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Partial Birth -- Message

- President vetoed this bill for one reason -- it fails to include an exception permitting the use of this procedure in those rare cases where a physician says its use is necessary to avoid serious injury to a woman's health.

He simply could not accept a law that would force women to endure serious risks to their health -- including the loss of the ability to ever have a child again.

- He told the Congress on February 28 that he would sign the bill if it included such an exception. Congress refused.
- Before vetoing this bill, the President met with women who underwent an "intact dilation and evacuation procedure. These women desperately wanted their babies; they were devastated to learn that their babies had fatal conditions; they wanted anything other than an abortion -- several of them were pro-life -- but they were advised by their doctors that this procedure was their best hope of preventing death or grave harm, including the loss of reproductive ability.

For these women and others, this was not about choice. These babies were certain to perish before, during, or shortly after birth, and the only question was how much grave harm was going to be done to the woman.

- Criminalizing use of the procedure in such cases, where women and their families must make a tragic choice, poses a danger of grave harm to women. A ban of this kind, aside from violating the Constitution, would be the true inhumanity.

THE WHITE HOUSE

WASHINGTON

May 13, 1996

The Most Reverend Edmond L. Browning
Presiding Bishop
The Episcopal Church
815 Second Avenue
New York, New York 10017

Dear Bishop Browning:

Thank you for your letter of May 8 concerning H.R. 1833, legislation banning a certain abortion procedure, commonly referred to in the press as partial birth abortion. I appreciate your explication of the Church's position on this matter. As you know, in late March, Congress passed that bill and on April 10, I vetoed it because of its failure, in certain rare and compelling cases, to prevent serious threats to women's health.

My own position on this bill has been widely misrepresented and misunderstood. Some, including those more interested in creating a political issue than in putting real, meaningful limits on the use of this procedure, have deliberately distorted my views. But I know that a great many people of good faith -- and of all faiths -- are sincerely perplexed about the veto. That is why I would like to take this opportunity to explain the basis for my decision.

Let me begin with a word of background. I am against late-term abortions and have long opposed them, except, as the Supreme Court requires, where necessary to protect the life or health of the mother. As Governor of Arkansas, I signed into law a bill that barred third trimester abortions, with an appropriate exception for life or health, and I would sign a bill to do the same thing at the federal level if it were presented to me.

The particular procedure aimed at in H.R. 1833 poses a most difficult and disturbing issue, one which I studied and prayed about for many months. Indeed, when I first heard a description of this procedure, I anticipated that I would support the bill. But after I studied the matter and learned more about it, I came to believe that this rarely used procedure is justifiable as a last resort when doctors judge it necessary to save a woman's life or to avert serious consequences to her health.

Last month, I was joined in the White House by five women who desperately wanted to have their babies and were devastated to learn that their babies had fatal conditions and would not live. These women wanted anything other than an abortion, but were advised by their doctors that this procedure was their best chance to avert the risk of death or grave harm which, in some cases, would have included an inability to bear children. These women gave moving, powerful testimony. For them, this was not about choice. This was not about choosing against having a child. Their babies were certain to perish before, during or shortly after birth. The only question was how much grave damage they were going to suffer. One of them described the serious risks to her health that she faced, including the possibility of hemorrhaging, a ruptured cervix and loss of her ability to bear children in the future. She talked of her predicament:

"Our little boy had...hydrocephaly. All the doctors told us there was no hope. We asked about in utero surgery, about shunts to remove the fluid, but there was absolutely nothing we could do. I cannot express the pain we still feel. This was our precious little baby, and he was being taken from us before we even had him. This was not our choice, for not only was our son going to die, but the complications of the pregnancy put my health in danger, as well."

Some have raised the question whether this procedure is ever most appropriate as a matter of medical practice. The best answer comes from the medical community, which broadly supports the continued availability of this procedure in cases where a woman's serious health interests are at stake. In those rare cases, I believe the woman's doctors should have the ability to determine, in the best exercise of their medical judgment, that the procedure is indeed necessary.

The problem with H.R. 1833 is that it provides an exception to the ban on this procedure only when a doctor can be certain that a woman's life is at risk, but not when the doctor is sure that she faces real, grave risks to her health.

Let me be clear. I do not contend that this procedure, today, is always used in circumstances that meet my standard -- namely, that the procedure must be necessary to prevent death or serious adverse health consequences. The procedure may well be used in situations where a woman's serious health interests are not at issue. But I do not support such uses, I do not defend them, and I would sign appropriate legislation banning them.

At the same time, I cannot and will not countenance a ban on this procedure in those cases where it represents the best hope for a woman to avoid serious risks to her health. I recognize that there

are those who believe it appropriate to force a woman to endure real, serious risks to her health -- including, sometimes, the loss of her ability to bear children -- in order to deliver a baby who is already dead or about to die. But I am not among them.

I also understand that many who support this bill believe that any health exception is untenable. In a letter sent to me on April 16 by our leading Catholic Cardinals, they contend that a "health" exception for the use of this procedure could be stretched to cover most anything -- for example, youth, emotional stress, financial hardship or inconvenience.

That is not the kind of exception I support. I support an exception that takes effect only where a woman faces real, serious adverse health consequences. Those who oppose this procedure may wish to cite cases where fraudulent health reasons are relied upon as an excuse -- excuses I could never condone. But people of good faith must recognize that there are also cases where the health risks facing a woman are deadly serious and real. It is in those cases that I believe an exception to the general ban on the procedure must be allowed.

Further, I flatly reject the view of those who suggest that it is impossible to draft a bill imposing real, stringent limits on the use of this procedure -- a bill making absolutely clear that the procedure may be used only in cases where a woman risks death or serious damage to her health, and in no other case. I know that it is not beyond the ingenuity of Congress, working together with this Administration, to fashion such a bill.

Indeed, that is why I implored Congress, by letter dated February 28, to add a limited exemption for the small number of compelling cases where use of the procedure is necessary to avoid serious health consequences. Congress ignored my proposal and did so, I am afraid, because there are too many there who prefer creating a political issue to solving a human problem. But I reiterate my offer now: if Congress will produce a bill that meets the concerns outlined in this letter, I will sign it the moment it reaches my desk.

I recognize that many people will continue to disagree with me about this issue. But they should all know the truth about where I stand: I do not support the use of this procedure on demand. I do not support the use of this procedure on the strength of mild or fraudulent health complaints. But I do believe that we cannot abandon women, like the women I spoke with, whose doctors advise them that they need the procedure to avoid serious injury. That, in my judgment, would be the true inhumanity.

I continue to hope that a solution can be reached on this painful issue. I hope as well that the deep dialogue between my Administration and people of faith can continue with regard to the broad array of issues on which we have worked and are working together. Again, thank you for your letter and for the opportunity to set forth my own views.

Sincerely,

Bin Clinton

INTERNAL USE

Gay Marriage Talking Points

---- The President has long opposed gay marriage based on his belief that the institution of marriage should be reserved for unions between one man and one woman.

---- The President strongly believes that gay and lesbian individuals should not be subject to unfair discrimination, which is why he has endorsed legislation outlawing discrimination against gays and lesbians in the workplace. But he does not believe that the federal government should promote gay marriages.

[If asked about domestic partnerships or providing federal benefits to partners in gay and lesbian partnerships---]

---- These decisions are best left to state and local governments and private institutions. But since the President does not believe that the federal government should recognize gay marriage, he does not believe it is appropriate for scarce federal resources to be devoted to providing spousal benefits to partners in gay and lesbian relationships.

Kassebaum-Kennedy Insurance Reform

Talking Points:

- The President is very encouraged by the Senate's 100 to 0 vote on the Kassebaum-Kennedy bill. Such an action shows that Republicans and Democrats can work together to address some of the many shortcomings of our health care system.
- He hopes the Senate and the House can work out their differences expeditiously and avoid loading up this legislation with controversial provisions that have not attracted broad-based, bipartisan support.
- One example of a provision that has not received broad-based bipartisan support is the House-passed Medical Savings Account (MSA). The Senate rightly rejected this provision on a bipartisan vote and the President hopes that the Republicans won't insist on adding this controversial, untested concept. Exposing the nation to MSAs risks adding even more incentives for the healthy and wealthy to be segmented away from sicker populations.
- Despite the 100 to 0 vote, there is still a good deal of work that needs to get done to ensure that an acceptable bill gets to the President's desk for his signature. However, in the spirit of Ron Brown's optimistic outlook, I am confident that Congress will find a way to get this done. Failure to do so will be a tragedy for the American public and the vast majority of our country who supports this legislation.

Background:

On April 23rd, the Senate passed (by a 100 to 0 vote) an amended version of the Kassebaum-Kennedy insurance reform bill. The previous week, every Democratic Senator joined with five Republican Senators to support an amendment (in a 52-46 vote) to strike Medical Savings Accounts (MSAs) from a Dole Amendment to the legislation. (The Republicans that supported the amendment were Senators' Bond, Gorton, Chafee, Kassebaum, and Hatfield). This was played by the media and the Democrats as a stinging defeat for Senator Dole.

As of May 15th, the conferees for the Senate-House conference had not been selected because Senator Kennedy has continued to object to the Members Senator Dole planned to appoint to the Committee. In an almost unprecedented move, the Majority Leader attempted to stack the conference with Members friendly to the House MSA provision. (He was not at all subtle in picking Members who normally would not be on the conference and bypassing those who would have.)

Prior to the conference membership issue being resolved, interim, informal discussions have been taking place with interested Congressional and Administration parties to see if any movement toward compromise on a final bill can be achieved. To date, no significant issues have been resolved, primarily because they need to get sign-off from Senator Dole's fairly distracted office. The change in Senate Leadership may play a significant, and more than likely negative, role in being able to come to an accommodation between the Administration and the Republicans over this bill. This may argue for us (and for Dole) to expedite work on the Kassebaum-Kennedy bill, which from all indications represents one piece of legislation he would like to get signed into law.

Kassebaum-Kennedy Insurance Reforms

The underlying Kassebaum-Kennedy insurance reform provisions address some of the major problems in today's insurance market. It would benefit as many as 25 million Americans. Like the President's balanced budget proposal, this legislation provides for:

- **Guaranteed Access.** Insurers would be required to offer health plan coverage to all groups, regardless of the health status of any member of the group. In addition, employees could not be denied group coverage based on their health status.
- **Guaranteed Renewal.** Insurers would be required to renew coverage to groups and individuals as long as the premiums are paid and employers could not have their coverage terminated if their workers incur large medical costs.
- **Limits on Imposition of Pre-existing Condition Exclusions.** Insurers could not impose pre-existing conditions for people who have switched jobs and have maintained coverage for longer than 12 months. (They could not impose a pre-existing condition for longer than 12 months for those who have not had continuous coverage.)
- **Increased Access to Individual Policies.** Individuals with previous coverage would have access to the individual health insurance market (if certain conditions are met.)
- **Promotion of Purchasing Cooperatives.** States would be given assistance to help certify and encourage the development of purchasing cooperatives to help small businesses gain leverage in buying more affordable and accessible health insurance.

Amendments to Kassebaum-Kennedy

The defeat of the MSA amendment covered up some significant additions to the underlying insurance reform bill. They included: (1) Expansion of the self-employed tax deduction to 80 percent over 10 years (the President's balanced budget has a phase-in to 50 percent, as does the House-passed version of Kassebaum-Kennedy); (2) Clarification that tax treatment of private long-term care policies should be the same as traditional health insurance (the President's balanced budget does not have this provision, but the President advocated for a similar provision in the Health Security Act; the House-passed bill has a similar provision);

(3) Strengthening of Medicare fraud and abuse prevention/enforcement (the President's balanced budget has a similar provision, as does the House-passed insurance reform bill); and (4) the Prohibition of health plans from imposing limits or caps on mental health services if similar limitations are not imposed on coverage for other conditions (the President's balanced budget does not allow plans to discriminate by disease category, but does allow plans to have differential coverage limits; the House-passed insurance reform bill has neither the President's nor the Senate-passed provisions.) This last item was sponsored by Senator Domenici and Senator Wellstone and won by a surprisingly large 65-33 margin.

Outstanding Issues Going Into Conference: The House-passed bill has at least 5 major provisions that are extremely problematic. They were well aware that we had grave concerns about them, but they went ahead and included (1) Medical Savings Accounts, (2) Caps on punitive and non-economic medical malpractice awards, (3) the deregulation of state oversight over multiple employer welfare arrangements (MEWAs), (4) the elimination of the prohibition against insurers selling Medigap policies that duplicate benefits that beneficiaries already receive through their Medicare coverage, and (5) the weakening of certain Medicare fraud and abuse enforcement provisions.

The Senate-passed bill does not include the first four provisions and improved on the problematic fraud and abuse provisions. We believe that we can and should work out some of the minor concerns we have with the Senate provisions (mostly relating to the long-term care tax clarifications and the fraud and abuse provisions). However, the real fight will be on the House-passed provisions. The business community might help us fight the House-passed controversial provisions. However, they will also be focusing their guns on the Domenici/Wellstone mental health parity provision. (They believe it is huge, new Federal mandate.)

TALKING POINTS ON ADOPTION

Families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. The Clinton Administration is committed to breaking down these barriers and making adoption easier.

Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves -- loving parents and a healthy home.

Accomplishments:

The Administration has worked hard to promote adoption in general, and adoption of children with special needs in particular.

- o On May 6, the President endorsed the Adoption Promotion and Stability Act of 1996, which includes a tax credit for families who adopt. This tax credit will alleviate a significant barrier to adoption.
- o It will help average families, for whom adoption may be prohibitively expensive, to adopt children.
- o It will encourage adoption of children with special needs.
- o It will put parents seeking to build a family through adoption on a more equal footing with other families. Families who have biological children have health insurance and other means available to them to defray out-of-pocket costs.

The President also believes that the bill is consistent with our policy to end the historical bias against interracial adoptions. Too often, this has meant interminable waits for children to be matched with parents of the same race.

That's why the President signed the Multi-Ethnic Placement Act in 1994 to increase the number of adoptions by prohibiting discrimination based on race or ethnicity. We remain committed to enforcing that law vigorously.

- o The President signed the Family and Medical Leave Act, which allows parents to take time off to adopt a child without losing their jobs or their health insurance.
- o In 1993, the President signed into law a measure to require ERISA plans to provide the same health coverage for adopted children as for biological children of plan participants.

- o We have worked to preserve Federal support for adoption of children with special needs during the budget negotiations, opposing Congress's plans to block grant funds for foster care and adoption.
- o We have increased by 60 percent the number of children with special needs who have been adopted with Federal adoption assistance. (Federal adoption assistance provides monthly maintenance payments for children eligible for AFDC or SSI. Eligibility is based on the income of the child's family of origin, not of the adoptive parents.)
- o We have publicized the need for people to come forward to adopt children with special needs, who wait the longest -- children with disabilities, minority children, and sibling groups, through public service announcements and my newspaper column.
- o We have convened experts, adoption advocates, and concerned parents to work on making the process simpler and more efficient.

BACKGROUND ON ADOPTION

Profile of Children:

There are 15 million adoptive families in the US, or about 2% of all families.

There are approximately 60,000-70,000 adoptions each year (excluding adoptions by stepparents and relatives). This includes almost 10,000 children adopted from abroad by US parents. In recent years, international adoptions have been increasing while domestic adoptions have held steady.

Approximately 20,000 adoptions per year are from the public sector's foster care system. The remainder were private agency or independent adoptions.

Children from the public sector's foster care system usually wait a long time to be adopted, particularly children with special needs, including minority children, children with disabilities, and sibling groups. In contrast, most adoptions of healthy infants occur under private auspices, with parents waiting for such children to become available.

There are 450,000 children in foster care. Many of these will ultimately be returned to their birth parents. However, approximately 70,000 of these children have adoption as their goal, with 20,000 of this total legally free for and awaiting adoption. These children wait two years on average to be adopted.

Private adoptions cost \$10,000-\$35,000 for attorney and agency fees, medical costs for the birth mother, and other expenses.

Issues in Adoption Bill We Endorsed:

The full House passed the Adoption Promotion and Stability Act of 1996 on May 10 by a vote of 393-15. The bill's Senate supporters are expected to move it forward there as well.

The measure was originally part of the Contract with America, and was vetoed twice by the President as part of larger welfare reform and reconciliation measures.

Tax Credit:

The bill authorizes a nonrefundable tax credit for up to \$5,000 per child for adoption expenses. The credit begins to phase out for families with income of \$75,000, and is fully phased out at incomes of \$115,000.

The bill would also exclude from income up to \$5,000 in adoption assistance provided by employers.

Advocates for special needs adoptions argue that it would be better to target the \$1.7 billion cost of the tax credit toward incentives to adopt special needs children. However, parents seeking to adopt a child with special needs are eligible for a number of Federal subsidies, including Medicaid and monthly payments if the child meets income guidelines.

To further encourage special needs adoptions, the tax credit is available to families adopting special needs children for costs that have already been reimbursed through other government programs (essentially reimbursing them twice for the same costs).

Interracial Adoption:

We supported the enactment of the Multi-ethnic Placement Act in 1994. However, MEPA's sponsor, Senator Metzenbaum charged that the Administration weakened the measure at the last minute, and that HHS has sabotaged its implementation.

In fact, HHS's regulations are very strict. They permit considerations of race only where an individual child is found to benefit from a family of the same race. In the hypothetical case where a black family and a white family come forward simultaneously to adopt a black child, HHS's guidelines would prohibit a blanket preference for the black family unless there was a finding that that individual child would do better with a black family.

In 1995, HHS found that 27 states had laws, regulations, or policies that violate MEPA. Since then, all but 4 states have come into compliance. However, it is harder to know whether social workers (many of whom opposed MEPA) are changing their practices in the field. HHS plans to do spot checks in states to learn more about this.

It appears that, as Governor of Arkansas, the President signed a 1987 bill that established a preference for same-race adoption. Only a few states have such laws; most states have used regulations or policy manuals to enforce such preferences. MEPA allows extensions to the compliance deadline for states whose legislatures are not in session, and HHS has granted Arkansas such an extension.

In terms of strictness, the language in the House-passed bill is more or less equivalent to MEPA, and HHS's guidelines would fit either situation. Although the Republicans criticize MEPA, many of their public statements are weaker than MEPA -- in the hypothetical example above, they argue that their bill would permit a blanket preference for a black family as long as there is no delay in the adoption. We have not been publicly emphasizing MEPA's effectiveness or our aggressive implementation of it at this time in an effort to focus attention on the tax credit.

