A VICTORY FOR STUDENTS AND HEALTH CARE: PRESIDENT CLINTON, VICE PRESIDENT GORE, AND CONGRESSIONAL DEMOCRATS WIN A LANDMARK BUDGET

December 15, 2000

All year, President Clinton, Vice President Gore, and congressional Democrats have fought for a fiscally responsible budget that maintains America's prosperity by paying down the debt while making key investments in education, health care, and other priorities for America. Today, President Clinton and Congress completed their work on the budget, agreeing on a budget for education, health, and labor programs and the New Markets initiative.

The bill is a landmark achievement: it provides a $6.6 billion (or 18 percent) increase for the Department of Education, the largest ever and a 76 percent increase since 1993. The Department of Health and Human Services receives a $9 billion (or 22 percent) increase. It establishes the President's school repair initiative and provides the largest increases ever for the U.S. Department of Education, after-school programs, Head Start, school accountability, Pell Grants for college students (since the program was fully implemented in 1974), and the National Institutes of Health. It expands coverage under Medicare, Medicaid, and the State Children's Health Insurance Program and restores reimbursements to health care providers that were disproportionately effected by the Balanced Budget Act of 1997.

Investing in America's Students. The Clinton-Gore education strategy of higher standards for students and teachers, accountability for results, and the greater investment in our schools is working.

- ✓ **$933 Million Increase for Head Start, Doubling Resources since 1993.** President Clinton won a $933 million increase for Head Start to $6.2 billion, serving 935,000 children. This is the largest one-year increase in Head Start ever. Since 1993, Head Start has more than doubled from $2.8 billion to $6.2 billion.
- ✓ **$1.2 Billion for a New School Repair Initiative.** President Clinton fought for and won a new initiative to repair America's schools, providing $1.2 billion for urgent school renovation. This initiative was a top priority of the President's, but it wasn't in the earlier Republican budget passed by the House of Representatives. The budget also provides much-needed repair funds to Native American schools.
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  - **Provides the Largest Increase in Pell Grants Ever.** The budget increases the maximum Pell grant to $3,750, a $450 increase since last year—the largest one-year increase since the program was phased-in in 1974—and a $1,450 increase since 1993.
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IN ADDITION TO THE PRESIDENT'S PROGRESS ON EDUCATION AND HEALTH, THIS YEAR'S BUDGET INCLUDES HIS OTHER VITAL PRIORITIES FOR THE AMERICAN PEOPLE:

Protecting Fiscal Discipline and Paying Down the Debt. The budget is a victory for President Clinton's stand for fiscal discipline. Between 1981 and 1992, the debt quadrupled. When President Clinton and Vice President Gore took office, the budget deficit was $290 billion and it was projected to be $455 billion by 2000.

As a result of the tough and sometimes unpopular choices made by President Clinton, we have seen eight consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of $237 billion, the largest ever. With this surplus, we have been able to reverse this trend of exploding debt by paying down the debt for three years in a row.

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Helping Working Families. The final budget helps all Americans participate in our economic prosperity.

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Maintaining America's Global Leadership. The President fought for and secured victories to strengthen America's leading role in the world by investing in a strong military and providing debt relief to heavily indebted poor countries.

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- ✓ **Keeping the Peace.** The budget includes the President's full request of $835 million for contributions for international peacekeeping activities. Our ability to pay our share of international peacekeeping missions is a crucial part of fulfilling our international security responsibilities and ensuring that other nations share the burden with us.

THE 2001 BUDGET: A VICTORY FOR AMERICA'S STUDENTS

	HOUSE REPUBLICAN BUDGET[1]	FINAL BUDGET	INCREASE OVER HOUSE BUDGET
Head Start	$5.7 billion	$6.2 billion	+ $533 million
Urgent School Renovation	$0	$1.2 billion	+ $1.2 billion
Class-Size Reduction	$0	$1.6 billion	+ $1.6 billion
After School	$600 million	$846 million	+ $246 million
Teaching to High Standards	$0	$567 million	+ $567 million
Accountability Fund	$0	$225 million	+ $225 million
Title I Grants to School Districts for Disadvantaged Children[2]	$7.9 billion	$8.4 billion	+ 436 million
Maximum Pell Grant College Scholarship	$3,500	$3,750	+ $250
GEAR UP	$200 million	$295 million	+ $95 million

[1] Based on the budget passed by the U.S. House of Representatives on June 14, 2000. That bill would have provided $37.1 billion for education programs, $5 billion less than the final budget.
[2] Does not include the Accountability Fund.

