



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE SECRETARY

FAX TRANSMITTAL

TO: Kate Can / Mike Schmitt / Paul Dimmel

ORGANIZATION: White House

FAX NUMBER: _____

FROM: JENNIFER DAVIS

PHONE NUMBER: (202) 401-3049 FAX #: (202) 401-0596

MESSAGE: Attached is an initial

target list along with a copy of

the May, 1995 Business Coalition

letter to the Hill.

Mike and I will be in

touch soon.

Joe Gorman, TRW
Frank Shrontz, Boeing
David Kearns, former Deputy Secretary and CEO of Xerox
John Ong, BFGoodrich
Paul Allaire,
Lou Gerstner, IBM
Ed Donnelly
John Hall, Ashland
David Orr, Alcatel
Harry Featherstone, Wil-Burt
Lawrence Perlman, Ceridian
John Clendenin, BellSouth
James Orr, Unam
John Pepper, Procter & Gamble
Alan Wurtzel or Rick Sharp, Circuit City
Oz Nelson, UPS
Jack Rennie, Pacer Systems
John Gottschalk, Omaha World Herald

Other: (1) CEO's who endorsed Clinton
(2) CEO's who participated in regional economic meetings
(3) small business--Chamber/NFIB

BUSINESS COALITION FOR EDUCATION REFORM

1201 NEW YORK AVENUE, NW • SUITE 700
WASHINGTON, D.C. 20005 • (202) 289-2888

May 10, 1995

Honorable William F. Goodling
Chairman
Committee on Economic and Educational Opportunities
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Business Coalition for Education Reform believes that higher academic standards are crucial to the nation's education reform efforts and to the ultimate success of every child in school. We have aggressively supported bipartisan legislation in Congress for this purpose and have been actively engaged in advancing reform in nearly every state.

During the 102nd Congress, the Coalition worked for the enactment of President Bush's America 2000 proposal. Last year, we stood behind the enactment of President Clinton's Goals 2000: Educate America Act. During the debate on these proposals, our interest focused on two issues: First, the need to establish higher academic standards for all students, and, second, to provide states with financial assistance that would either accelerate the education reform already underway, or help jump-start new, comprehensive education improvements.

New legislation has been introduced in both the House of Representatives (H.R. 1045, H.R. 977) and in the Senate (S. 323, S. 469) to amend Goals 2000. We continue to support the underlying principles for reform contained in the Act, but believe that the provisions creating the National Education Standards and Improvement Council (NESIC) and opportunity-to-learn standards could be eliminated. We continue to support the role of the federal government in providing leadership as well as creating incentives for states to set high academic standards for what students should know and be able to do.

AMERICAN BUSINESS CONFERENCE • BLACK BUSINESS COUNCIL • BUSINESS-HIGHER EDUCATION FORUM
THE BUSINESS ROUNDTABLE • COMMITTEE FOR ECONOMIC DEVELOPMENT • THE CONFERENCE BOARD
CHAMBER OF COMMERCE OF THE UNITED STATES • NATIONAL ALLIANCE OF BUSINESS
NATIONAL ASSOCIATION OF MANUFACTURERS • NATIONAL ASSOCIATION OF WOMEN BUSINESS OWNERS
U.S. HISPANIC CHAMBER OF COMMERCE

BUSINESS COALITION FOR EDUCATION REFORM

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Most member companies within our Coalition agree that education quality continues to be a national issue and a national problem, with serious potential consequences for our economic future and social strength. Consequently, we believe that there is an appropriate role for national leadership in benchmarking knowledge and skills, such as performing an information clearinghouse function, or providing advice, analysis, or technical assistance upon request that would help states understand how they compare to the best in the world. We also believe that it is inappropriate for the federal government to dictate or control education decisions that are state and local concerns.

Standards for knowledge and skills are used already by employers every day in the marketplace. They are used for hiring and promoting people, and continue to change rapidly in a competitive world economy. Our youth will continue to pay the price if we fail to articulate clear expectations for knowledge and competence. Young people with high school diplomas may think that they have a passport to the future, but too few are qualified for employment against the high standards required in the global economy. The stark reality is that youth who cannot perform against high workplace expectations are not going to be employed.

As you proceed with legislation to amend the Goals 2000: Educate America Act, we strongly urge you to ensure that states be given the national support they need to move their reforms forward with high benchmarks for educational excellence.

Sincerely,

American Business Conference
Black Business Council
The Business Roundtable (Coalition co-chair)
Chamber of Commerce of the United States
National Alliance of Business (Coalition co-chair)
National Association of Manufacturers
National Association of Women Business Owners
U.S. Hispanic Chamber of Commerce

(Coalition participants not having specific policies on this issue or otherwise unable to sign include: Business-Higher Education Forum, Committee for Economic Development, and The Conference Board)



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

July 19, 1995

Dear Friends of Education:

I invite you to join me and others during the week of September 11 to kick off *America Goes Back to School: A Place for Families and the Community*. Through this effort we are encouraging all Americans to support family and community involvement in learning. I am inviting leaders and successful role models like yourself from all walks of life to support this initiative by going back to school and participating in an activity that demonstrates how simple, yet important, it is to be involved in improving our schools and making them safe places of learning. I see this as a first step in an effort to involve adults in schools year-round.

The Family Involvement Partnership for Learning, a coalition of more than 140 family, community, religious and education organizations dedicated to improving children's learning through the development of family-school-community partnerships, is sponsoring *America Goes Back to School* in conjunction with the U.S. Department of Education. The Partnership also enjoys support from many family-friendly businesses.

America Goes Back to School: A Place for Families and the Community invites individuals -- parents, grandparents, community leaders, professionals, people skilled in vocational trades, members of the arts community, religious leaders, and lay people...all Americans -- to rally around their local schools and make a commitment to support education improvement and community involvement throughout the year. This support and involvement can help our schools to further improve and sends a message to our children that we care and want them to be successful.

Studies show that family and community support for education results in students learning to higher standards and schools that are safer. *America Goes Back to School* encourages adults everywhere to make a commitment throughout the year to be meaningfully involved in local schools, and help prepare all children to meet the challenges of the 21st century.

A resource guide of key education issues and practical ideas on how you can be involved will be available in early September. You may order your copy by calling the U.S. Department of Education at 1-800-USA-LEARN. I hope this guide will help facilitate your participation in *America Goes Back to School*.

Your support for family involvement in children's learning can make a positive difference: a win/win situation for families, schools and communities across the nation. I welcome your support of and participation in *America Goes Back to School* and hope that you will support and get involved with this opportunity.

Yours sincerely,

Richard W. Riley

AMERICA GOES BACK TO SCHOOL
A PLACE FOR FAMILIES AND THE COMMUNITY
An Invitation to Support Family and Community Involvement in Learning

All across America people are taking a long, hard look at our schools and discovering some very positive things. But they're also discovering that if America is to move forward and maintain its place as a world leader, more individuals need to become involved. Schools can't do it alone. Schools need partners they can count on. Schools need people like you.

The American public wants the best for their children. These include:

- ★ Improving the basics and core academics;
- ★ Creating safe and drug free school environments;
- ★ Making college more accessible;
- ★ Getting technology and computers into the classroom as fast as possible;
- ★ Raising standards of achievement and discipline;
- ★ Connecting schools and families with community resources and school-to-work opportunities.

America Goes Back to School: A Place for Families and the Community is designed to foster grassroots support to meet these expectations by inviting individuals -- parents, grandparents, community leaders, professionals, people skilled in vocational trades, members of the arts community, religious leaders...all Americans -- to rally around their local schools and make a commitment to support education improvement throughout the year.

The Family Involvement Partnership for Learning is sponsoring *America Goes Back to School* and invites you to get involved in your community to improve education. The Partnership is a coalition of more than 140 family, community, religious, and education organizations, including the U.S. Department of Education, dedicated to supporting family involvement in children's learning through family-school-community partnerships. It also enjoys support from many family-friendly businesses.

Studies show that a family's and a community's support for education produces results. *America Goes Back to School* encourages everyone to make a commitment to help solve the problems facing local schools, and help prepare all children to meet the challenges of the 21st century. Remember, involvement can be simple and fun and it can take place in a variety of educational settings. But whatever your choice, it's YOUR partnership with schools that makes a difference! Call your school to get involved.

For a resource guide with suggested school involvement activities, information about the Partnership, or family and community involvement print and video materials, call the U.S. Department of Education at 1-800-USA-LEARN today.

Come on, AMERICA...let's go BACK TO SCHOOL!

--See reverse for ideas for your participation--

1. Improving the basics and core academics.

- ★ *Families:* Read and write together, use TV wisely, and encourage your children to do their best.
- ★ *Schools:* Rigorously teach the basics and encourage family involvement in teaching and learning the basics.
- ★ *Community, religious, and business groups:* Provide tutors, as well as adult literacy training.

2. Creating safe and drug free school environments.

- ★ *Families:* Organize and participate in "parent patrols" or "security dads and moms".
- ★ *Schools:* Require firm, fair rules, and keep in touch with families before problems arise.
- ★ *Community and religious groups:* Make safe neighborhoods and safe passages to school a priority.

3. Make college more accessible.

- ★ *Families:* Make sure your children enroll in courses that prepare them for college and/or careers.
- ★ *Schools:* Offer college-prep classes, be sure all students know about them in time to plan their academic program, and build local partnerships with colleges, universities, and community colleges.
- ★ *Colleges:* Visit K-12 schools to advise students of entrance requirements and to share resources with the faculty.

4. Get technology and computers into the classroom as fast as possible.

- ★ *Families:* Work in partnership with the schools to get computers in schools and homes.
- ★ *Schools:* Make the use of technology and computers a learning priority.
- ★ *Community and religious groups:* Establish computer labs in neighborhood centers.
- ★ *Business:* Assist schools directly by supplying computers and computer training.

5. Raise standards of achievement and discipline.

- ★ *Families:* Enroll children in tougher courses and keep in contact with teachers to ensure children are getting what they need.
- ★ *Schools:* Raise academic standards and encourage students to work hard to meet them.
- ★ *Community, religious and business groups:* Offer mentoring programs and homework centers.
- ★ *Business:* Adopt flexible employee leave policies that accommodate school visits/volunteering.

6. Connect schools and families with community resources and school-to-work opportunities.

- ★ *Families:* Take advantage of learning opportunities in the community and support service programs.
- ★ *Schools:* Forge new partnerships with community groups to expand learning opportunities, especially for tech-prep, in evenings, weekends, and summer; enrich daily instruction; and provide students with service experiences.
- ★ *Community and religious groups:* Offer affordable, quality afterschool and summer learning opportunities.
- ★ *Businesses:* Provide apprenticeships, internships, and training opportunities for students and teachers.
- ★ *Colleges:* Bring high school students and their families on campus to build connections and share information about the existence of financial aid.



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

SUGGESTIONS FOR AMERICA GOES BACK TO SCHOOL EVENTS

We very much appreciate your involvement in "America Goes Back to School." To make your participation easy, we suggest the following three-prong approach to planning your event. We think that, following this approach, your total event should last about 1 hour.

I.

Contact "your school" to discuss how best to use your time to help your school.

II.

We know that your time is valuable and limited. Following are some suggested activities that should take no more than 45 minutes:

- * read a book to elementary students;
- * eat lunch with students to draw attention to the importance of good nutrition as a part of learning;
- * bring in some props or technology that you utilize in your profession and demonstrate it for the students;
- * speak to an assembly or a classroom of students about how education has benefitted you;
- * teach a lesson about your profession and tell students what skills they'll need to pursue the same career;
- * participate in a meeting focused on how the community can support and become more involved in its schools;
- * lead a master class;
- * have a discussion about how to create a safe and drug free learning environment;
- * work with the school to highlight some innovative teaching techniques specific to that school;
- * invite a classroom to visit your workplace for hands-on learning opportunities.

These are only a few suggestions. No doubt you have ideas that fit your and your school's needs and expectations of how to involve your community in improving education.

III.

To encourage others in your community to become involved, we suggest that you hold a brief (15-minute) press availability following your event. A sample media advisory and information sheet are attached and can be customized to alert the media.

If you have questions, please call 1 (800) USA-LEARN .

UNITED STATES
DEPARTMENT OF EDUCATION



NEWS

****ADVISORY****

****ADVISORY****

****ADVISORY****

WHO: Jane Doe

WHAT: returns to her hometown elementary school to read a book to first grade students in support of "America Goes Back To School, a nationwide family and community involvement initiative

WHEN: Insert date and time

WHERE: Insert location

Jane Doe returns to ??? Elementary School to spotlight the importance of parent and community support for local schools. She joins prominent people nationwide effort focusing attention on how simple yet important it is for Americans to rally around local schools to support improved learning and schools that are safe.

"America Goes Back To School: A Place For Families and the Community" is designed to foster grassroots efforts to address challenges facing education today. It is a joint initiative sponsored by the Family Involvement Partnership for Learning and the U.S. Department of Education. The Partnership is a coalition of more than 140 education, community, parent and religious organizations dedicated to improving education in America's schools. It also enjoys support from many family-friendly businesses.

CONTACT: Diane Jones (202) 401-3725

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SAMPLE

FAMILY INVOLVEMENT PARTNERSHIP FOR LEARNING

*Academy for Educational Development*AFL-CIO*African Methodist Episcopal Church*Agudath Israel of America*American Alliance of Physical and Health Education, Recreation and Dance*American Association for Higher Education*American Association of Colleges for Teacher Education*American Association of School Administrators*American Council for the Arts*American Federation of Teachers*American Gas Association*American Youth Policy Forum*ASPIRA*Assemblies of God*Association for Supervision and Curriculum Development*Association of Christian Schools International*B'nai B'rith International*The Betty Phillips Center for Parenthood Education*Boys and Girls Club of America*The Buddy System Project*The Business Roundtable*Center for Law and Education*Center for the Improvement of Child Caring*Center for the Study of Parent Involvement*Center on Families, Communities, Schools and Children's Learning*Children's Aid Society*Christian Brothers Conference*Church of God in Christ*Church of Jesus Christ of Latter Day Saints*Cities in Schools*College Board*Committee for Economic Development*Corporation for Education Technology*Council for American Private Education*Council for Educational Development and Research*Council for Exceptional Children*Council for Religion in Independent Schools*Council of Bishops of the United Methodist Church*Council of Chief State School Officers*Council of Churches of Greater Washington*Council of Jewish Federations*Council of Spouses of Bishops of the United Methodist Church*Council of the Great City Schools*Education Publishing Group*ERIC Clearinghouse on Urban Education*Evangelical Lutheran Church in America*Families and Work Institute*Family Impact Seminars*Family Resource Coalition*Family Service America*Fort Hood, Texas*General Conference of the Seventh Day Adventist Church*General Federation of Women's Clubs*Girl Scouts of America*Grandparents Network, AARP*Greek Orthodox Archdiocese of North and South America*HIPPI USA*Hispanic Policy Development Project*Home and School Institute*Howard University, School of Education*Institute for Educational Leadership*Institute for Responsive Education*International Reading Association*Lancaster Area Council of Mennonite Schools*Lutheran Church--Missouri Synod*Mexican American Legal Defense and Education Fund*Muslim Public Affairs Council*National Alliance of Business*National Assembly of National Voluntary Health and Social Welfare Organizations*National Association for Bilingual Education*National Association for the Education of Young Children*National Association of Elementary School Principals*National Association of Evangelicals*National Association of Independent Schools*National Association of Partners in Education*National Association of School Psychologists*National Association of Secondary School Principals*National Association of Social Workers*National Association of State Directors of Vocational and Technical Education*National Association of State Boards of Education*National Baptist Convention, USA, Inc.*National Black Child Development Institute*National Catholic Educational Association*National Center for Family Literacy*National Church of God*National Coalition of Title I/Chapter 1 Parents*National Community Education Association*National Conference*National Council of Churches of Christ, Commission on Family Ministries *National Council of Jewish Women*National Council of La Raza*National Dropout Prevention Center*National Education Association*National Education Goals Panel*National Head Start Association*National Information Center for Children and Youth with Disabilities*National Institute for Literacy*National Middle Schools Association*National Parent Network on Disabilities*National PTA*National Retired Teachers Association (AARP)*National School Boards Association*National School Supply and Equipment Association*National Small Business United*National Urban League*Optimists International*Organizations Concerned About Rural Education*Organizations of Chinese Americans*Parent Institute*Parents as Teachers National Center Inc.*Parents for Public Schools*Parents, Inc.*Partnership for Learning*Presbyterian Church (USA)*Progressive National Baptist Convention, Inc.*Project Parents*Quality Education for Minorities Network*Rabbinical Assembly*RMC Research*Scholastic Inc.*School Improvement Council Assistance Project*Shiloh Baptist Church*Solomon Schechter Day School Association*Southern Baptist Convention, Christian Life Commission*U.S. Chamber of Commerce*U.S. Department of Education*Union of American Hebrew Congregations*Union of Orthodox Jewish Congregations of America*United Church of Christ--Board for Homeland Ministries*United States Catholic Conference*United Synagogue of Conservative Judaism*United Way of America*Washington Parent Group Fund*Webster's International, Inc.*YMCA of USA*Youth Guidance of Chicago*



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

**AMERICA GOES BACK TO SCHOOL:
A PLACE FOR FAMILIES AND COMMUNITIES**

NAME _____

ADDRESS _____

CONTACT NUMBERS () _____ () _____

FAX () _____

INTERNET ADDRESS _____

SCHOOL _____

ADDRESS _____

CONTACT/TITLE _____

PHONE () _____ FAX () _____

ACTIVITY _____

DATE _____ TIME _____

LOCATION _____

FORMAT _____

PARTICIPANTS _____

PRESS AVAIL:

DATE Same as above TIME _____

LOCATION _____

FORMAT _____

PARTICIPANTS _____

PLEASE RETURN COMPLETED FORM TO NANCY OZEAS AT THE DEPARTMENT OF EDUCATION
PHONE (202) 401-4389 FAX (202) 401-0596

600 INDEPENDENCE AVE., S.W. WASHINGTON, D.C. 20202

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

JUL 31 1995

MEMORANDUM FOR LEON PANETTA

PAT GRIFFIN

FROM:

AMZ *SDT* *CLP* *RWR* *by R* *GR*
Alice Rivlin, Laura Tyson, Carol Rasco, Richard Riley, Robert Reich

SUBJECT:

Meeting on Strategy for Workforce Development Legislation

PURPOSE OF THE MEETING. Bills have been reported out of committee in the House (Goodling/McKeon) and Senate (Kassebaum) that consolidate education and training programs for adults and youth. These bills may offer a rare opportunity to enact the major principles of the President's proposed G.I. Bill for America's Workers: Skill Grants and One-Stop Career Centers for adults, and School-to-Work systems for youth.

As outlined in the attached table, and the longer attached memo, the respective committee bills fall short, albeit on different counts. Our goal is to get a bill the President can sign and take credit for on a bipartisan basis. We need to discuss how we accomplish that. More detailed information on the background, bills, and issues is attached.