Indian Child Custody:

We oppose the bill's amendment to the Indian Child Welfare Act, which was added back to the bill after the President endorsed it. Under this measure, tribal courts would lose jurisdiction over custody decisions on Indian or part-Indian children who have what the bill defines loosely as a marginal affiliation with a tribe. The Republicans are fighting among themselves on this issue, spurred by the case of 2-year old twin girls who are 3/32 Indian, and whose adoptive parents were unaware of this fact until the tribe stepped forward to reclaim the children.

Although there are parallels to the interracial adoption issue, the involvement of tribal government and courts makes this a distinct issue. Indian groups strongly oppose this measure.

Other Issues:

The Administration opposes one of the two funding measures for the tax credit: repeal of a tax break for energy conservation. We have pledged to seek an alternative to this funding source.

FACT SHEET ON CLINTON TOBACCO INITIATIVES

The Problem: Public health data shows:

- Smoking by young people is rising sharply. Between 1991 and 1994, the percentage of eighth graders who smoke increased 30 percent.
- More than 80 percent of adult smokers have tried smoking by 18, and more than half of them have already become regular smokers by that age. Studies show that if people do not begin to smoke as teenagers or children, it is unlikely they will ever do so.
- In 1993, the estimated health care costs from smoking-related disease and death was \$50 billion.
- Each and every day, another 3,000 young people become regular smokers, and nearly 1,000 of them will eventually die as a result of their smoking. Smokers who die as a result of smoking would have lived on average 12 to 15 years longer if they had not smoked.
- Children tend to vastly underestimate the likelihood that they will become addicted to tobacco. Although only 5 percent of daily smokers surveyed in high school said they would definitely be smoking five years later, close to 75 percent were smoking 7 to 9 years later. A survey conducted in 1992 found that approximately two-thirds of adolescents who smoked said they wanted to quit and 70 percent said they would not start smoking if they could make that choice again.
- Smoking is the leading cause of preventable death in the US. Tobacco products are responsible for more than 400,000 deaths each year due to cancer, respiratory illness, heart disease, and other health problems. Cigarettes kill more Americans each year than AIDS, alcohol, car accidents, murders, suicides, illegal drugs and fires combined.

The Children's Tobacco Initiative

On August 10, 1995, President Clinton announced the nation's first comprehensive campaign to reduce children's use of tobacco products. Under the children's tobacco initiative, children will not be able to buy cigarettes, and smokeless tobacco products and promotional and advertising gimmicks appealing to children will be limited. The President's goal is to reduce smoking by children by 50 percent within seven years after the plan goes into effect.

The measures are aimed at assuring that only adults have access to tobacco products, as under current law, and to limit the reach of advertisements and promotions that have encouraged children to begin using cigarettes and smokeless tobacco products. The ambitious initiative will allow parents who are already trying to teach their children the risks of smoking a better chance for success.

The proposals to reduce access by children include: prohibiting the sale of tobacco products

to anyone under age 18; requiring face to face sales; requiring age verification with photo identification; and eliminating free samples and impersonal sales like vending machines, mail order sales and self-service displays.

The proposals to limit the appeal of cigarettes and smokeless tobacco include: banning outdoor advertising within 1,000 feet of schools and playgrounds; restricting all other outdoor advertising to black-and-white text only; restricting advertising in publications with significant children readership to black-and-white text only; banning non-tobacco products such as t-shirts and caps that have cigarette or smokeless tobacco product brand names, logos, or symbols, and eliminating the exchange of non-tobacco products for proof of purchase of tobacco products; and allowing sponsorship of events only in the corporate name.

Also proposed is a new educational campaign aimed at countering the industry's multi-billion dollar annual promotional and advertising expenditures and at teaching children the real health risks of these products. This campaign will be funded by the industry.

The Administration's initiative has been published as a proposed rule of the Food and Drug Administration, and the FDA is currently reviewing public comments on the proposal.

The Synar Regulation

On January 18, 1996, the Administration issued a final rule designed to ensure that states and territories adopt and enforce laws prohibiting the sale or distribution of tobacco products to children.

The Synar regulation provides guidance to the states on how to comply with the Synar Amendment, named for its author, the late Mike Synar, former Congressman from Oklahoma. The amendment was enacted in 1992 as part of the Public Health Service Act and requires states to have and to enforce laws banning the sale and distribution of tobacco products to people under 18.

The Synar regulation requires states and territories to enforce their youth access laws through such methods as random spot checks of retail establishments. It would also require states to designate an office or agency for coordinating compliance activities. States would be required to file annual progress reports and could suffer financial penalties through reductions in substance-abuse block grants for failing to achieve agreed-upon goals.

While all states currently have such laws, enforcement has been inconsistent; in 1991, an estimated 255 million cigarette packs were sold illegally to minors, according to the American Journal of Public Health. And in the 1995 Monitoring the Future Survey, more than 90 percent of high school tenth graders surveyed said it was "fairly easy" or "very easy" to obtain cigarettes.

Together, the Synar regulation and the proposed FDA regulations would work to achieve President Clinton's goal of reducing children's use of tobacco products by 50 percent within seven years.

Talking Points on Philip Morris Announcement

We are pleased that Philip Morris recognizes that action needs to be taken to protect our children from the pediatric disease of smoking.

From the day he announced the FDA's proposal, the President has said he would be open to a legislative solution to the crucial public health problem: how to keep kids from smoking and using chewing tobacco. But he made clear that any legislative approach that he would support would have to be as strong, and effective as the FDA's proposals. That's the bottom line, and the standard by which the President would evaluate any legislative proposals. The Philip Morris proposal falls short of that mark. We encourage Philip Morris to continue moving forward to meet the President's standard.

If asked whether Leon met with Philip Morris about the proposal:

Philip Morris asked for a meeting with the Chief of Staff to lay out its proposal. Mr. Panetta agreed to the meeting. He reiterated that any legislative approach that the President would support would have to be as strong and effective as the FDA's proposals. After reviewing their proposal, he told them that it wasn't as comprehensive and effective as the FDA's proposal. But he welcomed their effort to try to move forward on this issue.

2 Tobacco Giants Seek Anti-Smoking Laws

By GLENN COLLINS

Seeking an alternative to Federal regulation of the nicotine in tobacco as an addictive drug, two tobacco companies proposed yesterday that Congress adopt sweeping laws to reduce teen-age smoking by banning vending sales and restricting advertisements and promotions.

But the companies were rebuffed by Michael D. McCurry, the White House spokesman, who said the companies' unexpected proposal "falls a little bit short" of the President's call to curb teen-age smoking. And some anti-tobacco organizations dismissed the companies' proposal as a public-relations stunt.

The two companies — Philip Morris U.S.A., the tobacco unit of the Philip Morris Companies, the nation's largest cigarette maker, and the United States Tobacco Company, the nation's largest purveyor of chewing tobacco and snuff — proposed a ban on vending-machine cigarette sales, single-cigarette sales and promotional giveaways, as well as a ban on transit advertising of tobacco products and restrictions on billboard and stadium advertising and sports-event sponsorships.

Philip Morris and United States Tobacco also proposed a ban on the imprinting of tobacco-product logos on merchandise like hats, clothing and gym bags. They also proposed that the tobacco industry spend \$250 million over the next five years to enforce restrictions on teen-age smoking. The companies' proposals would not affect their international business.

Steve Parrish, a spokesman for Philip Morris, termed the proposal "unprecedented and far-reaching," adding that the companies "want to make it impossible for anyone to obtain any tobacco product from a manufacturer or retailer without a face-to-face transaction where proof of age can be checked."

But Mr. Parrish said that the tobacco companies would support such legislation only if the Food and Drug Administration withdrew its proposals to regulate the sale of tobacco. He added that five tobacco companies would continue to sue the F.D.A. in Federal court to block the proposed regulations.

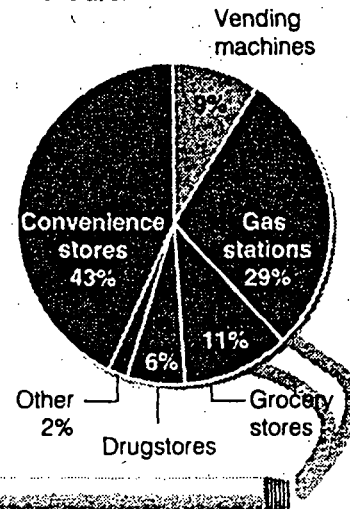
The R. J. Reynolds Tobacco Company and the Brown & Williamson Tobacco Corporation, said they would reserve comment on yesterday's proposal until they could give it further study. The Lorillard Tobacco Company, a unit of the Loews Corporation, said it supported many of the suggestions from Philip Morris and United States Tobacco.

"This announcement is obviously a pre-emptive strike against the

THE NUMBERS

Buying Cigarettes

Where teen-agers, 13 to 17, buy cigarettes, according to a survey by the National Automatic Merchandising Association.



Of the 24.25 billion packs of cigarettes bought in 1994, about 915 million came from vending machines, according to Vending Times's annual survey. Some 400,000 machines carried cigarettes and the average machine sold 44 packs a week.

The New York Times

F.D.A.," said Richard A. Daynard, chairman of the Tobacco Products Liability Project at Northeastern University School of Law in Boston, a nonprofit anti-smoking group. "They

The tobacco industry makes an offer and promptly draws criticism.

want to make sure that the F.D.A. has nothing to do with regulating them."

Mr. Parrish denied that the companies were attempting to avoid more stringent anti-tobacco restrictions. But critics of the tobacco industry said that under the companies' proposal, cigarette brand images, such as Joe Camel and the Marlboro Man, would be unaffected.

A move that opponents call a pre-emptive strike against the F.D.A.

Under the Federal agency's plan, much advertising would be limited to black-and-white advertisements of text and not graphics. The tobacco companies have contended that such a limitation would infringe on their right of free speech.

The companies' proposal would also preclude any F.D.A. role in enforcement of tobacco regulations. And unlike the agency's proposal, the tobacco companies' proposal would not ban tobacco brand-name sponsorship in rodeos and motor sports.

Ellen Merlo, a spokeswoman for the Philip Morris Companies, said the company would continue its Marlboro Gear program, "offering gifts for points, but without the brand names," she said.

President Clinton said last summer that he welcomed a legislative solution to teen-age smoking that is as comprehensive and effective as the F.D.A.'s regulation plan.

"The Philip Morris proposal falls short of that mark," said Mitchell R. Zeller, F.D.A. Deputy Associate Commissioner of policy.

Supporters of the tobacco industry, like Representative Thomas J. Bliley, Jr., Republican of Virginia, said that the companies' proposal had "little chance" of passage in Congress because Democrats had "already promised to filibuster any legislation that would preclude the F.D.A. from exercising jurisdiction over tobacco," he said.

But Henry A. Waxman, Democrat of California, one of the tobacco industry's leading opponents in Congress, said, "I commend Philip Morris for at least suggesting a legislative proposal," adding that he would "look forward to talking with them about enacting a bill this year."

About \$2 billion worth of tobacco products were sold through 400,000 vending machines in 1994, or about 915 million packages of cigarettes, said Victor Lavay, publisher of Vending Times, a trade magazine.

Sheldon Silver, of the National Automatic Merchandising Association, said: "We oppose the ban on cigarette vending machines because it will not significantly reduce teen smoking." He cited a study showing that more than 72 percent of teen-agers buy cigarettes in convenience stores and gas stations.

HHS FACT SHEET

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

August 10, 1995

Contact: FDA Press Office
(301) 443-1130

CHILDREN AND TOBACCO: THE FACTS

The Clinton Administration is proposing a comprehensive and coordinated set of measures to significantly reduce the number of children and adolescents who become addicted to nicotine in cigarettes and smokeless tobacco (snuff and chewing tobacco). Children are becoming addicted to these products, with more than 80 percent of smokers beginning to smoke by age 18.

Smoking is the leading preventable cause of death in the United States, and health care costs associated with smoking soared to more than \$50 billion in 1993, according to the Centers for Disease Control. While the proposed measures will continue to maintain the legal status of cigarettes and smokeless tobacco products for adults, they will reduce the easy access and strong appeal for children.

Preventing children from smoking is key to reducing the deadly toll of smoking. The Clinton Administration's plan will help parents provide their children with an environment in which to grow up healthy.

A Pediatric Disease

Children are becoming addicted to nicotine. The average teenage smoker starts at 14 1/2 years old and becomes a daily smoker before age 18. More than 80 percent of all adult smokers had tried smoking by their 18th birthday and more than half of them had already become regular smokers by that age. Studies show that if people do not begin to smoke as teenagers or children, it is unlikely they will ever do so.

Each and every day, another 3,000 young people become regular smokers, and nearly 1,000 of them will eventually die as a result of their smoking. Currently, more than 3 million children and adolescents smoke cigarettes, and 1 million adolescent boys currently use smokeless tobacco. Smoking by young people is rising sharply. Between 1991 and 1994, the percentage of eighth graders who smoke increased 30 percent, and the percentage of tenth graders who smoke increased 22 percent.

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Appealing to Children

Advertising and promotional activities can greatly influence a young person's decision to smoke or use smokeless tobacco products. Awareness of tobacco products and messages is very high among even the youngest children. Studies show that 30 percent of 3-year-olds and 91 percent of 6-year-olds could identify "Joe Camel" as a symbol for smoking. The Centers for Disease Control recently reported that 86 percent of underage smokers who purchase their own cigarettes purchase one of the three most heavily advertised brands: Marlboro, Camel and Newport.

- o Tobacco products are among the most heavily advertised products in the United States. In 1993, the tobacco industry spent \$6.2 billion on advertising and promoting cigarettes and smokeless tobacco. Tobacco advertising expenditures have increased more than 1,500 percent between 1970 (the year before television and radio advertising was banned) and 1992.
- o Promotion of tobacco products through non-tobacco items such as t-shirts, hats and gym bags and through sponsorship of events is reaching children. A 1992 Gallup Survey found that half of adolescent smokers and one quarter of adolescents who do not smoke owned at least one tobacco promotional item such as a tee-shirt, cap, sporting good, or lighter. Another report found that one out of four 12- and 13-year-olds own one of these items. Used or worn by young people, these become "walking billboards," promoting these products in schools and other locations where tobacco advertising is usually prohibited. Sponsorship of events such as tennis tournaments, car races, and rodeos associate tobacco products with excitement and glamour, and provide a way for tobacco brands to be advertised on television despite the broadcast advertising ban.

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HHS FACT SHEET

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

August 10, 1995

Contact: FDA Press Office
(301) 443-1130

CHILDREN AND TOBACCO: THE PROBLEM

Easy Access

Despite state laws prohibiting the sale of tobacco to minors, children can easily buy these products. One study estimated that teenagers annually consume 516 million packs of cigarettes and 26 million containers of chewing tobacco. A review of 13 studies of over-the-counter sales found that on average, children and adolescents were able to successfully buy tobacco products 67 percent of the time.

- o Vending machines are a primary source of tobacco products for young smokers. A study by the vending machine industry found that 22 percent of 13-year-old smokers use vending machines compared with 2 percent of 17-year-old smokers. The 1994 Surgeon General's Report found that young people were able to buy cigarettes in vending machines an average of 88 percent of the time.
- o Mail-order sales provide no sure way of verifying age. Current industry practice only asks the consumer to provide a birth date or check box to verify age.
- o Self-service displays allow children to easily obtain tobacco products. The Institute of Medicine, in its landmark 1994 report, "Growing Up Tobacco Free," concluded that placing tobacco products "out of reach reinforces the message that tobacco products are not in the same class as candy or potato chips."
- o Free samples are obtained by children, including those in elementary school, despite industry code prohibiting distribution to anyone under 21. Free samples occur on street corners, at shopping malls and sporting events. A New Jersey survey found that one-third of high school students who were smokers or ex-smokers reported receiving free samples before age 16.

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- o Prohibit brand name sponsorship of sporting or entertainment events, but permit it in the corporate name.
- o Require industry to fund (\$150 million annually) a public education campaign to prevent kids from smoking.

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The Clinton Administration is proposing a comprehensive and coordinated plan to reduce smoking by children and adolescents by 50 percent. It builds on previous actions taken by Congress and others such as the ban on television advertising and state laws to prohibit the sale or use of tobacco by children. It follows recommendations by the American Medical Association and the Institute of Medicine. Experts have consistently recommended that the keys to achieving the goal are: reducing access and limiting the appeal for children. This ambitious initiative accomplishes that objective, while preserving the availability of tobacco products for adults. The proposals announced today include:

Reducing Easy Access by Children

- o Require age verification and face-to-face sale and eliminate mail order sales, vending machines, free samples, self-service displays, and sale of single cigarettes ("loosies") and packages with fewer than 20 cigarettes ("kiddie packs").

Reducing Appeal to Children

- o Ban outdoor advertising within 1,000 feet of schools and playgrounds. Permit black-and-white text only advertising for all other outdoor advertising, including billboards, signs inside and outside of buses, and all point-of-sale advertising.
- o Permit black-and-white text only advertising in publications with significant youth readership (under 18). (Significant readership means more than 15 percent or more than 2 million. No restrictions on print advertising below these thresholds).
- o Prohibit sale or giveaway of products like caps or gym bags that carry cigarette or smokeless tobacco product brand names or logos. Prohibit exchange of non-tobacco products for proof of purchase of tobacco products.

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Children tend to vastly underestimate the likelihood that they will become addicted to these products. Although only 5 percent of daily smokers surveyed in high school said they would definitely be smoking five years later, close to 75 percent were smoking 7 to 9 years later. A survey conducted in 1992 found that approximately two-thirds of adolescents who smoked said they wanted to quit and 70 percent said they would not start smoking if they could make that choice again.

Smoking: Leading Cause of Avoidable, Premature Death

Tobacco use takes enormous, deadly toll each year. Tobacco products are responsible for more than 400,000 deaths each year due to cancer, respiratory illness, heart disease, and other health problems. Cigarettes kill more Americans each year than AIDS, alcohol, car accidents, murders, suicides, illegal drugs and fires combined. Smokers who die as a result of smoking would have lived on average 12 to 15 years longer if they had not smoked.

The health care costs associated with tobacco use are rising. The Centers for Disease Control estimated that in 1993 the health care costs associated with smoking totalled \$50 billion: \$26.9 billion for hospital costs; \$15.5 billion for doctors; \$4.9 billion in nursing home costs; \$1.8 billion for prescription drugs and \$900 million for home-health care expenditures. The Office of Technology Assessment calculated the social costs attributable to smoking in 1990 at \$68 billion. That calculation was based on \$20.8 billion in direct health care costs and \$6.9 billion in lost productivity from disabilities and \$40.3 billion in lost productivity from premature deaths.