EIGHT YEARS OF PROGRESS ON EDUCATION

	1993 FUNDING	2001 FUNDING	CHANGE
Key Department of Education Initiatives			
• Urgent School Renovation	$0	$1.2 billion	+ $1.2 billion
• Class-Size Reduction	$0	$1.6 billion	+ $1.6 billion
• After School	$0	$846 million	+ $846 million
• Teacher Recruitment and Training	$435 million	$995 million	+ $560 million
• Accountability Fund	$0	$225 million	+ $225 million
• Title I Grants to School Districts for Disadvantaged Children[1]	$6.1 billion	$8.4 billion	+ $2.3 billion
• Education Technology	$23 million	$872 million	+ $849 million
• Special Education	$3.0 billion	$7.4 billion	+ $4.5 billion
• Small, Safe, and Successful High Schools	$0	$125 million	+ $125 million
• Maximum Pell Grant (Total Pell Grants)	$2,300 ($6.5 billion)	$3,750 ($8.8 billion)	+ $1,450 (+ $2.3 billion)
• Work-Study	$617 million	$1.0 billion	+ $394 million
• TRIO	$388 million	$730 million	+ $342 million
• GEAR UP	$0	$295 million	+ $295 million
Total Funding, U.S. Department of Education	$23.9 billion	$42.1 billion	+ $18.2 billion
Department of Health and Human Services			
Head Start	$2.8 billion	$6.2 billion	+ $3.4 billion
Education Tax Cuts			
Hope Scholarships Tax Credit	$0	$5.1 billion	+ $5.1 billion
Lifetime Learning Tax Credit	$0	$2.8 billion	+ $2.8 billion
Student Loan Interest Deduction	$0	$333 million	+ $333 million
Total Increase, Key Education Initiatives (Total for U.S. Department of Education plus Head Start plus Education Tax Cuts)	**$26.7 billion**	**$56.5 billion**	**+ $29.8 billion (+ 112%)**

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Final

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	HOUSE REPUBLICAN BUDGET[1]	FINAL BUDGET	INCREASE OVER HOUSE BUDGET
Urgent School Renovation	$0	$1.2 billion	+ $1.2 billion
Class-Size Reduction	$0	$1.6 billion	+ $1.6 billion
After School	$600 million	$846 million	+ $246 million
Teaching to High Standards	$0	$567 million	+ $567 million
Accountability Fund	$0	$225 million	+ $225 million
Title I Grants to School Districts for Disadvantaged Children[2]	$7.9 billion	$8.4 billion	+ 436 million
Maximum Pell Grant College Scholarship	$3,500	$3,750	+ $250
GEAR UP	$200 million	$295 million	+ $95 million

[1] Based on the budget passed by the U.S. House of Representatives on June 14, 2000. That bill would have provided $37.1 billion for education programs, $5 billion less than the final budget.
[2] Does not include the Accountability Fund.

EIGHT YEARS OF PROGRESS ON EDUCATION

	1993 FUNDING	2001 FUNDING	CHANGE
Urgent School Renovation	$0	$1.2 billion	+ $1.2 billion
Class-Size Reduction	$0	$1.6 billion	+ $1.6 billion
After School	$0	$846 million	+ $846 million
Teacher Recruitment and Training	$435 million	$995 million	+ $560 million
Accountability Fund	$0	$225 million	+ $225 million
Title I Grants to School Districts for Disadvantaged Children[1]	$6.1 billion	$8.4 billion	+ $2.3 billion
Education Technology	$23 million	$872 million	+ $849 million
Special Education	$3.0 billion	$7.4 billion	+ $4.5 billion
Small, Safe, and Successful High Schools	$0	$125 million	+ $125 million
Maximum Pell Grant (Total Pell Grants)	$2,300 ($6.5 billion)	$3,750 ($8.8 billion)	+ $1,450 (+ $2.3 billion)
Hope Scholarships Tax Credit	$0	$5.1 billion	+ $5.1 billion
Lifetime Learning Tax Credit	$0	$2.8 billion	+ $2.8 billion
Student Loan Interest Deduction	$0	$333 million	+ $333 million
Work-Study	$617 million	$1.0 billion	+ $394 million
TRIO	$388 million	$730 million	+ $342 million
GEAR UP	$0	$295 million	+ $295 million