There is genuine urgency to these issues. This bill in the Senate may come to the floor, attached to Welfare Reform as early as August 4, according to Senator Dole.

MAJOR ISSUES.

1. Skill Grants and Training Program Accountability. While the House requires the use of Skill Grants for adults, the Senate authorizes Skill Grants as only one means among others for purchasing job training services. Getting significant movement toward Skill Grants is critical to having a final bill with this central political and policy hallmark of the G.I. Bill proposal. Performance accountability is essential for Skill Grants not to turn into a failed voucher program.

2. School-to-Work. The House bill does not contain authority for the continuation of the School-to-Work grants started in 1994 and 1995. Without a continuation authorization, the School-to-Work process in many States could be terminated in midstream. Our goal is to authorize funding for full five-year grants to all States.

3. Federal Governance. The Senate places most programs under one block grant to Governors and creates a radically different Federal governance structure, transferring large groups of Labor and Education Federal staff to a new entity called the "Federal Partnership." The new "Partnership" would be overseen by a "Governing Board" directed by business, with other members from labor, education representatives, and Governors. The Board would be

somewhat under the authority of the two Secretaries, raising major questions about who's in charge and accountable to the President and Congress. The arrangement could be a precursor to ED/DOL consolidation. We need to negotiate a neutral alternative.

4. One-Stop Reemployment System/Adult Training. The Senate has no required targeting on either dislocated workers or low-income adults -- a major departure from past practice. It could result in very few dislocated workers being trained for new jobs. We need to get the strongest core job search and training infrastructure, and sufficient authority to ensure we can meet our commitments to dislocated workers and low-income adults.

5. Money. The bills authorize spending levels \$2 to 2.5 billion below the President's new budget plan for comparable programs in FY 1996. Funding for education and training is already a keystone in the President's statements on how his budget choices differentiate him from the Republicans. We need the debate on the workforce bill funding to be consistent with that line and to help develop the strongest positions for the negotiations late this year on final action, and for our FY 1997 budget strategy.

OTHER ISSUES

6. Youth Programs (Job Corps and Summer Jobs). The Senate bill devolves Job Corps to the States and closes 25 centers. Summer jobs are optional in both bills.

7. National Activities. The Senate bill provides no authorization for national activities, such as responding to major dislocations or disasters, and program evaluation. The House authorizes these activities at 60% of 1995 funding.

8. Vocational Rehabilitation. The House bill would merge the State level system for providing vocational services to disabled adults into the broader new system, effectively eliminating Federally-required State agencies for the disabled. The Senate bill maintains the current delivery system.

MAJOR ISSUES IN HOUSE, SENATE, AND PRESIDENT'S JOB TRAINING PROPOSALS

ISSUE	PRESIDENT CLINTON'S G.I. BILL FOR AMERICA'S WORKERS	"CAREERS," H.R. 1617 (GOODLING/ McKEON)	"WORKFORCE DEVELOPMENT ACT," S. 143 (KASSEBAUM)
Skill Grants for adult training	Required. Major component of market-driven reform.	Required, with a few exceptions.	Authorized, but not required. States decide.
School-to-Work Act implementation grants and activities	Fully finances 5-year implementation grants, eventually to all States, and many localities, through 2001. Activities required as framework for reformed youth system.	Repeals Act on 6/30/97. Does not continue existing grants. Puts FY 1996 grants at risk.	Repeals Act on 6/30/98, but States w/grants must continue implementation.
Governance	Retains federal oversight, but as a "performance partnership," demands greater accountability in return for increased State/local flexibility in program design and operation.	Traditional plan approval and federal oversight process. ED assumes <u>all</u> youth oversight. DOL retains adult training oversight.	Radical change. Unleash ED-DOL oversight of new "Partnership" agency of 1,100 FTE transferred from ED and DOL.
One-Stop Reemployment System for disadvantaged and dislocated workers	Like School-to-Work, successive waves of federal grants to increasing numbers of States to spur new system of One-Stop Career centers. Commitment to serve all dislocated workers who need help.	Requires One-Stops. Gives "priority" to dislocated workers and disadvantaged. Authorizes (but cuts FY 95 funding for) Secretarial reserve to fund One-Stop continuation grants.	Requires One-Stop Career centers, but no funding assured for dislocated workers.
Authorizations	Part of President's budget strategy to "put people first" while balancing the budget. FY 1996 budget increases FY 1995's funding by \$1B to \$14.2 B in 1996.	Cuts FY 1995 funding by 20% for all programs in consolidated blocks.	Cuts FY 1995 funding by about 15%.
Youth Programs (Summer Jobs and Job Corps)	Maintains Summer Jobs funding. Job Corps excluded from G.I. Bill Youth. Remains a nationally administered program targeted for long-term, 50% expansion.	Summer jobs optional. No Job Corps provisions.	Summer jobs optional. Job Corps devolved to the States. 25 centers to close.
DOL National activities for disaster relief, special groups, program evaluation	Continues federal role for special groups (e.g., Indians, migrant workers) and for disaster relief, mass layoffs, evaluation, etc.	Activities authorized, but funds cut to about 50% of FY 1995 level.	No authorization. Activities carried out at State option.
Vocational Rehabilitation	Excluded from G.I. Bill. Disabled persons could benefit from system reforms and strengthened consumer information under G.I. Bill.	Major change. Incorporates Voc Rehab delivery into One-Stops.	Maintains current delivery system, but adds links to One-Stops.

BACKGROUND INFORMATION

Workforce Development Legislation

THE SPECIFIC ISSUE. We seek a meeting with you to get your advice and assistance in developing our floor strategy in each chamber and conference position on committee bills that seek to consolidate and streamline federal education and training programs for adults and youth. These bills may offer a rare opportunity to enact major principles of a new Presidential initiative, i.e., Skill Grants and One-Stop Career Centers for adults and School-to-Work systems for youth in the President's proposed G.I. Bill for America's Workers.

As outlined more fully below, however, the respective committee bills fall short, albeit on different counts: for example, Skill Grants are not required for adults in the Senate bill, while the House bill eliminates School-to-Work "seed capital" grants entirely. As a result, the opportunity and the risks are great.

There is genuine urgency to these issues. This bill in the Senate may come to the floor, attached to Welfare Reform as early as August 4, according to Senator Dole.

THE LARGER CONTEXT. Any floor and conference strategy to enact the President's basic principles in the final workforce development bill -- or to veto any bill that doesn't -- must also fit into our larger political strategy:

- to defend education and training as a Presidential budget priority;
- to limit the size of the tax cut and to target it on rewarding middle income families who invest in post-secondary education; and,
- to ward off Republican attempts to gut the rest of the President's education initiatives (including repeal of Goals 2000 and School-to-Work; capping Direct Student Loans, Pell Grants and Head Start; either eliminating the Department of Education or merging it with the Department of Labor; and "blocking and cutting" most education and training programs with a 20-30% reduction).

G.I. BILL BACKGROUND. The President proposed to consolidate federal education and training programs for adults in order to put increased purchasing power and good information directly in the hands of adults so that they can make informed choices about how to get ahead in the changing economy. New Skill Grants for dislocated workers, expanded Pell Grants for the disadvantaged, more convenient and affordable Student Loans for all, and a new education tax deduction for moderate and middle income families would expand the purchasing power, while

better information on the labor and education markets would be available conveniently through One-Stop Career Centers to all individuals. For adult literacy, the President proposed consolidating 12 programs into a single flexible State grant. With respect to youth programs, the President proposed consolidating federal vocational education programs to expand School-to-Work opportunities. The 1996 Budget increased the 1995 level of appropriations by \$1 billion to \$14.2 billion (or by \$.6 billion to \$7.4 billion, when Pell Grants are accounted for separately as in the current House and Senate bills). The new budget proposed by the President confirms these levels.

On May 24th and June 21st, respectively, the House and Senate committees reported out their versions.

- House. The Goodling-McKeon CAREERS bill (H.R. 1617) was reported by a largely bipartisan vote of 29-5. It consolidates more than 90 programs into four State grants (youth, adult training, literacy, and vocational rehabilitation) with funding authorized at about 80% of the FY 1995 level. Skill Grants are generally required for adult training, and priority is given to disadvantaged and dislocated workers; youth programs are loosely organized around the school-to-work concept; the delivery system incorporates One-Stop Career centers. There are relatively strong accountability requirements (which the NGA opposed on a bipartisan basis).

We agreed with the majority to underplay our support for the bill prior to floor action, fearing a strong endorsement could lend weight to Republican freshmen and Governors who are still working for a Zeliff substitute that would block grant all funds to the governors to do with as they please.

- Senate. The Workforce Development Act (S. 143, Kassebaum) was reported out by a near party line vote of 10-6, Senator Pell voting with the Republicans but still expressing serious reservations about some features, including governance. Compared to the House bill, which grouped block grants by target population, the Senate bill consolidates 91 programs into a single State block grant divided at the State level by function -- one-quarter of the funds is reserved for employment, another quarter for education, and half is for a flexible pot which the Governor may use for any mix of education or employment activities, including support for economic development activities broadly defined. Some features incorporate the principles, but not the specifics, of two aspects of the G.I. Bill: requiring One-Stop Career Centers for service delivery and continuing support for School-to-Work activities.

The overall authorization (15% cut from 1995) is more generous than the House, but given the 50% flexible pot, it is almost certain the Senate bill would result in less spending on adult training -- for example, the bill requires no targeting on dislocated workers or low-income adults and provides "corporate welfare" through economic development subsidies. In addition, it only authorizes, but does not require Skill Grants;

devolves Job Corps to the States; and has an extremely limited federal role in accountability. Unlike the House, S. 143 does not require the Federal government to work with States in defining performance indicators.

The Senate bill raised a new issue: the combining of current responsibilities in Education and Labor for these related programs into some kind of jointly administered entity (details still being worked on), loosely analogous to the small, jointly run temporary School-to-Work Opportunities Act seed grant system.

Committee Democrats generally would like to support a bipartisan job training bill. In part, this is because they have many other issues in this committee to fight over (affirmative action, Davis-Bacon, OSHA, rolling back Goals 2000, the education budget); they want to be able to say "yes" to something.

MAJOR ISSUES. Changes are being made in both bills in preparation for floor action, but at this point, the House is much closer to the Administration's proposal and, for the most part, would be the one to be supported in Conference.

1. Skill Grants. The House, like the G.I. Bill, requires (with some exceptions) Skill Grants for adult training; the Senate authorizes them as only one means among others for purchasing job training services. Getting significant movement toward skill grants is critical to having a final bill with this central political and policy hallmark of the G.I. Bill proposal.

- Senator Kassebaum is strongly opposed to requiring skill grants, as are most Governors. We need to do something in the Senate to increase the chances of getting the preferred House language on Skill Grants. One possibility is working with Senator Kennedy, Senator Pell, Minority Leader Daschle, and sympathetic Republicans on changes to require Skill Grants only for dislocated workers. This is closer to the House and this population is seen as less "disadvantaged" and thus more capable of making its decisions on training. If successful, this approach also would assure some resources are used for dislocated worker training.

2. School-to-Work. About 30 States will have received these five-year grants by the end of this summer. Most of the remaining States would receive grants in FY 1996 under our budget; this "seed money" program would phase down over time as States implement the new arrangements. The issue in the House is that the bill does not contain any authority for the continuation of the initial School-to-Work grants; the Senate requires States to use funds from the 50% "flex account" to continue the School-to-Work grants. Without such a continuation authorization, the School-to-Work process in many States could be terminated in midstream.

- There is support from House Committee Democrats (Williams and Roemer) to insert language before floor action that would support continuations. Some Committee Republicans appear to be willing to support such language if offered by Democrats. However, some key majority Committee staff has been a source of resistance. Committee Democrats are prepared to meet with Goodling soon on this matter.
- Our goal is to authorize funding for full five-year grants to all States. Eventual compromises might center on limiting the number of continuation years but should aim for initial grants to every State. Initial grants are a 1996 appropriations issue.

3. Governance. The House retains a somewhat traditional federal oversight and plan approval process, but with Education overseeing the youth block grant that includes JTPA youth programs, and Labor overseeing the adult block grant.

The Senate places most programs less than one block grant to Governors and with a radically different Federal accountability and governance structure. The current version of the bill transfers large groups of Labor and Education Federal staff (those associated with administering job training and employment activities and vocational and adult education activities) to a new entity called the "Federal Partnership." The Federal Partnership would be overseen by a "National Board" comprising seven representatives of business, and two each from labor, education representatives, and Governors. The Board would be somewhat under the authority of the two Secretaries, blurring lines of accountability and responsibility. It is not clear who is in charge of, and can be held fully accountable for, the Federal role: the President through his two Cabinet Secretaries, the quasi-governmental National Board, the new Partnership, or some combination of these.

- It creates a new agency of about 1,100 employees, more or less outside the Cabinet, adding rather than reducing government complexity.
- By requiring two Secretaries to share management oversight and introducing a governing board with uncertain powers, it sharply reduces accountability and effective oversight and restricts the President's ability to manage and coordinate the activities of the Executive Branch.
- Putting funds under this Act into the Partnership splits workforce development functions from related activities administered within the two departments (e.g., employment service in the Partnership, unemployment insurance in DOL; formerly JTPA adult training funds in the Partnership, the greater adult resources in Pell grants and student loans in ED), making strategic planning and implementation vastly more difficult. Similarly, the arrangement separates the new youth activity from Education Department strategies for Federally-supported education reforms under Goals 2000, ESEA, and School-to-Work.

While Senator Kennedy supports maintaining ultimate authority for funding decisions in the two Secretaries, he is very sympathetic to some new management configuration for the interrelated programs of the two agencies.

The Senate proposal could readily become the basic building block for the merger of ED and Labor functions or the elimination of the Education Department entirely. Senator Kennedy states that he will not permit that, but we need an approach that satisfies Senator Kennedy's desire for a new governance vision, without leading to the Republican end game of no Education Department or a Labor Department that is solely a regulator of the workplace.

4. One-Stop Reemployment System/Adult Training. A key Administration priority in the last Congress and in the G.I. Bill is to assure adequate resources are devoted to (1) developing the Reemployment/One-Stop system and (2) providing training for dislocated workers and low-income adults in that context.

- The House gives priority to dislocated workers under the adult system. It requires States and local communities to establish One-Stop Career Center systems and authorizes federal incentive grants that could fund One-Stop development, with funding coming from the monies reserved for the Secretary to finance programs for special initiatives or populations (the "national reserve" account). However, the House does not explicitly authorize the continuation of One-Stop grants and cuts the national reserve account to about 53 percent of current levels.
- The Senate bill could result in no dislocated workers being trained for new jobs. The Senate bill repeals TAA and NAFTA-TAA which target workers who lost their jobs because of international trade agreements, and it does not require the Governors to spend any money on job training for dislocated workers. It also provides Governors with the discretion to spend up to three-fourths of State funds on economic development and workforce education activities, which would divert more than one-half of current job training dollars to other activities.

We need to work to obtain the strongest core job search and training infrastructure, with sufficient authority to ensure support for our commitments to dislocated workers.

5. Money. The bills authorize spending levels \$2 to 2.5 billion below the President's new budget plan for comparable programs in FY 1996. Our spending would increase annually in the outyears. Given the budget resolution, it seems unlikely that any significant authorization increases will be accepted in either body. The battle will begin with the FY 1996 appropriations, even though neither bill takes full effect until FY 1997; the 1996 level will set the base for future years.

- We will also fight in the appropriations process to implement the President's vision for putting additional adult training resources in the hands of individuals through our proposed major increases for Pell Grants.
- Funding for education and training is already a keystone in the President's statements on how his budget choices differentiate him from the Republicans. We need the debate on the workforce bill funding to be consistent with that line and to help develop the strongest positions for the negotiations late this year on final action, and for our FY 1997 budget strategy.

OTHER ISSUES

6. Youth Programs (Job Corps and Summer Jobs). Our proposal kept Job Corps separate and continued targeting of youth funds on the disadvantaged, but did not explicitly require a separate summer jobs program; that was before the rescission bill included summer jobs, after which we took a strong position in favor of the program. In Senate mark-up, an amendment by Senator DeWine increased by \$500 million, the amount of funds available for at-risk youth, including summer jobs. However, the Senate bill devolves Job Corps to the States, closes 25 of the 121 centers based on performance rankings, and would not ensure targeting on at-risk youth during the year or in the summer. The House has no Job Corps changes and does not earmark summer youth jobs funds.

- Senator Kennedy appears willing to compromise with Kassebaum on Job Corps, granting Governors the right of first refusal to operate centers within their States, and closing some centers that are performing poorly. Kassebaum is adamant that Job Corps be devolved. We need a compromise on Job Corps for the Senate, hoping to drop it in Conference; we need to work with the House and the Senate on directing some youth funds toward summer jobs.

7. National activities. The Senate provides little funding for Labor to respond to employment needs generated by major economic dislocations or natural disasters, for Education or Labor to conduct research and evaluation, and for training special groups such as Native Americans or migrants. DOL currently has almost \$600 million for such purposes (half of which is for dislocated workers). The House authorizes these activities but at 60% of the 1995 funding level.

- Attempts to make more resources available for national activities failed in Senate mark-up; Senator Kassebaum apparently refuses to divert State funds back to the Federal level, believing Governors have the flexibility to fulfill this responsibility successfully with their block grant funds. An unstated assumption also may be that true natural disaster dislocations will be financed with emergency appropriations. We need to continue to work for this authority, primarily through demonstrating to Senators and to House

members the benefits their States and districts have received and the unreality of expecting formula funds to Governors to be sufficient to provide such benefits in the future. Base closings will exacerbate the need for these resources.

8. Vocational Rehabilitation (VR). The House bill would change the traditional arrangement at the State level for providing vocational services to disabled adults. In the House bill, the governor can choose any administrative State agency to carry out the requirements under Title I of the Rehabilitation Act. There is no requirement that this entity, as has been the law, have as its primary focus the rehabilitation of individuals with disabilities. Thus, the bill could result in the shift of these responsibilities to other State agencies besides the state VR agency. In addition, the House bill would require a State to allocate at least 80 percent of the funds to the local One-Stop Career Centers. States would not have the current level of Federal funds with which to continue financing the current separate State agency which focuses on the special needs of adults with disabilities.

The Senate bill preserves the role of the state VR agency as the administrative entity responsible for Title I and builds strong linkages to the One-Stop Career Centers.

- House Committee Democrats attempted to remove this title from the bill, but were defeated by a strict party vote. Our efforts, and those of the disability community are centered on having Senate provisions prevail in Conference.