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-- American Public Health Association
Letter to President Clinton from APHA
July 13, 1995

"What is most significant about teens and smoking, however, is that, from all indications, smoking is an addiction that is typically initiated during the teenage years or not at all. For the great majority of smokers, this addiction begins before they are old enough to purchase tobacco lawfully. In fact, 75 percent of all adult smokers report that they became addicted to tobacco before they were 18 years old. Very few smokers take up smoking for the first time as adults. If youth access can be controlled effectively, and the decision whether to smoke can be delayed until adulthood, then, over time, smoking will be greatly reduced as a major addiction in our society."

-- "No Sale: Youth, Tobacco and Responsible
Retailing"
Working Group of State Attorneys General
December, 1994

"The nation must commit itself to a vigorous public health initiative in tobacco control....The nation cannot reasonably expect to eliminate tobacco-related disease and death by 2010. However, by putting a youth-centered preventions strategy at the center of tobacco control efforts, and by implementing the initiatives proposed (to that end) in this report, the nation can take a firm and resolute step on that path."

-- "Growing Up Tobacco Free"
Institute of Medicine, September, 1994

"The concept -- pediatric disease -- qualifies as an epiphany, given the acknowledged authority of society over a minor. He/she has to go to school, has to wait until a certain age before being allowed to drive, to vote, to drink beer. It yields no substantial libertarian ground to add to the list enforcement mechanisms designed to dissuade the 15-year-old from taking up a habit that brings on premature and painful death."

-- William F. Buckley Jr.
Syndicated columnist, March, 1995

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to anyone under age 18; requiring face to face sales; requiring age verification with photo identification; and eliminating free samples and impersonal sales like vending machines, mail order sales and self-service displays.

The proposals to limit the appeal of cigarettes and smokeless tobacco include: banning outdoor advertising within 1,000 feet of schools and playgrounds; restricting all other outdoor advertising to black-and-white text only; restricting advertising in publications with significant children readership to black-and-white text only; banning non-tobacco products such as t-shirts and caps that have cigarette or smokeless tobacco product brand names, logos, or symbols, and eliminating the exchange of non-tobacco products for proof of purchase of tobacco products; and allowing sponsorship of events only in the corporate name.

Also proposed is a new educational campaign aimed at countering the industry's multi-billion dollar annual promotional and advertising expenditures and at teaching children the real health risks of these products. This campaign will be funded by the industry.

The Administration's initiative has been published as a proposed rule of the Food and Drug Administration, and the FDA is currently reviewing public comments on the proposal.

The Synar Regulation

On January 18, 1996, the Administration issued a final rule designed to ensure that states and territories adopt and enforce laws prohibiting the sale or distribution of tobacco products to children.

The Synar regulation provides guidance to the states on how to comply with the Synar Amendment, named for its author, the late Mike Synar, former Congressman from Oklahoma. The amendment was enacted in 1992 as part of the Public Health Service Act and requires states to have and to enforce laws banning the sale and distribution of tobacco products to people under 18.

The Synar regulation requires states and territories to enforce their youth access laws through such methods as random spot checks of retail establishments. It would also require states to designate an office or agency for coordinating compliance activities. States would be required to file annual progress reports and could suffer financial penalties through reductions in substance-abuse block grants for failing to achieve agreed-upon goals.

While all states currently have such laws, enforcement has been inconsistent; in 1991, an estimated 255 million cigarette packs were sold illegally to minors, according to the American Journal of Public Health. And in the 1995 Monitoring the Future Survey, more than 90 percent of high school tenth graders surveyed said it was "fairly easy" or "very easy" to obtain cigarettes.

Together, the Synar regulation and the proposed FDA regulations would work to achieve President Clinton's goal of reducing children's use of tobacco products by 50 percent within seven years.

Talking Points on Philip Morris Announcement

We are pleased that Philip Morris recognizes that action needs to be taken to protect our children from the pediatric disease of smoking.

From the day he announced the FDA's proposal, the President has said he would be open to a legislative solution to the crucial public health problem: how to keep kids from smoking and using chewing tobacco. But he made clear that any legislative approach that he would support would have to be as strong, and effective as the FDA's proposals. That's the bottom line, and the standard by which the President would evaluate any legislative proposals. The Philip Morris proposal falls short of that mark. We encourage Philip Morris to continue moving forward to meet the President's standard.

If asked whether Leon met with Philip Morris about the proposal:

Philip Morris asked for a meeting with the Chief of Staff to lay out its proposal. Mr. Panetta agreed to the meeting. He reiterated that any legislative approach that the President would support would have to be as strong and effective as the FDA's proposals. After reviewing their proposal, he told them that it wasn't as comprehensive and effective as the FDA's proposal. But he welcomed their effort to try to move forward on this issue.

2 Tobacco Giants Seek Anti-Smoking Laws

By GLENN COLLINS

Seeking an alternative to Federal regulation of the nicotine in tobacco as an addictive drug, two tobacco companies proposed yesterday that Congress adopt sweeping laws to reduce teen-age smoking by banning vending sales and restricting advertisements and promotions.

But the companies were rebuffed by Michael D. McCurry, the White House spokesman, who said the companies' unexpected proposal "falls a little bit short" of the President's call to curb teen-age smoking. And some anti-tobacco organizations dismissed the companies' proposal as a public-relations stunt.

The two companies — Philip Morris U.S.A., the tobacco unit of the Philip Morris Companies, the nation's largest cigarette maker, and the United States Tobacco Company, the nation's largest purveyor of chewing tobacco and snuff — proposed a ban on vending-machine cigarette sales, single-cigarette sales and promotional giveaways, as well as a ban on transit advertising of tobacco products and restrictions on billboard and stadium advertising and sports-event sponsorships.

Philip Morris and United States Tobacco also proposed a ban on the imprinting of tobacco-product logos on merchandise like hats, clothing and gym bags. They also proposed that the tobacco industry spend \$250 million over the next five years to enforce restrictions on teen-age smoking. The companies' proposals would not affect their international business.

Steve Parrish, a spokesman for Philip Morris, termed the proposal "unprecedented and far-reaching," adding that the companies "want to make it impossible for anyone to obtain any tobacco product from a manufacturer or retailer without a face-to-face transaction where proof of age can be checked."

But Mr. Parrish said that the tobacco companies would support such legislation only if the Food and Drug Administration withdrew its proposals to regulate the sale of tobacco. He added that five tobacco companies would continue to sue the F.D.A. in Federal court to block the proposed regulations.

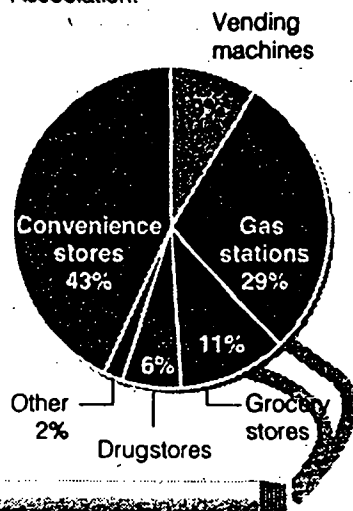
The R. J. Reynolds Tobacco Company and the Brown & Williamson Tobacco Corporation, said they would reserve comment on yesterday's proposal until they could give it further study. The Lorillard Tobacco Company, a unit of the Loews Corporation, said it supported many of the suggestions from Philip Morris and United States Tobacco.

"This announcement is obviously a pre-emptive strike against the

THE NUMBERS

Buying Cigarettes

Where teen-agers, 13 to 17, buy cigarettes, according to a survey by the National Automatic Merchandising Association.



Of the 24.25 billion packs of cigarettes bought in 1994, about 915 million came from vending machines, according to Vending Times's annual survey. Some 400,000 machines carried cigarettes and the average machine sold 44 packs a week.

The New York Times

F.D.A.," said Richard A. Daynard, chairman of the Tobacco Products Liability Project at Northeastern University School of Law in Boston, a nonprofit anti-smoking group. "They

The tobacco industry makes an offer and promptly draws criticism.

want to make sure that the F.D.A. has nothing to do with regulating them."

Mr. Parrish denied that the companies were attempting to avoid more stringent anti-tobacco restrictions. But critics of the tobacco industry said that under the companies' proposal, cigarette brand images, such as Joe Camel and the Marlboro Man, would be unaffected.

A move that opponents call a pre-emptive strike against the F.D.A.

Under the Federal agency's plan, much advertising would be limited to black-and-white advertisements of text and not graphics. The tobacco companies have contended that such a limitation would infringe on their right of free speech.

The companies' proposal would also preclude any F.D.A. role in enforcement of tobacco regulations. And unlike the agency's proposal, the tobacco companies' proposal would not ban tobacco brand-name sponsorship in rodeos and motor sports.

Ellen Merlo, a spokeswoman for the Philip Morris Companies, said the company would continue its Marlboro Gear program, "offering gifts for points, but without the brand names," she said.

President Clinton said last summer that he welcomed a legislative solution to teen-age smoking that is as comprehensive and effective as the F.D.A.'s regulation plan.

"The Philip Morris proposal falls short of that mark," said Mitchell R. Zeller, F.D.A. Deputy Associate Commissioner of policy.

Supporters of the tobacco industry, like Representative Thomas J. Bliley Jr., Republican of Virginia, said that the companies' proposal had "little chance" of passage in Congress because Democrats "had already promised to filibuster any legislation that would preclude the F.D.A. from exercising jurisdiction over tobacco," he said.

But Henry A. Waxman, Democrat of California, one of the tobacco industry's leading opponents in Congress, said, "I commend Philip Morris for at least suggesting a legislative proposal," adding that he would "look forward to talking with them about enacting a bill this year."

About \$2 billion worth of tobacco products were sold through 400,000 vending machines in 1994, or about 915 million packages of cigarettes, said Victor Lavay, publisher of Vending Times, a trade magazine.

Sheldon Silver, of the National Automatic Merchandising Association, said: "We oppose the ban on cigarette vending machines because it will not significantly reduce teen smoking." He cited a study showing that more than 72 percent of teen-agers buy cigarettes in convenience stores and gas stations.

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RELIGIOUS FREEDOM

Talking points

- *Religion is a central part of the President's life.* Religion and people of faith have played a critical role in the history of this nation.
- *The President firmly believes that religion is an issue that should draw us together, not tear our communities apart.* That is why he has worked so hard to help people of different faiths find common ground.
- What distinguishes this nation is the ability of people of different faiths to live side by side and work together for the common good. One need only look to Bosnia or Northern Ireland to realize what an achievement this is.
- In 1993, the President was proud to support and sign into law the ***Religious Freedom Restoration Act*** -- which makes clear that government must satisfy the highest legal test before it can burden the exercise of religion. This Act was supported by a broad coalition of religious groups and received virtually unanimous approval in Congress.
- An important part of working toward common ground has been ***this Administration's guidance on religion in public schools***. The President wanted all Americans to understand the extent to which the First Amendment permits student religious expression in school. And he wanted to give guidance that could help parents, teachers, school officials and community leaders work together to address these difficult issues.
- *The President continues to work regularly with men and women of various faiths on our common efforts to promote strong families, the best educational standards, and compassionate responses to the neediest among us.*

Q & A

Does the President support a constitutional amendment permitting more religion in schools?

No. The President does not believe we should tamper with the First Amendment. What is important is that we ensure that everyone understands just how much religious expression our First Amendment does permit. That is why the President and Secretary Riley distributed guidance on religion in schools to each of our nation's 16,000 school districts.

TALKING POINTS ON HOSPITAL STAYS FOR MOTHERS AND NEWBORNS

- Health insurers are increasingly limiting payment for hospital stays for new mothers and their infants to 24 hours or less after an uncomplicated birth and 48 to 72 hours after a cesarean birth. The President and I believe that new mothers and their babies should not be rushed out of the hospital until they and their health care providers decide it is medically safe for both mother and child.
- In 1970, the average length of stay for an uncomplicated hospital delivery was four days. By 1992, the average had declined to two days. Now, a large and growing number of insurance companies are refusing to pay for anything more than a 24-hour stay, except in the most extreme circumstances, and some have recommended releasing women as early as eight hours after delivery.
- National medical organizations, including the American College of Obstetricians and Gynecologists, the American Academy of Pediatrics and the American Medical Association, have stated that the trend toward shorter hospital stays is placing the health of newborns and their mothers at risk. The American Academy of Pediatrics and the American College of Obstetricians and Gynecologists have issued guidelines recommending a 48 hour hospital stay following an uncomplicated birth and a 96 hour stay after a cesarean.
- Early release after childbirth can have serious health consequences for both mother and child. Infants can suffer from feeding problems, severe dehydration, brain damage and stroke. In addition, many mothers are not physically capable of providing for a newborn's needs 24 hours after giving birth. Often they are exhausted, in pain, and faced with an overwhelming new set of responsibilities. Many first-time mothers also need more than 24 hours in the hospital to receive instruction in basic infant care and breast feeding.
- Many states have sought to guarantee their mothers the right to remain in the hospital for at least 48 hours following birth. Sixteen states have already passed laws addressing this issue, and 25 are considering taking action. However, states have found that they can protect only about half of their mothers and children because these state laws do not apply to self-insured (i.e., ERISA) plans.
- A growing number of hospitals have taken it upon themselves to provide a second day of coverage free. And one group of insurers, Blue Cross and Blue Shield of Pennsylvania, has responded to public concerns by voluntarily offering 48-hour minimum coverage.
- But in the absence of coverage for all women in all states, we have a responsibility to take action in Washington. Senators Bradley, Kassebaum and Frist have introduced a bill in the Senate, and ten bills have been introduced in the House -- most with bipartisan support. The Bradley-Kassebaum-Frist bill was recently approved by the Labor Committee by a 14-2 vote.
- We owe it to this nation's mothers and children to leave decisions about their health and safety to them and their doctors. Saving the life and health of newborns is more important than saving a few dollars.

QUESTIONS AND ANSWERS

Q. Who will be affected by a Federal bill similar to the Bradley-Kassebaum-Frist bill?

A: Women and newborns in all states would be affected by passage of Federal legislation -- even in those states that have passed their own bills. This is because state legislation does not cover women who are insured by self-insured -- ERISA -- plans, since these plans are regulated at the Federal level. About 50% of all people with private insurance are covered by ERISA plans, meaning that the typical state's law covers only about half of the privately-insured mothers in that state.

Q: Has the Administration endorsed the Bradley-Kassebaum-Frist bill?

A: There a number of bills in Congress right now -- most with bipartisan support. The Bradley-Kassebaum-Frist bill was recently approved by the Labor Committee by a 14-2 vote. The President believes that the differences among the bills can and should be resolved. We should pass legislation that protects the health of mothers and newborns.

Q: Does the Administration support attaching this bill to the Kassebaum-Kennedy health insurance reform bill?

The President has made it clear that he wants Congress to pass the Kassebaum-Kennedy bill now. He has also made it clear that we should not let the bill be weighed down by amendments that do not have strong support. If, as it seems, bills like the Bradley-Kassebaum-Frist bill have broad support, we should act on them now. The President believes that this is an important issue that we can all agree on.

Q: How can you justify getting involved in this issue when you have recently avoided supporting other insurance issues, like lifetime caps on benefits?

A: The President believes we should continue to take steps toward health care reform. Given the broad level of public support for legislation protecting mothers and newborns against early discharge from the hospital after delivery, as well as the bipartisan support for legislative proposals at both the state and national levels, we believe it is an appropriate time to act on this issue.

Supporting Women and Families President Clinton's Accomplishments and Agenda

"...Until all women have an equal opportunity to develop their full potential and to make contributions that are accepted and welcomed by our society, our freedom as a nation will be incomplete."

President Clinton

Women's Equality Day, 1995, Proclamation

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And Other Resource Materials

"The United States is now a leader in the battle for the rights of women and we intend to see, in this Administration, that in that battle, there is no going back. We intend to win that battle."

*Vice President Gore
June 22, 1995*

"We are here to find common ground so that we may help bring new dignity and respect to women and girls all over the world and in so doing, bring new strength and stability to families as well."

*First Lady Hillary Rodham Clinton
United Nations Fourth World
Conference on Women
Beijing, September 5, 1995*

Fact Sheet I

Expanding Economic Opportunities for America's Families

"...We need a united front for treating women all over the world with dignity and respect and giving them opportunities in the family and education and in the workplace."

President Clinton

Jackson, Wyoming, August 26, 1995

More than half of low-wage workers are mothers.

Delivered the Family and Medical Leave Act

The first bill President Clinton signed after taking office, the Family and Medical Leave Act, allows workers to take up to 12 weeks of unpaid leave for an infant, spouse, or ailing loved one without losing their jobs. Women and men are no longer forced to choose between their families and jobs.

Expanded Earned Income Tax Credit Making Work Pay

The President has expanded the Earned Income Tax Credit as a first step toward ensuring that no child of full-time working parents will have to live in poverty. The expansion gives a tax cut to more than 15 million working families.

Committed to Increasing the Minimum Wage

The President has proposed increasing the minimum wage from \$4.25 to \$5.15 over two years, through two 45-cent increases. For a full-time, year-round worker at minimum wage, a 90-cent increase would raise yearly income by \$1,800 as much as the average family spends on groceries over seven months. Two-thirds of minimum wage workers are women.

Improved Access to Child Care

The Clinton Administration has launched initiatives to make child care more affordable and accessible and has encouraged employers to address this need. The Administration has increased investments in child care and established a Child Care Bureau to streamline federal child care programs. (The Child Care Information Center: 1-800-616-2242.) The Clinton Administration has also initiated a Healthy Child Care Campaign to increase access to preventative health services for children in child care and to ensure safe child care environments. In addition, the Administration has increased child care availability for military families by providing additional funds for before and after school programs and to expand family child care.

Strengthened Equal Opportunity for All

After an extensive review of laws and regulations, the President reaffirmed his Administration's support for affirmative action as a tool to expand economic and educational opportunity. He believes that affirmative action must be designed to sustain and support our ideals of personal responsibility and merit.

Strengthened Enforcement of Child Support

Many families—particularly those headed by women—are forced into economic crisis and poverty when a non-custodial parent fails to pay child support. From 1992 to 1994, there has been an increase in child support collec-

Fact Sheet II

Making Our Homes and Communities Safer

"If children aren't safe in their homes, if college women aren't safe in their dorms, if mothers can't raise their children in safety, then the American Dream will never be real for them..."

President Clinton
March 21, 1995

In a typical year, more than 4.5 million American women 12 years or older are victims of a threatened or attempted violent crime.