[1] Does not include the Accountability Fund

Margaret M. Suntum
12/15/2000 07:31:26 PM

Budget 2001

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: telephone conference interview on the budget agreement

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release December 15, 2000

PRESS BRIEFING VIA CONFERENCE CALL
WITH OMB DIRECTOR JACK LEW,
DEPUTY OMB DIRECTOR SYLVIA MATHEWS,
AND NATIONAL ECONOMIC ADVISOR GENE SPERLING
ON BUDGET AGREEMENT

4:25 P.M. EST

Q What's the situation on AMTRAK?

MS. MATHEWS: As we understand it, it's currently not in.

Q On sea lions, can you describe the agreement?

Q Yes -- how did you satisfy Ted Stevens?

MS. MATHEWS: On sea lions, there were a couple sort of core things that we were concerned about and it had to do with implementation of the Endangered Species Act in preserving the Secretary of Commerce authority. And when I mention the Endangered Species Act, there are really two things that are the frame of that with regard to this issue. And one is ensuring that the biological opinion stands -- and that's the thing that people talk about that we issued on November 30th this year, and the regulations that are associated with it.

And what we have done in this agreement is we have done both of those things -- the biological opinion will stand; the Secretary's authority is there. He will put forward regulation that will afford the communities the opportunities to fish. Right now they can't fish until there are regulations that talk about how can you fish in a way that helps the sea lion, in its simplest form.

But what we did do -- and this is getting to the question that we were just asked about how do you help, why is this good for Mr. Stevens -- we were able to maximize the fishing that would occur especially among small boats. And the way that we have done that is by -- there is a transition period where the Secretary will put in place regulations that are consistent with the biological opinion, getting back to our --

Q How long is the transition period?

MS. MATHEWS: It is over a period of time. But what's most important here is the 1999 season which starts January 20th, because there's a National Academy of Science study that's going to come out that will revise everything. So the real focus of what everyone is talking about here is the '99 season. And what we have said is we would protect incomes, fishing incomes, and harvesting at '99 levels, because prices have gone up some and there would have been more -- the prices have gone up some, what you'll do is you'll have reduced fishing.

And the other thing is the large boats that can go further out in the water -- this has to do with protecting areas that are closer to land rather than further. And so the people that will have the hardest time with this are the small boat people, and I think we've put in place something that will be okay.

From Stevens' perspective, there is certainty that there will be fishing, because in the measure that we agreed on, the legislative measure, it says that we will put out the regs.

Q What was the big concern? I've heard several different versions of this. What was your concern in the biological opinion about this area?

MS. MATHEWS: Our concern was -- the way the Endangered Species Act worked is once a biological opinion is issued, basically the biological opinion says there's a relationship between the fish that we're talking about and the sea lions. And so then it talks about some suggested ways to implement and make that better. And so that's the way the Endangered Species Act works, and that's why we were so concerned about it.

Q So the concern was not enough fish for the sea lions, is that it?

MS. MATHEWS: Yes. The sea lions feed on the fish.

Q And Stevens' contingent was that the sea lions were not dying off because there weren't enough fish, but because there was a number of killer whales who were just going through the population.

MS. MATHEWS: That's correct.

Q Do you agree with his assessment?

MS. MATHEWS: Our biological opinion, which is based in science and has now led to the lifting of the court injunction which previously existed, we believe that there is a relationship between these fish and the stellar sea lion, and that there's a scientific basis for that.

Q How would the legislation protect fishing incomes?

MS. MATHEWS: It is legislated.

Q So does that mean like a welfare program, or what?

MS. MATHEWS: No. While there is some economic assistance money, what it does is it says that the regulations -- and in terms of the Chairman, there are certainty of fishing and there is certainty of the nature of the regs. The regs that we will issue, the Secretary of Commerce will issue regs to guide how this is done in a way that preserves that.