**San Diego Unified School District
Impact of FY 96 Congressional Budget/Appropriations
July 19, 1995**

Title I - Helping Disadvantaged Children Meet High Standards

On Tuesday, July 12, the U.S. House of Representatives, Labor, Health and Human Services and Education Appropriations Subcommittee voted to reduce federal funding for local education for FY96 by \$3.9 billion from the FY95 levels, an overall reduction of 18% of the federal education budget. In Title I, Basic grants are reduced by over \$1 billion dollars and Concentration grants by \$113 million, for a total reduction of approximately \$1.2 billion dollars from FY95 levels. The full House Appropriations Committee is scheduled to vote on the bill July 20 and the bill is scheduled to be voted on the House floor July 25th. This analysis estimates the impact of the proposed cuts to Title I on the San Diego Unified School District and is based on the Chairman's mark as presented to the Congress on July 11, 1995.

These proposed cuts will devastate the Title I program currently operating in the San Diego Unified School District. Given the general economic decline California (especially schools) suffered during the last five years, this comes as a double blow. It has become popular to deplore student achievement. The very resources needed to achieve the high standards we all want must not be taken away.

- The district will lose at least \$3.5 million dollars from the FY96-97 Title I funding.
- A total of fifty schools will be eliminated from the program (39 Elementary, 8 Middle and 3 Senior High).
- More than 11,000 children will not be served.
- Supplemental Reading and Math programs provided for these students will be eliminated.
- Other services provided for students will be eliminated including:
education technology programs, health and social services, parental involvement activities and support staff development.
- Title I students who are bussed to desegregated schools will no longer receive support.

Based on FY95 funding the following table shows the estimated reduction in Title I to the San Diego Unified School District.

	<u>FY 95/96</u>	<u>FY 96/97</u>	<u>Increase -Decrease</u>
Number of Students Served	51,100	40,100	-11,000
Number of Schools Served	111	61	-50
Title I Funding (Basic/Concentration)	\$20.6M	\$17.1M	\$-3.5M

This analysis is based on a number of assumptions. Per pupil funding will be maintained at \$318 per student which provides the minimum level of basic support.

**San Diego Unified School District
Impact of FY 96 Congressional Budget/Appropriations
July 19, 1995**

Overall District Profile

This analysis estimates the impact of the proposed cuts in federal funding for local education on the San Diego Unified School District and is based on the Chairman's mark as presented to the Congress on July 11, 1995.

Program	\$ funding loss	#of students served	#of schools impacted
Title I	\$3.5 million	11,000	50 eliminated
Impact Aid	\$ 700,000.	127,000	all affected
Goals 2000	\$ 204,000.	19,000	22 eliminated
Bilingual Ed	\$1 million	31,000	all affected
School-to-Work	\$ 140,000.	17,000	14
Magnet Schools	\$3 million/yr.	10,000	12
Safe & Drug Free Schools	\$ 500,000.	127,000	all affected

- Based on the U.S. House of Representatives Federal Budget Appropriations for FY 96, the San Diego Unified School District will lose almost 10 million dollars.
- Every student in the district will be impacted.
- Every school will be impacted.
- Particularly hard hit will be those students and schools most in need. Schools with a high number of students/families in poverty, English Language Learners, "at risk" students and low student achievement will receive the deepest and most severe cuts.
- Reform efforts, particularly in the areas of accountability, staff development, supplemental reading and math programs, will be drastically reduced or eliminated crippling district efforts to raise student achievement and meet high standards.
- Facility and Deferred Maintenance needs will continue to go unmet as dollars to the student educational program are significantly reduced.

**San Diego Unified School District
Impact of FY 96 Congressional Budget/Appropriations
July 19, 1995**

Overall District Profile

This analysis estimates the impact of the proposed cuts in federal funding for local education on the San Diego Unified School District and is based on the Chairman's mark as presented to the Congress on July 11, 1995.

Title I

Information is provided on a separate attached sheet

Impact Aid

- The district will lose approximately \$700,000 currently received for military students living off base.
- The district does not have the ability to replace these funds from other sources and will have to take the appropriate action for 1995-96 to balance the district budget.

Goals 2000

The district has applied to the California Department of Education for an approximately \$200,000 Goals 2000 grant. The State has already received more than 10 million dollars for implementing the Goals 2000 legislation. The district Goals 2000 Consortium plans to use Goals 2000 monies in conjunction with district funds, "in kind" services, Title I and School-to-Work grants to support planned activities at 22 schools serving more than 19,000 students. As determined by the district, funds will be allocated to schools with "special need for assistance", a high number of students/families in poverty, high numbers of English Language Learners, high numbers of at risk students, and low student achievement. Of 22 participating schools, 21 meet the criteria to become Title I Schoolwide Programs, with the remaining site a Title I Targeted Assistance School.

Bilingual Education

The proposed cuts to Title VII will, as a total package have a negative effect upon the programs and evaluation for English Learners at a time when more accountability is expected. In this era of diminishing public funding the district depends on these funds to provide educational services for over 30,000 limited-English-proficient students. There are no general funds to compensate for the loss of these funds. Specifically, the reductions will directly affect us in several ways:

- Elimination of funding for the 3rd and final year of a continuing project, Project MORE Replication, removes support from 8 schools.
- Elimination of districtwide grants totaling up to 1 million dollars per year for developing standards, conducting professional development, providing materials for all limited-English-proficient students and parental support programs.

Congressional Budget Appropriations FY96
Overall District Profile, page 2

Magnet Assistance Program

The district has participated in the federal Magnet Assistance Program for six of the past 10 years, and has recently been awarded a Title V grant for the 1995-98 funding cycle.

- Loss of this funding will mean a loss of up to \$12 million to the district over the next three years.
- The magnet grant focuses on the development of 12 new and/or significantly revised magnet schools providing enriched instruction for over 10,000 students.

School-to-Work

The district is a major component of the San Diego School-to-Career Consortium. The Consortium is the recipient of a more than \$900,000 federal School-to-Work grant. The San Diego Unified School District receives \$400,000 of the total amount. This program would be decimated as there are no district replacement funds.

- The existing urban area grant, funded directly from the federal government, will be reduced by 35%. The district will lose approximately \$140,000.
- Funding for the third year of the local program will be eliminated as these funds are dependent on federal funding to the state.
- Funding for the remaining years of the grant cycle will be substantially reduced if not eliminated, based on future years budget appropriations.
- Funding for School-to-Career staff training and curriculum development will be reduced to a level unable to sustain the program or eliminated at 10 Senior High Schools and 4 Alternative programs, serving 17,000 students.

Safe and Drug Free Schools

Safe and Drug Free School funds are the basis for this district's drug prevention and education program. There are no general district funds to replace federal funding for this program. Safe and Drug Free School monies funded in part the Youth Risk Behavior Survey generating the highest student response of any district in the nation that required active parental consent. This assessment has been used by the County Health Department to target specific areas of health risk/needs for adolescents. Severe reductions in Safe and Drug Free School funds will result in:

- Youth Risk Behavior Survey will be eliminated
- The ability of school site parents through governance teams to tailor/create substance abuse programs to meet the needs of the campus.
- A disproportionate amount of resources targeted to intervention programs. The elimination of most, if not all, of the prevention education component
- No violence prevention programs will be provided for 127,000 students.
- More than of half of Life Skills Teacher Trainer positions will be eliminated, as well as teacher training.

S-4875

DRAFT

DEMOCRATIC MESSAGE ON EDUCATION

I. Misplaced priorities

Republicans have proposed a balanced budget by 2002 to "insure a better future for our children and a better future for our country."

Is cutting \$45 billion from education over the next seven years to pay for a tax cut of \$245 billion for the wealthy a way to insure a better future for our children?

II. Broken Promises

Republicans said that they were going to hold funding for Pell grants, Title I, Special Education, and Head Start at 95 levels. But the first mark-up of the first appropriations bill cuts all of these programs for 1996. Can we trust these people on anything?

III. The Anti-Education Congress

Last Congress Republicans were proud to stand together as the "Education Congress." We passed six major education bills with bi-partisan support: Direct Lending, Goals 2000, National Service, School-to-Work, Elementary Secondary Reauthorization, and Expanded Head Start. Do Republicans want us now to be the Anti-Education Congress, slashing education funding, abolishing Goals 2000 and National Service, and rolling back direct lending? These issues are too important to make hostage to partisan politics.

DATE: July 27, 1995
TO: Jeremy, Gene, Ken, Michael
FROM: Mike Schmidt
RE: A First Shot at Pulling together the "Democratic Message on Education"

As you know, we are trying to work with the Democratic members and staffers on the Hill to come up with a general set of talking points on education and training that we all can use over the next few weeks. On Thursday, we got a draft set of talking points from the Hill. This draft was shared at today's 1:00 Education Strategy meeting, with a request that we get suggested edits by COB today. So far, I have only received edits from DoEd and Paul Dimond. I have attached my attempt to pull these edits together (along with a set of edits from the Hill) into a two-pager for your review and comment. As you will see, there is still a good deal of work to do! Please e-mail or call me sometime early Monday morning with your edits -- we would like to get a draft back to the Hill by Monday morning for their sign-off so that we can get some sort of agreed-upon document by COB Monday, in time for the floor vote in the House later in the week.

WHAT WE STAND FOR

- **Everyone agrees that we must balance the federal budget and relieve our children and our grandchildren from the burden of a permanently increasing federal debt. We believe in a balanced budget strategy that preserves our vital investments in education and training that are crucial to the security and well being of our children, our families, and our communities.**
- **We are going to fight for education because it is one of the best ways to set young people on the right course and to fight civic decay and violence.**
- **Our children and grandchildren need more, not less, educational and training opportunity to empower them to make the most of their lives and improve their incomes . . . "education cuts don't heal."**
- **Stop the raid on student aid -- give our students a first-class education that will help them and their families build strong communities and a strong America.**
- **Education and Training are not Democratic or Republican priorities, but are national priorities that are good for the county, good for families, and good for those who want to give their children a better life. They are a "common ground" on which we can move forward together as a nation towards a better future for all Americans.**

These are the values that we as Democrats are committed to fighting for:

- Improving the basics
- Making schools safer
- Empowering all schools to achieve high standards of achievement
- Promoting parental involvement in children's learning
- Helping to get technology and computers into the classroom
- Providing greater access to college or a real job
- Providing better financial aid for deserving college students

WHAT THEY STAND FOR

- **The new Republican leadership is breaking the promise of and years of bipartisan commitment to families for better education and access to college.** With a new "baby boom" affecting our schools, pushing up enrollments by 15-20%, they want to cut educational funding by 17%. Their actions don't add up but will result in increased class size or increased local property taxes.
- **The new Republican members are forcing this Congress to be the most Anti-Education Congress in decades.** Last year, bipartisan support for better education legislation won the title of "Education Congress." Those efforts last year to strengthen Head Start, provide school lunches, make schools safer, help increase education standards, improve student achievement, and expand financial aid for college students are now being sacrificed for an extreme political agenda.
- **Misplaced priorities, not our families' futures, are the new Republican agenda.** They want to cut almost \$40 billion from education and training in America to give \$20,000 tax breaks to the wealthiest 1% of Americans.
- **By cutting education and training, the Republicans are unilaterally disarming America in the global marketplace.** In an economy where technology is constantly changing, competition is global, and capital is mobile, cutting funding for education and training would be as foolish as cutting defense spending during the Cold War.

Examples of Breaking the Bipartisan Commitment to Better Education and Training and Access to College

- For some millionaire to get the Republican tax break, 20-40 kids will be kicked out of 180 days of extra help in reading (Title I). For every couple of millionaires getting the tax break, 2 schools of 800 students each will see funds for improving their schools slashed (Goals 2000). That's wrong for America's students and for America's families.
- They want to knock the legs out from underneath local groups of parents and teachers working to upgrade their schools (Goals 2000).
- They are going to hurt families by making it more expensive and complicated to get a college loan -- costing families and college students thousands of dollars -- and, at the same time, protect the expenses of the middle man of special interest groups.
- We know that more education and training improves productivity in America for individuals and for businesses. Yet, for every Republican tax break that goes to a millionaire, 30 young people or adults will be denied the help they need to go to college or learn the technical skills needed to start a good career.

WHAT WE STAND FOR

- **Everyone agrees that we must balance the federal budget and relieve our children and our grandchildren from the burden of a permanently increasing federal debt. We believe in a balanced budget strategy that preserves our vital investments in education and training that are crucial to the security and well being of our children, our families, and our communities.**
- **We are going to fight for education because it is one of the best ways to set young people on the right course and to fight civic decay and violence.**
- **Stop the raid on student aid -- give our students a first-class education that will help them and their families build strong communities and a strong America.**
- **Education and Training are not Democratic or Republican priorities, but are national priorities that are good for the county, good for families, and good for those who want to give their children a better life. They are a "common ground" on which we can move forward together as a nation towards a better future for all Americans.**

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- **Misplaced priorities, not our families' futures, are the new Republican agenda. They want to cut almost \$40 billion from education and training in America to give \$20,000 tax breaks to the wealthiest 1% of Americans.**
- **By cutting education and training, the Republicans are unilaterally disarming America in the global marketplace. In an economy where technology is constantly changing, competition is global, and capital is mobile, cutting funding for education and training would be as foolish as cutting defense spending during the Cold War.**

WHAT WE STAND FOR

Everyone agrees that we must balance the federal budget and relieve our children and our grandchildren from the burden of a permanently increasing federal debt.

Our way
~~We believe in a balanced budget strategy that preserves our vital investments in education and training that are crucial to the security and well being of our children, our families, and our communities.~~

- We are going to fight for education because it is one of the best ways to set young people on the right course and to fight civic decay and violence.
- Stop the raid on student aid -- give our students a first-class education that will help them and their families build strong communities and a strong America.
- Education and Training are not Democratic or Republican priorities, but are ^{Job} national priorities ^{investments that our} ~~that are good for the country, good for families, and good for~~ ^{who want to} ~~those who want to give their children a better life. They are a "common ground" on which we can move forward together as a nation towards a better future for all Americans.~~

WHAT THEY STAND FOR

- The new Republican leadership is breaking the promise ^{of opportunity for working American} ~~of a balanced budget and~~ ^{and unrelenting} ~~commitment to families for better education and access to college.~~ ^{years of} ~~With a new~~ ^{bipartisan} ~~"baby boom" affecting our schools, pushing up enrollments by 15-20%, they want to~~ ^{consensus} ~~cut educational funding by 1994. Their actions don't add up but will result in~~ ^{on the} ~~increased class size or increased local property taxes.~~ ^{importance} ~~of education~~ ^{and job} ~~training.~~

- The new Republican members are ^{have made} ~~forcing~~ this Congress ~~to be the most Anti-Education Congress in decades.~~ Last year, bipartisan support for better education legislation won the title of "Education Congress." Those efforts ~~last year~~ ^{to strengthen} Head Start, provide school lunches, make schools safer, ~~help~~ ^{expand} increase education standards, improve student achievement, and expand financial aid for college students are now being sacrificed for an extreme political agenda.

expand job training, build a reemployment system, ease the transition from school to work
 Misplaced priorities, not our families' futures, are the new Republican agenda. They want to cut almost \$40 billion from education and training in America to give \$20,000 tax breaks to the wealthiest 1% of Americans. ^{job}

job
 By cutting education and ^{job} training, the Republicans are unilaterally disarming America in the global marketplace. In an economy where technology is constantly changing, competition is global, and capital is mobile, cutting funding for education and training would be as foolish as cutting defense spending during the Cold War.

Education Message Points

1. **Republicans want to cut education to pay for tax breaks for the rich.**
 - * Republicans are proposing \$45 billion in education cuts -- even eliminating the Department of Education -- to finance \$20,00 tax breaks for the richest 1% of Americans.
 - * Republican education cuts would cause our public schools to suffer while those who can afford to send their kids to the swankiest private schools get another break they don't need.
2. **The GOP plan means lower quality elementary and secondary schools -- X million kids will be hit.**
 - * Republican education cuts would hinder the efforts to reform schools, to put more computers in the classroom, to get drugs and guns out of our schools, etc.
 - * More than x million students will see the quality of their education drop under the GOP plan.
3. **The GOP plan will raise college costs by \$3,000 per student.**
 - * Under the Republican, plan Pell Grants would decrease, student loan costs would increase, and the program of giving scholarships to students who serve this country would end.
 - * The Republican plan to cut education would close the doors of college opportunity.
 - * Students who cannot afford to pay \$3,000 more for college would be unable to get the education they deserve.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE SECRETARY

FAX TRANSMITTAL

TO: Mike Schmidt
Organization: _____
Phone Number: _____
Fax Number: 456-7028

From: TERRY PETERSON, Counselor to the Secretary
Phone Number: (202) 401-3414
Fax Number: (202) 205-5377, (202) 401-0596

Message: _____

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2 page(s) to follow

07/28/95 4:00pm

WHAT WE STAND FOR

- * We are going to fight for education because it is one of the best ways to set young people on the right course and to fight civic decay and violence.**
- * Our children and grandchildren need more, not less, educational and training opportunities to empower them to make the most of their lives and improve their incomes ... "education cuts don't heal."**
- * Stop the raid on student aid -- give our students a first-class education that will help them and their families build strong communities and a strong America.**

Examples of what we are fighting for to set young people on the right course:

- * extra assistance to improve learning of the basics (Title I, Bilingual, and Adult Education);**
- * help to make schools safer (Safe and Drug Free Schools);**
- * funding to local schools to increase standards of achievement and discipline (Goals 2000: Educate America Act);**
- * promoting parental involvement in children's learning (HeadStart, Title I, Goals 2000);**
- * help to get technology and computers into the classroom (Technology Challenge Grants, Star Schools);**
- * greater access to college or real jobs (School-to-Work, Summer Jobs, Vocational Education, AmeriCorps); and**
- * better financial aid for deserving college students (Pell Grants, Interest Subsidy and Direct Lending).**

WHAT THEY STAND FOR

- * **The new Republican leadership is breaking the promise of years of bipartisan commitment to families for better education and access to college.** With a new "baby boom" affecting our schools and pushing up enrollments by 15-20%, they want to cut educational funding by 17%. Their actions don't add up but will result in increased class size and/or increased local property taxes.
- * **The new Republican members are forcing this Congress to be the most Anti-Education Congress in decades.** Last year, bipartisan support for better education legislation won Congress the title of "Education Congress." Those efforts last year to strengthen HeadStart, provide school lunches, make schools safer, help increase education standards, improve student achievement and expand financial aid for college students are now being sacrificed for an extreme political agenda.
- * **Misplaced priorities, not our families' futures, make up the new Republican agenda. They want to cut almost \$40 billion from education in America to give a tax break to the wealthiest Americans.**

Examples of Breaking the Bipartisan Commitment to Better Education and Access to College

- * For some millionaire to get the new tax break, 20-40 kids will be kicked out of 180 days of extra help in reading (Title I). That's wrong for America's students and for America's families.
- * They want to knock the legs out from underneath local groups of parents and teachers upgrading their schools (Goals 2000). The tax break given to a couple of millionaires will squash the help to improve 2 schools of 800 students each. That's 1,600 kids and parents shortchanged. That's wrong for America's students and for America's families.
- * They are going to hurt families by making it more expensive and complicated to get a college loan -- costing families and college students thousands of dollars -- and, at the same time, protect the expenses of the middle man of special interest groups. That's wrong for America's students and for America's families.
- * We know that more education and training improves productivity in America for individuals and for business. Yet, for the tax break they will give to some millionaire to buy a Rolls Royce, 30 young people or adults will be denied the help they need to go to college or to learn the technical skills needed to start a good career. That's wrong for America's students and for America's families.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 20, 1995

REMARKS BY THE PRESIDENT
VIA SATELLITE TO THE
NATIONAL CONFERENCE OF STATE LEGISLATURES
IN MILWAUKEE, WISCONSIN

11:16 A.M. EDT

THE PRESIDENT: Thank you, Jane Campbell, for your gracious introduction and for all the great work you've done as president of the NCSL. I saw your mother yesterday morning at my affirmative action speech, and I wonder who you're going to produce in your family to start tomorrow off right for me. I'm very glad to see you again.