Initiated Programs to Combat Violence Against Women

The Violence Against Women Act, part of the President's crime bill, takes a comprehensive approach to combating violence against women. The law will help improve the responses by the police and the courts to domestic violence crimes, enhance lighting in public places, force sex offenders to pay restitution, increase funding to battered women's shelters and ensure that a "stay away" order obtained against an abuser will no longer stop at the state line. In addition, the Administration has: created the Violence Against Women Office in the Department of Justice to lead a national effort to combine tough new federal laws with help for states and localities; created a national domestic violence hotline to help ensure that battered women and their families have access to help at all times; and funded projects linking organizations working to combat domestic violence with aging agencies, an effort aimed specifically at protecting older women against domestic violence.

Signed the Brady Bill and Assault Weapons Ban

The Brady law works to keep handguns out of the reach of criminals including individuals under restraining orders for domestic threats. The law: A five-day waiting period and background check. The assault weapons ban outlaws the 19 deadliest assault weapons and their copies.

Signed Three-Strikes-and-Out Law

This law puts criminals behind bars for good if they commit three violent crimes.

Supported Notifying Communities about Release of Sex Offenders

This new law requires appropriate community notification when serious sex offenders have been released.

Introduced Operation Safe Home to Fight Crime in Public Housing

To combat crime in public and assisted housing, the Administration launched an aggressive interagency effort for a more effective Operation Safe Home Program. In one year, more than 3,000 criminals were arrested and \$1.5 million in drugs were seized.

Supported the Family Preservation and Support Act

The Clinton Administration won bipartisan support for this act—the first federal investment in child welfare protection in more than a decade. With federal help and support, states have been able to use these resources flexibly and creatively to strengthen families and reduce child abuse.

Fact Sheet III

Investing in Education and Training for Our Families

"Let's give our children a future. Let us take away their guns and give them books."

President Clinton

January 24, 1995

The typical college graduate earns 74 percent more than a worker with a high school degree.

Expanded Student Loans

The Student Loan Reform Act, which includes the President's Direct Lending Program, lowers interest rates for students and allows for flexible income contingent repayment plans. The act also saves taxpayers billions of dollars.

Promoted National Service and Educational Opportunity

President Clinton created AmeriCorps so young people can serve their communities—teaching, caring for the sick, making the streets safer—while earning money toward their education. Already, 20,000 American women and men serve in AmeriCorps.

Enhanced School-to-Work Opportunities

With bipartisan support, President Clinton signed into law the School-to-Work Opportunities Act, the most important national program ever to provide apprenticeships for students who don't go on to college. School-to-Work helps all young people—including the 70 percent who don't get four-year degrees—to get the education they need to obtain good jobs.

Advanced Improved Standards for Education

This legislation sets world class education standards in areas of math and science and provides voluntary assistance to states and communities to implement education reform. In addition, the President supported the Reauthorization of the Elementary and Secondary Education Act which helps to improve basic and advanced skills for low-income students.

Expanded Head Start

President Clinton has expanded Head Start services while improving the program's quality and making it more responsive to the needs of local communities. The President's increase in funding for Head Start will allow 50,000 more children to take advantage of the program by the year 2002. The Administration has also launched an innovative program to give infants and toddlers an Early Head Start.

Safe and Drug-Free Schools

This President-supported program expands security and violence prevention in schools across the nation by teaching students the dangers of drug and alcohol abuse and teaching them alternatives to violence.

Expanding Lifelong Learning

The President has proposed a "G.I. Bill of Rights for Workers" to reform job training programs and put resources and information directly into workers' hands. Lifelong Learning is critical for our workers to compete successfully in the new global marketplace.

Fact Sheet IV

Expanding Access to Quality Health Care

Our families will never be secure, our businesses will never be strong, and our government will never again be fully solvent until we tackle the health care crisis."

President Clinton

February 17, 1995

*Every three minutes a woman is diagnosed with breast cancer.
Every 12 minutes another woman dies from the disease.*

Leading the Fight for Health Care Security for All Americans

President Clinton believes that every American should have access to quality health care and is committed to achieving this important goal.

Strengthening Medicare and Medicaid

President Clinton believes that health care for women, children and older citizens must not be diminished. He is fighting massive congressional cuts of Medicare and Medicaid, which serve approximately 20 million women. For older women, Medicaid is the largest insurer of long-term care, covering more than two-thirds of nursing home residents, the vast majority of them women. President Clinton is also a strong supporter of Medicaid nursing home quality standards, helping to assure nursing home residents a safe and healthy environment.

Redressing Inadequacies in Clinical Research

Historically, clinical research has concentrated primarily on men. Under President Clinton, this inequity has been corrected. The largest clinical study ever conducted—a study of diseases affecting older women is now underway. The President signed legislation requiring that women and minorities be included in all clinical research supported by the National Institutes of Health, and the Food and Drug Administration has issued guidelines to encourage the participation of women in all phases of clinical drug development.

Focusing on Breast Cancer Research

The lifetime risk of developing breast cancer has risen from 1 in 20 to 1 in 8 in just 20 years. Funding for breast cancer research and programs has increased from approximately \$90 million in 1990 to \$600 million today. The funds span Health and Human Services and other federal agencies, including the Department of Defense and the Central Intelligence Agency. A project has begun to explore how our national investment in defense, space and other imaging-related fields may provide new technological approaches to improve the early detection of breast cancer. In 1993, the Clinton Administration convened a conference to formulate a comprehensive and coherent action plan to improve detection and treatment of breast cancer. By implementing the Mammography Quality Standards Act, the Administration has put into place comprehensive standards that ensure the quality of mammograms and the more than 10,000 mammography facilities in the U.S.

Offering Free or Low-Cost Mammography Screening to Those in Need

The Centers for Disease Control and Prevention's National Breast and Cervical Cancer Early Detection Program offers free or low-cost mammography screening to uninsured, low-income, elderly, minority and Native American women in 35 individual states and nine tribal organizations. More than 700,000 have been screened through May, 1995.

Researching Environmental Factors and Breast Cancer

The National Cancer Institute has funded several grants to investigate the effect of environmental and other risks contributing to the high incidence of breast cancer. The Public Health Service's Office on Women's Health has established a federal Interagency Coordinating Committee on the Environment and Women's Health that is focusing on how home, work and atmospheric pollutants, exogenous hormones and other environmental factors may contribute to the risk of breast cancer and other disorders.

Substantially Increasing Our Commitment to AIDS Funding

AIDS cases are increasing at a faster rate among women than men, and the Clinton Administration has increased resources to reach women affected by HIV/AIDS. The National Institutes of Health, which created a Women's Interagency HIV Study to identify the nature and rate of HIV disease progression in women, is requiring that women and members of minority groups be included in all National Institutes of Health-supported biomedical and behavioral research involving human subjects and has initiated a major research effort to develop female-controlled barrier methods, including vaginal compounds, to prevent HIV transmission.

Caring for Women Veterans

A series of Veterans Administration health-care initiatives has been implemented under President Clinton. The Veterans Administration has established four comprehensive health centers, four stress-disorder treatment teams, and hired many counselors to treat the after-effects of sexual harassment and assault.

Established Key New Positions and Offices for Women's Health

In addition to establishing the office of the Deputy Assistant Secretary for Women's Health in the Department of Health and Human Services, the President has signed legislation to mandate the establishment of the Office of Research on Women's Health at the National Institutes of Health, the Office for Women's Services at the Substance Abuse and Mental Health Services Administration, and has established other offices of women's health throughout Health and Human Services, the Centers for Disease Control and Prevention, and the Food and Drug Administration.

Researching Health of Older Women

Under President Clinton, the National Institutes of Health is implementing the Women's Health Initiative, a 15-year prevention study of the health of post menopausal women. With three study components that will involve 160,000 women, the Women's Health Initiative is the largest clinical study ever undertaken in the U.S. The initiative is examining the major causes of death, disability and impaired quality of life: heart disease, cancer—especially breast and colorectal cancer—and osteoporosis. Within the next 10 years, the initiative will provide guidance on the role of diet, the risks and benefits of hormone replacement therapy, Vitamin D and calcium replacements, and changing unhealthy habits to prevent these diseases.

Responding to the Needs of Older Women

President Clinton established an initiative at the Department of Health and Human Services, spearheaded by the Assistant Secretary for Aging, to bring focus to issues affecting older women and their families at the grassroots level through education, technical assistance and advocacy. The major areas of focus for this effort include income security, health, care giving, housing and prevention of crime violence. The centerpiece of the initiative is the National Policy and Resource Center on Women and Aging, designed to serve as a focal point for coordinating efforts to facilitate the initiative's goals.

Fact Sheet V

Promoting Reproductive Health Services for Women

"Certain choices are too personal for politics."

President Clinton and Vice President Gore

The President is committed to ensuring that all women have access to reproductive health and family planning services, that all women are able to determine the number and spacing of their children, and that abortion is safe, legal and rare.

Reversed the Gag Rule

During his first week in office, President Clinton reversed the previous administration's attempts to prevent federally funded family planning clinics from providing full information on options for resolving unintended pregnancies.

Supports Reproductive Health and Family Planning

Under President Clinton, the annual budget for the Title X Family Planning Program has increased from \$173.4 million to \$193.3 million. This program is the primary federal mechanism for direct provision of reproductive health and family planning services to low-income women. It is estimated that subsidized family planning services, such as those provided through Title X, prevent more than 1 million unintended pregnancies and 500,000 abortions each year. In 1994, at the International Conference on Population and Development in Cairo, the United States agreed with more than 150 nations to promote reproductive health for all women and to address the threat to women's health from unsafe abortions.

Establishing Clinic Safety

President Clinton signed the Freedom of Access to Clinic Entrances Act to fight the escalating violence against women and doctors at women's health clinics.

Moved Forward with Reproductive Research

President Clinton ordered that the ban on mifepristone, a drug that terminates pregnancy without surgery, be revisited. Currently, the drug is undergoing clinical trials in the U.S.

Establishing Services for Victims of Rape and Incest

Under President Clinton, the Department of Health and Human Services implemented a congressionally ordered change to Medicaid to include abortion services for women whose pregnancies result from rape or incest, in addition to saving the life of the woman.

Fact Sheet VI

Caring for our Children

"There are certain fundamental national needs that should be addressed in every state, north and south, east and west—school lunches in all our schools, nutrition for pregnant women and infants—All these things are in the national interest."

President Clinton
1995 State of the Union

**More than 5 million children are hungry each month in the U.S.
Committed to Protecting Medicaid—The Health Safety Net
for Our Children**

Committed to Protecting Medicaid—The Health Safety Net for Our Children

President Clinton is fighting to maintain the health care protection that Medicaid provides. Medicaid is the social safety net that makes health care possible for millions of our nation's children, children who are disabled or who suffer from chronic illness. Some in Congress are proposing to cut \$165 billion in Medicaid benefits to millions of low-income mothers and children and elderly and disabled Americans. The President is working to ensure that Medicaid is there to provide vital health care for those who cannot afford it.

Developed the Childhood Immunization Plan

President Clinton signed the Comprehensive Childhood Immunization Initiative so that children will be vaccinated against disease. The initiative makes vaccines affordable for families and improves immunization outreach. The goal is simple: 90 percent of all two year olds should be fully vaccinated by the year 2000.

Expanded Nutrition Services for Women, Infants and Children

The Clinton Administration has increased funding for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) each year since fiscal year 1993 by a total of 18 percent. The Administration has also aggressively pursued cost containment initiatives such as infant formula rebates that have provided additional funds to handle more eligible participants. WIC works: Every \$1 invested in WIC saves up to \$4.25 in health care costs.

Launched Strategies to Reduce Teen Pregnancy

Under President Clinton's leadership, the Administration is developing new strategies to address the high rate of teen pregnancy in this country. The efforts are designed to encourage communities to build partnerships and to discover what strategies work. The Administration has supported innovative demonstration programs and expanded existing programs in communities all across the U.S.

Implementing the School Meals Initiative for Healthy Children

The Clinton Administration's School Meals Initiative for Healthy Children, an integrated comprehensive plan, improves the nutrition standards for school meals by requiring that they meet the Dietary Guidelines for Americans. This initiative also provides administrative streamlining and offers schools the implementation flexibility that best suits their program.

Protecting Women's Health by Preventing Teen Smoking

Smoking rates are alarmingly high for teenage girls. Tobacco raises a woman's risk of having cancer, heart disease, low birth weight babies, lung disease, and osteoporosis. Almost all smoking begins during the teen years, and preventing addiction during this period almost guarantees women will not smoke as adults. The Administration has launched a major, multi-pronged campaign to prevent teenagers from smoking and then becoming addicted to nicotine.

Fact Sheet VII

Generating Business and Economic Opportunities for Women

"Women entrepreneurs are a dynamic force in our nation's current economic expansion. My Administration will continue to aggressively pursue forward-looking initiatives that will foster the success of these women-owned businesses, which contribute well over \$1 trillion in receipts to our nation's economy."

President Clinton
January 29, 1996

Women-owned businesses contribute more than \$1 trillion in sales to the U.S. economy annually.

Supporting the Family-Friendly Workplace

Under President Clinton's leadership, the Department of Labor's Women's Bureau launched a nationwide initiative to improve the lives of working Americans by encouraging employers to improve working conditions for working women and families. Under the Honor Roll program, the bureau is encouraging commitments from employers to improve pay and benefits, create a family-friendly workplace and value women's work through training and advancement.

Making Working Women Count

The Department of Labor's Women's Bureau surveyed over 250,000 working women to learn more about their workplace experiences. The bureau is working to address the concerns expressed by survey participants: better pay and benefits, balancing work and family, and workplace recognition.

Increased Small Business Administration Lending to Women by 86 Percent

A significant number of women business owners must use credit cards and personal resources to maintain or finance their businesses. The Small Business Administration under President Clinton has increased the volume of loans to women by 86 percent from 1993 to 1994 alone.

Increasing Federal Procurement Contracts for Women

Supported by President Clinton, in 1994 the Federal Acquisition Streamlining Act for the first time explicitly opened up federal procurement contracts and subcontracts to women-owned businesses.

Expanding Small Business Administration's Women's Demonstration Program

Under President Clinton, the Small Business Administration added 19 centers nationwide to its Women's Demonstration Program. The women's business sites offer financial management, marketing, procurement, technical and other assistance to women to launch a business or to run one more successfully. Each site is tailored to meet the needs of the community.

Created a Forum to Address Women's Economic Issues

The President's Interagency Committee on Women's Business Enterprise comprises senior officials from 10 federal agencies, ensuring that women's economic issues are addressed at the highest policy-making levels. The committee released a report showing clearly the dramatic economic impact women-owned businesses have on our nation's economy and highlighted the Clinton Administration's many pro-woman entrepreneur initiatives.

Fact Sheet VIII

Supporting Women as Partners in Decision Making

"Women are beginning to participate more fully throughout this country in the life of America. As far as I know, the sky is not falling anywhere."

President Clinton
August 26, 1995

The Baltimore Sun noted that President Clinton has delivered on his promise to make diverse appointments: "No Administration has ever produced such diversity."

Appointing Women throughout the Administration

More than 40 percent of the President's appointees are women, by far the highest percentage of any Administration.

- Six women hold Cabinet-level posts, the highest ever.
- The President has appointed the first woman to serve as deputy chief of staff.
- The President has appointed women for the first time to such positions as: Attorney General, Chair of the Council of Economic Advisors, Secretary of Energy and Office of Management and Budget Director.
- The President has appointed women to positions held traditionally by men: Chief Scientist at the National Aeronautics and Space Administration; and Deputy Director at the National Science Foundation.
- Nearly 60 percent of the President's judicial nominees are women and minorities, the highest proportion ever.
- The President nominated a woman to the Supreme Court, only the second president to have done so.
- Two out of the three policy-making councils in the White House are headed by women.

Providing Expanded Opportunities for Women in the Military

The Clinton Administration has opened nearly 260,000 positions previously not open to women who wish to serve in the military.

Convened White House Conference on Aging

President Clinton convened a White House Conference on Aging which provided specific recommendations for improving the lives of older women. These recommendations will be incorporated into the final report of the Conference which will be presented to the President and Congress for legislative and administrative action.

Created Interagency Council on Women

The President established an intragovernmental body to bring home the agreements reached at the United Nations Fourth World Conference on Women to benefit American women and their families. Housed at the White House, the President's Interagency Council is charged with coordinating the implementation of the Conference Platform for Action and reaching out to America's non-governmental organizations to work for successful implementation.

Making Sure Women Are Heard

The White House Office for Women's Initiatives and Outreach was created by the President to ensure that his Administration better serves and listens to women. It serves as the primary liaison between the White House and women's organizations, listening to women's concerns and proposals and bringing these ideas to the President and others in the Administration. The office's main initiative, At the Table, is bringing hundreds of women to discussion tables, enabling them to get their thoughts and opinions heard by the President and others in the Administration.

1994's Female Nonvoters Will Support Clinton at Polls,

By Thomas B. Edsall
Washington Post Staff Writer

Women who voted in the 1992 presidential election but failed to cast ballots in 1994 are now prepared to back President Clinton and Democratic congressional candidates by strong margins, according to a poll for Emily's List, an organization that provides financial and strategic support to Democratic women running for public office.

The survey, conducted by Democratic pollsters Stan Greenberg and Celinda Lake, shows that women overall are much more Democratic and pro-Clinton than men. Women favored Clinton over Senate Majority Leader Robert J. Dole (R-Kan.) by 19 percentage points, and are more inclined to vote for Democratic congressional can-

didates by 13 points. In contrast, men favored Clinton by 6 points, and are more inclined to favor GOP congressional candidates by 6 points.

The survey found that the partisan split between men and women—the gender gap—has deep roots. “These partisan differences reflect fundamental differences in views about issues and values. Men and women absolutely disagree about which party would be better on the economy, taxes, crime, setting priorities, providing opportunities, and reflecting ethics and honesty,” according to the report.

While providing evidence of overall Democratic support among women, the survey also shows Democratic weaknesses among such key groups of white women as married mothers and working women with blue-collar or

working-class jobs, both of whom trust the GOP as much or more than the Democratic Party on economic issues. The Republicans' strongest sources of support among women are with white southern and evangelical voters.

The study, the first of a series to be released every six weeks through the November election, was conducted March 20 to 24. A total of 1,089 voters were surveyed, 308 men and 781 women, with an extra sampling of 1994 “drop-off” women. One of the goals of Emily's List is to boost turnout among women who did not vote in 1994. They are a group that tends to be more downscale in education and economic status, and traditionally less likely to vote.

Greenberg said the pro-Democratic findings of the survey suggest that “the

normal presidential year surge [in voting] should produce a significantly greater Democratic vote because those who stayed away in 1994 are so Democratic.” These voters back Clinton over Dole by 33 percentage points and by 20 points say they intend to vote for Democratic congressional candidates instead of Republicans.