Q How much money is being provided in economic assistance?

MS. MATHEWS: I'm going to apologize because that was not -- $50 million.

Q Per year?

MS. MATHEWS: Yes.

Q How many years?

MS. MATHEWS: It's just one, this is a one-time thing, because as I mentioned, when the National Academy of Science study comes out, you're going to be in a place -- that is going to assist with this whole process, and most likely you'll have issuance of new regs and rules when you have that additional scientific --

Q When will you issue the rules?

MS. MATHEWS: We will issue them before January 20th, so that the season can start. That's the key.

Q Could you say the economic number again please?

MS. MATHEWS: There are two different numbers. There are sea lion protection measures and, in other words, there is money that's going to be spent to help the sea lion and protect it -- things like population counts, studying predator-prey relationships -- we're going to study what Stevens has talked about, other marine mammals that might be eating the sea lion. We're going to spend money looking into those questions.

Q How much?

MS. MATHEWS: $20 million for the stellar sea lion.

Q $20 million to find out if killer whales are causing the problem?

MS. MATHEWS: The $20 million is to implement a coordinated comprehensive research and recovery program for the stellar sea lion. I was giving you some --

Q Isn't that what the National Academy of Science is doing?

MS. MATHEWS: They're doing a study; this is to implement that. An effort, a research and recovery program for the stellar sea lion. Depending on what things we decide to do to help the sea lion --

Q How is it different from what the NAS is doing?

MS. MATHEWS: Because this will have money to take action to help the sea lion. The study is a part of it, but not all of it.

Q That's $20 million for research and $50 million in economic assistance for the fishermen?

MS. MATHEWS: To say that it's research is too limited.

Q Well, $20 million for whatever you just described, plus $50 million additionally.

MS. MATHEWS: That's right, for economic disaster relief -- $30 million for economic disaster relief -- $50 million in total; $30 million for economic disaster relief and $20 million for sea lion protection measures.

Q And is the $30 million for the fishermen?

MS. MATHEWS: It is made available to the Secretary of Commerce to make direct payments to the Southwest Alaska Municipal Conference, distribute to fishing communities, business community development programs, individuals and other entities.

Q The whole $50 million, or $30 million?

MS. MATHEWS: The $30 million.

Q And then the other $20 million goes straight to the fishermen?

MS. MATHEWS: Yes.

MR. LEW: Obviously there are a lot of questions and I want to answer all of them, but from our perspective, the overall of this bill really warrants a little bit of attention.

If you look at the funding levels in education, both year to year and over the eight years, it really represents a remarkable commitment to investing in the future. This bill increases Department of Education funding by $6.6 billion; that's 18 percent from last year. And the funds in the bill go towards shoring up and expanding successful programs and increasing funding for new programs and some new ones, as well.

If you look at Head Start at $933 million, this enabled us to double funding since 1993. Our school repair initiative is a new program. There is $1.2 billion available for school renovation. We've expanded last year's initiative, the past two years' initiative to hire teachers to reduce class size, making that program continue and grow.

In areas of early childhood education, in addition to Head Start, there's a full $2 billion of funding for the child care initiative which was committed to last year -- it wasn't funded last year, it's is now funded. The after-school program is just about doubled from last year's level, which will provide opportunities for families to provide for better environments for their children to learn and grow from the early years on.

If you look overall at this bill -- and Gene is on and can go into many of the specifics like the Pell Grant level, which is increased to an historic level; the increase in GEAR-UP funding which will allow that program to continue to grow -- this really represents an historic commitment to education.

And if you look over the eight years of the Clinton-Gore administration, for many of these programs that were small and growing, they're now established and successful programs. I think you have to look at the eight years because the eight years represent commitment not just to funding specific programs, but doing it in the context of an overall balanced fiscal program. We've shown that you can be on a path towards paying down, eliminating national debt, and still invest in priorities that will build us a better future by educating our kids.

If I could switch a minute to health care. In health care, everyone has paid attention to the research funding levels. They're very important, I don't mean to diminish them. But you have to look beyond that at some of the initiatives of this bill which are going to give programs a chance to grow.