I want to wish your incoming president, Jim Lack, the best of luck in the coming year. I think he can expect interesting times as well.

Let me express my thanks to your NCSL vice president, Mike Box; your former president, Bob Connor; two of your assembly chairs -- my good friend, Dan Blue, and Representative Bill Purcell, with whom I enjoyed working at the Vice President's Family Conference in Nashville recently. It's great to be here with all of you, even if I'm only here by satellite.

You know, the image that is bringing me to you traveled from Washington to a satellite about 22,000 miles away in space, and then back down to Milwaukee, a total of 44,000 miles. Back when I was a governor there were times when I felt that Washington was that far away. And it's been very important to me, as you said, to try to make you feel that we're not 44,000 miles away, that we're not living on a different planet, that we can stay in touch with you and that we can work together.

For 12 years I lived with state government and I saw how it can be the laboratory of our democracy. I know how you drive us forward as a nation with your innovation, your will to experiment responsibly, and your common sense. You are the inspiration for so much of what we're trying to do up here. And I thank you very much for that.

America's state legislators have had a very productive year. I noticed that in Utah, West Virginia, New Mexico and Montana, statutes were enacted that permit employers to establish medical savings accounts for health care. Delaware and Ohio have led the way with truly meaningful welfare reform legislation that is focused on protecting our children and moving people from welfare to work, something I've been laboring with for 15 years now. And I understand that those of you from Iowa saw fit to put diaper-changing tables in all the statehouse rest rooms. Now, if that is not a sincere commitment to family values, I don't know what is.

For many of you, your work for the year is done. But in Washington, as you know, we've still got a very long way to go. When I ran for President as the governor of my state, I did it for two reasons. First, I thought that, on the verge of the 21st century, we were in danger of losing the American Dream of opportunity for all and in danger of losing our sense of responsibility with all the

social problems that were tearing our country apart. So I wanted to restore opportunity and a sense of responsibility.

But I also wanted to bring the American people together as a community. Politics has been used too long to divide us when what we really need to do is to rise above partisanship to find common ground. In order to do that, Washington needs to inspire the trust of more people throughout the country with a government that empowers people to make the most of their own lives, empowers communities to solve their own problems and is far less bureaucratic and less proscriptive.

Now, in the last two and a half years I believe we've produced some real achievements. The economy is up, inflation is low, trade is expanding, interest rates and unemployment are down. The facts speak for themselves. In the last two years we have cut the deficit by a third, and we're in the process of reducing it for three years in a row for the first time since Harry Truman was president. We have put in place more than 80 new trade agreements, including NAFTA and the GATT world trade agreement, and an historic pact to finally, finally open Japan's markets to American cars and American auto parts.

These efforts have added about seven million new jobs to our economy, and almost all of them have been in the private sector. To give you an idea of what that means, it's like creating a job for every person in Delaware, Idaho, Maine, Mississippi, Montana and Wyoming combined. In 1993 our country established more new businesses than ever before, and in 1994 Americans broke that record again.

One of the best pieces of evidence that this country is turning around is right in the room here. The report in CSL issued for this conference, the report The New York Times put on its front page on Sunday, says that the finances of the state are -- and I quote -- "the best they have been since the 1980s." Last year employment grew in all 50 states and independent forecasters expect the same thing to happen again this year.

I have only one thing to say to that. As good as this is, you ain't seen nothing yet, if we stay on the same course. We couldn't have done all this without a strong commitment to changing the way the government does the people's business here in Washington, because the old federal ways and the old federal bureaucracy were not going to permit the kind of changes that we have to make as a country to get to the 21st century.

Our federal work force is well on its way to being the smallest it's been since John Kennedy was President. It will be in just another year or two. Already, we've cut well over 100,000 positions from the government; hundreds of programs have been abolished. Just last month, we got rid of 16,000 pages in the Federal Code of Regulations. Fifty percent of the regulations at the Small Business Administration are on their way to being history. We've reduced that budget by 40 percent, and doubled the number of small business loans.

Forty percent of the Education Department's regulations are being scrapped. And as you know, that will directly help a lot of you. THE time it takes to fill out EPA regulations has been cut by 25 percent. And we're now telling small businesses around

America, if you call the EPA and you ask for help on a problem, you cannot be fined for six months while you try to work it out.

Reinventing government means reinventing the way the federal government does business with you as well. Our job has been to bring together all levels of government to cooperate, to find common ground, to actually work together to solve our nation's problems, instead of just talking about them. We have worked very hard to forge a genuine partnership between the states and the national government.

I learned about the importance of this partnership a long time ago. When I was the governor, in Little Rock the legislature and the governor's offices were close together -- just one floor apart in the Capital. We saw each other all the time. Legislators dropped by my office at any time of the day or night during the legislative sessions. Many legislators even came to the governor's morning planning meetings. There was a spirit of teamwork, a tremendous amount of goodwill, and an awful lot of good came out of it.

As you know, unfortunately, we too often don't work that way in Washington. I am doing my best to build on that tradition to go beyond partisanship to finding common ground and actually solving a lot of these issues.

I've also tried to give you more say in your own affairs. We have now given 29 states a total of 33 waivers from federal rules to enact their own welfare reform proposals. In the last two and a half years, more states have received waivers than in the previous 12 years of the previous two administrations combined. We have also given 10 states waivers to carry out major health care reform initiatives.

I did sign, as Jane said, the Unfunded Mandates Act, which restricts Congress from passing new mandates on state and local governments without paying for them. From now on, Congress will not be able to take you out for a 10-course dinner and then stick you with the check.

We have proposed setting up performance partnerships with you. Under this initiative, you would have a real say in how federal programs are run in your state. But in exchange for more flexibility and more freedom to innovate, you would also be more accountable for the results.

The list goes on. OSHA and the EPA no longer play cops and robbers with you as they used to. We're moving away from punishment to compliance as a goal. FEMA used to be a disaster, but all of you had to use it in the last two and a half years know that it is a genuine disaster agency now, helping states all across our country to respond quickly and efficiently and compassionately to crises.

Even though we've made strides, I know we still have a lot to do. That's why I have submitted my balanced budget plan, which I believe is important because of the way it balances the budget and because of the things that it still does in the budget both for the American people and with the American states.

All of you have to balance your budget, and you know it's important. The United States never had a structural deficit

until about 12 years ago. Before, when we ran deficits, it was just because of economic conditions. But from 1981 until the day I took office, we quadrupled the debt of this country. And we were in a position where we were going to have deficits forever and ever, with all the economic weakness that that implies.

I know what you have to do and the tough choices you have to make. I used to do it every year for 12 years. We are now at an historic moment, because for the first time in a long time, the leaders of both parties in Washington agree that we must balance the budget. The Congress has a budget plan that I have differences with, but at least we share this common goal. And I am confident we are going to be able to work together to balance the budget and to help all Americans achieve the objectives of a balanced budget -- a stronger economy and a brighter future for ourselves and our children.

But in the meanwhile, we need to be honest and open about our differences; and there are real differences. The biggest difference is the difference between necessary cuts and unacceptable and ultimately self-defeating pain. Our balanced budget plan cuts spending by more than \$1 trillion. It cuts non-defense discretionary spending by an average of 20 percent across the board, except for education. The congressional plan wants to make deep cuts in education and training, while I want to increase our investment in education, because that is essential to our ability to meet the challenges of the next century.

Let me say also that I am very concerned about the direction that the House Appropriations Committee seems to be going with regard to the bill which includes funding for key education and training initiatives. The bill they've come up with would eliminate the Goals 2000 program. It would drastically cut back the School-to-Work initiatives that we have used to help all of you establish systems in your own state to move everybody who doesn't go on to four year colleges into a continuing education program.

And let me stop and say that when I became President I knew that the United States was the only advanced economy in the world that had no system for the young people who did not go on to four-year universities. We all have our community colleges; we all have our vocational schools; we all are blessed with private sector employers that try to provide people on-the-job training. But we had no system on a state-by-state basis in all 50 states for keeping up with those young people who don't go to the four-year schools and making sure that they can make the transition from school to work in a job with a chance to have a growing, not a shrinking income. So I think it's a mistake to walk away from the School-to-Work program.

They also want to effectively gut the Safe and Drug-free Schools and Communities program. I know that a lot of you have schools that need more help with security measures, that need more help with drug prevention measures, and that you cannot provide this money on your own. The Safe and Drug-free Schools program has enabled all the schools of our country to access the resources they need to try to have the schools be safe and drug free. The House proposed budget would also deny Pell Grants to 300,000 students who want to attend college. And it would cut job training for hundreds of thousands of Americans just when we need to help our people build the skills to meet the demands of the 21st century.

If Congress sends me this bill in its present form, I

will have to veto it because it will weaken our economy and it will undermine the good that we can do by balancing the budget. The congressional plan will also cut Medicare in a way that could impose huge costs on the elderly. We have to reduce the rate at which Medicare costs are increasing. We can reform the Medicare program, but we have to make sure that it will be intact for Americans who need it.

Congress also has a plan that will give very large tax cuts that will primarily go to people who are better off. I think the tax cuts are too large and will require cuts in Medicare, Medicaid and education that are too large. But if we simply cut taxes for people who really need it, cutting taxes for middle-class people so that they can invest that money in their children and in their education, we can afford a sizeable tax cut, balance the budget and continue to invest in our fundamental needs.

The congressional plan would balance the budget in seven years. I believe that that is too fast. We have had a deficit since 1969. We have had a huge structural deficit for 12 years. We've already cut the deficit for three years in a row. I think it is better to take a little more time so that we can continue to invest in education, protect Medicare, protect our relationships and our partnerships with you, and invest in the things that will grow our economy. If we can balance the budget in 10 years without doing that kind of harm, we ought to take more time and do it right.

So I say, let's balance the budget, but let's balance the budget in 10 years, not seven years. We cannot expect to undo these decades of fiscal damages overnight. And we must continue to make investments here at the national level, in education, in investments in science and technology and the environment, and, obviously, in Medicare and Medicaid.

How we balance the budget is as important as balancing it. Just three extra years will preserve the dreams of millions of Americans. And it will strengthen our economy. We get all the economic benefits of balancing the budget, and the economic benefits of opening the doors of college education to all with affordable and payable loans; continuing to increase the impact of Head Start for our young people; and being able to create a genuine big training program for unemployed and underemployed people, so that we can get rid of all these many, many dozens of federal training programs and still have enough money to put in this block so that people who lose their jobs or are underemployed can have access which they can take to the local community college or any other place of their choice.

Now, to me, this choice is clear, and I hope you will agree. I was gratified to learn that yesterday, your federal budget and taxation committee passed a resolution calling for a balanced federal budget within 10 years. That will enable us to maintain our partnership.

The congressional budget would also do something else. I believe it would put an unfair burden on every one of you. Anybody who's worked in state government in the 1980s learned a very painful lesson. Washington's budget decisions all throughout the '80s gave us too many problems and too few resources. States were stuck with a horrible combination of more mandates and less funding. I know there are people in this room who worked night and day to see to it that the citizens of your state were taken care of, but it wasn't easy. There was an awful lot of unnecessary pain. And I don't see any

reason on Earth why we ought to go through that again. But that is exactly what could happen with the congressional budget.

It sounds good -- it calls for block grants for Medicaid and food stamps. But I have to tell you, I have real doubts that these block grants would be able to keep pace with the demands that you are going to face in your individual states. And in the real world, remember that economies change, populations rise, needs evolve. As those things happen you could be locked into a grant that could lock you into a real bind. And no matter how great a job you've done getting your own fiscal house in order, no matter how hard you've worked to prepare your state for the next century, you'll have to respond. And that could mean putting the working families of your state, the children of your state, the elderly of your state either in dire straights at the moment that we need to be doing everything we can to help them to make the most of their own lives, or forcing you to raise taxes when that might not be in the economic interests of your state or your people.

Should the states have more responsibility? Of course, they should. I'm doing my best to give you more. Should you deliver primary services? You always have. Should we in Washington do more than we have to free you up? Absolutely, we should. But we ought to do it in partnership. Simply moving the bureaucracy from one place to another, or shifting the problems from one level to another is nothing more than a shell game. Giving you the responsibility without the resources could be disastrous. We can do better than that. We can get rid of this deficit. We can give our people the tools they need to make the most of their own God-given talents and we can give our states more flexibility.

The budget process is entering a crucial stage now. If there was ever a time for you to add your voices the time is now. We need to get to work and we need to do it in a bipartisan fashion. I have the feeling that even today at the state level there is less partisanship, less ideological argument and more willingness to roll up your sleeves and get down to work than there is too often here in Washington.

You can help us with that. We need an infusion of that. We can solve the problems of this country. We can give you more flexibility, balance the budget, still invest in our people as we need. But to do it, we have to look beyond the hot air and the harsh talk and try to find common ground.

Thank you very much, and God bless you. (Applause.)

REPRESENTATIVE CAMPBELL: Thank you, Mr. President. It is now my pleasure to call upon two of our colleagues to pose questions to President Clinton. The first is NCSL's incoming president, Senator Lack of New York.

Senator Lack.

SENATOR LACK: Good morning, Mr. President.

THE PRESIDENT: Good morning, Senator.

SENATOR LACK: As I assume the presidency of NCSL I certainly look forward to continuing the relationship between our organization and you and your administration, and would like to take this opportunity to extend an invitation to you to join with us next

year at our conference in St. Louis if you can. (Applause.)

THE PRESIDENT: Thank you.

SENATOR LACK: Mr. President, you alluded to block grants. State legislators, for many years, have supported the flexibility provided by block grants and performance partnerships. However, the worse scenario we could imagine would be to receive block grants that really aren't block grants. Will you support us in keeping block grant legislation free of mandates and other prescriptive elements?

THE PRESIDENT: Well, first of all, I agree with you that if we're going to have a block grant program, it ought to be as free as possible of proscriptive mandates, consistent with the larger objectives of the program. The community development block grant program that I used as a governor, that presumably many of you still take full advantage of at the state level, worked pretty well in that regard.

And I am generally in favor of pushing more and more decision-making away from the federal government, down to the states; and where appropriate, not only the local government, but the private citizens as well. For example, I have proposed this G.I. Bill for America's workers, which would take these 70 Labor Department job training programs and just get rid of them, put it into a block, and when someone is unemployed, they can apply and get a voucher worth \$2,600 a year for up to two years to take to your local community college or wherever else they want to get the training.

We have given, as I said in my remarks, welfare reform waivers to 29 states, and we have more pending. I am opposed to Washington's micromanagement, whether it comes from the right or the left. And I have been very concerned that in the welfare reform debate we were going to wind up, under the guise of giving the states more responsibility, essentially putting more details on the states and putting the states in an economic bind.

Right now, the welfare reform bill is stalled in the Senate because some of those mostly on the extreme conservative end of the Senate believe that it doesn't contain enough mandates to, for example, prohibit any funds going to teenage mothers who have children out of wedlock and to their children.

I believe that what we ought to do, consistent with the very few things we know -- I've worked on welfare reform for 15 years -- we know a few things. We know that most people on welfare will go to work if they're given a chance to do it. We know that the absence of child care is a big problem, a barrier. And we know that the states will figure all this out if they have the tools to do it right. So what I want to do in the welfare reform debate is to give you the maximum amount of flexibility, consistent with some simple objectives. I do think the only place we need federal rules and welfare reform -- and you and I, I think, have talked about this before -- is in the area of child support enforcement because so many of those cases cross state lines.

So I'm going to do my best to get you a welfare reform proposal which gives more flexibility to the states and doesn't have a lot of ideological proscriptions one way or the other and just focuses on one or two big things that need to be done. I think that is the right way to do it.

Let me just say one other thing, though, about these block grants. Block grants are very good if they can be used by you for the purpose for which they're intended and they don't have some trap down the road. So, for example, with the community development block grant, the dollar amount I got was held constant for a decade. So, in real terms, it got smaller and smaller and smaller. But since I didn't have a dependent population that had to have it every year we were able to work and make the most of it, use it to create jobs in my state without causing any problems anywhere else.

Now, if we turn food stamps into a block grant, what are we going to do the first time we don't have all 50 states growing? The food stamp program, because it goes to people in need, worked very well in the 1980s when, first of all, we had the so-called bicoastal economy. The coasts were doing well and the heartland was doing terribly. Then when the heartland and the Middle West and the South came back, the coast got in trouble, the food stamp program worked as an economic stabilizer as well as a personal safety net, moving back and forth across the states to help deal with the problems of those states. I think that there's a real potential for problems for you in that.

And I feel the same way about Medicaid. If you have a Medicaid block grant with -- particularly with all the other problems you've got, what are we going to do the first time that there's a terrible but uneven recession in America?

And, in the case of the welfare program, if there were an AFDC block grant with no local participation requirement, look what that could do to you. What are you going to do if you get cut across the board -- Medicaid cuts, education cuts, welfare cuts -- and you've got a welfare block grant with no local participation requirement, and then that money becomes the target of every lobby group in your state legislature that needs it? What's going to happen to the poor children in your state?

So what I think we need to do is to be very practical about this, not ideological; use the block grants where they'll work, and give you as much flexibility as possible to be creative. The federal government should be defining the objectives we want to achieve, and unless we have absolute, clear, unambiguous evidence that some condition or another is a precondition of achieving that objective, we ought to give you the maximum amount of creativity. That's what I tried to do with this waiver process, and that's the direction I think we ought to take.

REPRESENTATIVE CAMPBELL: Thank you, Mr. President. Our second questioner is Representative Dan Blue of North Carolina, Chair of our Assembly on Federal Issues.

Representative Blue.

REPRESENTATIVE BLUE: Thank you, Madame President. Good morning, Mr. President.

THE PRESIDENT: Good morning, Dan.

REPRESENTATIVE BLUE: Mr. President, you alluded briefly to welfare reform. State legislators have welcomed the current debate on the welfare system. We, like you, believe that it is a need of substantial reform. However, NCSL believes that any welfare reform legislation must contain some kind of contingency or rainy-day fund to assist states during periods of emergency. And we wonder whether you would share with us your position on this issue.