Another group of women that has become increasingly Democratic, Greenberg said, is retirees, who favor Clinton over Dole, 64 to 31 percent. Single women favor Clinton over Dole by 63 to 34 percent, and by 19 percentage points they favor the Democratic Party over the GOP. Catholic women, in turn, favor Clinton over Dole by 61 to 35 percent, and by 18 points favor the Democratic Party over the GOP.

Emily's List Survey Says

Two key swing groups of women, those who live in suburbia and those with professional jobs, diverge in their loyalties. Both tend to be supportive of abortion rights and are inclined to give Clinton fairly strong support, but they are much more lukewarm to Democratic congressional candidates.

Clinton beats Dole by 18 points among both professional and suburban women, but professional women give a slight edge to Republican congressional candidates, and suburban women favor Democratic congressional candidates by 4 percentage points.

Among women in low wage occupations, Clinton has a relatively modest 52 to 45 percent lead over Dole. These voters are worried about the economy, and they do not have much faith in the Democratic Party to deal

with it. They give the GOP an 8-point advantage when asked which party can better handle the economy, and a 14-point edge when asked which party is better equipped to provide economic security.

Similarly, married mothers favor the GOP on the issues of the economy and taxes by 16 and 19 points and by 29 and 34 points on the questions of economic security and personal responsibility.

The survey also ranked the partisanship of different categories of women. The most Democratic are black and Hispanic minority women, who are 72 percent Democratic and 10 percent Republican. Women from union households are Democratic by a 31 points; women holding professional jobs are evenly split between the two parties.

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript

May 14, 1996

INTERVIEW OF THE PRESIDENT
BY E.J. DIONNE OF THE WASHINGTON POST

The Oval Office

5:47 P.M. EDT

Q I basically want to talk to you about the second Clinton term. One of the things we were talking about before is this whole notion of does the country have a clear sense of what you would do -- you've heard this all before -- of what you would do if you got a second term, and what you would do if you got a Democratic Congress, and for that matter, what you would do if the same situation that exists now did.

THE PRESIDENT: Well, first, obviously, there would be some differences based on what the voters decide to do and the Congress. But I think it's been pretty clear what I would do in the second term. I have consistently pursued the agenda I outlined in 1992 and 1991, and I believe that it's not been realized -- that it seems to me that -- and we can talk about specifics if you like, and I'll get to that, but the big issues facing this country are how to create opportunity for everybody in the global economy and the information age; how can we bring the country together instead of letting it become more divided from our internal differences and all the pressures of the new economy; and how can we maintain our position in the world as a force for peace and freedom and prosperity.

And there are enormous numbers of things that have to be done. And, of course, all along we've been kind of redefining the role of the federal government. It's smaller from a bureaucratic sense, much smaller than it was when I took office. But there's still, I think, things that have to be done.

I was thinking -- I was talking to them before you came in here -- I was thinking about what is and is not exactly a parallel between now and 100 years ago, like you wrote in your book. I mean, the role of government -- I think the principal role in the progressive era in the beginning was to restrain the abuses of the Industrial Age through child labor laws and antitrust

laws and Roosevelt's efforts to conserve our natural resources.

I think we still need -- then when the Industrial Age came to full flower, there was a -- from the Depression through the second world war, there was a -- and then all the way through the '60s and '70s, the government adopted a position also of kind of delivering services and doing things which now are going to be more and more done at the state and local level or in public-private partnerships.

I think there's still a rulemaking role for government. I think that's what the Family and Medical Leave law was all about. That's what the Kennedy-Kassebaum bill is all about. That's what the thing I talked about in my radio address last Saturday, trying to say we don't want to run mothers and their newborn child out of the hospital too soon. I think there are -- that's what the environmental efforts are all about. But the principal thing we have to focus on is how we can give people the tools they need to meet their own challenges, to solve their own problems, to make the most of their own opportunities, whether it's individual opportunities of education or their family opportunities -- that's what the Family and Medical Leave law or the earned income tax credit is about -- or solving their problem at the community level.

And if you look at what I've done and what I've proposed to do that hasn't been done, it's obvious that we're going through a transition where we're basically changing our notion of the role of government and where we're facing these challenges that are economic and social in nature as well as in terms of how we relate to the rest of the world. And what I would do in the next four years would be remarkably consistent with what I have done.

Now, how I would do it and how much I could do through legislation depends in part on whether the Congress is more open to it. And that depends not only on whether the Republicans hold the Congress or not, but if they should hold the Congress, whether they would have the same attitudes they have manifested in the last year or so. Those things are -- the American people will decide that in the election.

But -- and if you want some specific indicators, there have been some very clear specific indicators in terms of domestic policy, in terms of foreign policy. If I don't finish what I'm doing I'll try to get it done in the next four years. I think that -- let me just give you one example.

I think there needs to be a much greater emphasis on this whole question of education, on how you can make every classroom work -- not just in the technological sense, but in an educational sense. There needs to be a much greater emphasis on creating a system in which people will have access to education for a lifetime. That's why I think this G.I. Bill I've proposed is so important. If it doesn't pass this year I will certainly put it at the top of the priorities in 1997. If the education tax reduction doesn't pass, that will be one of the first things I propose specifically.

But, essentially, what I'm interested in is leaving in place when I leave office a structure of opportunity in which everyone who is willing to work has the chance to fulfill their abilities, in which people can succeed at home and at work, family and work can coexist in a way that

is very difficult for people today; in which communities can have the tools they need to either stay strong or rebuild themselves, whether it's safe streets or schools that work, or clean environment or rescuing children from the problems of crime and drugs. Those are the things that I think are most important at home.

And when I -- abroad, we put in place basically the framework of the trade structure that I thought ought to be there for the 21st century, but we've still got an enormous amount of work to do on the security issues -- on what we should be doing in partnership with others to deal with the nuclear proliferation issues, other proliferation of dangerous weapons issues, to deal with the terrorism issues, the crime and drugs issues, the international environment threats. That's not done yet. We have not finished that by a long stretch.

And then, of course, in addition to the specific areas where we're trying to see our work through from the Middle East to Ireland to Bosnia, there's the whole question of how we're going to relate to other great powers in the 21st century, how will the Russians define their greatness, how will the Chinese define their greatness, how will we work with them and how that will affect us.

So there's more than enough for me to do for four more years. And I expect it to be a natural sort of flow out of what we've done in this four years. I don't think there will be some big break.

Q I want to get back to this, but I wanted to ask you, what do you think is the difference between the six months that ended in November of '94 and the last six months? Why was the first so difficult and why has the second period so far ended up so well for you?

THE PRESIDENT: Well, I believe that, first of all, the last six months of November of '94 was dominated by the health care debate in ways that were very negative. Nothing happened. I believed that we would get some sort of compromise health care legislation because the Republicans from Senator Dole on down told me that they would. They even offered -- a lot of the history of health care has been rewritten. Your colleagues, David Broder and Haynes Johnson, did a fair amount of work of setting the record straight, but I believed that would happen, and it didn't. And so it became -- instead they did reverse plastic surgery on what we were trying to do and it became a metaphor for big government and we sort of became like yesterday's progressives instead of tomorrow's progressives. And we didn't succeed. I think that's a big part of it.

And also, the mood in the country was very kind of down and angry. And a lot of those forces that are part of the Republican base were doing very well. I mean, we won the crime bill, but it wasn't -- it was a very good crime bill, but it hadn't had time to have effect. People couldn't see the police going to work, for example. But the people who were afraid that the assault weapons ban was going to take their hunting rifle away didn't have time to go through a hunting season to know that wasn't so before election day.

Q What about the Democrats? I mean you really had -- I've used the term for that period, dysfunctional Democrats -- I mean, you really had a sense that the Democratic Party

could not operate -- I mean, was not operating with a sense that they could lose the election or, B, that there was some common interest in getting things done.

THE PRESIDENT: Well, I think, to be fair, I think that all of us, including me -- and I wasn't on the ballot, but I think all the Democrats bear a share of responsibility, as I said, including me. The central insight the Republicans had was that if they adopted a "just say no" posture, since the Democrats had a majority in the Senate and the House and the White House, that the Democrats would be blamed for getting nothing done, even though, as a practical matter the filibuster in the Senate, if you use it -- and they used it constantly for two years, more than ever before -- meant that they could shut it down. I mean, that's essentially why we couldn't pass any kind of health care reform.

It wasn't the House then. It wasn't Newt Gingrich. It was the Senate Republicans, because once they decided that they were going to "just say no," they could filibuster anything to death, and then no compromise was possible. If we had gotten a compromise out of the Senate we could have passed it in the House with just Democrats if we had to.

So once they did that, then the Democrats were standing alone. And I think two things happened there. One was something I think you wrote about, which is that there were within the Democratic Party essentially three blocs if you will. There were the sort of mainstream progressive Democrats, liberal Democrats; there were kind of the new Democrats; and then there were rural conservative Democrats. And the caucus would split in various ways. They split over what the best way to get health care coverage was; they split over the assault weapons issue because of the power of the anti-gun control folks in some of the districts. They would split over these various issues.

And when left alone out there, if you had to pass things with only Democratic votes, you saw these tensions and splits. We saw it even when we were successful in 1993 in passing this budget, which has been -- succeeded beyond anybody's imagination in bringing the deficit down.

Q By the way, when having fought so much for it, why give up the 4.3 cents?

THE PRESIDENT: We'll come back to that. It's not gone yet.

So I think that there were splits. The other problem was -- and this is probably the -- for somebody who is just a political junkie, it's not -- as opposed to someone interested in policy. The Republicans proved at the midterm election that you could run a national campaign on a national message when there was a congressional race up. I think that a lot of the Democrats were inclined to believe that they could go back home and just run on local issues of service to their constituents when there should have been a much more aggressive defense of what we had done and where we were different from the Republicans. We would not have done worse -- we would have done better. We would still have sustained losses, but the losses would have been smaller if we had had a national response to their national response.

Q I mean, ironically, now the situation is almost exactly reversed.

THE PRESIDENT: Yes, but better for us because we didn't take a "just say no" policy to them. We didn't do what they did to us. They just said "just say no." We're all going to say no on the budget; we're all going to say no on health care; we're just going to say no, and then we'll blame them for not doing it and we'll characterize what it was they tried to do. And it worked for a short-term.

And then I think what happened in '95 -- you said, what's the difference -- I think, first of all, people saw what they were trying to do and they realized they hadn't bought off on a lot of those elements of the Contract, that a lot of those elements of the Contract were inconsistent with the responsibility of our national government to help create opportunity for people who were willing to work for it, and to help maintain a certain set of rules that would make the market work and preserve the environment and keep us coming together as a people instead of being divided.

And I think the fact that we then offered an alternative, we didn't just say no, we said, okay, here's an alternative and we'll work with you, I think showed that the Democrats, if you will, had gotten the message of the '94 election, that we weren't what the Republicans said we were, the President wasn't and the Congress wasn't. We were willing to reach out our hands and work together.

And we can show examples where we had. I mean, frankly, if you look at the antiterrorism bill, if you look at the telecommunications bill, if you look at the lobby bill -- all those pieces of legislation and ultimately the budget we passed -- we didn't take a "just say no" position. We said we will work with you to do something that is good for this country. And I think that is why it's better now a year later.

Q Did you think you could come out as well as you did without a budget? I mean, you hear all sorts of things about what you and other folks were thinking, but that there was a period when you thought you had to have a budget and then it turned out quite the contrary, that not getting a budget politically may have been the best thing that happened last year.

THE PRESIDENT: Well I thought it had to be their decision -- the Republicans, you see. In other words, what I thought was, that I had to try to get a balanced budget and that, by showing that, I could demonstrate to the American people that, no matter what, we were going to bring this deficit down, and that bringing the deficit down was important to me. That, after all, we had done it all along, the Democrats had, the Democrats in Congress, for the first three years of my four-year term and I wanted to continue doing it. And that I would do my best to get a budget.

And I thought, in the end, that they would do it. And I am still somewhat bewildered when they called these negotiations to a close late last year -- whenever it was -- early this year -- January. I knew that there would have to be some sort of suspension so they could do their primaries, but we were so close on the numbers.

Q How much are the primaries worth then?

THE PRESIDENT: I don't know.

Q Let me ask it differently. What effect did Buchanan and Forbes have on the nature of the debate in the country?

THE PRESIDENT: What impact did they have? Well, I think that Buchanan, at least -- both reminded the Republicans in the country of a lot of the elements in the Republican -- that's been in their national coalition that were divisive, if you will, that they -- where the other Republicans wanted those votes, but they didn't want to have to talk like that to get them. That was the negative thing.

But the positive thing Buchanan did was to also remind people that there were a lot of anxieties among working class people out there; that even in an era where we're getting a lot of jobs, there is still a lot of uncertainty out there among working families, and that that needs to be addressed. So, I would say that there was a kind of a negative and a positive aspect to his message in that sense. I didn't agree with his prescriptions, but I think it is legitimate to point out.

Q Do you think Forbes -- the reason I ask that is because one of the questions is -- the country probably wants faster growth and sees faster growth as an answer to this, and that Forbes sort of tapped into that, and the Republicans -- sort of everybody had lost that issue, had lost --

THE PRESIDENT: I like that. I think that was a positive thing. Again, I don't believe that the flat taxes he outlined would bring us faster growth. But I believe, as I have repeatedly said, that we have to increase productivity and increase growth if we want to get enough investments not only to generate jobs, but to raise incomes, and not only to do that, but to get investments back into our cities and isolated rural areas.

Q What would you do to promote -- again, this goes back to my question of what does a Clinton second term look like -- if higher growth is part of the answer --

THE PRESIDENT: I think that you have to have targeted investment incentives and you have to have a profound commitment to retrain the existing work force, which is very different from Head Start, the school years, access to college. If you look at what's happened on incomes and growth in the last 18 years, basically almost all the income gains have come to people in the top 20 percent of the brackets, and that's partly because the changing nature of work and what's being rewarded. The new jobs we're creating in America actually, contrary to popular assumption, tend to be better jobs. The Council of Economic Advisors gave me a study on something in the last couple of weeks that said 68 percent of the new jobs have been created in higher-wage categories. But obviously, the new jobs are only a small fraction of the overall jobs. And so, what we need is we've got to create more good jobs, and we have to create more people who are capable of claiming higher incomes.

Q Have you ever thought of cutting the payroll tax? Has that ever been talked about?

THE PRESIDENT: Yes.

Q And?

THE PRESIDENT: Well, the problem is the payroll tax is tied so directly to Social Security that it's hard to do in isolation. And while the Social Security fund is in surplus now, 23 years from now when all the baby boomers are moving in at a rapid rate, it won't be. So there will have to be different things done that we'll all have to face over the next few years to try to manage that problem 20-odd years from now. And I think that makes it less attractive.

But let me just say there are other ways to achieve the same objective. If you think about the problem with the payroll tax, from the point of view of the small business person -- for example, if you posit the fact that most new jobs are being created in small and medium-sized businesses and that most new businesses don't make money in their early years, you don't pay income tax when you don't make money, but you do pay payroll tax. So, arguably, that's a disincentive to hire more people, or at least you just don't have as much money as you'd like to have, but that you can keep running your business.

So I think we have to have some other way of dealing with that. We don't necessarily have to do it through the payroll tax. There are other ways to do that. You have -- Lieberman's got a targeted capital gains tax that's kind of interesting to me, and I'm having our people study it. I haven't finished an analysis of it. But arguably, the Republicans, if they want a capital gains tax, they can have one that's self-financing and that is not retroactive, that would really be targeted toward getting people to invest and create new jobs.

But I think the far more important thing we can do -- and most business people you talk to agree -- is to raise the overall productivity of the economy by dramatically raising the skill level of the American people. The problem is that the manufacturing sector has done a brilliant job in raising its productivity. But unless you raise the overall productivity of the economy, they may not be selling more. They may just be producing the same with fewer people. If they produce the same things with fewer people, that's an increase in productivity, but what happens to those other people? What are they doing? How are they working?

So, I think that -- the Chairman of United Technologies gave a speech at the Press Club a few months ago. We ought to get it for you. It's a fascinating thing in which he argues that the number one thing we can do to raise productivity and growth in America is to have a national, massive commitment to the retraining of the existing adult work-force. It's a very compelling speech. And I essentially think that that's right.

Q You spent two years saying health care was the key to so many other issues, including the budget, including people's insecurities about their jobs. How can you -- you disagree with premise of the question -- how can you, sir, walk away from it? Or to ask it in the positive way, how do you rejoin this issue beyond Kennedy-Kassebaum which, in fact, was something two years ago you guys said, this is a real problem in isolation; if you try to do this all by itself, it causes other problems?

THE PRESIDENT: Well, first of all, that might be an opportunity now. But let me back up and say the one thing that I didn't see in the Broder-Johnson book, which I otherwise liked and respected, even when it was critical of decisions I make -- is that it didn't point out that we were right about one of the fundamentals assertions we made, which was that we did not have to have a regulatory cap on premiums, we did not have to have cost controls in our bill. We did that because the CBO and the OMB said we all had to do that. We argued that the inflation rate and health care costs --government health care programs were going to go way down because of competition. And, sure enough, it has. In other words, if you look, we revised down our cost estimates for Medicare and Medicaid twice since the health care debate ended as inflation and health care costs have dropped.

So moving a lot of these people on Medicaid into managed care programs and offering incentives for people on Medicare to get into managed care programs will either save them money or give them more services like prescription drugs. That's happening now, anyway, in the system, and that's a very good thing. And as a consequence of declining inflation, we're not losing as many people -- we didn't lose as many people in 1995, and we don't have figures from 1996 now -- from the ranks of the insured as we have lost in the previous years.

Q Are the numbers still edging up?

THE PRESIDENT: Yes, they are going up, but not as rapidly as it was. So what I think we have to do now is to go back and find a way that is acceptable and passable to make health insurance available and affordable to people who don't have it. So what I think about Kennedy-Kassebaum is, number one, it will help a few million people on its own merits. That is, on its own terms, it will work for maybe as many as 8 million families.

That is there will be that many people who will be able to actually purchase a health insurance policy even though it will be more expensive when they have a preexisting condition in their family, number one. Number two, there will be a lot of people who will be able to maintain health insurance when they change jobs, when they lose a job who cannot under the existing circumstance. So, while it may not help the 40 million people, 8 million people is not insignificant, that's something.

It will create some new problems because it's not -- that is, there will be some cost problems. Some people will be eligible for it, but they won't be able to afford it. It's like saying anybody can buy a Mercedes. But what will happen is -- because some people will be helped and it will be a good thing, and other people will not be able to take advantage of it -- my opinion is that it will require those of us in public life to find a solution to that problem.