There are some new programs like family care-givers --

Q Is that in the Medicaid --

MR. LEW: No, these are discretionary still. I'll get to Medicare and Medicaid in just a second. I was going to point out family care-givers and health care access, where in the case of family care-givers, it's a new commitment to an important program that will help with families that have the burden of taking care of sick family members, and health care access increasing substantially, from $40 million to $140 million. The funding for this new program which we think has a very, very good future in terms of providing a new model of health care around the country.

On Medicare and Medicaid, I think Chris Jennings is on -- I'll just very briefly point out that there are expansions of coverage both in terms of coverage for the CHIP program, CHIP outreach for families that are moving from welfare to work; for particular populations like people with Lou Gehrig's disease in the Medicare program and a number of other cases of preventive coverage.

We also in the provider area have improved on the provisions that were in the bill that originally passed. There's now accountability in the HMO language, which Chris can go into some detail on. And we've expanded the coverage of the provider provision to go to some areas that really need it badly, like home care and some other areas that Chris can go into in more detail.

I can give you the overall of this bill -- the New Markets initiative that Gene will be able to address; the immigration expansion that Maria has addressed; the Medicare-Medicaid expansion that Chris will be talking about; and these investments in education and health care on the discretionary side that I've been talking about. This represents a remarkable accomplishment and investment in the future of the country, and one that we're very proud of.

Q It went pretty quickly once you started negotiating. Why was this so hard to get into a serious negotiation?

MR. LEW: We've been negotiating this bill for quite a long time, and I think we've proven that when we get into serious negotiations we can produce good results for the country. There were some different views as to how this bill should be handled. I think you'll have to ask on the Republican side what motivated different parts of them. We always wanted a bill, and a good bill, from the time the President sent his budget forward through the negotiations of the fall, through the negotiations that were completed today -- our objective was clear. It was to invest in the future, to invest in education and health care, and to do it in a fiscally responsible way that leaves the kind of path for paying down the debt.

Q Jack, I'm just wondering when you're going to do something publicly about this. Are you going to hold a ceremony with the leadership, et cetera?

MR. LEW: Well, we just reached an agreement finally this afternoon. Congress will be voting on it. I think many members of Congress have plans to be elsewhere. We haven't actually had time to talk about a ceremony yet.

Q Are you worried -- could this thing still stall over AMTRAK?

MR. LEW: I think that there's certainly going to be some debate on various things in the bill, but we're hopeful that the bill will pass.

Q Do you have a position on the AMTRAK?

MR. LEW: Well, obviously we're supportive of the provision. It was part of a larger tax bill and we were disappointed that it wasn't possible to get it done here. Obviously when most of the tax bill was dropped we were very pleased to be able to keep the New Markets initiative in. Gene can talk about that in some detail. But obviously, there are a lot of other things that did not get done, and AMTRAK was one of the things we supported.

Q Does this really derail AMTRAK or was this more of an authorization --

MR. LEW: This was a provision that would have provided tax treatment to subsidize AMTRAK bonds. And it would have enhanced the viability of the rail investment in a significant way.

MR. SPERLING: This is Gene. Before people jump off, let me just say we are overjoyed at the passage of the New Markets Community Renewal Act. This was an historic effort to provide capital incentives for jobs and entrepreneurialism in poor areas across the country. It is a significant example of bipartisanship, with the President, Speaker of the House joining hands. It's over $25 billion in tax incentives that will leverage well over -- tens of billions of dollars more in private sector investment. It will have the President's New Markets tax cut which provides a 30-percent equity tax cut for investments in poor areas. There will also be now 40 employment zones strengthened and expanded, plus 40 new renewal communities acts.

There's also a dramatic increase in the private activity bonds and the low income housing tax credit is significantly accelerated. Again, it was a significant bipartisan effort with many people from Charlie Rangel to Jaycee Watts having significant authorship of this provision. The other thing -- obviously you remember the President spent over two years on this, including three national trips promoting more investment in this, one of which he was joined by Speaker Hastert on.

I just also wanted to say that these were -- emphasize one thing Jack said -- in this budget is the largest increase ever in Pell Grants, in after-school, in Head Start, and in school construction -- the largest increases ever. I think if you look at Head Start, it's now gone from $2.8 billion to $6.2 billion, more than doubled; $3.4 billion increase.