THE PRESIDENT: Well, I clearly agree with you. If we're going to the block grant proposals, there have to be some protections for the times when the economy goes down in the country as a whole, and the times when the economy goes down in some parts of the country, but not in others. I have tried to say all along that one of the big risks with these block grants is that some states are going to come up short in the next recession, and all states could.

And one of the things that really concerns me -- I'm very excited about the fact that there's a lot of energy here in Washington, and a lot of energy for reform throughout the country. We've got a lot of new people in government, with a lot of really determined ideas about what to do to change. And even when they disagree with me, I think it's an exciting thing to have this kind of debate. But we must have memory, also, and we must have some way of calling on our common experience.

I am gratified that the productivity of the American private sector and the economic policies that we have established, the kind of work that many of you do in economic development in your own state have given us now a couple of years of nationwide economic growth. But I want to reemphasize, if you go back over the last 20 years in our history, this period is atypical. In most of the last 20 years, we've had some regions doing well while others were doing poorly.

And we need to make sure that we don't have states left holding the bag if their own economies hit a log down the road. Now, I have spoken to state legislators now throughout the country, in Florida and Indiana and other places, and I can tell you that -- I mean, Florida and Iowa and other places -- excuse me -- and I can tell you that I've talked privately with Republicans and Democrats

alike, who ask me to fight for protections like the contingency fund, and even the state match. Particularly in the fast-growing states, they're worried about this. So I will support you on that. I will stand with you on that.

I think that what you need to do here is to make sure when each one of these issues is being debated in Congress that you understand both the up sides and the down sides, because when

Congress proposes these kind of block grants they may be in philosophical agreement with you at one level, that you should have more say over your own affairs; but keep in mind also, there's a big desire to meet these very, very tough deficit reduction targets that they have set for themselves. So if they are using you to save money, it only works for you if the increased flexibility and the diminished paperwork and hassle, and the increased creativity you can bring to the task means you can do the same work for less money as well or better than you were doing it before. And it only works if these economic changes have been taken into account.

So I'm with you on it. I'll work with you. We can get this done. I will say again, for all of my differences with the Congress, we have got to balance the budget. We are going to do that. We are going to reach an agreement on it. But we need to do it in a way that enables you to do your job and that promotes the objectives of a balanced budget -- more jobs, higher incomes, a more stable future for our children.

Thank you very much. (Applause.)

END

11:47 A.M. EDT

BUDGET BRIEFING
BY
CHIEF OF STAFF LEON PANETTA,
OMB DIRECTOR ALICE RIVLIN,
SECRETARY OF LABOR BOB REICH,
AND SECRETARY OF EDUCATION RICHARD RILEY

The White House Briefing Room

MR. PANETTA: Thank you. What we wanted to do today is to, as we continue our examination of the budgets that have been submitted by the Republicans in both the House and the Senate, that we are reviewing their impact. Let me just remind everyone that there's always a tendency when you look at budgets to just look at numbers. And as always, budgets are not about numbers, because every one of the line items in a budget affects people, they affect families, they affect what our country stands for and what it's against.

Yesterday we raised the concern that the budgets clearly aim at working families and at their parents, and pointed out the cuts on Medicare and Medicaid in particular as representing a real hit on working families, and particularly their parents. Today we're going to focus on children and on our economic future.

The President, from the time he was governor to the present, has continued to believe that education is the key to economic growth in this country, and that if you cut education you are cutting the incomes of people. All of us recognize that education is fundamental to what the American Dream is all about, to giving our children a better life in the future. And as the son of immigrants to this country I guess I'm a example of that. I would not be standing here were it not for the opportunity to get a good education in this country. I think I can say that for the others that are here as well. Education is crucial to economic opportunity and to economic growth. There is nothing that is more important to raising incomes and raising the standards of living in this country than education.

The President has said time and time again that education is the fault line of economic opportunity in this country. And you can see it in the numbers. Everybody knows this. Everyone knows this -- parents, families, anyone who has had a child understands what this is about. Incomes in this country, the gap in average earnings between male high school and college graduates has doubled, from 39 percent in 1979 to 80 percent in 1993. That's a consequence of education. That's what education does.

The President is determined to increase incomes and living standards, and that's what his initiatives have been all about over the last two years since he's been in office. He has sought to improve pre-school, K through 12 education for young children by improving -- strengthening Head Start, by establishing Goals 2000, by implementing Title I reforms. The budgets proposed by the Republicans would cut Head Start, cut Title I and eliminate Goals 2000.

The President has supported the Safe and Drug-free Schools program at a time when it's absolutely essential to educate our children about the dangers of drugs. They -- the Republicans -- in their budget eliminate that program.

The President has increased access to college for kids of middle class families by reducing the cost of college loans, expanding the eligibility for grants, establishing AmeriCorps, the national service program. The Republican budgets increase the cost of education for children, reduce access to Pell Grants, and they would eliminate the AmeriCorps, the national service program.

The President has improved opportunities for young people who do not go to college but try to give them the opportunities through the school-to-work program. The Republicans would eliminate that program.

The President has expanded training opportunities for workers with skill grants, and the Republicans would drastically cut those programs as well.

All of this is of great concern because these programs were largely established through bipartisan support, from both Democrats and Republicans. These have never been viewed as partisan issues. These have always been viewed on the basis that they were good for the country, good for families, good for our children, good for those who really do want to give their children that better life.

The President will not stand by and allow these education reforms to be dismantled. He will continue to work for the appropriate tax incentives that help working families educate their kids and give workers the training they need to expand their opportunities as well.

Let me end with a quote from the President before the American Council of Education back in February, and I quote: "Education is the key to our future. It ought not to be a partisan issue. If there is one thing in the world that ought to unite us on the way to the next century, it should be our common commitment to explode the potential of our people."

That's the commitment of the President. He has made it. He will stand by that. And he will not allow Congress to undermine that commitment.

Let me introduce Alice Rivlin. She'll be followed by Dick Riley, the Secretary of Education, and then Bob Reich, Secretary of Labor.

MS. RIVLIN: In evaluating these Republican budgets it's really important to keep in mind the basic objectives of budget policy, of economic policy. The administration believes that the fundamental goal is raising the standard of living of average Americans, growing the middle class. The problem of raising average incomes is the biggest economic problem facing America.

Now, the economy in general is doing well. The recovery has been strong. We've added more than six million new jobs. Unemployment and inflation are both low. But average incomes have not been rising. And the even more worrisome fact is that people with high skills and education have been doing well, while people with low skills and no education beyond high school have been falling behind, not just relatively but absolutely. Hence, the criterion for judging any budget has to be, does it raise future incomes of average people.

Now, deficit reduction does contribute to future income growth. If the government is borrowing less of our nation's savings, more is available for the private sector to invest in factories and equipment and other things that raise productivity and raise wages in the future. And moreover, reducing the deficit means that less federal resources go into debt service. And that's why the Clinton administration has focused on bringing the deficit down. And we agree, the President has made very clear that we must work with the Congress to reduce the deficit further.

But deficit reduction defeats its own purpose if it is accomplished by cuts in public investment in education and skills and technology. In the first two years of the Clinton administration we accomplished two things that were very important to the future of the American economy and to future living standards. We brought the deficit down dramatically, and at the same time, we increased investment in education reform, student aid, training and technology.

Now the Republicans want to reverse these gains. In the name of faster deficit reduction, of balancing the budget by an arbitrary date -- 2002 -- and funding a tax cut for the wealthy, they want to gut investment in skills and education. The Republicans want to cut across the board deeply in discretionary spending -- \$475 billion below baseline levels. But particularly, as this chart illustrates, they are cutting into investment in education and training.

The chart illustrates the Clinton administration 1996 budget which increases investment in these programs over the considerable increases in the first two years. And the Republicans on the right -- the Domenici budget cuts this much, and the Kasich budget cuts even below that because he is funding not only deficit reduction, but a large tax cut for the wealthy.

Secretaries Reich and Riley will describe examples of what these cuts mean for important programs in their departments. But let me just remind you of two important programs that are not in their departments -- one is Head Start. The President has proposed expanding this program that everyone agrees works in 1996 with an additional \$400 million. This would serve 32,000 more children and further improve the quality of the services they receive.

The Republicans in the House would cut Head Start by \$600 million in 1996. They would give even fewer children a head start than currently receive one.

The second is national service. The Republicans simply eliminate the national service program, which has young people out serving in communities all over America and earning credits toward their education.

Of all the places in the budget to cut, these sets of programs seem about the most stupid and the most short-sighted. Educating our children and training our work force is an investment in the future. Cutting this is what the President would call eating our seed corn.

Now let me turn to Mr. Education himself, Secretary Riley.

SECRETARY RILEY. These budget proposals put forth by the Republicans, when it comes to education, are really out of step as far as the thinking and the hopes and the aspirations of American people are concerned. This is clearly no time to cut back on education when the entire economic future of the country is at stake.

Now, I believe that these proposals are extreme and they are clearly short-sighted. They represent a sharp break with the American tradition of bipartisan support for education. This is a very critical and important time for America, and especially American education. We're creating a knowledge-based economy. And these budget proposals go directly against the grain of common-sense thinking about what we need to do to prepare our young people for the coming times.

The American people clearly are pro-education. They want to invest in education. They recognize that there's a direct link between the education deficit and this country's future and the budget deficit. The two are tied together.

Last January, the Wall Street Journal and the NBC poll specifically asked the question about whether there should be cutbacks in my Department of Education. Over 80 percent of the people said no; 70 percent said that the department itself was very necessary in the role it played.

The Republicans came out recently and attacked the school lunch program. That didn't make a lot of sense to Americans. Now they want to tamper with the basic American principle of access to college, helping people who can make the grade get ahead by getting the higher education and being able to participate in this complex economy. The American middle class is what it is today because we've made access to higher education a national priority for over 50 years, since the GI Bill.

My department's budget provides critical assistance to help parents and students pay for college -- more than \$35 billion in financial assistance, and loans and grants and work study. One-half of all students in college receive some form of aid from the Department of Education. This is in higher education. The House proposal will increase college costs for 4.5 million college students by eliminating the in-school interest subsidy -- and that is real money; up to \$3,000 extra of a working class, middle class, and certainly poor family trying to get a student through college.

In proposing to eliminate the very successful trio* programs, the House is telling 700,000 young people, mostly minorities, that they won't get the real help that they need to prepare them for college and to negotiate this new economy. And I ask you, does that make any sense as far as the economic growth of this country?

President Clinton has clearly shown that he is an education-minded president. Leon and Alice mentioned a number of the programs. He wants to protect access to college, and even increase it. And that's why the President wants to target tax cuts to pay for college tuition, and why our direct lending program is so popular on college campuses all across the country. It saves billions and billions of dollars of taxpayer dollars. And that really does help with the deficit without hurting education. And that makes good sense.

The Republicans, on the other hand, want to give a tax cut to the wealthy. They propose, as you know, to give a \$189-billion tax cut to the very well-off, half of whom are the wealthiest 10 percent of households in America.

These budget proposals will begin to slam shut the door of opportunity for millions of young Americans who see education as their only way to be part of the American middle class. We need to give our young people hope. And I don't see much hope in these proposals. The message I hear from the Congress to the children and the young people of America: You're on your own.

The American people have always seen a good education as the American way for success. You study hard, you do what your lessons indicate you should do, you keep your nose in the book, you can make it in this great country. I believe in local control of the public schools. I don't believe, however, in gutting the programs that were referred to -- Goals 2000; Educate America Act, which is now actively underway in 47 states and all the territories; people who are with local control, local input, their own reform reaching for the broad national goals; no regulations; technology; Safe and Drug-free Schools; all of the college programs that I referred to.

So I think the question has to be raised. Why now this real attack on education? I'm starting to come to the sad conclusion that in a political season education seems to be becoming a political target. I would think that it -- I would be hopeful that the Republicans who are supporting this proposal would stop and think more about the children of America and less about politics. I urge the Congress to tune into what the American people really want when it comes to education, and stop listening to the political ideologues. We're not educating our young people as Democrats and Republicans and independents, but as Americans. And that is the future of this country.

SECRETARY REICH: On the anniversary of one of this country's greatest victories, the Republican budgets wave the white flag at next century's greatest challenge, and that is to create a first-class competitive work force; to provide opportunities to every single one of our citizens to succeed in a new economy -- a new economy which is very different from the old economy.

Now, 25 years ago it was possible to simply leave high school or even get a high school degree and go directly into a factory job that paid a pretty good wage. But those good factory jobs available to high school graduates, available to people even leaving high school, those are not there anymore, largely due to technology -- robots, computers. We've seen over the last 15 years a huge wave of technology hit these shores. That's good, but it means we've

got to be ready.

Globalization has, in effect, accelerated the process of economic change. We are seeing the consequences. That gap that is widening between people who are prepared for the work of the future and people who are not prepared. Workers who have the education and skills -- they're doing all right. Workers who don't have the education, who don't have the skills are on a downward escalator. And what the Republicans are now proposing would make that downward escalator even more precipitous.

Americans are not used to surrendering. Fifty years ago we stood together to defeat fascism. And after winning that war, we won the peace for the next 30 years. Americans grew together as living standards rose for everyone -- rich and poor and in between. We built a middle class that was the envy of the world. But today, instead of growing together we're growing apart. We're growing apart because education, job training, lifelong learning are more important than ever before. That's why the President over the past two years has laid the foundation stones for revolution in education and lifelong learning.

The Republicans want to take us backwards, at the very time in our nation's history when education, lifelong learning, skills are more important than ever. This is the fight the Clinton administration has been waging. The President's plan for increases in funding for job training, for education, for one-stop career centers, for school-to-work apprenticeships -- at least giving working Americans the possibility of getting ahead, the possibility of breaking out of the cycle of stagnant or declining wages.

The Republicans are planning to cut all that -- 20 percent, 30 percent, 40 percent over the next seven years. We ought to be investing more in people, not investing less in people. Millions of American workers are now caught in the down-draft of corporate restructuring, of defense downsizing, of health care restructuring -- health care workers are going to need a lot of help getting new jobs. Millions more Americans are being challenged as never before by new technologies.

I go around the country a lot as Labor Secretary talking to American workers. I see their disillusionment, I see their frustration. There are good jobs out there that require some skill, they require some training, they require better education than many people have had to date. Forty percent of community college students are adults trying to get that education. But they tell me, we can't afford it. We're losing our jobs. We don't have the ability to get ahead. We need help. That's why the President has decided over the last two years to increase funding for education, for job training, for continuous learning, for skills. The Republicans want to take us directly in the opposite direction.

We are all committed to reducing the deficit. But these cuts are grotesquely misguided, with most of the savings going to the well-off -- people who are already on the other side of the great divide. Education and training are, indeed, the fault line dividing the economic winners from the economic losers in this society. It makes absolutely no sense to take money away from education and training for working Americans and working poor Americans, people who need it the most, and give it in the form of a tax break to people who need the tax break the

least. It is simply nonsensical.

Reading these two Republican budget plans is like watching a terrible double feature -- Dumb and Dumber, followed by Clear and Present Danger.

These cuts have serious consequences for real people. I've met these people in the last few months around the country. A former assembly worker in Hartford, who got new skills at a community college to become a numerically controlled tool operator is now earning \$12 an hour. A single mother in Kansas City I met just a few weeks ago. She went from being a cashier at the brink of falling into welfare dependency to being a \$12 an hour desktop publishing specialist. And in Seattle just a few days ago, a former aerospace worker who acquired new skills and is now learning systems analysis, earning more than he earned before.

These people were helped because we created opportunities for them, pathways for them -- not handouts. This is not a matter of charity; this is not a matter of big public programs. This is a matter of enabling people through direct student loans, through skill grants, through one-stop career centers, through school-to-work apprenticeships to help themselves. This is the American way.

In previous times of turbulence and change, Americans have always banded together. That is why it is especially sad that in this time of turbulence and change, economic turbulence, economic change, we've been presented with a budget that will drive us further apart. They have given up on the ideal of middle class prosperity.

MR. PANETTA: Questions?

Q For Director Rivlin, please. The administration has said that it wants a balanced budget. You have not offered a budget that does that. Where would you go -- if not here, then where will you go?

MS. RIVLIN: We have said that we're for deficit reduction. We have accomplished a lot of deficit reduction already, and we want to work with the Congress on further deficit reduction. But now it's their turn. They made a lot of promises about how they could get to balance by 2002 and fund a big tax cut at the same time. We're just beginning to see how they would do that, and what we see we don't like. The cuts are in the wrong places.

It's not that we're arguing with deficit reduction -- we're for deficit reduction. But not if it means cutting back on services for older people that they desperately need in Medicare, or as we've been emphasizing this morning, cutting into investment programs that serve the objectives that deficit reduction is supposed to -- namely, growing the economy in the future.

Q But do when? Do you have a date when you would balance the budget?

MS. RIVLIN: No. We're for further deficit reduction, and we want to work with the Congress on it. We don't think picking an arbitrary date, 2002, is the right way to go about

it.

Q -- this administration has given up on the idea of deficit reduction?

MS. RIVLIN: No, absolutely not.

Q -- the President hasn't said he wanted to balance the budget since early in the campaign. You've offered no road map to get there ever. Can you offer anything besides the phrase that we've said we're for deficit reduction that would in any way show any effort to reach or achieve a balanced budget, or any proof that you feel a balanced budget is economically good for the country?

MS. RIVLIN: At the moment we are looking at what the Republicans have on the table. It is not our turn at the moment to offer -- to go beyond our budget. We thought our budget was a very good budget.

Q But there's nothing in that that would indicate any desire for a balanced budget.

MS. RIVLIN: The budget does not reduce the deficit in dollar terms, it reduces it as a percent of GDP. But we've made very clear that we want to go beyond the budget and work on further deficit reduction.

MR. PANETTA: I think we've more than established our credibility with regards to deficit reduction, not only in a \$500-million deficit reduction plan that was not supported by the Republicans, but also by the additional cuts that we have made, totalling almost \$600 billion, plus a health care plan that made very clear that what we've got to do is have cost constraints in that area of health care. If you're looking at entitlements, the one bill is health care. We proposed a broad health care reform bill last that would have involved constraining those costs and helping us reduce the deficit that much more. They rejected that.

We have said very clearly that we are for additional deficit reduction. But we are not going to do it while they want to fund a huge tax cut for the wealthy. We're not going to do it by simply slamming away at Medicare and Medicaid outside of health care reform. And we're not going to do it by simply picking an arbitrary date to balance the budget by. We want to do rational deficit reduction that protects investments in our economic future.

Q If I could follow with one more question --

MR. PANETTA: Sure.