So I see it -- instead of the way I used to look at it as a glass half empty, I look at it as a glass half full. It will give us -- we will have to look around and find some other way to do that. In other words, how can you -- which is what my problem is with the whole medical savings approach, by the way, of the Republicans on the Medicare in general. What we'll have to do is find a way for these self-employed people and these people with small businesses and people who have families with members who have been sick, to buy into insurance pools that

are large enough so that if they buy in, they won't be disrupting the market for everyone else, so that the burdens won't be so great on all the other people in those pools. And I think that a lot of the states are moving to that now. They are moving to create really big pools to try to hold down costs.

And I think there is no -- I do not believe that anytime in the foreseeable future you can pass a law where the government requires everybody to buy insurance, which is what we wanted to do. But I do believe that if you could -- after passing the Kassebaum-Kennedy bill, if you could then go out and set up a structure where people have access and an affordable market, there would be a reduction in the number of uninsured.

Q What would that look like? I mean, you said we'd have to find a way that is acceptable and passable to make health insurance accessible and affordable to people who don't have it. I mean, what would -- what would this new approach to that problem look like?

THE PRESIDENT: We would have to figure out should every -- you have to look at, see -- I'd go and look at what is the experience of the states who have tried to do this. And California has a substantial small business pool. How many -- the Cleveland Chamber of Commerce for years has operated a small business pool. How big does one have to be in order to really offer people affordable rates? Even if it's pretty big, do they still -- that is, do they still exclude some people?

Then what adjustments would you have to make? Would you have to create a situation where every state could have one and that the insurance commission in every state would set the rules for it? Should the states be given -- does the state need any permission, for example, if, suppose they wanted to try an experience and let people buy into the state employees' health insurance plan. Is that an option. There are lots of different options that are out there.

But the main thing you want to do is to find a way to make health care accessible and affordable to those who don't have it in a way that doesn't impose big costs on those who do. You don't want to run everybody else's premiums up. And I think the only logical way is to have fairly large pools, which is the problem with balkanizing the health care market.

Q One more thing on this. What have you thought over time of the proposals to start with kids? In other words, to say, okay, the country wasn't ready to pass a big --

THE PRESIDENT: I think that's another option. That's a real option.

Q What do you think of that option?

THE PRESIDENT: It has some real possibilities, you know. That's one of the reasons, though, I'm reluctant to see the Medicare and Medicaid proposals that the Republicans have put forward to be passed because one of the things they want to do in their Medicaid proposal is to drop the provision that's still in the law where we add another year of coverage to the -- you know, we're up to, I think, 13 now.

By the way, that's one of the things we've looked at in our budget, you know, whether we could do that, whether we could start with the children. There's something to be said for that. And you can't do everything at once. It still can be a problem if the child has health insurance and a wage-earning parent gets really sick, and then, how do you deal with that. But I think on balance that that may be -- we may have more political support for that.

Q You said -- your famous line, the era of big government is over. And yet, if you look at a lot of the things you've proposed, they may not be exactly replicas of the Great Society, but the fact is you are talking about using government aggressively in areas like guaranteeing health insurance in areas like job training. -- federal role. You'd limit it, but substantial federal role in education. How do you square, sir, your overall commitment to a genuinely active government which you're clearly still for and those words?

THE PRESIDENT: What I mean by that is, I don't think that -- I don't propose to deliver services directly from the federal government to big, centralized bureaucracies, nor do I propose to have a federal government micromanage every single activity of lower levels of government or the private sector if there is some other way to get the job done.

I really do believe this -- I believe in this reinventing government endeavor that the Vice President and I have been involved. I believe, for example -- one of the things I hope the Congress will not do, I saw in their last proposal, they proposed to get rid of the money that we have been spending to work with the Big Three on the clean car initiative. In other words, I think that if you could triple the mileage that an automobile gets, that would do more to protect the atmosphere from greenhouse gas emissions than raising the cafe* standards every year. So it's still government activism, but it's a different kind of government activism.

If we can -- the G.I. Bill that I proposed on job training would -- if we could afford it, once we get on -- to a balanced budget, I would put a lot more money into job training. You know, I believe in it. I think we should be investing more in education and training. But I would give unemployed workers a voucher and let them take it to the local community college, let them decide how to spend the money instead of saying, here's 70 different government training programs, work your way through this maze of public employees and forms and filling out and all that.

I think we now have -- we now have a functioning, community-based partnership -- private-public partnership in the form of community colleges and other training institutions that are constantly changing to meet the demands of the market that is oriented toward producing a quality product because it's instantly judged, and where the money would be spent better.

But I think there is a national responsibility to help people who are unemployed and also to maintain a high level of skill among the work force. So it's not a big government solution in the sense that the government is not delivering it directly. Instead, you are giving people the power, the opportunity to make the most of their own lives. So you have an active national government, but it's a less bureaucratic one.

Q Do you think this budget fight, the results of it suggested any change on the

public's part in its attitude toward government? In other words, I mean, the Republicans, I think, thought or seem to have thought that because government was so unpopular it would be quite possible to move pretty quickly through these programs and it turned out that wasn't the case. I mean, do you see -- do you think that's changed the public's attitude, or for that matter, has the failure to reach an agreement changed it the other way? How do you analyze where the public is now as a result of this fight?

THE PRESIDENT: Well, first of all, I think historically the public has felt ambivalence about government. We are a country that believes in self-reliance in the first instance. And we believe in free enterprise in the first instance. But we want to know that we live in a fair country, and we want to know we live in a country where if we need a hand up we'll be able to get it. And we want to know we live in a country that if there are people who totally through no fault of their own are in distress they can get some help. We want to know we live in a country where we're working to preserve the environment.

So I think what happens is that a lot of their appeals at the moment they made them were popular in general, but not so popular in particular. And I think when they became, in effect -- when they became the majority party in Congress, the particulars came out. So a lot of the rhetorical shine came off because people had to deal with the real consequences of them.

And I also believe that -- but I think it was a very valuable thing, frankly. It might have been a necessary process for us to go through because, again, I think you have to see each one of these issues against a larger framework of what's happening in the country now and in the entire world and this process of change we're going through.

And it is inevitable that we are going to have to debate all these questions all over again. When you change the way you work, and you change the way you live, and you change the way you relate to the rest of the world, when all that changes at one time the way it's been changing now, and as you point out in your own book, it's probably the greatest rate of change in all three of those areas that we've had in a hundred years, it's inevitable that the role of government itself would be called into question. What should its role be? How should it change?

And so this was all inevitable. And what I think is that people have just sort of sorting it out for themselves. And I believe the, you know, the Republican -- let me just put it in the most positive light, there sort of argument, the Speaker's argument for the future. The future will be a place dominated by incredibly rapid change, technologies which put the world at your fingertips, and it will be necessary to learn quickly and to have access to information personally and to be able to cut through barriers to change quickly. Therefore, government bureaucracies are by definition outmoded, and except for national defense and maybe building highways and one or two other things, government is a problem in the manifestation of personal liberty and personal impact in a positive way in life. The government is the obstacle.

You know, from my point of view, the tender mercies of the global marketplace are not going to be perfect just like the mercies of the Industrial Age were not perfect and that government is instituted as the framers said, to help us to form a more perfect union. They help us to make our system work. And that government had to change, but it's not by definition the

enemy. And that's really the debate we're having, you know.

For example, I don't believe -- if you look at the pressures toward inequality in all the great industrial countries of the world, I don't believe that we can get into the 21st century as a country where individual opportunity is alive for everybody who will work for it, and a country which is coming together, not being driven apart, by all of our ethnic and religious and racial diversity unless the government assumes its proper role to create opportunity and also to help set certain rules.

And we ought to do it in a much less bureaucratic fashion, but we still need to have safe streets and a clean environment and we need to be relating to the rest of the world in the proper way, and we need to make sure that everybody has certain opportunities, including education.

Q When you go back to '92 -- (tape one ends; tape two begins) -- was popular -- broadly popular in the electorate. What surprised you about translating that into policy, that it sort of -- in the two years after '92, what sounds good in '92 didn't seem to work with the voters or in the Congress.

THE PRESIDENT: I think -- I don't know about -- but I think every specific issue, every time somebody didn't agree with a specific issue I proposed, they would say it was inconsistent with the rhetoric of the campaign. And I don't know that that should have surprised me, but in some ways it did. That's one issue.

And then, secondly, again, I think in the health care debate, remember, when we proposed the health care plan, for weeks it was widely lauded as a moderate plan, a middle-of-the-road plan, a different direction, you know, not just the status quo, but not having the government take over and directly provide or even directly finance more health care.

But when the effort was drastically slowed by all the Whitewater hearings and all that sort of stuff that happened, and the people who were against it got up a head of steam and a lot of money, and then the Republicans decided to adopt the "just say no" attitude and claim it was big government, there was such an aversion -- still an aversion to having the government dominate health care that was such a big part of the economy, that I think that that became the sort of symbol of not being a new Democrat or not taking a new direction, that it was yesterday's government, not tomorrow's. The truth is, I don't think it was.

And I think it was further complicated by the requirements of the Congressional Budget Office, just like the Republican budget -- was kind of complicated political requirements of the Congressional Budget Office.

Q Were you surprised at the time how the DLC reacted to your health plan?

THE PRESIDENT: A little bit -- especially since the Jackson Hole group itself had -- of course, they came off of what they -- see, they changed their position. They had been for these mandatory alliances; the only reason the mandatory alliances were put in our bill -- one of the things -- two things that were criticized as big government were mandatory alliances and

the premium caps, the backup premium caps. And then, of course, the requirement that everybody purchase insurance.

Q I want to answer --

THE PRESIDENT: Yes, I was a little surprised -- a little surprised.

Q I want to get to something on corporate responsibility, but I can't resist --

THE PRESIDENT: Let me back up and say one of the criticisms that's been leveled against me that I think is accurate is that we underestimate -- even though health care would affect more people and would affect the people more profoundly than welfare reform, we probably should have reversed the order because welfare reform was more consistent with what people felt needed to be changed about government, and if we had passed it first, it would have increased the level of trust of people in the federal government to do things that are right, consistent with their values, and that were oriented toward working family, and that might have given the health care effort more credibility.

It was also probably just wrong to assume that you could do anything that major in that short amount of time if you had -- with only one party.

Q Do you think the Democrats in Congress would have passed your welfare reform?

THE PRESIDENT: I do. I think a lot of Republicans would have voted for it. I don't know, I may be wrong, but I think they would have.

Q I want to give you a chance to answer a question my friend, David Broder --

THE PRESIDENT: They might not have -- they might not have, but I kind of think they would have.

Q My friend, David Broder, asks you which is, will you campaign for Democrats running for Congress, and if so, what would you say?

THE PRESIDENT: That's not what he asked me. (Laughter.) What question did he ask me? He asked me, will you say that you can't succeed unless you get a Democratic Congress, or something like that. Isn't that what he said? The answer is, yes, I will campaign for Democrats running for Congress; I already have.

Q What would you say -- in other words, if you go out there and you're saying to somebody in some district you should vote for x-person beyond his or her personal attributes because we Democrats want to do y, what's the y?

THE PRESIDENT: Because we Democrats have shown that we want to grow the economy and create jobs in a way that is fair to all. We want to balance the budget in a way that is fair to all people. We don't want to abandon protection of the environment; we don't

think you have to do that to grow the economy. And we have proven that we're the party taking the responsible and tough position on crime. In other words, we are doing things -- we are a new Democratic Party; we have reduced the deficit, we've been tough on crime, we've got a good record on foreign policy. But we're for using the power of this government to create opportunity, and we believe we ought to bring the American people together instead of dividing them.

If you look at where we stood on the issues, from college loans to protection of the environment to Medicare and Medicaid, we've been where the American people need their national government to be in a way that pulls us together and moves us forward together; that's what I would say.

Q Can you succeed as president without a Democratic Congress?

THE PRESIDENT: Sure, but I can do more that requires legislation if I have a Congress that agrees with me more. But this idea that has been advanced that somehow -- some grave danger lurks to the country if the Democrats have the Congress in the White House, it just -- it won't wash, it doesn't work. We brought the deficit down, we passed the Crime Bill together, and when -- we would have passed a good welfare reform bill, and when we didn't -- you know, I've given 37 states that have three-quarters of the welfare families permission to go forward with welfare reform anyway.

So I think that there is clearly -- even though there are differences in the Democratic Party, just like there are differences within the Republican Party, the Democrats have proved that they are a modern party now, that we are oriented toward the future. And I think that that will be the voice that comes out of that party coming through in this election. The Congress is intent, the Democrats in Congress have been speaking about the need to build a new security for working families consistent with the dynamic global economy, that is, not trying to go back and freeze-frame the past in a way that would undermine our ability to create jobs, but to at least give people lifetime access to education, to health care, and to retirement security.

And I think that will be a big underlying issue in this campaign. If you really think about it, Americans -- they want to be able to succeed in their family life and in their work life, and that means they need a good community to live in, so they're concerned about things like crime and the environment. But they're also concerned about, how do you succeed at home and at work and that's really what that Family and Medical Leave Law was all about; that's what the education tax deduction is all about.

I think if you really kind of -- that's what our fight over the earned income tax credit is all about -- trying to help people succeed at home and at work. Family values have to be seen in the context of the American people's work life as well, and we have to figure out how they can do both.

Q Do you intend to do more jawboning of college presidents to keep down the costs of college?

THE PRESIDENT: I've done some of that, you know, and actually I went and spoke to them, you know, and I talked about the colleges that have frozen tuition and lowered tuition, and I think a lot of them had decided it's a losing game if they keep trying to raise tuition and they just wind up having to spend more money on --raise more money for scholarships and loans.

I also believe, however, that there are some things they can do administratively to hold down costs. In the decade or so before I became president, college costs were the only things that rose as much as medical costs. Medical costs are tailing off now and colleges are going to have to find a way to make some economies, too.

I do think we've got to have more -- this Direct Loan Program has helped a lot. Students have been able to access it because it's not only less hassle and lower costs, their options for repayment are so much better. When a young person can get out of college and have a sizeable debt and want to take a job that doesn't pay a lot of money -- say they become a teacher or a cub reporter or something -- they can now pay their loans off --

Q As a small percentage --

THE PRESIDENT: -- as a percentage of their income. And it's one of the major commitments I made in '92 that I really felt good about having followed through on, because it's made a difference to a lot of people.

Q You're going to be talking to all of these CEOs. If a CEO sat across from you and says, "look, I've got these problems, I need to guarantee this fairly big profit margin; somebody may say it's obscene, but the market's going to hammer me if I don't keep it up there, if I don't do some of this downsizing, I'm not going to be able to keep up that profit margin," what would you tell me I'm doing wrong? What would you say to him?

THE PRESIDENT: My answer would be, first of all I think you should look very closely -- we now have had enough corporate downsizing so that we have a pretty good measure of whether it works, and there's now a significant body of evidence that not all of this downsizing has worked to increase productivity within companies -- you pay a price in morale, you pay a price in employee loyalty, you pay a price of people believing that they're secure in their jobs and that they ought to go the extra mile. So I would say, first of all, study the facts before you do that.

Secondly, I would say that the global nature of the financial markets, that is, the fact that the money can be moved not just in the markets here, the bond markets and the stock markets, but all around the world rapidly, have created an apparent, almost irresistible temptation to turn quarterly profits, even if you don't sell anything or make anything else, just by cutting costs in whatever draconian way is available, and corporate executives themselves are sometimes paid bonuses based on short-term changes in the market, but that the very best companies are still looking at the long run, and that what I would do instead of saying -- and saying, "what would you do in my position?" I would say -- what we're going to try to do Thursday, I would say, look at all these companies that have taken the long view, that have involved their employees

in their decision-making process, that have found a way to say to their employees, this is an escalator or this may be a roller coaster, this global economy, but we're not just asking you to ride down, we're going to let you ride up, too.

What I intend to do, what I'm trying to do here is to show what works, to show that there are all of these companies out here that are doing a good job with their employees, that are family-friendly workplaces, that are committed to the education and training of their employees, that are committed to sharing the benefits of prosperity with their employees, that are looking at the long run, that are committed to their communities, and they are making money, and many of them lots of it.

Q Are a lot of those privately held?

THE PRESIDENT: Some are and some aren't. A lot of them aren't. What I'm trying to do here is to begin a process in which we can in a way change the culture. I think there is -- obviously, every time I start one of these things, you never know if you're going to succeed. I guess our best example is in the V-chip. I'm still hoping that that will succeed, and with the anti-teen smoking initiative, not just with the federal action, but with some partnership I still would like the tobacco companies to come help us do this. They may not do it, but I'm trying to do this in many areas.

But what I'd like to do is to bring to the attention of the country the fact that there are companies that have had a remarkable amount of success -- there are companies -- there are still big, publicly-traded companies that have functionally a no-layoff policy. There are companies in this country that have profit-sharing plans with their workers, and then when their workers' incomes go down, the managers' incomes have to follow suit.

I mean, there are companies that do things that you never read about, and they're making lots of money. I still believe over the long run, workplace fairness and workplace participation and investing in your people will pay off, and I think we've got to just try to change the culture.

I also think the American people need to know that these global financial markets, they move like this, and if you've got to have money at a certain time it can be a real problem for you. But that does not excuse every single short-term decision by a business that may also be short-sighted.

Q In the '92 campaign, you used to actually talk about government creating different kinds of incentives. You did a little of this on the budget on executive pay. You talked about --

THE PRESIDENT: -- you pay a little --

Q -- right. And you talked about -- what you talked about in the campaign has more than ended up happening.

THE PRESIDENT: That's right.

Q And you also talked a lot --

THE PRESIDENT: That's how I could get through the last Congress, much less this one; I couldn't get any of that done.

Q But you also talked a lot about the short-term versus long-term view of companies and where there ways of changing the way tax laws work, the way profit --

THE PRESIDENT: One of the things that I hope will come out of this meeting -- in other words, Thursday at Georgetown, one of the things I'm going to ask these companies is, look, just level with me -- for example, you talk to Starbucks, you talk to those people. Why do they give health care benefits to their new workers, or their part-time workers. You know, their view is, it costs them so much money to train people that if they have turnover every year, they're better off paying people's health insurance if they can keep them for three years -- then they save more money paying health insurance for three years than they do not providing health insurance and having to turn over every year.

What I'm going to do is ask these business leaders -- look, you tell me if there is something else the government needs to do to support you while doing good and doing well, and is there something else we can do. You know, I wish -- maybe it would be better if we were having this conversation Friday because I would have had a chance to hear that.

