

FOIA MARKER

**This is not a textual record. This is used as an
administrative marker by the William J. Clinton
Presidential Library Staff.**

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Press Secretary

Series/Staff Member: Dee Dee Myers

Subseries:

OA/ID Number: 2922

FolderID:

Folder Title:

[Press Guidance] - April 29, 1994

Stack:

S

Row:

94

Section:

2

Shelf:

11

Position:

2

TALKING POINTS ON LEGISLATION TO EXEMPT VETERANS HEALTH ADMINISTRATION FROM FTE CUTS

- As Director Panetta wrote in his letter to House leaders, this legislation would make it virtually impossible to carry out the streamlining that Congress itself mandated just a few weeks ago.
- It exempts one of the largest agencies in government -- one that has 17 percent of non-defense and non-Postal FTEs. This (a) puts additional pressure on other agencies to reduce their personnel levels even further and (b) encourages supporters of other agencies to seek similar protection. As Director Panetta said, this is a zero-sum game.
- The most vulnerable agencies are those with the largest numbers of FTEs, and those would include the Social Security Agency, the Justice Department, and Defense.
- Yesterday's vote was actually a respectable vote, given that most legislation regarding veterans passes unanimously, and given that most House Members were not available on Wednesday and so were not aware of our concerns about the bill.
- We are very hopeful that as Members of the Senate understand the implications of this legislation, particularly for other agencies, they will not approve it.
- **IF ASKED WHETHER THE PRESIDENT WOULD VETO THE BILL:** We feel very strongly that this bill should not be adopted, and at this point, we are hopeful that the Congress will not adopt it. We'll cross that bridge when we come to it, but we are hopeful that we are not even going to come to it.

FYI - Veterans Dept. is expected
To release statement today;
They are coordinating with
OMB. (Attached)

President spoke with Sen. Jesse
Brown on Saturday.

Draft

(VA has been asked by the media to comment on the House vote on HR 4013. Secretary Brown is providing the following statement in response to those requests:)

"Along with the other departments, VA is prepared to carry out the Administration's plan for implementing the Federal Workforce Restructuring Act of 1994. With the advent of national health-care reform, VA will be placed in a new competitive environment that will require us to have maximum flexibility to deliver comprehensive, cost-effective service. In that environment, VA staffing will be market-driven. Any legislation that restricts our ability to adjust could damage our ability to compete.

"I have personally spoken with the President and he has assured me that the nation's commitment to its veterans will be upheld and that he 'does not intend to let the VA health-care system go down the tube.'"