Q This gets to the heart of the dispute between you and the congressional Republicans that if you want to balance the budget there's going to have to be a lot of pain. A lot of programs are going to have to be cut and people are going to have to suffer. And the best political way to do that is to make broad cuts across the board. But if you don't want to balance the budget, then you can preserve and protect programs that you like in your constituency --

MR. PANETTA: Well, wait a minute. In our economic plan we froze discretionary spending. We froze it for five years -- '93, '94, '95, '96, '97. A hard freeze on discretionary spending. But at the same time, we were able to increase investments in the areas that we care about for the future. We consolidated programs. We cut programs. We eliminated almost 100 programs and recommended consolidating almost 300 programs. But we invested in the programs that are important to our families and their children.

We put more into education. We put more into job training. We put more into crime and law enforcement. I mean, we were able to put investments there. What their budgets do is they simply blindly slash away at those programs, without looking to the future and without looking to what's important for families in the future. That's the difference.

Q Secretary Riley said a minute ago that he hoped the Republicans would tune into what the American people really want. I can only assume that you have come here in these presentorials this week and in the predecessors that preceded them to talk about the programs that you think the American people really do want, and I suspect, things being what they are, you have some documentary evidence from public opinion research that buttresses that, because I can't imagine you'd be willing to come out here and face all these questions about whether you're not intransigent and uncooperative and irresponsible if you don't think these are winning arguments. So why do you think these are such winning arguments that will trump criticism of you all as now abandoning the charge that you correctly say you led two years ago?

MR. PANETTA: Look, this is not about polls, and it's not about who's reading what polls or what have you. This is about what's in the interest of working families in this country. I mean, all you have to do -- don't take our word for it, go out and ask the average family, do you care about your education; do you care about providing decent health care for your parents; do you care about the future; do you care about a good job? I mean, those are the questions. Don't ask us, don't just rely on us. Go out and ask the American people what they care about, what is important to their families. And it is the security of knowing that they can give their children a better life.

So what gives their children a better life? It's the help and assistance that they get from programs like this. I mean, this doesn't require a space scientist to understand the importance of these programs when it comes to families. These are important programs, and frankly, the Republicans have endorsed many of these programs in the past because they are important to families.

Right now, unfortunately, they are blindly on a march and not looking to what impacts on families. And that's what we're trying to point out here. Please keep your eye on what hurts American families because that's what these budgets are about.

Q All four of you used the language today that these cuts are motivated primarily or in large part to give tax breaks to the wealthy. Tonight the Senate Budget Committee will vote, and their plan, which takes another trillion dollars out of -- on top of the deficit reduction you

enacted -- is clearly not motivated by that because it doesn't have the tax cut that you guys object to. So Domenici's plan and the Senate Republicans, their idea, in response to Mr. Reich, is that they think that freeing this debt burden will unleash the American economy to do the very things that Secretary Reich spoke about. And it's a different philosophical approach. They don't say they don't care, they say they do care and they have a better way to achieve what you're talking about. Why are you so sure that they're not correct?

SECRETARY REICH: Let me speak to that. We have talked all along about there being two deficits -- one is a budget deficit that does have to be brought down, and we have to bring the budget deficit down in large part to free up savings for capital investment. And that is vitally important to future living standards. But there is a second deficit and it's a deficit in terms of investing in our people. Human capital -- it's a cold-blooded term -- but investments in education and lifelong learning are as important to a modern economy, particularly an information-based economy, a technologically-driven economy, as is capital formation. We cannot abandon one for the sake of the other. We've got to do both.

That is what we have been doing in this administration. To simply slash education and training and lifelong learning -- to slash investments in people and human capital for the sake simply of bringing down the budget deficit, increasing capital formation, physical capital formation, financial capital formation, makes no sense. You've got to do both. And that's what we are doing. That's how you create higher living standards.

MR. PANETTA: And if I could, too -- this raises a good point. Please do not be fooled by the camouflage in the Senate budget plan. And that's what it is. Look at the language there. What they have essentially done is they have set aside a bank to be able to provide a tax cut when they get to the floor. And they've said that. They've said that. The fact is their cuts, whether it's in education or health care, or whatever, what they're doing then is being able to use the debt interest savings and say, oh, don't we have a nice little fund here that we can then give out in tax breaks. So they've basically set it up.

Secondly, there's no question about where the House is in terms of tax cuts. They are standing by their Contract. It is a \$350-billion tax cut, largely aimed at the wealthy. I have not heard John Kasich or Newt Gingrich or any of the leadership on the House side say they're going to give in on that one inch. And so the bottom line is when these two come together they're going to have to face a big issue: Are they going to give out huge tax cuts to the wealthy by cutting Medicare and Medicaid and education, or are they going to back away from that?

Q Mr. Panetta, we've heard about your commitment to reducing spending, but I think people want to hear what your feeling is about getting to a balanced budget. And if 2002 is an arbitrary date, is there a better date?

MR. PANETTA: I have always said that it makes sense for us to develop a rational deficit reduction path that leads ultimately to balance, although -- look, I have also said that strict balance is not what I think the economists say is absolutely essential. If we could get to less than one percent of GDP and move on a path that would get us there, I think that's the kind

of rational path on deficit reduction that makes sense. You want to get to that area, and then you want to be able to exert discipline at that point.

But to pick a date out of the air as they have in their Contract and then in their amendment to say 2002 is somehow a magic year to do this does not make economic or investment sense in terms of this country.

Q You've made clear how you feel about the discretionary cuts in both of these plans. How do you feel about the cuts in corporate subsidies, the so-called corporate welfare that the House plan is looking at? I direct that to Secretary Reich and Mr. Panetta.

MR. PANETTA: Frankly, I have seen them put a plugged number in, but I have seen no specifics on what they're recommending on that issue. We're seeing in both of these budgets some plugged numbers that haven't been filled in in terms of specifics, and I can give you a much better read once I know whether they're, in fact, going to move on any specifics.

Look, we have always said, and in our budgets we have said we ought to identify those areas where there are specific subsidies, whether it's in programs or whether it's on the tax side, and be able to look at those as well. We have done that in past budgets and will continue to look at those. But don't be fooled, the bigger problem here is not the \$25 billion they're doing there; the bigger problem is the almost \$500 billion they're taking out of Medicare and Medicaid.

Q Mr. Panetta, could I change the subject a little bit to Senator Dole and his criticism -- also some criticism by Mitch McConnell and other Republicans today at the summit -- he says --Dole says, no success; clearly the Congress will be reassessing relations with Russia and reassessing U.S. assistance to Russia. A, is he making a threat, and B, is this presidential politics?

MR. PANETTA: Well, we very much regret the comments of Senator Dole. I think they're spoken more as Candidate Dole than as Majority Leader Dole, because there's always been a tradition in this country that has been honored by both parties in the past that you don't criticize the President when he's abroad, and that politics stops at water's edge. Obviously, that no longer seems to be the case, and I think that's regrettable because, in the future, whoever is president, it's important for both parties to provide support when he's abroad representing this nation.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 24, 1995

REMARKS BY THE PRESIDENT
TO BOYS NATION

The East Room

12:11 P.M. EDT

THE PRESIDENT: Thank you very much. To all the delegates of Boys Nation, I'm delighted to be here, as you know, with many members of our administration who are involved in the setting of economic policy for our country; delighted to see Mr. William Detweiler, the National Commander of the American Legion, here; along with your other leaders -- Ray Smith, Ron Engel, Jack Mercier, who has been with Boys Nation for 31 years and I believe was there -- that would make 32 years -- when I was there in 1963 -- George Blume and others.

Let me say, as I'm sure you know, I am especially delighted to welcome all of you here to the White House. I don't have to tell you what an important event this is for me every year and how much I look forward to it. But this is an especially important time for all of you to be here.

The world in which you will live -- the world which I am sure many of you will help to lead -- can be America's greatest time. But it is a world being transformed to a degree seldom seen in all American history. Much of this change is good. But it's not all good. If you look at what is happening in America, we have more new businesses being formed, more Americans becoming millionaires, more people finding success than at any period in our history. But most Americans are still working harder for the same or lower pay they were making a few years ago, with greater levels of personal insecurity about their ability to take care of their parents if they get sick, their ability to educate their children, their ability to hold on to their own health care.

If you look at what's going on, most of our social problems are being addressed very well in many places. In most major cities the crime rate is down, but the rate of random violence and crime among our youngest teenagers is going up and there are still too many problems with crime and violence, with drugs and gangs.

If you look around the world, the Cold War is over and peace and freedom and democracy and world trade are all increasing. But still there are serious problems with what I call the organized forces of destruction -- ethnic, religious, racial hatreds leading to awful wars; the proliferation of weapons of mass destruction in tiny amounts, as you saw when the terrible bomb exploded in Oklahoma City or the gas was released in the Japanese subway. So we have both a great deal of good and a great deal of troubling change going on in the world today and in our country.

In recent weeks I have addressed those challenges in the face -- here at home: First, to restore the American dream of opportunity and the American value of responsibility; and, second, to bring our country together in a stronger community so that we can move forward together. I believe those two goals are inseparable. I

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believe the only way we can restore economic opportunity and solve our social problems is to unite our people more.

I can tell you that it would have been unthinkable when I was here in 1963 -- we had a lot of problems in 1963 -- we had severe racial problems still, the country was still largely segregated. But it would have been unthinkable if someone had told us in 1963 that 30 years from now the country would be as deeply divided as it is today, and that people would have lost faith in their institutions and would have the level of cynicism and skepticism that they have today.

My vision for your future is a very positive one. I want this country to be a high-opportunity, smart-work country with good jobs and safe streets, with a clean environment and excellent education and health care; a country in which diverse people live and work together, in which communities and families can solve their own problems, and in which people are given the chance as individuals to live up to the fullest of their God-given potential in a world that is steadily moving toward more peace and freedom.

When I say we have to restore the American dream of opportunity and the American value of responsibility, when I say we have to rebuild America's sense of community, that is simply a strategy to reach that vision -- a strategy rooted in an obligation Americans have always accepted, the obligation to give each successive generation a better life than the preceding one had. That is an obligation from which I benefited, and one from which millions of others have benefited as well.

Exactly 32 years ago, on July 24, 1963, I came here as a delegate to Boys Nation when John Kennedy was President. I would never have made it here, and gone from that day to this one, without the benefit of the shared beliefs and convictions and opportunities that made up the America of my youth. I lived in a family where everyone worked hard and where children were expected to study hard. I also had a lot of opportunity given to me by my community. I had good teachers, good schools, and, when I needed them, scholarships and jobs to make my education possible.

I saw what happened, too, when good people had no opportunity. There were a lot of good people I grew up with who had no opportunity because they were of a different race, or because they happened to be poor and white and isolated in the poor communities in the hills and hollows of my state. I have lived my public life believing that everybody ought to have the chances that I had, and that if everybody did and we all worked together, this country would be able to go on indefinitely as the world's best hope for freedom and opportunity. My philosophy is rooted in these beliefs, and the experience of the United States bears out that they are the right ones.

I imagine the same is true in your lives. I'm sure a lot of you have been amazed at how very different your backgrounds are and yet how much you seem to have in common. Our nation's work must reflect what you have in common. And our nation's budget, which we're debating here with such intensity now, must also reflect those common values and our shared vision for the future.

The priorities of American families and their household budgets aren't all that much different than the priorities of our larger American family and our nation's budget. The way we spend our money as individuals, as a family and as a nation says an awful lot about who we are, what our values are and what our vision for the future really is.

We are at an historic moment, as I have said. For the first time in a long time, the leaders of both major parties agree on

one thing we have to do consistent with our values, and that is to balance the federal budget and relieve our children and our grandchildren from the burden of a permanently increasing federal debt.

You know, we never had a structural or permanent deficit in our country until about 1981. But from 1981 until the day I took office, the national debt was quadrupled. When I came here I was committed to getting that deficit off our backs. In the first two years of our administration we cut the deficit by a third, and we are now reducing it for three years in a row for the first time since Harry Truman was President of the United States just after World War II.

But it is still such a problem, what happened in the previous 12 years, that the budget would be balanced today -- today -- except for the interest payments we make on the debt run up between 1981 and the day I became President. And this debt is so great that next year interest on the debt could be larger than the defense budget. This is a very significant problem and there is more to do.

Therefore, it is good news that both the Congress and I have offered plans to balance the budget. Both plans involve significant spending cuts which will not be easy to meet. Both plans protect our ability to maintain a strong defense and the world's finest military. Beyond those similarities, however, there are profound differences -- differences that go to the heart of our ability to find common ground, to rebuild the American community around the old-fashioned values that I talked about just a moment ago. The commitment to our future I believe that we all have must be defined in large measure today in how this budget contest is played out.

The congressional budget balances a budget in seven years. My budget does it in 10. The congressional budget cuts taxes by about \$250 billion over seven years. Our budget cuts taxes, but by slightly less than half that amount. Why? Because our budget, by making those changes, enables us to increase investment in education and training by about \$40 billion over the next seven years, to help make sure all Americans have a chance to develop the fullest of their abilities and to compete and win in the global economy.

This is very important. About half of all the students in college today everywhere in America have some form of financial assistance. It is critically important to maintain it. It is critically important that everybody who wants to go to school has a chance to go and has a chance to finish. And it's a big part of what our national security will mean in the global economy.

Our budget strengthens health care coverage, especially for senior through Medicare, and provides families some help in caring for their elderly parents who don't go into nursing homes. Our budget protects the food we eat, the air we breathe, the water we drink. It rewards work, concentrating tax policies on helping working families to raise their children and to educate both their children and themselves -- because we know more and more adults will have to go back for job training over the course of their work lives. And it preserves our investments in science and technology, so that our workers and our businesses can compete the world over in a rapidly changing technological era.

Our budget achieves all the economic benefits of balancing the budget. It gives you lower interest rates, higher investment in private dollars. It reduces the amount we'll have to pay on the debt for interest in the years ahead. But it maintains these other priorities, which I believe are essential to rebuilding the American community and finding common ground.

These priorities are not Democratic or Republican priorities. They are common sense, national decisions that have served us very, very well over the last generation. They have stood the test of time. They have marked our character as a nation and they mark the road to the future we should take.

Now, some in Congress say we need to retreat from the common ground we have so carefully built on education, on Medicare, on the environment, on science and technology to balance the budget in seven years with these big tax cuts. They say we need to slash federal aid to the schools and to increase the cost of student loans. They say it is all right to make the elderly pay up to thousands more for their Medicare benefits and to dramatically reduce our ability to protect the environment to meet the seven-year time period with the big tax cuts. They say all this is necessary to balance the budget. But many would use the balanced budget as an excuse to do these things which they wish to do anyway.

I have shown we can balance the budget without retreating from our common ground on education, on health care, on the environment. So I invite senators and members of Congress from both parties to join me in balancing the budget while protecting our common ground. I will work hard to get their support. But if they refuse, I must continue to act, alone if necessary, to protect the common ground that brought every single one of you into this White House today. I will do that. (Applause.)

Thank you very much.

Let me say again, there is no question that we have to balance the budget. And the majority in Congress deserve credit for proposing a plan to do that. But we do not have to do it in seven years. We do not have to do it with massive tax cuts to people who don't really need it.

The haste of their schedule and the scope of their tax cuts are luxuries, and this is not a time for luxuries. Think again about your family's budget. If you can't afford luxuries right now, you don't sacrifice necessities to have them. Take education. I think it's a necessity. From the birth of the land grant colleges during the civil war, to the creation of the G.I. Bill 51 years ago this summer, we have understood that when we invest in the education of our people, it makes the whole country stronger.

We have understood that, regardless of party, right through the first two years of our administration. In 1993 and in 1994, we had bipartisan support for the most remarkable education agenda in the last 30 years. We had higher standards for our schools. We had more affordable college loans with better repayment terms. We had a national service initiative, AmeriCorps, that now gives 20,000 young people a chance to serve in their communities and earn money for their college educations.

We had a dramatic expansion of Head Start, a program that has enjoyed bipartisan support for decades now. We expanded the age at which children were eligible, improved the quality of the program, and increased the number of kids in Head Start to make it more likely that more Americans will have a chance to be sitting where you're sitting today. But now, as a part of this balanced budget program, many in Congress are willing to cut 50,000 out of the Head Start program and block its expansion.

Another example is the commitment to educate and train all Americans. We know the global economy demands more skills and information than ever before. We know -- we know that the middle class in America today, including many of your parents, are either going up or going down economically, are either increasing their

security or feeling more insecure, based directly on the level of skills they have. We know that. We know that is a reality for the lives of Americans all across this country.

So what did we propose? We proposed to do everything we could to increase the access of people to college and to increase the training available to adults. But again, many in Congress would cut the Pell Grant program by 300,000 slots a year. That's 300,000 poor people who won't get college degrees to become middle class people, maybe even rich people, and pay back far more to the tax treasury -- to the Treasury in taxes than they ever took out in the Pell Grants.

And the job training in some ways is the most troubling of all. I have proposed that we consolidate all the government's training programs into one big scholarship program for adult workers who are unemployed or who are underemployed, giving them a voucher worth up to \$2,600 a year to go back for two years to get further training, so they can increase their abilities to earn a good living. We should not reduce this. We should increase this. We shouldn't reduce it. People are in trouble out there today in this country because they don't have the education and skills they need to maintain family, wage, jobs in a global economy. These are very important. We don't have to get rid of this to balance the budget.

The same is true about health care. Thirty years ago we decided as a people that we would at least protect the elderly of this country from the fortunes of not having adequate health care. We did it with Medicare. We did this as an extension of the compassion we feel in our own families for the elderly in our individual families.

Medicare has worked well. It has low administrative costs. It has covered all people over 65. I might add that we are the only advanced country in the world that doesn't have some form of universal health coverage for everybody, but at least we do it for senior citizens. It's a basic American value. We help take care of people who raised us up and took care of us.

Before Medicare, half of the elderly people in this country had no health insurance whatever. Now, 97 percent of the senior citizens in America have access to health care. Of course, we have to reduce the rate of inflation in the Medicare program. I have said that from the first speech I gave to the Congress as President. But we can do this by reforming Medicare, not by ruining it. We can still maintain protections for every senior citizen in American, instead of deciding that some will do fine and other will get the shaft.

Some in Congress want to cut \$270 billion from the Medicare program, about the same amount they want to cut taxes. Their proposal would require our seniors -- maybe some of your grandparents -- to pay as much as \$5,600 more a couple in out-of-pocket costs. So we cut spending in one way and off-load the burden to others. That does not reflect the values of most American families. Maybe some people can afford to pay some more because they're upper income, but most seniors in this country hardly have enough to live on as it is.

If you look at the attack on the environment you see another example. The environment has been a bipartisan issue in America. The Environmental Protection Agency was established under the presidency of Richard Nixon, a Republican President. We have shared a common commitment to the environment. Perhaps our country's most outstanding environmental President was our first environmental President, Theodore Roosevelt -- again, a Republican. This has never been a partisan issue.