But the United Technologies Chairman that I mentioned to you earlier -- he says that he believes that the historic tax exemption, which has expired now, they would presumably come back in if we had a budget agreement -- historically, the government has given an exemption, a tax deduction -- a deduction for the cost of education of an employee up to roughly \$5,200 a year if the training was necessary either to maintain the present job because the nature of work had changed, or to get a promotion within the company.

The United Technologies says what we do is, we spend up to \$11,000 a year, even though half of it is tax deductible for anybody that's in any kind of degree program whatever, because these people are contributing to our productivity, and if they have to leave us someday we want them to be able to do well wherever they go. And they said we can afford to do it, but not every company can.

So he was arguing that since the major task in productivity and growth is to upgrade the skills of the existing work force, we ought to have a much broader tax deductibility policy on the training of existing employees.

For example, those are the kinds of things that I'm hoping will come out of this Thursday meeting.

Q When you sort of look at the choice people are going to have to make between you and Bob Dole, two questions: One, has anything surprised you about what he's been up to, and what do you sort of see -- what option do you see his offering the electorate?

THE PRESIDENT: Oh, I think it's a different election than '92 entirely. In '92 the election was change versus status quo, 62 or 63 percent of the people voted for change, and I was fortunate enough to get more votes than Mr. Perot, so I won the election in a three-person race in which the country was divided more or less two to one in favor of an aggressive approach toward our national problems.

Here you have, there is no status quo option. I mean, it's true that Senator Dole's been more operationally moderate historically because he's been in an institutional position in Congress where he had to be and he worked that way. That's why I had hoped that we would get a balanced budget agreement last year, and I was disappointed that we didn't. I still hope we might get one this year; it's not too late, there's not that much difference between us on the numbers.

But the voters have two very different sort of dynamic paths into the 21st century, and they know what both of them are. They're embodied in my budget and the budget they passed that I vetoed in '95, and they're embodied in the different approaches we took on how I would change the way we protect the environment and still continue to do it, as opposed to their approaches on the environment, including his -- the legislation he's put forward.

So -- and then the differences in our position on any number of other issues, so in a way it's going to be a good election; the voters don't -- they're going to have two dynamic options and they don't have to guess. There's not a lot of guesswork here; you see it. It's out there. I've been here four years and they know what I'm going to do, and because they got the Congress and had to produce a budget and were able to introduce a lot of other legislation, people know what they -- if the Republicans had Senator Dole president and they had the Congress, they know what they're going to do.

So the American people really will -- this will be their first chance to really debate that, and I hope that's what the election is. I hope it's an honest debate about which road to take into the 21st century, because there's no stamp pad option. We're going to take one of these roads and we're going to walk right into the future, and I think it makes a real difference.

If you want what I want, which is opportunity for everybody, a country that's coming together and not being divided and a country that continues to lead the world in a constructive way that will make it more peaceful and more prosperous for our children and our grandchildren, I believe that what I have tried to fight for and stand for is what's best for America.

But there's a completely different world view there. It came out of the 50 hours of conversations we had here on the budget, it was absolutely fascinating to me when we weren't -- I heard that a lot of them have been out there talking about all of the details since then, the various people, but at the time nobody was leaking anything, there were not politics to it; it was very straightforward and it was very interesting to me that -- I told them one time, I said, you know, we really are different, we really are. And I say that not in any disrespectful way; we have different views.

It's ironic now that I remember -- this has been public, so I'm not talking out of school -- but I never will forget the day that I said -- it was just a very nice conversation -- I said, if you want this budget for America, you will have to be sitting over there on the other side of that desk, because I don't believe it's good for the country. I think that's basically what we've got now. I think it would be -- I'm really looking forward to it; I think it's very exciting.

Q One thing I wanted to ask you -- do you have any plans to rejoin the partial-birth abortion debate? Is there any way --

THE PRESIDENT: Well, we're looking at it. I tell you, I was very disappointed in that whole thing. That was a classic case of what in my view sometimes goes wrong with our politics. Where an issue -- I'm not saying it wasn't a real issue, there are a lot of people that are honestly disturbed about the procedure, including me.

There is a case where there was a lot more interest in making an issue for political reasons than there was in finding a solution. There are -- if you believe -- there are more than a million abortions performed in America every year, according to the best reports we have. No one suggests that more than 13,000 use any of the various procedures covered by the statute, which included some less gruesome procedures than that which was described in the Floor debate.

No one suggested, I think, that more than 13,000 a year are covered. Perhaps that's why, in the twenty-something years that we've had this abortion debate raging in America it never appeared before.

So when I first heard about it, I assumed that, of course I would sign this legislation. Then it appears that there are somewhere between 500 and a couple of thousand births a year that involve cases where there is clearly a constitutional problem as well as, I believe, and ethical problem where a doctor cannot say that it is more probable than not that the mother's life is at risk, but the doctor can say that is absolutely certain that serious adverse health consequences will come to the mother, including the inability to bear further children unless some procedure covered by the statute is employed.

And, you know, I had five such women here when I vetoed that bill. At least two of them, and I think three of them, were Catholic, pro-life Republicans. One of them said, I prayed to God to let me die and let my baby live. In every case, the baby was going to die just before, during or just after childbirth. In some cases, the babies are born able to live, but without any mental faculties.

All I asked the Congress to do was to create an exception, not the life or health exception which gives doctors and mothers in the first -- certainly in the first trimester and in most states in the first two trimesters a very broad range of defining what health is, but a very narrow health exemption to take care of these women.

These women, a lot of these women, hundreds of them, there isn't a choice here. They

don't choose their lives over their babies' lives; they don't choose their convenience over their babies' lives, and in hundreds and hundreds of these cases, the baby will not live anyway, and the mother could lose the right, the capacity to have further children. That was the narrow exception I pleaded with Congress to make. I did not want to veto this bill. I did not want to see this bill become part of the abortion debate. I did not believe this was one of the choice issues, and I knew that they had -- I knew that all of the politics of this was on their side, and it was a brilliant political move, but it was not right.

Q My understanding is that it was very hard to craft the health exception -- in other words, that was part of the substantive --

THE PRESIDENT: They wouldn't even talk to me about that. They ran, they said, oh, you want to say the mother can't fit in her prom dress or something like that. We're dealing with these women in here who have been through this incredibly traumatic thing, of these five women that were in here, two of them were pregnant and one of them had already had another child. And the doctor told them, if you don't do this, you won't be able to have further children.

We were not dealing with people who had casual sex, were heedless of biological realities and did something that was not moral, we were dealing with people who had horrible family problems. And these people -- I know there are not many of them, a couple thousand a year -- were just going to be crushed because of this political movement that had never developed before.

I'm not saying that there wasn't cause for concern about this procedure, but they were willing to say -- the framers of this amendment were willing to say, essentially, we don't care about these women, it's fine with us, it's fine with us if they can never have babies again. It's fine with us, no matter what happens to them, we've got the hot side of this issue now and we're not going to try to do it.

There was never in the least communicated to me even a serious attempt at crafting an amendment. I was very flexible on the language, I was flexible on saying what things weren't covered, even. They could talk about however they would characterize "convenience health exemptions," but the fact was that the language of the bill covered more than one type of procedure, like the one that was most frequently used in the debate, and that there were -- women like those women that came in there when I vetoed the bill where the doctors would be in a position of either lying, saying they knew the mother's life was in danger, when what they really thought was that the mother's capacity to bear further children was in danger or other serious health problems to the mother.

You know, am I open to trying to find some other solution to this? I am. Because I believe, first of all, I believe the Catholic bishops, even though they -- you know, I don't agree with the ad they ran; I didn't think it was fair or accurate -- have basically been very honest in their dealings with me on this, on the budget and in all their dealings with the -- and I believe that their concern about this is very genuine and heartfelt, and so were some others. Not everybody was just looking for a political issue here. A lot of people felt very strongly that this

was morally the right thing to do, to ban this procedure. A

So it was a very difficult thing for us all to go through. But one of the things a President is supposed to do is to do things that are unpopular because -- court of last resort. The Oval Office is sort of the court of last resort for people whose human concerns get washed away in powerful and emotional tides of public debate. And I just want those women protected. I just want people like that protected. None of those people that I was concerned about in this case have anything to do with the constitutional right to protect in Roe v. Wade generally.

These were people that were dying to have their children, who wanted to have their babies and who were genuinely at risk, but the doctors could not say more probably than not their life was at risk. That's all I was trying to protect. If there is some way out of that, I would be glad to walk down that road with anybody who's willing to walk it.

Q I have to ask this. Do you think it's a new progressive era*?

THE PRESIDENT: I think the election will tell the tale. That's why this election in some ways is more important than the last one. The last one, people just knew we had to take more aggressive stance toward the economy, and they knew the government wasn't quite working. But the fundamental questions about the role of government, what should be done at the national level and what should be done at the state and local level, all that kind of stuff, those are not nearly -- we're now down to big things, you know. Is government always going to be the problem or is there a role for government? If so, what is it? What is the responsibility that we have together as a people for opportunity and for rebuilding our community and for kind of setting the rules of the game by which we're all going to live and how are we going to relate to the rest of the world. These are huge questions.

And as I said, you know, people really don't have to guess now. They kind of know. Not on every -- and we don't disagree on every last issue. And you know there may be some things come up that you can't predict.

But this election, people will have two choices for change and they will both be about as clearly established as the voters have had in a long time. And so what we ought to do is to spend the election debating about the future and how we're going to deal with these future challenges. I hope we can.

Q Thank you, sir.

END

6:55 P.M. EDT

THE WHITE HOUSE
WASHINGTON

May 13, 1996

MEMORANDUM TO THE PRESIDENT

FROM: DONALD BAER & VICTORIA RADD *VR*

SUBJECT: BACKGROUND INFORMATION FOR E.J. DIONNE INTERVIEW

In preparation for your interview by E.J. Dionne, we thought that the following materials might be useful:

(1) The first attachment shows the historical continuity of your promises and achievements on key issues. Each issue is broken down along the following timetable: the promises of the 1992 campaign; the efforts and foundations laid during the Administration's first two years; the follow-through and achievements of 1995-96; and the challenges ahead.

(2) Also attached is a chart (a) outlining the challenges and proposals that were set forth in your State of the Union address and (b) listing the actions and events taken in follow-through on each of those challenges or proposals. As you can see, you have made considerable progress in addressing these challenges/proposals -- 80% have been the subject of some presidential action and/or event, while 32% have been acted upon through legislation or executive action.

RESTORING THE AMERICAN DREAM

Economic Strategy -- to cut deficit; to create jobs; open trade; provide education and training opportunities; and make health care available to all.

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
DEFICIT: Halve the federal budget deficit.	• Signed the 1993 Economic Plan which cut the deficit and lowered interest rates.	• CBO projects the FY96 budget deficit will drop to \$144 billion -- less than half the \$290 billion level four years earlier. • Submitted first genuine balanced budget in 17 years based on CBO numbers	• Implement balanced budgets that protect our priorities to Medicare, Medicaid, education and the environment; and do not raise taxes on working families.

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
JOBS: Create 8 million new jobs in 4 years.	• Signed the 1993 Economic Plan which cut the deficit and lowered interest rates.	• Over 8.5 million new jobs. • Lowest combined rate of unemployment, inflation and mortgage rates in 27 years. • Highest rate of homeownership in 15 years.	• Tax relief for working families. • Continue to fight for and implement policies that expand opportunity and grow the economy.

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
TRADE: Supported NAFTA and called for conclusion of world-trade talks.	• Enacted NAFTA.	• Enacted GATT. • Opened 15 different Japanese markets through 21 agreements, including the automotive market. • Exports have surged 31% over the last three years. • Over 1 million new export-related jobs have been created.	• Continue to open foreign markets to U.S. goods, creating jobs here at home.

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
EDUCATION/TRAINING: Helping Americans meet the challenges of the global economy.	• Increased Head Start by almost \$800 million. • Supported development of nation's first system of voluntary standards of excellence (GOALS 2000). • Making college more affordable for 5.5 million students this year (Student Loan Reform Act). • Enabled 45,000 volunteers to earn money for college (Student Loan Reform Act). • Created network of school-to-work program (School to Work Opportunities Act).	• Consolidate 70 overlapping training programs into a simple voucher for job training. • Helped connect every child in America's classrooms to the information superhighway by the year 2000 (Telecommunications Bill). • Proposed \$2 billion Technology Literacy Challenge Fund and launched Educational Technology Initiative.	• Vouchers for job training. • Expand work-study. • Making \$10,000 in college tuition tax deductible. • \$1000 merit scholarship for top 5% of high school graduates. • Expand Pell Grant Scholarships. • Every state to develop achievement tests at every level.

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
HEALTH CARE: Providing health care coverage for every American.	• Introduced comprehensive legislation to guarantee health care for every American. • Enabled workers to take unpaid leave to care for a family member (Family & Medical Leave). • Put the Women, Infants and Children Program on a full-funding path. • Ensured vaccinations and healthy futures for all children (Childhood Immunization Plan).	• As a result of focus on health care, costs in 1995 experienced their smallest cost increase in nearly two decades. • Fighting teenage smoking by requiring states to enforce laws banning the sale and distribution of tobacco products to children. • Fighting for passage of Kassebaum-Kennedy. • As part of balanced budget plan, introduced health care initiative which strengthens Medicare and expands coverage.	• Preserve and strengthen Medicare and Medicaid.

MAKING THE AMERICAN COMMUNITY STRONGER

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
CRIME: Put 100,000 new police officers on the street and ban assault-style weapons.	• Enacted the Crime Bill in 1994 which puts 100,000 cops on the street and banned 19 of the deadliest assault weapons.	• To date, funding for more than 34,000 officers has been provided. • Crime is down across the country. The number of murders fell 8% in 1995 -- one of the largest declines in more than three decades. The nation's largest cities saw their overall crime drop 6% during the same period.	• Will continue to put more police on the street and fight attempts to repeal the Assault Weapons Ban or reduce the number of police in our communities. • Called on 1 million citizen volunteers to join 100,000 new cops in taking back our streets from crime, drugs and gangs.
CRIME: Pass the Brady Bill.	• Enacted the Brady Law in 1993.	• To date, more than 60,000 criminals have been prevented from buying handguns.	
CRIME: Deter domestic violence.	• Enacted Violence Against Women Act as part of the Crime Bill; tripled funding for shelters, provided grants to bolster law enforcement and prosecution.	• Established a 24-hour domestic violence hotline.	• Challenged families to end the scourge of domestic violence and work harder at staying together.

AMERICAN LEADERSHIP

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
MIDDLE EAST: U.S. should serve as broker, or even catalyst, for Arab Israeli peace talks.	• Israel and the Palestinians signed historic peace agreement.	• Israel and Jordan sign historic peace treaty.	• Continuing to support the Middle East peace process. • Working with Israel and Syria to forge an even more comprehensive peace in the region.

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
HAITI: Restore Haiti's democratically-elected government.	• Restored democracy to Haiti by leading a multinational force that peacefully returned President Aristide to office.	• Free and fair elections were held resulting in the first transfer of power from one democratically-elected President to another in Haitian history.	• Supporting democracy in Haiti and efforts to improve the country's economy.

1992	1993-1994	1995-1996	THE CHALLENGES AHEAD
BOSNIA: Urged air strikes against Serb targets; called for more decisive policy.	• Won NATO commitments to protect UN forces with airpower and to threaten air strikes to prevent strangulation of Sarajevo and other areas. • Secured February 1994 ultimatum imposing ban on heavy weapons around Sarajevo. • Enforced no-fly zone together with NATO allies.	• Brokered comprehensive peace agreement for Bosnia. • America's and NATO's presence is helping secure the peace.	• Helping keep the peace in Bosnia and throughout the Balkans.

STATE OF THE UNION CHALLENGES AND PROGRESS TO DATE

I. CHILDREN AND FAMILIES	
CHALLENGE TO BROADCAST INDUSTRY	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
To create movies, television, shows and CDs suitable for own children.	• Hosted White House meeting with industry executives. (2/29/96) • Radio Address. (3/2/96) * <i>(More Needed)</i>
V-Chip requirement in new TV sets.	• Roundtable with families on television programming, OEOB. (3/1/96) • Signed Telecommunications Bill which requires the installation of V-Chips in all television sets. (2/8/96) • V-Chip roundtable with families in Alexandria, VA. (2/9/96)
Media should rate programs.	• Announced agreement with entertainment industry to develop a television ratings system during White House Conference with media/entertainment executives. (2/29/96)
CAMPAIGN AGAINST CHILDREN SMOKING	
Market products to adults, not children.	• Participated in "Kick Butts" Day in New Jersey. (5/7/96) • Spit tobacco announcement. (4/2/96) • Remarks to Advocates Against Youth Smoking. (3/20/96) • Roundtable discussion with PTA and students concerning tobacco. (2/12/96) • Signed Synar Regulation which requires states to enforce the sale and marketing of tobacco to minors. (1/96) • Proposed FDA rule curbing teen use of tobacco. (8/95) * <i>(More Needed)</i>

MOVING PEOPLE FROM WELFARE TO WORK	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
Urged Congress to pass bipartisan bill that moves people from welfare to work and doesn't hurt children.	• Announced measures to help teenage mothers stay in school and live at home. (5/4/96)
Businesses should give people on welfare the chance to move into the workforce.	
CAMPAIGN AGAINST TEEN PREGNANCY	
Join efforts of organization supporting grass-roots initiatives to reduce teen pregnancy.	• Announced start of national campaign and named board members, including Dr. Foster. (1/29/96) * <i>(More Needed)</i>
DOMESTIC VIOLENCE	
End domestic violence.	• Established nationwide 24-hour domestic violence hotline providing immediate crisis intervention, counseling and referrals for those in need. (2/21/96) * <i>(More Needed)</i>
SUPPORT AND CARE FOR OUR CHILDREN	
Fathers must pay their child support.	

II. EDUCATIONAL OPPORTUNITY	
CONNECTING CLASSROOMS TO THE INFORMATION SUPERHIGHWAY	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
Every classroom connected to the information superhighway by year 2000.	• Participated in Net Day to mark successful completion of connecting 20% of California's classrooms to internet (3/9/96) • Speech to National Information Infrastructure Advisory Council. (2/13/96) • Signed Telecommunications bill helping connect every child in America's classrooms to the internet by 2000. (2/8/96) • Proposed \$2 billion Technology Literacy Challenge Fund. • Visited Concord, NH school that is connected to the internet (2/2/96) * <i>(More Needed)</i>
Congress should support Educational Technology Initiative.	• Launched Educational Technology Initiative, Union City, NJ. (2/15/96) * <i>(More Needed)</i>
NATIONAL STANDARDS OF EXCELLENCE/GRASS-ROOTS REFORM	
Adopt national standards of excellence.	• NGA Education Summit speech. (3/27/96) • Teacher of the Day event (4/23/96) * <i>(More Needed)</i>
RIGHT TO CHOOSE/CHARTER SCHOOLS	
Allow parents right to choose which public school their children will attend and let teachers form new schools with a charter.	• NGA Education Summit speech. (3/27/96) * <i>(More Needed)</i>
CHARACTER EDUCATION	
Schools should teach good values and good citizenship.	

