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Mr. PAUL. Mr. Speaker, no one familiar with the history of the past century can doubt that private charities, particularly those maintained by persons motivated by their faith to perform charitable acts, are more effective in addressing social needs than federal programs. Therefore, the sponsors of HR 7, the Community Solutions Act, are correct to believe that expanding the role of voluntary, religious-based organizations will benefit society. However, this noble goal will not be accomplished by providing federal taxpayer funds to these organizations. Instead, federal funding will transform these organizations into adjuncts of the federal government and reduce voluntary giving on the part of the people. In so doing, HR 7 will transform the majority of private charities into carbon copies of failed federal welfare programs.

Providing federal funds to religious organizations gives the organizations an incentive to make obedience to federal bureaucrats their number-one priority. Religious entities may even change the religious character of their programs in order to please their new federal paymaster. Faith-based organizations may find federal funding diminishes their private support as people who currently voluntarily support religious organizations assume they ``gave at the (tax) office'' and will thus reduce their levels of private giving. Thus, religious organizations will become increasingly dependent on federal funds for support. Since ``he who pays the piper calls the tune'' federal bureaucrats and Congress will then control the content of ``faith-based'' programs.

Those who dismiss these concerns should consider that HR 7 explicitly forbids proselytizing in ``faith-based' programs receiving funds directly from the federal government. Religious organizations will not have to remove religious icons from their premises in order to receive federal funds. However, I fail to see the point in allowing a Catholic soup kitchen to hang a crucifix on its wall or a Jewish day care center to hang a Star of David on its door if federal law forbids believers from explaining the meaning of those symbols to persons receiving assistance. Furthermore, proselytizing is what is at the very heart of the effectiveness of many of these programs!

H.R. 7 also imposes new paperwork and audit requirements on religious organizations, thus

diverting resources away from fulfilling the charitable mission. Supporters of HR 7 point out that any organization that finds the conditions imposed by the federal government too onerous does not have to accept federal grants. It is true no charity has to accept federal grants. It is true no charity has to accept federal funds, but a significant number will accept federal funds in exchange for federal restrictions on their programs, especially since the restrictions will appear ``reasonable'' during the program's first few years. Of course, history shows that Congress and the federal bureaucracy cannot resist imposing new mandates on recipients of federal money. For example, since the passage of the Higher Education Act the federal government has gradually assumed control over almost every aspect of campus life.

Just as bad money drives out good, government-funded charities will overshadow government charities that remain independent of federal funding. After all, a federally-funded charity has the government's stamp of approval and also does not have to devote resources to appealing to the consciences of parishioners for donations. Instead, government-funded charities can rely on forced contributions from the taxpayers. Those who dismiss this as unlikely to occur should remember that there are only three institutions of higher education today that do not accept federal funds and thus do not have to obey federal regulations.

We have seen how federal funding corrupts charity in our time. Since the Great Society, many organizations which once were devoted to helping the poor have instead become lobbyists for ever-expanding government, since a bigger welfare state means more power for their organizations. Furthermore, many charitable organizations have devoted resources to partisan politics as part of coalitions dedicated to expanding federal control over the American people.

Federally-funded social welfare organizations are inevitably less effective than their counterparts because federal funding changes the incentives of participants in these organizations. Voluntary charities promote self-reliance, while government welfare programs foster dependency. In fact, it is in 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 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.

Accepting federal funds will corrupt religious institutions in a fundamental manner. Religious institutions provide charity services because they are commanded to by their faith. However, when religious organizations accept federal funding promoting the faith may take a back seat to fulfilling the secular goals of politicians and bureaucrats.

Some supporters of this measure have attempted to invoke the legacy of the founding fathers in support of this legislation. Of course, the founders recognized the importance of religion in a free society, but not as an adjunct of the state. Instead, the founders hoped a religious people would resist any attempts by the state to encroach on the proper social authority of the church. The Founding Fathers would have been horrified by any proposal to put churches on the federal dole, as this threatens liberty by subordinating churches to the state.

Obviously, making religious institutions dependent on federal funds (and subject to federal regulations) violates the spirit, if not the letter, of the first amendment. Critics of this legislation are also correct to point out that this bill violates the first amendment by forcing taxpayers to subsidize religious organizations whose principles they do not believe. However, many of these critics are inconsistent in

[Page: H4260] GPO's PDF that they support using the taxing power to force religious citizens to subsidize secular organizations.

The primary issue both sides of this debate are avoiding is the constitutionality of the welfare state. 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. After all, the words of the famous essay by former Congressman Davy Crockett, that money is ``Not Yours to Give.''

Instead of expanding the unconstitutional welfare state, Congress should focus on returning control over welfare to the American people. As Marvin Olaksy, the ``godfather of compassionate conservatism,'' and others have amply documented, before they were crowded out by federal programs, private charities did an exemplary job at providing necessary assistance to those in need. These charities not only met the material needs of those in poverty but helped break many of the bad habits, such as alcoholism, taught them ``marketable'' skills or otherwise engaged them in productive activity, and helped them move up the economic ladder.

Therefore, it is clear that instead of expanding the unconstitutional welfare state, Congress should return control over charitable giving to the American people by reducing the tax burden. This is why I strongly support the tax cut provisions of H.R. 7, and would enthusiastically support them if they were brought before the House as a stand alone bill. I also proposed a substitute amendment which would have given every taxpayer in America a $5,000 tax credit for contributions to social services organizations which serve lower-income people. Allowing people to use more of their own money promotes effective charity by ensuring that charities remain true to their core mission. After all, individual donors will likely limit their support to those groups with

a proven track record of helping the poor, whereas government agencies may support organizations more effective at complying with federal regulations or acquiring political influence than actually serving the needy.

Many prominent defenders of the free society and advocates of increasing the role of faith-based institutions in providing services to the needy have also expressed skepticism regarding giving federal money to religious organizations, including the Reverend Pat Robinson, the Reverend Jerry Falwell, Star Parker, Founder and President of the Coalition for Urban Renewal (CURE), Father Robert Sirico, President of the Action Institute for Religious Liberty, Michael Tanner, Director of Health and Welfare studies at the CATO Institute, and Lew Rockwell, founder and president of the Ludwig Von Misses Institute. Even Marvin Olaksy, the above-referenced ``godfather of compassionate conservatism,'' has expressed skepticism regarding this proposal.

In conclusion, Mr. Speaker, because H.R. 7 extends the reach of the immoral, unconstitutional welfare state and thus threatens the autonomy and the effectiveness of the very faith-based charities it claims to help, I urge my colleagues to reject it. Instead, I hope my colleagues will join me in supporting a constitutional and compassionate agenda of returning control over charity to the American people through large tax cuts and tax credits.