We have agreed for a long time as a people that the stewardship of our natural environment is a big part of maintaining the American Dream. With the first Earth Day, 25 years ago, Americans came together to say no to dirty air, toxic food, polluted water; and say yes to leaving our children a nation as unspoiled as their dreams. We recognize together that our business in creating jobs was not undermined and, in fact, could be enhanced by protecting the environment.

We all know that in the last two decades, there have been some rigid regulations and some unreasonable enforcement that have limited the effect of our laws and alienated people from the whole cause of environmental protection. So we should change the way our regulators do their work. We have worked very hard to do that. Right now, we have in motion an initiative that will reduce by 25 percent the amount of time people in the business community spend complying with the environmental laws.

Right now, we are putting in place a small business program that says to every small business person in America, if you're worried about an environmental law, if you will call us and ask for help, you cannot be fined for six months. We will work with you because you asked for help. We're not interested in fining people; we're interested in protecting the environment. But that is very different from just walking away from our commitment to protect the environment.

Some in Congress want to slash funding for enforcement by almost 50 percent. It could put at risk the safety of the water we drink. It would increase the chances of raw sewage washing up on our beaches. It would excuse some polluters from having to clean up their mess. That is not our vision.

Believe it or not, some of these restrictions would actually undermine the ability of the United States to enforce the Clean Air Act. The Clean Air Act was last signed by President Bush, my Republican predecessor, who said it was his proudest legislative achievement. This has always been a bipartisan thing. It is now being put at risk in this budget debate. And I believe it undermines our ability to find common ground.

Others say we should cut science and technology, the most powerful engine we have to boost our economy. Finally, there are even proposals that would undermine our ability to make work more attractive than welfare.

I have worked now for 15 years, long before I became President, to move people from welfare to work. I have learned that most people on welfare want to go to work and that one of the things that we permitted to happen over the years was to build in too many disincentives to work. So that's why I've supported welfare reform proposals that would move people from welfare to work. We have given 30 states permission to get out from under federal rules and regulations, to come up with new and innovative ways to move people from welfare to work, including letting states take welfare checks and give them to employers as income supplements so they would actually hire people to go to work.

One of the things we have to do is to make sure we don't tax people back into poverty. And when people are out there working on low wages, what we did in 1993 was to say, if you're out there working 40 hours a week and you have children in your house, you should not be in poverty. The tax system shouldn't put you in poverty. We will lower your taxes. If necessary, we will give you a tax refund so that if you will work 40 hours a week you can raise your kids outside of poverty. There are even some people who want to erode that tax cut so that we can cut taxes for people who don't really need it in this budget program.

There are a lot of things being done here which will violate and undermine our chances to achieve common ground. And they do not fall into the traditional partisan differences. Most of these things have been supported by Republicans and Democrats. The tax provision for working families was called by President Ronald Reagan the most important pro-family, anti-poverty initiative in the last 30 years. Now there are people in Congress who are trying to erode it. And it is wrong. And it undermines our ability to make common ground.

The seven-year time table and the huge tax cut, these are luxuries. To make room for them, some in Congress would slash necessities. I say, let's take 10 years instead of seven; let's have a modest tax cut targeted toward what people really need, which is help in raising and educating their children and knowing they can always get new education and training themselves; and let's keep on investing in the things that are our necessities. These things will create millions more American dreams if we continue them.

We can cut taxes. We can balance the budget. But we have to do it in a way that maintains what has been for decades and what clearly is now the common ground on which we can go forward together.

Your parents recognized that it was unacceptable to destroy the environment and created the environmental movement. My parents saw the pain of their parents and insisted that we create Medicare. Every generation has done something to build up and create the fabric that is what we know as the American Dream. We now have to create a system of lifetime education and training that all can have access to. And we now have to deal with these social problems that have been too long ignored. We can do it in a way that permits us still to balance the budget and lift that burden from your future.

So I say to the Congress, come back to common ground. We can do this. The Congress has recently passed the so-called rescission bill. You may not know what that means, but it -- basically it's a down payment on our balanced budget. It cuts from the budget that we are presently spending in this year.

This rescission bill, when they first sent it to me, caused me to veto it because it had unacceptable cuts in education, training and the environment. When we went back to the table to work together, Congress came up with a revised bill that reflects our shared values. It permits us to cut \$16 billion from this year's budget; to maintain our commitment to education, health care and the environment; to invest in helping those people in California who still are suffering from the earthquake; to deal with the terrible tragedy in Oklahoma City; to keep our commitment to the Middle East peace process and a number of other things, and still cut even more spending to continue our work toward balancing the budget.

Now, we share, I hope and believe, a basic commitment that each generation must take account of the accumulated wisdom of generations that have gone before, as well as our new ideas. When we ignore the evidence of what has plainly worked in the attempt to fix what is plainly wrong, we pay a terrible price. We mustn't throw over, in a moment of partisan zeal, the common sense and bipartisan conclusions of our fathers and mothers, derived from lifetimes of experience, with problems that we will only have to suffer through again if we ignore that experience.

So I ask you as you come together in this wonderful Boys Nation experience and you debate these issues, imagine what you want your country to look like. Ask yourself what your vision of the future is like. Write it down on a piece of paper. What do you want America to look like in 20 years? What is your vision, and how will

be achieve it? And what things do we have to do together? What things ought we to be for, whether we're Republicans or Democrats; whether we live in the Northeast or the far West; whether we're men or women, and without regard to our racial and religious background -- what are those things that we can say, this is what we want America to look like?

That, my friends, is where we must find our common ground. And that is what I am determined to protect in this great debate to balance the budget. Thank you very much. (Applause.)

END

12:41 P.M. EDT

THE WHITE HOUSE
WASHINGTON

BUDGET WORKING GROUP

Mtg 2-a
July 17, 1995

Agenda

9:00 -- 9:30 a.m.

- I. Calendar
- II. Update From Morning Mtgs.
- III. Press Report
- IV. Legislative Report
- V. Political Report
- VI. Communications Report
- VII. Education Group Report
- VIII. Health Care Group Report
- IX. Taxes Group Report
- X. Welfare Reform Group
- XI. Technology Group Report
- XII. Public Liaison Report
- XIII. Cabinet Affairs Report
- XIV. Intergovernmental Affairs Report

Jason Goldberg
Erskine Bowles
Mary Ellen Glynn
Susan Brophy
Karen Hancox
Michael Waldman
Jeremy Ben Ami
Chris Jennings (Jen K.)
Michael Barr
Bruce Reed
Jonathon Sallet
Marilyn Yager
Kitty Higgins
Emily Bromberg

9:30 - 10:00 a.m.

- I. Action Items (attached)
- II. Discussion and Assignments

Gene Sperling

WEEK ONE

July 20, Thursday

1. MEDICARE VOUCHERS: (Non-POTUS)

Purpose: To take early offensive on our side on Medicare vouchers.

Theme/Soundbite: Choice vs. Coercion and they make seniors pay more out of pocket

Desired Press Result: Possible next day or weekend stories by health care reporters and reporter education for long-haul -- to sensitize them to bogus Republican claims.

Event:

Vladek Testimony

Health Care Reporter Roundtable

Call reporters in Advance

Congressional Paper and Coordination

Issues:

- Exact theme on Medicare vouchers
- Which Reporters
- Which Principals?

2. NATIONAL CONFERENCE OF STATE OF LEGISLATORS: (POTUS)

Purpose:

Theme/Soundbite:

Desired Press Result:

Event: POTUS satellite to NCSL

Issues:

- Law enforcement supposed to be major event
- Affirmative action follow-up possible
- Could be moment to comment on Ed/Lab/HHS at Committee that day

July 20-22

**3. EDUCATION/TRAINING STATE-BY-STATE:
(Non-POTUS)**

Purpose: To get local stories across the country on the number of people hurt in each state by education and training cuts. To give Congressional Dems material on fight they can join with us.

Theme/Soundbite: Theme: Mostly that their BB would devastate education, ours would protect it.

Desired Press Result: Local stories across the country.

Event: (?) Possible Press Conference with Riley/Reich to highlight state-by-state with 50 separate press releases given out.

Issues:

- Timing: Committee is likely to be done by Thursday evening. Do we go for release on Friday? Good for members of Congress? Is it bad for press? Could save for Sunday or Monday?
- Important to decide soon so we can coordinate with education groups to amplify our release with their statements.
- What type of an event -- if any -- should there be to build up release

OTHER ISSUES: Possible Statements needed:

Monday: Interior Appropriations House Floor

Tuesday: USDA Appropriations on House Floor
House Approp. HUD/VA Committee****

Wednesday: DOT House Floor
Commerce/Justice/State Committee

Thursday: Treasury/Postal on Floor
DOL/Ed/HHS Committee*****

Friday: Commerce/Justice/State on Floor/DOD Committee

WEEK TWO

July 24, Monday

4. MEAT INSPECTION/REGULATORY: (POTUS)

Purpose: To show consumer safety effects of extreme budget plan and selling out to special interests:

Theme/Soundbite:

Desired Press Result: Photo?

Event:

Issues:

- Does this make sense after Saturday radio address?
- Should it be broadened theme to the selling out of consumer and environment to special interests
- Should it be just photo or full event
- Should we be looking to different message all together (Education or POTUS not give way to budget blackmail)

July 25, Tuesday

5. MEDICARE 30th ANNIVERSARY: (POTUS)

Purpose: To show commitment to Medicare and to draw clear distinction between our reform plan that protects beneficiaries and their extreme Republican plan.

Theme/Soundbite: Protect Medicare, not use it as a bank (or turn to second-class program) to pay for tax cuts or seven year budget.

Desired Press Result: Evening news soundbite of President making the case for Medicare with seniors around him

Event: POTUS appears with Congressional leaders and seniors for 30th anniversary of passage.

Issues:

- How sharp is the message and contrast?
- How much is it Medicare *and* Medicaid?

July 26, 1995, Wednesday

**6. EMPOWERMENT CONFERENCE:
(POTUS and VPOTUS)**

Purpose: To contrast the right way and wrong way for on urban policy. Present national urban plan as positive plan and contrast with brutal cuts.

Theme/Soundbite: POTUS presents new urban report and calls Republican plan harmful to metropolitan areas.

Desired Press Result: Major press article on mean-spirited urban plan and major themes of urban report.

Event: Empowerment Zone conference with VPOTUS, mayors and Cabinet:

Issues:

- Do we do the National Urban Report then?
- Can it get policy sign-off in time?
- How to fit in AA message on empowerment contracting?

July 28, Friday

**7. AMERICAN FEDERATION OF TEACHERS SPEECH:
(POTUS)**

Purpose: To show a the major contrast in visions for America: POTUS believes that empowering people with education is key to helping working families win in the new economy: Republicans see no role other than for bank to pay for tax cuts and balance budget:

Theme/Soundbite: Clinton draws line on Education: calls increase in education critical for economic future, and republican cuts unacceptable: to change education

Desired Press Result: Evening news on drawing the line: Press stories saying that Clinton stood up for education. Local stories generated by groups working in coordination with us to amplify the event.

Issues:

- Should the event be broadbased on education, or should it try to isolate and highlight a specific issue.
- Does he need challenge to teachers: avoid the special interest story.
- We want major amplification with groups for local stories. What is the best way?

July 29, Saturday

**8. MEDICARE 30TH ANNIVERSARY RADIO ADDRESS:
(POTUS)**

Purpose: To further use 30th Anniversary as hook to highlight differences between us and Republicans on commitment to Medicare.

Theme: Reform Medicare to strengthen it with more choice, more quality, more benefits -- not cutting Medicare beneficiaries, coercion and second-class system.

Desired Press Result: Quotes from the President to fit in 30th anniversary stories in Sunday paper with Photo of him with senior Americans.

Event: Radio Address will be taped on Friday. He would do Medicare address, with picture to be released Saturday of him with older Americans.

Issues:

- Which aspect of Medicare message?
- What type of photo?
- Who should the seniors be he is photographed with?

July 31, Monday

**9. NGA SPEECH:
(POTUS)**

Purpose: To discuss differential impacts on states and nation of two balanced budget plans.

Theme/Soundbite:

Desired Press Result:

Event: Speech at Burlington, VA.

Issues:

- Which aspect of the budget?
- Medicaid (effects on property taxes?)
- welfare?
- Overall budget
- Federalism Theory, Role of Government and Budget

OTHER ISSUES:

POTUS Interviews on Medicare: Networks; Judy Keen USA Today

HOUSE APPROPRIATIONS SUBCOMMITTEE
ON VA, HUD AND INDEPENDENT AGENCIES
Preliminary Analysis

and

Comparison to the President's Budget Plan

July 14, 1995

(Updated)

**VA, HUD, INDEPENDENT AGENCIES APPROPRIATIONS:
PRESIDENT'S FY 1996 REQUEST VS. REPUBLICAN FY 1996 EXPECTED ACTION**

Cuts programs under its jurisdiction by about \$9 billion below the President's request for 1996 -- **28 percent** of the \$32 billion that Congress plans to cut in non-defense discretionary spending.

	PRESIDENT'S 10-YEAR BUDGET	REPUBLICAN CUTS
National Service	Provides \$819 million in 1996 for AmeriCorps, Learn and Serve and related national service.	Eliminates AmeriCorps, Learn and Serve, and related programs.
AmeriCorps	Increases to \$430 million in 1996, giving another 21,000 young Americans the opportunity to serve their communities and earn an education award.	Eliminates AmeriCorps. Nearly 50,000 young middle-income Americans will lose the opportunity to serve their communities.
Learn and Serve	Increases to \$60 million in FY 1996, creating 140,000 new opportunities for children, adolescents, and college students to help their communities while developing a service ethic.	Eliminates Learn and Serve. 580,000 children, adolescents, and college students will be unable to participate in Learn and Serve.
HUD Budget	Provides \$24.3 billion and restructures HUD to devolve responsibilities to States and localities within a framework of national goals.	Provides \$19.1 billion (\$5.2 billion below the President's request and \$6.4 billion below 1995).
HUD Homeless Assistance	Includes \$1.12 billion in 1996 for a new homeless assistance fund to help communities develop continuum-of-care systems to reduce homelessness.	Cuts 1996 HUD homeless funding almost in half, to \$576 million.
HUD Vouchers	Adds over 500,000 voucher subsidies over 7 years.	Provides <i>no</i> funding for incremental housing vouchers other than to renew outstanding ones, and 50,000 fewer vouchers than the President's request.
HUD Public Housing	Provides \$8.1 billion in 1996 for public housing capital and operating funds, enough to reduce a backlog of capital needs and tear down or reconfigure the worst projects.	Cuts 1996 funding by 37 percent, or \$3 billion, and repeals the requirement that rents be set at 30 percent of a household's income.
EPA Budget	Continues Administration's strong support for EPA by providing \$.1 billion over 1995.	Cuts EPA's budget by 33 percent reduction below fiscal 1995.
Superfund Clean-ups of Toxic Wastes	Increases Superfund cleanups of toxic waste dumps by \$130 million.	Cuts spending by 30 percent below 1995; bars cleanup of any more sites.
NASA Budget	Restructures NASA using a balanced Space Station and science program that does not close any research centers.	Provides \$13.5 billion (\$0.7 billion below the President's request and \$0.6 billion below 1995).

OVERVIEW

The Subcommittee mark would cut programs under its jurisdiction by about \$9 billion below the President's request for 1996 -- 28 percent of the \$32 billion that Congress plans to cut in non-defense discretionary spending.

The Subcommittee mark attacks the President's priorities on several fronts:

- It virtually eliminates funding for the President's investment programs over which it has jurisdiction:

- It eliminates national service programs.

- It eliminates Community Development Financial Institutions.

- It slashes the Environmental Protection Agency (EPA) by a third.

- It cuts funding for HUD homeless programs in half.

- The Subcommittee also includes legislative provisions that have not been debated through the necessary authorization and hearing process and have no place in appropriations bills:

- It limits EPA's implementation of the Clean Air and Clean Water Acts.

- It restructures NASA.

- It imposes substantial rent increases on tenants in public and private HUD-assisted housing.

NATIONAL SERVICE

Subcommittee:

- Eliminates AmeriCorps, Learn and Serve, and related programs.

-- [In a related matter, the Labor-HHS Subcommittee mark also cuts the other piece of national service: It cuts VISTA programs by almost 60 percent and the senior volunteer programs by about one-third].

- The VA/HUD cuts will mean:

-- Nearly 50,000 young, middle-income Americans will lose the chance to serve their communities through AmeriCorps in locally-identified areas of crucial need and earn an educational award to help pay for college or other training.

-- Another 580,000 children, adolescents, and college students will be unable to participate in Learn and Serve, helping communities solve problems while also developing the ethic of service.

President:

- Provides \$819 million in 1996 for AmeriCorps, Learn and Serve and related national service opportunities.

-- For AmeriCorps, 1996 funding would provide another 21,000 young Americans with the chance to help meet locally-determined needs and earn an educational award.

-- For Learn and Serve, 1996 funding would provide 140,000 additional service opportunities to help children, adolescents, and college students develop the service ethic while contributing to their communities.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:

The Subcommittee allocation for HUD is \$19.1 billion (\$5.2 billion below the President's request and \$6.4 billion below 1995).

Homeless Assistance.

Subcommittee:

- Cuts 1996 HUD homeless funding almost in half, to \$576 million, and
- Cuts FEMA Emergency Food and Shelter Assistance, which supports local homeless programs, by \$30 million, to \$100 million.

These cuts will:

- Combined with large cuts in low-income housing subsidies (below), will increase the numbers of homeless,
- Deny communities help needed to create transitional and longer-term housing options for the homeless, and
- Reduce emergency services.

President:

- Would provide \$1.12 billion in 1996 for a new, homeless assistance fund to help communities develop continuum-of-care systems to reduce homelessness.
- The President and HUD have made cutting the number of homeless, who number 600,000 on any given night, a major priority.

Vouchers.

Subcommittee:

- Provides no funding for incremental housing vouchers other than to renew outstanding ones, and
- Provides 50,000 fewer vouchers in 1996 than the President's request.

President:

- Adds over 500,000 voucher subsidies over 7 years.

Public housing.

Subcommittee:

- Would cut 1996 funding by 37 percent, or \$3 billion, to repair, rehabilitate, and modernize housing projects and provide annual subsidies to operate and maintain 1.4 million units for the low-income and elderly.

- These cuts will force Public Housing Authorities to under-maintain and abandon projects or cut security and services.

- Would repeal the requirement that rents be set at 30 percent of a household's income.

- Many PHAs would raise rents on poorest families, forcing some into homelessness and others to use most of their cash income for rent.

President:

- Would provide \$8.1 billion in 1996 public housing capital and operating funds, enough to:

- Reduce a backlog of capital needs,

- Tear down or reconfigure the worst projects, and

- Prepare for a proposed transition to portable assistance, giving choices to public housing residents.

Public and assisted housing tenants.

Subcommittee:

- Requires public housing and Section 8 residents to pay minimum rent of \$50 plus utilities.