SCHOOL UNIFORMS	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
Encourage schools to require students to wear school uniforms.	• Visited Long Beach, CA school and issued directive on issuance of school uniform guidelines. (2/24/96)
PARENTAL INVOLVEMENT	
Parents should be more involved in children's learning.	
OPENING THE DOORS TO COLLEGE	
Expand work study and Pell Grants.	• Roundtable on a federal work study program, Drake University. (2/11/96) • Speech to National Association of Independent Colleges and Universities. (2/7/96) • School-to-Work meeting, Nashua, NH. (2/2/96)
Provide \$1000 merit scholarships.	• Speech to National Association of Independent Colleges and Universities. (2/7/96)
Make \$10,000 a year of college tuition tax deductible.	• Speech to National Association of Independent Colleges and Universities. (2/7/96) * (More Needed)
III. ECONOMIC SECURITY	
JOB TRAINING	
Consolidate 70 job training programs into voucher worth \$2600	• Speech to Shoreline Community College, WA. (2/24/96)
MINIMUM WAGE	
Increase the minimum wage.	• Radio Address (3/30/96)

PENSION PLANS	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
Businesses that can afford it should provide pensions for their workers.	• Announced the Retirement Savings and Security Act. (4/11/96)
Protect pension plans.	• Announced the Retirement Savings and Security Act. (4/11/96)
HEALTH INSURANCE	
Pass Kassebaum-Kennedy.	• Remarks to National Legislative Conference of Independent Insurance Agent. (3/21/96) • Radio Address (2/3/96) • NGA speech. (2/6/96)
Fight health care fraud and abuse.	
CORPORATE RESPONSIBILITY	
Employers and employees should work as a team -- share benefits and burdens.	• Visited Harman Industries in Northridge, CA. (3/8/96) • Malcom Baldrige Awards, 2/14/96. • Corporate Responsibility speech at Xavier University. (3/23/96) • Radio Address (3/23/96) * <i>(More Needed)</i>
IV. CRIME, GANGS AND DRUGS	
COMMUNITY POLICING	
Continue to support community policing.	• Visit to Louisville, KY to highlight their community policing success. (1/24/96) • Visit to Manchester, NH -- community policing. (2/2/96) * <i>(More Needed)</i>
GANG VIOLENCE	
Target gangs that involve juvenile and violent crime.	• White House Conference on Youth Violence and Drug Abuse. (3/7/96) * <i>(More Needed)</i>
Prosecute violent teens as adults.	• Radio Address on gangs and violence. (2/24/96)

CRIME IN PUBLIC HOUSING	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
Institute "One-Strike-And-You're Out" policy	• Issued "One-Strike-And-You're Out" guidelines. (3/28/96)
SENTENCING	
States should match federal policy that ensures violent criminals serve 85% of sentence.	
PREVENTION EFFORTS	
Encourage grass-roots prevention strategies.	• White House Conference on Youth Violence and Drug Abuse. (3/7/96)
DRUGS	
Continue support for Safe and Drug-Free schools.	• Announced National Drug Control and "Meth" Strategies. (4/29/96) • White House Conference on Youth Violence and Drug Abuse. (3/7/96) * <i>(More Needed)</i>
Nominated Gen. McCaffrey to head ONDCP	• Gen. McCaffrey was sworn in 3/6/96. * <i>(More Needed)</i>
V. ENVIRONMENT	
Do not curb environmental enforcement	• Visited toxic waste site in northern New Jersey. (3/11/96) • C&O Canal -- Earth Day event. (4/22/96)
Make is easier for businesses to take easier and cheaper ways to protect the environment.	• Launched Brownfields Initiative. (3/11/96) * <i>(More Needed)</i>

VI. AMERICAN LEADERSHIP	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
Ratify START II treaty.	• Senate ratified START II. (1/26/96).
Sign nuclear test ban treaty this year.	• Nuclear Summit, Russia (4/21/96)
Ratify Chemical Weapons Treaty.	
Enact Anti-Terrorism bill.	• Visit to Oklahoma City. (4/5/96) • Radio Address (3/16/96) • Radio Address (4/13/96) • Radio Address (4/20/96) • Signed Anti-Terrorism Bill. (4/24/96)
VII. REFORM GOVERNMENT AND RENEW OUR DEMOCRACY	
CURBING SPECIAL INTEREST INFLUENCE	
Pass Campaign Finance Reform bill.	• Radio Address on political reform. (2/17/96) * <i>(More Needed)</i>
Pass Line-Item Veto.	• Line-Item Veto signed into law. (4/9/96)
ILLEGAL IMMIGRATION	
<i>Challenge/Proposal</i>	<i>Progress/Status/Events</i>
Announcement of Executive Order to deny federal contracts to businesses that hire illegal immigrants.	• Signed Executive Order. (2/13/96)
PROVIDING OPPORTUNITY IN AMERICA'S COMMUNITIES	
Promoting tax incentives.	• Launched a Brownfields Initiative. (3/11/96) • Hosted White House Conference on Empowerment Zones and called for second round of EZ's. (2/22/96)
REINVENTING GOVERNMENT	
Congress should not shut down the government again.	
Pass clean extension of debt limit.	

Percentage of challenges/proposals addressed through Presidential remarks or events:

80%

Percentage of challenges/proposals acted upon through legislative or executive action:

32%

As of May 7, 1996

**MEETING AMERICA'S CHALLENGES THROUGH
THE STRENGTH OF PRESIDENTIAL LEADERSHIP**

April 4, 1996

Using every tool of the modern Presidency: Legislation, Executive Action and Exhortation.

EDUCATION

Legislative:

- * Almost \$760 million more Head Start funding;
- * AmeriCorps has helped over 45,000 volunteers finance their education while working for their communities;
- * Supported development of the nation's first system of voluntary standards of excellence (Goals 2000);
- * Making college more affordable for 5.5 million students this year through the Direct Lending Program;
- * Helping connect every child to the information superhighway by the year 2000 (Telecommunications Bill).

Executive Action:

- * Issued a directive to assist schools and parents interested in starting school uniform programs, which have helped stop violence and improve learning in schools across America.
- * Issued Presidential Directive on zero-tolerance for guns in school

Exhortation:

- * Created \$2 billion Technology Learning Challenge fund, to encourage and leverage private investment in providing educational technology to schools across America.
- * Participated in NetDay in California, during which 20 percent of that state's schools were wired into the internet. This was a strong step in answering the challenge put forth in the State of the Union to wire all schools by the year 2000;
- * Visited high school in Long Beach, CA where school uniforms were already having a positive effect, again following up on his State of the Union address.

FAMILY VALUES

Legislative:

- * Signed the Telecommunications Bill into law, making the V-Chip the law of the land.
- * Allowing workers to take up to 12 weeks off to care for a family member without fear of losing their job. (Family and Medical Leave Act)
- * Provided tax relief for 15 million working families through the Earned Income Tax Credit.

Executive Action:

- * Issued guidelines on Religious Tolerance
- * Helped establish a National Domestic Violence Hotline
- * Proposed FDA rule curbing teen use of tobacco
- * Established national campaign against teen pregnancy
- * Collected a record \$11 billion in child support in 1995 -- a 40 percent increase over 1992.
- * Ensured vaccinations and healthy futures for all children (Childhood Immunization Plan)

Exhortation:

- * Brought media executives to the White House, announcing a set of voluntary ratings for the industry. This announcement was a direct result of a challenge issued in the State of the Union address.
- * Challenged all parents to take care of their children, and if they won't, do all we can to enforce that they pay their child support commitments.

CRIME**Legislative:**

- * 1994 Crime Bill
- * Assault Weapons Ban as part of Crime Bill
- * Brady Bill, which has prevented over 60,000 criminals from purchasing handguns.
- * Created the Community Oriented Policing Strategy (COPS), and is putting 100,000 new police on our streets.
- * Reducing violence and drug abuse in our schools through Safe and Drug-Free Schools Act.

Executive Action:

- * Established "One Strike and You're Out" guidelines for public housing, to keep our neighborhoods safer;
- * School uniform guidelines
- * Appointed Gen. Barry McCaffrey to direct the nation's fight against drugs
- * Issued Presidential Directive on zero-tolerance for guns in school
- * Deported a record 51,600 illegal and criminal aliens in 1995 -- a 15% increase over 1994.

Exhortation:

- * Called on the nation's prosecutors to use every available tool to stop our country's gangs, and worked to boost cooperative efforts among state, local and federal law enforcement agencies;
- * Directed the FBI and other investigative agencies to target gangs that involve juvenile and violent crime, and to seek authority to prosecute as adults teenagers who maim and kill like adults.

- * Supported community efforts and early intervention programs that help keep young people from a life of crime.

ENVIROMENT AND PUBLIC HEALTH

Legislative:

- * Signed California Desert Protection Act, protecting millions of acres of land in the Mojave Desert.

Executive:

- * Issued new standards to cut pollution from chemical plants by 90% and dangerous incinerator emissions by 98%.
- * Issued new standards to prevent *E. coli* bacteria contamination in meat
- * Expanded public's right-to-know about toxic releases and required polluters to disclose information to the public.
- * Initiated plan to restore Florida Everglades.
- * Launched a Brownfields Initiative to return land to productive use by providing tax incentives to clean-up old industrial waste sites.

Exhortation:

- * Fought attempts to close National Parks and lift the ban on offshore oil drilling.
- * Broke through decades of conflict and negotiated a consensus plan to protect and allocate California Bay-Delta water.

GOVERNMENT/POLITICAL REFORM

Legislative:

- * Made voting easier for 11 million Americans by creating more accessible "motor-voter" registration locations.
- * Enacted first major overhaul of lobbying rules in 50 years (Lobbyist Disclosure Act)
- * Ensured that the same laws apply to Congress as to the rest of America (Congressional Accountability Act)
- * Prohibited Congress from passing new requirements on state and local governments without paying for them (Unfunded Mandates Reform Act).
- * Fought for and signed into the law the Line-Item Veto.
- * Cutting unnecessary future paperwork, red tape and irrational rules through the Paperwork Reduction Act
- * Signed most important federal procurement legislation act ever to stramline government purchasing.

Executive:

- * Imposed strictest Administration ethics guidelines ever, including barring top officials from lobbying their former agencies for five years and a lifetime ban against lobbying for foreign governments.
- * Cut the federal civilian workforce by over 200,000 positions -- lowest level in 30 years.
- * Eliminating 16,000 pages of unnecessary regulations and rewriting 31,000 more.
- * Developed government-wide customer service standards for the first time.

The Concrete Results of the Power of a Persuasive Presidency:

- * The President can use the power of the bully pulpit to, educate, encourage and unite our citizens to meet our national challenges; corporations acting as citizens, and citizens acting responsibly, can all come together to rise to these challenges.
- * The President can make a difference with legislation, such as the Telecommunications Bill, and by serving as a catalyst for national ideas to find local implementation; and
- * The President can take executive action to help Americans meet our challenges.

Since the State of the Union, there have been a number of specific successes for which President Clinton has employed a combination of all three of these tools:

A perfect example. In March, President Clinton, with Vice President Gore, the First Lady and Mrs. Gore, met with parents and children to talk about what a television ratings system would mean for America's families. The day before the meeting, the President signed the V-Chip into law as part of the Telecommunications Act of 1996. Days later, the President met with media and entertainment executives, and announced a breakthrough agreement to develop a voluntary ratings system for television. All of these happened in response to the President's challenge issued in the State of the Union.

A record of success, reaching out to people. Since President Clinton's State of the Union address, he has sought to highlight the value of teamwork and the strength America finds when we all come together -- citizens, neighborhoods, communities, churches, businesses, schools and government -- to meet our common challenges:

- * **Fighting domestic violence.** Through the creation of a national, toll-free hotline, the President, the Department of Health and Human Services, and local communities are helping to fight the scourge of domestic violence. The number is 800-799-SAFE.
- * **Uniform success stopping violence in our schools.** Since 1993, the Clinton Administration has supported and implemented numerous initiatives to support local efforts to create safe and disciplined schools. The President highlighted this success of school uniform policies in his State of the Union address and with a visit to a model school program. The Education Department is now providing manuals to every school that would like to consider developing such a program. Parents and schools are putting them into place, and we are making our children safer as a result.

- * **Recovering from natural disasters.** President Clinton has visited flood sites across the country, and brought federal relief money for the affected areas. In the meantime, he saw first-hand how communities, local relief groups and local governments had come together to rebuild, and how improved FEMA and SBA programs have helped with that coordinated effort.
- * **Teaching our children with educational technology.** The President's announcement of a \$2 billion Technology Literacy Challenge will catalyze and leverage state and local efforts -- including work with the private sector -- to teach our children the skills they need for the 21st century. In California, a number of corporations such as MCI, AT&T and AOL are part of the state-wide grass-roots effort to connect every school to the Internet.

PRESIDENT BILL CLINTON: MEETING AMERICA'S CHALLENGE OF CHERISHING OUR CHILDREN AND STRENGTHENING AMERICA'S FAMILIES

"Our first challenge is to cherish our children and strengthen America's families. Family is the foundation of American life. If we have stronger families, we will have a stronger America."

— President Clinton, State of the Union Address
January 23, 1996

May 1996

A RECORD OF ACCOMPLISHMENT:

Cherishing Our Children

- Announced a breakthrough agreement with the media and entertainment industry to develop a **television ratings system** to enable parents to protect their children from violence and adult content.
- Gave parents greater control over what their children watch on television by requiring the installation of anti-violence screening chips ("**V-chips**") in all new televisions.
- Proposed targeted measures to cut off **children's access to tobacco products** and to ban **advertising directed at children**.
- Established a Childhood Immunization Initiative to ensure **vaccinations and healthy futures** for all children. The President's initiative contributed to the immunization of 75% of two-year children in 1995, an historic high.

Strengthening Our Families

- Enabled **workers to take up to 12 weeks of unpaid leave** to care for a family member without fear of losing their jobs. (Family and Medical Leave Act)
- Provided **tax relief for 15 million working families** by increasing the Earned Income Tax Credit to allow more families to qualify for tax rebates.
- Helped families move from **welfare to work** by authorizing 37 states to bypass existing welfare rules and set time limits on benefits, require recipients to work or stay in school, provide child care and give employers incentives to hire welfare recipients. These waivers are making work and responsibility a way of life for 75% of all welfare recipients.
- Breaking the **cycle of welfare dependency** by requiring teenage mothers to live at home, stay in school and turn their lives around.

Ensuring Responsibility

- Collected a **record \$11 billion in child support** in 1995 through tougher enforcement, almost a 40% increase over 1992.
- Issued an Executive Order to help track down **federal workers who fail to pay child support**.
- Worked with community, business and religious leaders to form a **national campaign to reduce teen pregnancy**.

Making Our Communities and Schools Safer

- Won passage of the toughest, smartest Crime Bill ever which puts **100,000 more police officers** on the street; imposed a targeted “**Three-Strikes-and-You’re-Out**” provision to put career violent offenders behind bars for life; expanded the **death penalty** to include drug kingpins, murderers of federal law enforcement officers and nearly 60 additional categories of violent felons; and provided funding for **100,000 more prison cells** to help states ensure that violent offenders serve their full sentences.
- Stood up to the gun lobby and won passage of the **Brady Bill** — as a result, more than **60,000 fugitives, felons and other criminals** have already been blocked from buying handguns.
- Banned the manufacture and importation of **19 of the deadliest assault weapons** while specifically protecting more than 650 legitimate sporting weapons. (Assault Weapons Ban)
- Tripled funding for **battered women’s shelters** and provided **\$26 million in state grants** to bolster local law enforcement, prosecution and victims’ services to better address violence against women. (Violence Against Women Act)
- Established nationwide 24-hour **domestic violence hotline** providing immediate crisis intervention, counseling and referrals for those in need.
- Keeping dangerous weapons out of our children’s classrooms by enforcing a “**Zero Tolerance**” **gun policy in schools**.
- Reducing **violence and drug abuse in our schools** by investing in school security, drug prevention programs and counseling. (Safe and Drug-Free Schools Act)
- Encouraged schools to adopt **school uniform policies** to help reduce violence while promoting discipline and respect.

Making the Necessary Investments in Education

- Increased **Head Start funding by almost \$800 million** to provide early education to tens of thousands of additional children in need.
- Supported the development of the **nation’s first system of voluntary standards of excellence** for students while encouraging grassroots reforms to improve our schools. (Goals 2000: Educate America Act)
- Encouraged schools, colleges and employers to join in creating **school-to-work opportunities**, providing students with work-based learning and giving them new pathways from high school to good jobs and post-secondary education. (School-to-Work Opportunities Act)
- Gave schools **greater flexibility to use federal aid** and develop **effective teaching innovations** to help economically disadvantaged students achieve their full potential. (Improving America’s Schools Act)

Preparing Our Schools for the 21st Century

- Proposed a **\$2 billion Technology Literacy Challenge Fund** to help communities and the private sector ensure that every student is equipped with the computer literacy skills needed for the 21st century.
- Launched an **Educational Technology Initiative** to connect every classroom to the Information Superhighway and provide all students with access to computers by the dawn of the next century.
- Challenged the technology industry to connect 20% of California's public schools to the **Information Superhighway** by the end of this school year. This challenge became a reality in March during Net Day '96.

Opening the Door to College

- Reformed the **student loan program**, making college more affordable this year for **5.5 million students** and saving taxpayers billions of dollars by cutting red tape and providing loans with flexible repayment options, including pay-as-you-earn plans. (Student Loan Reform Act)
- Enabled **45,000 volunteers to earn money for college** by serving their communities and their country in the **AmeriCorps** program. (National Service Act)

THE CHALLENGES AHEAD:

America is moving in the right direction. The crime rate is down, welfare rolls and food stamp participation are falling and the teen pregnancy rate has dropped. But, we still have more work to do to ensure the health, safety and futures of our families. That is why President Clinton has issued the following challenges:

- Congress should pass a **bipartisan welfare reform bill** that reinforces basic American values — work, responsibility and family.
- Congress should pass **meaningful health insurance reform** that allows people to keep coverage when they change jobs and prevents insurance companies from denying coverage due to pre-existing conditions.
- Families must **end domestic violence** and work harder at staying together.
- Media and entertainment industries must create movies, CD's and television shows more suitable for children.