, where unemployment has skyrocketed since the events of September 11, the New York Times reported in February

that African American workers accounted for only 27 percent of those collecting unemployment insurance benefits, even though they account for about 37 percent of the jobless. For Latinos, the Pew Hispanic Center reports that out of 1.26 million unemployed Latinos in December 2001, only 40 percent are likely to be receiving unemployment benefits, leaving some 756,000 unable to access the benefits to support their families.

Let me be clear: efforts to improve our economy are not reaching people of color. African Americans are losing their jobs at nearly twice the national average. Latino unemployment hovers near 5 year high. These numbers are an outrage and are unacceptable. But, they don't even tell the whole story. While these workers are losing their jobs and their families are suffering, the Bush Administration is proposing cutbacks in job training programs and reductions in education funding that would help put people in a better position to earn a living wage.

Here we are poised to reauthorize welfare reform with Members on both sides of the aisle calling for an increase in the number of hours recipients must work to stay eligible for transitional assistance. I hope that these new unemployment numbers indicating that more Americans are getting laid off will force Members to rethink their positions. How can we look these people in the eye and tell them to work longer hours when there aren't even jobs available to them?

In 1996, we handed the administration of the welfare programs over to states. And who know better than the states that have been administering the TANF programs what will and what won't work?

The National Governors Association (NGA) is very concerned about how the Republican plan takes away the state's flexibility in administering TANF programs. In April of this year the National Governors Association (NGA) and the American Public Human Services Association (APHSA) conducted a joint survey of Governors and state TANF administrators to assess the impact proposed changes to the work requirements would have on current state welfare reform initiatives. This study found that: "As states work with families on a more individualized basis, many states are finding that a combination of activities on a limited basis, such as work, job training, education, and substance abuse treatment, leads to the greatest success for some individuals. Governors believe the federal government should recognize the success of these tailored approaches to addressing an individual's needs by providing states greater discretion in defining appropriate work activities."

Also in the NGA report, "States expressed concerns over the impact of level funding of the TANF block grant; citing inflation having reduced the purchasing power of the block grant, making it unlikely that the block grant will keep pace with the rising costs of services, such as case management, employment and training, transportation and child care."

The majority of states (33) responding cited concerns about meeting the proposed work requirements in rural areas where the economy is often lagging and employment opportunities are limited.

The State of Illinois responded, "A 70 percent participation rate with a 40 hour a week requirement will probably require two things. First, creation of a number of make work activities or greater use of current ones, whether