- If enacted immediately, this would increase rents paid by 600,000 public housing and Section 8 families by average of over \$460 per year.

- Increases rents paid by residents who get Section 8 vouchers from 30 to 32 percent of adjusted income.

- This would take away \$140 per year from the average assisted family.

- Suspends caps on tenant rent in public housing.

President:

- Includes rent reforms to encourage public and assisted housing recipients to move towards self-sufficiency, but
- Would not arbitrarily impose higher rent burden on low-income tenants.

FHA multifamily mortgage insurance programs.

Subcommittee:

- Would eliminate all credit subsidies for multifamily mortgage insurance:
 - Denying support, each year, for over 56,000 low and moderate income rental units, and
 - Exacerbating shortage of affordable housing.
 - In New York State, insurance would not be available for 8,400 housing units.
 - In southern California, insurance would not be available for 4,100 housing units.

President:

- Provides \$188 million in credit subsidies in 1996 to help finance multifamily housing.

ENVIRONMENTAL PROTECTION AGENCY:

The Subcommittee allocation for EPA is \$4.9 billion (\$2.5 billion below the President's request and \$2.4 billion below 1995).

EPA budget.

Subcommittee:

- Cuts EPA's budget by 33 percent below 1995, jeopardizing public health by quashing enforcement of pollution control rules and blocking new protections.

President:

- Continues Administration's strong support for EPA by providing a net \$.1 billion increase over 1995.

Operating Program.

Subcommittee:

- Cuts EPA's pollution control and enforcement programs by \$450 million.

-- The over 50 percent cut in enforcement would decimate EPA's ability to enforce environmental laws.

-- The cuts could necessitate layoffs of several thousand workers.

President:

- Proposes 14 percent increase for EPA's operating programs, the backbone of the nation's efforts to protect the environment.

Drinking Water State Revolving Funds.

Subcommittee:

- Provides no funds in 1996 and eliminates \$225 million in prior-year funding not included in H.R. 1944's \$1.1 billion rescission:

-- This \$225 million was restored to H.R. 1944 in response to the President's veto.

President:

- Proposes \$500 million to establish new state revolving funds to help municipalities provide clean, safe drinking water.

-- That will help prevent problems such as the cryptosporidium outbreak in Milwaukee that killed 100 people and caused illness in another 400,000.

-- It will most affect the 30 million people served by a system that violated a drinking water standard in the past year.

Superfund Clean-ups of Toxic Wastes.

Subcommittee:

- Would cut spending by 30 percent below 1995 and prohibit cleanups of additional sites.

-- This would eliminate planned funding for 70 long-term site cleanups and 200 cleanups to address immediate public health threats, subjecting hundreds of thousands of citizens to continued exposure to dangerous chemicals.

- Proposes that taxpayers pay for all cleanups, not polluters who created the dumps.

President:

- Proposes a \$130 million increase for Superfund cleanups of toxic waste dumps.

Overriding Environmental Laws.

Subcommittee:

- Includes legislative "riders" to overturn existing law without any hearings on their environmental impact.

-- They block or rescind numerous rules to protect public health, including those to ensure safe water, food, and air.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION:

The Subcommittee allocation for NASA is \$13.5 billion (\$0.7 billion below the President's request and \$0.6 billion below 1995).

Science and Technology Programs.

Subcommittee:

- Significantly cuts NASA's S&T programs.
 - Cancels \$2 billion unmanned Cassini mission to Saturn and replacement airborne infrared telescope.
 - Cassini cut will have a major impact on Jet Propulsion Lab and Cal Tech in California, and could cost 4,000 jobs across the nation.
 - Significantly cuts NASA's contribution to several Administration technology initiatives, including High Performance Computing and Communications, Clean Car, and research improvements in air traffic control.
 - Proposes to close three NASA research centers by 1988 in Maryland, Alabama, and Virginia, affecting 10,000 civil service jobs and 13,000 contractor jobs.

President:

- Provides \$14.3 billion in 1996 and restructures NASA using a balanced Space Station and science program that does not close any research centers.

Budget Working Group Planning Calendar

Monday, July 17 - Sunday, July 23, 1995

<u>DATE</u>	<u>POTUS Schedule</u>	<u>POTUS MESSAGE</u>	<u>VP/HRC/MEG</u>	<u>CONGRESSIONAL</u>	<u>MAJOR NEWS</u>	<u>MAJOR EVENTS</u>	<u>CABINET</u>	<u>INTERNAL PLANNING</u>
MON 7/17	• Unveiling of Bush Portrait • David Broder Interview • Affirmative Action Mtg. w/ CEO's		• VPOTUS: NYC • FLOTUS: Bush Portrait	• House Floor: Interior Appropriations • Senate: No Floor Approp. Action scheduled for week		• NCSL, Milwaukee, WI • La Raza, Dallas, TX	• Reich: Steelworkers, DC • Reich: <i>Time Magazine</i> Interview • Rubin: <i>New York Times</i> Intrvw., NY • Vladeck: Public Welfare Assn, DC • Riley: La Raza, Dallas, TX	• State-By-State #'s mtg. with Agencies @ 100 OEOB, 3:00 p.m. [Apfel] • NEC Budget Principals' mtg. @ Roosevelt Room, 4:00 p.m. [Tyson] • Re-Elect Briefing for Cabinet Chiefs @ M St., 5:30 p.m. [Sosnik, Higgins]
TUE 7/18	• Press Picnic • Political Reform	New Government		• Senate Banking Com. begins Whitewater (T/W /TH) • Daschel/Gephardt Press Briefing • (T) House Floor: USDA Approp. • House Approp. Cmt. Action: HUD/VA • House Commerce Com. Hearing on Medicare	• Whitewater Hearings • Speaker Gingrich delivers "major foreign policy address" • Political Reform Commission	• AARP Conf. on the "Future of Medicare," DC • NCSL, Milwaukee, WI • La Raza, Dallas, TX	• Kunin: NCSL, Milwaukee, WI • Babbitt: New England Van Tour, MA • Pulley: Minority Business Summit, DC • Vladeck: AARP Conf. on Medicare, DC • Reno: Cops Graduation, Chicago, IL	• Budget Briefing for Cabinet IGA @ WH
WED 7/19	• Affirmative Action Speech	New Community	• VPOTUS: DNC Dinner	• Waco Hearings Begin • Senate Whitewater Hearings Continue • Maj. Ldr. Arney speaks @ Nat'l Press Club • (T) House Floor: DOT Appropriations • House Approp. Com. Action: DOC/DOJ/STATE • House Ways & Means Sub. Hearing on Medicare • House Comm./Oversight Hmg. on Medicare Fraud/Abuse	• Affirmative Action • Waco Hearings • Whitewater Hearings	• AARP Cong. on the "Future of Medicare," DC • NCSL, Milwaukee, WI	• Babbitt: New England Van Tour: NH, ME • Rubin/Reich: Pension Campaign Announcement, DC • Feder: AARP Medicare Conf. • R. Brown: Affirmative Action mtgs., Chicago, Akron, NY	
THU 7/20	• Satellite to NCSL, Milwaukee, WI • FL State Day @ WH • Fed. Law Enforcement Mtg. @ WH • DNC Dinner	New Economy	• VPOTUS: FL Day @ WH	• Senate Whitewater Hearings cont. • Waco Hearings cont. • (T) House Floor: Treasury/Postal Approp. • House Approp. Com. Action: DOL/HHS • House Ways & Means Sub. Hearing on Medicare – Vladeck testifies	• Whitewater cont. • Waco cont. • 1 year until Atlanta Olympics • Medicare Vouchers?	• AARP Cong. on the "Future of Medicare," DC • NCSL, Milwaukee, WI	• Reich: NCSL, Milwaukee, WI • Reich: Summer Jobs Event, WI • Babbitt: New England Van Tour, MA • Vladeck: Testimony on Medicare Vouchers	• (T) Press Conf. by State Legislators @ NCSL amplifying POTUS • Medicare Calls from groups & Shalala, Tyson, Rivlin, to reporters. • (T) Health Care Roundtable • NEC Weekly Mtg.
FRI 7/21	• Photo-op with Girls Nation	New Economy	• VPOTUS: TN	• (T) House Floor: DOC/DOJ/STATE Approp. • House Approp. Com. Action: DoD	• Senator Dole turns 72	• NOW Conv. begins, Columbus, OH • NACO Conf. Begins (thru 7/25), Atlanta, GA • Nat'l Org. Black Co. Off., DC	• Gober: Amer. Legion, Columbus, GA	• Ed. Strat. Mtg., 1:00 p.m. • (T) Release state-by-state impact of Labor/HHS Approp. • (T) Govs. & Cabinet
SAT 7/22	• Live Radio Address: Hate Speech	New Community				• DAV Conf. thru 7/27, Las Vegas, NV		
SUN 7/23			• VPOTUS: DAV, Las Vegas, NV		• 30th Anniversary of Medicare	• DAV Conf. thru 7/27, Las Vegas, NV	• J. Brown: DAV Conf., Las Vegas, NV	MORNING SHOWS: • MTP: • TWDB: • FTN

MAJOR NEWS OF WEEK: Whitewater, Affirmative Action, Waco

BUDGET STRATEGY FOR WEEK: Mobilize, Educate

Budget Working Group Planning Calendar

Monday, July 24 - Sunday, July 30, 1995

<u>DATE</u>	<u>POTUS Schedule</u>	<u>POTUS MESSAGE</u>	<u>VP/HRC/MEG</u>	<u>CONGRESSIONAL</u>	<u>MAJOR NEWS</u>	<u>MAJOR EVENTS</u>	<u>CABINET</u>	<u>INTERNAL PLANNING</u>
MON 7/24	• Boys Nation @ WH	New Economy				• National Urban League, Miami, FL • DAV, Las Vegas, NV	• Reich: (T) NACO, Atlanta, GA • Riley: Nat. Urban League, Miami, FL • Riley: 5th Anniversary of ADA, Tampa, FL • R. Brown: Host Big Emerging Markets Conf., DC • Johnson: Empowerment Zones event in Springfield, MA	• (T) Sell-out Safety / Environment / Meat Inspection event • (T) Release state-by-state impact of Medicare / Medicaid cuts. Govs hold press confs. on state #s. Cabinet, and Reg. Admins., and groups amplify.
TUE 7/25	• Medicare Anniversary – Event with Congressional Dems.	New Economy	• VPOTUS: Hemespheric Conf., VA • FLOTUS: Des Moines, IA	• House Hrng on DoEd/DOL Merger (Reich testifies) • House Commerce Committee Hearing on Medicare • Senate Finance Com. Hearing on Medicare	• DOC Release May Federal Budget • DOC Release Consumer Confidence July	• US Student Association, Flint, MI • 1st mtg of Western Hem. Defense Ministers, Williamsburg, VA • National Urban League, Miami, FL • DAV, Las Vegas, NV	• Reich testifies @ House Hearing on Merger of DoI/DoEd • Rubin meets with EU leaders • Shalala: NACO, Atlanta, GA • Pena: NACO, Atlanta, GA	• (T) University Presidents @WH • Cabinet Chiefs Breakfast @WH
WED 7/26	• Empowerment Zones: contrast new urban report with GOP cuts. • Dem. Mayors @ WH	New Economy	• VPOTUS: WH Conf. on Empowerment • FLOTUS: (T) CO	• House Full Com. on Economic and Educational Opportunities Direct Lending Mark-up • Senate Finance Com. Hearing on Medicare • House Commerce Com. Hearing on Medicare • House hearing on OPM Privatization	• 5th Anniversary of American with Disabilities Act		• Pena: traffic management event, San Antonio, TX • Pena: Latino event, transit event, Houston, TX	• Cabinet Briefing @ WH • Friendly Dem. Mayors briefing @ WH. IGA work mayors to put out budget statements at home. Possible regional stakcout @ WH
THU 7/27	• Korea	New World		• Senate Finance Com. Hearing on Medicare • Senate Energy and Nat. Resources Sub. Hearing on National Parks • Senate Gov. Affrs. Com. Hearing on Reorgztm. of DOC (Sec. Ron Brown Testifies)		• National Center for Research in Vocational Education, Boston, MA • American Fed. of Teachers, DC • Advisory Council on Social Security, DC	• R. Brown: Testify at Senate Hearing on DOC Reorganization • J. Brown: Korea Events	• OPL: Mtg. with DC Business Reps (Carr)
FRI 7/28	• Speech to American Fed. of Teachers	New Economy / New Community					• Glickman: Town Hall Mtg. w/Sen. Feingold, Green Bay, WI • Glickman: 1995 Farm Bill Event w/ Sen. Wellstone, Mankato, MN • Shalala: Nat. Assoc. Social Workers, Des Moines, IA	• Govs, mayors, Cabinet, Sub-Cabinet, Reg. Admins. amplify POTUS speech. • WH Staff Event
SAT 7/29	• Radio Address w/photo for Medicare 30th		• VPOTUS: Chinese Americans			• NGA Begins (thru 8/1), Burlington, VT		
SUN 7/30					• 30th Anniversary of Medicare	• Chinese Americans Convention, DC	• Shalala: (T) Medicare 30th Anniv., Independence, MO	MORNING SHOWS: • MTP: • TWDB. • FTN

Budget Working Group Planning Calendar

Monday, July 31 - Sunday, August 6, 1995

<u>DATE</u>	<u>POTUS Schedule</u>	<u>POTUS MESSAGE</u>	<u>VP/HRC/MEG</u>	<u>CONGRESSIONAL</u>	<u>MAJOR NEWS</u>	<u>MAJOR EVENTS</u>	<u>CABINET</u>	<u>INTERNAL PLANNING</u>
MON 7/31	• NGA, Burlington, VT	New Economy / New Government			• Personal Income	• Nat'l Medical Assoc. Conv, Detroit, MI (thru 8/2) • Nat'l Bar Assoc., Baltimore, MD (thru 8/5) • Nat'l Assoc. of State higher Ed. Officers, Lake Placid, NY • Fraternal Order of Police, VA Beach, VA	• Riley: TV show w/Sen/ Reid, DC • Kunin: NGA, Burlington, VT	• (T) Medicaid event by Medicaid Coalition, Burlington, VT [Yager]
TUE 8/1	• (T) Press Conference			• House Resources Sub. on Nat'l Parks, Forests, & Lands, hearing on transfer of public lands to states	• DOC Releases Import/Export June • 75th Anniversary of Women's Suffrage	• AFL-CIO, Chicago, IL (thru 8/2) • Nat'l Medical Assoc. Conv, Detroit, MI • Nat'l Bar Assoc., Baltimore, MD • American GI Forum, Albuquerque, NM		
WED 8/2	• C/G Fundraiser • Congressional Gold Medal		C/G Dinner	• House Trans. & Infstrctr Com. markup of National Highway System Legislation • House EEOC Com. Markup of IDEA Reauthorization • Hearing on Education Reform Block Grants	• Ldng. Indctrs. June • State/Metro Unemployment June • House sales June • 5th Ann. of Iraqi Invasion of Kuwait	• Nat'l Women's Political Caucus, Nashville, TN (thru 8/6) • AFL-CIO, Chicago, IL • Nat'l Medical Assoc. Conv, Detroit, MI • Nat'l Bar Assoc., Baltimore, MD		
THU 8/3	• C/G Coffee @ WH		MEG: Women's Political Caucus, Nashville, TN	• House Sub. on Human Resources & House Sub. on National Economic Growth, Natural Resources and Regulatory Affairs Hearing on Medicare Reimbursement	• Monthly Auto Sales	• Nat'l Women's Political Caucus, Nashville, TN • Nat'l Bar Assoc., Baltimore, MD		• Recess Packet to Hill
FRI 8/4				• CONGRESSIONAL RECESS ???	• Unemployment #'s	• Asian Pacific Am. Nat. Conv. • Nat'l Women's Political Caucus, Nashville, TN • Nat'l Bar Assoc., Baltimore, MD • American Bar Assoc., Chicago, IL (thru 8/9)	• Shalala: Peace Corps. Convention, Austin, TX	
SAT 8/5	• Radio Address:				• 2nd Anniv. of Family & Medical Leave Act	• Nat'l Women's Political Caucus, Nashville, TN	• Shalala: Nat'l Women's Political Caucus, Nashville, TN	
SUN 8/6					• 50th Ann. of Enola Gayh Bombing • 30th of 1965 Voting Rights Act	• Nat'l Women's Political Caucus, Nashville, TN		MORNING SHOWS: • MTP: • TWDB: • FTN

Budget Working Group Planning Calendar

Monday, August 7 - Sunday, August 13, 1995

<u>DATE</u>	<u>POTUS Schedule</u>	<u>POTUS MESSAGE</u>	<u>VP/HRC/MEG</u>	<u>CONGRESSIONAL</u>	<u>MAJOR NEWS</u>	<u>MAJOR EVENTS</u>	<u>CABINET</u>	<u>INTERNAL PLANNING</u>
MON 8/7	• (T) Progressive Nat'l Baptist Conv., Charlotte, NC			• House Banking Com. Whitewater Hearings	• House Whitewater Hearings • 30th Ann. of Higher Education Act of 1965	• Progressive Nat'l Baptist Conv., Charlotte, NC (thru 8/12) • American Bar Assoc., Chicago, IL (thru 8/9)		
TUE 8/8	• (T) VJ Dinner					• Progressive Nat'l Baptist Conv., Charlotte, NC • Assem. of God, St. Louis, MO (thru 8/13) • American Bar Ass., Chicago, IL		• (T) POTUS/Reich Event on Health Security for Working Families [Jennings]
WED 8/9						• Progressive Nat'l Baptist Conv., Charlotte, NC • Assem. of God, St. Louis, MO • American Bar Ass., Chicago, IL	• J. Brown: 1st Mtg. of Presidential Advisory Com. on Persian Gulf Illness	
THU 8/10	• (T) Video to Greek-American Nat. Education Mtg.				• 2 Yr. Ann. of Economic Package • 2 Yr. Ann. of Empowerment Zones • 2 Yr. Ann. of Student Loan Reform Act	• Progressive Nat'l Baptist Conv., Charlotte, NC • Assem. of God, St. Louis, MO		
FRI 8/11						• Perot's United We Stand Conf., Dallas, TX (thru 8/13) • Progressive Nat'l Baptist Conv., Charlotte, NC • Assem. of God, St. Louis, MO		
SAT 8/12					• 2 Yr. Ann. of Flood Relief Bill Signing	• Perot's United We Stand Conf., • Southern Legis. Conf., Tulsa, OK (thru 8/16) • Progressive Nat'l Baptist Conv., Charlotte, NC • Assem. of God, St. Louis, MO • AMVETS, Cincinnati, OH	J. Brown: Orlando, FL	
SUN 8/13						• Perot's United We Stand Conf., • Southern Legis. Conf., Tulsa, OK • Assem. of God, St. Louis, MO		MORNING SHOWS: • MTP • TWDB • FTN