Q Over what period of time?

MR. SPERLING: Since we came in. So I would encourage people to look at the eight-year progress chart, because what it really shows is that year by year, budget battle by budget battle, there's been a dramatic increase in the federal investment in children in education under President Clinton's leadership. And you could -- from the $3.4 billion more in Head Start, $4.5 billion more in special education, obviously -- $8 billion more in education tax incentives per year; $1.6 billion more in class size reduction; $846 million more in after-school; $849 million more in education technology -- it's worth looking through to see how much these budget battles on education have accumulated to over an eight-year period -- really the most dramatic expansion in investing in children and education probably in any eight-year period.

Q Is that a zero capital gains rate on the renewal community?

MR. SPERLING: Yes, that is. There is a zero capital gains rate in the renewal communities that is modeled off the DC provision. And there's also a zero capital gains rate in the empowerment zones for investments that are rolled over. So, in other words, you can roll over capital gains in the empowerment zones. Both obviously have very significant wage credits, as well.

We were only given a one-year extension of the DC tax incentives, but the Speaker made a public commitment to fight for a larger extension next year. But for DC, we also had extension to 2003 of the popular home-buyers tax credit, to the end of 2003 for the District.

Q What was the overall increase in education spending over the eight-year period, percentage-wise?

MR. SPERLING: I have kind of the selected programs --

MS. MATHEWS: I don't actually have the overall --

MR. LEW: We can get that for you. We have it program by program.

Q How did the lame duck dynamic affect the end here? Did you feel that being in the post-election bargaining situation weakened your hand?

MR. LEW: I think that what we've said all along remained true in a lame duck, which is that when you're fighting to invest in education, to invest in the future, programs that have strong public support because they move the country in the right direction, that the policy is what drives things forward.

The President had a program that he put forward not just this year, but for the past eight years. But this year in his budget and the State of the Union, we stuck by it; members of Congress stuck by it; and the public stuck by it. And I think the result is that we've enacted on a bipartisan basis enormous increases in programs that are consistent with the policy of fiscal discipline.

I think it's important that the two go together, because we make choices when we have a surplus and this is one of the things that this year's budget has chosen to do -- has invested the surplus, investing in our people in ways that will pay off in huge dividends for many years to come.

I think if you look at the lame duck, if we were in a different situation there would have been different dynamics, it would have come back to the same fundamental fact which is that if you're putting forward policies that are good policies, that are popular policies, the process can work. And we're just pleased that we were able to bring it together on a bipartisan basis to get it done.

Q Well, you did make a bunch of compromises; obviously both sides did. You made some compromises on, some give on the sea lions, environmental issue. You cut $5 billion from the overall totals where things stood before the election. You clearly didn't give the Latinos all they wanted. There's a whole series of compromises.

MR. LEW: If you look at this omnibus package, at any omnibus package there's give-and-take on both sides. Are there things that were compromised? Yes. But if you look at the result, the result is dramatic increases and substantially enacting the President's proposals in the important areas that we've been talking about.

And if you look beyond the Labor-HHS bill, it's true in the Commerce-Justice bill as well, where we're investing in closing the digital divide; where we're investing in civil rights enforcement; where we're investing in legal services to make sure that all Americans have access to justice. These are the things that the President and the Vice President stand for; it's what the budget stood for; it's what the American people believe in. And were successful in getting it.

Were there compromises? Yes. But honorable compromise is part of our process. We've always believed that it was better to have an honorable compromise and accomplish a great deal. The process didn't always work smoothly, but in the end it produced very, very good results.

MR. SPERLING: It was an honorable compromise on both sides. Clearly they had to fight many in their own party in agreeing to very dramatic increases in many of the President's top education priorities, and New Markets renewal communities initiative literally rose from the dead in the last few days, coming through as the only significant tax incentive in this initiative. So there was honorable compromise on both sides.

MR. LEW: I'm going to have to jump off, but if there are further questions, I'm sure you can take them.

MS. MATHEWS: The only thing I would mention -- one of the things that didn't happen because of the way this all evolved is the Commerce-Justice-State bill -- because it was sort of negotiated, then kind of put on hold because of the open issues that were non-appropriations related, like immigration -- one of the things I think is important there -- a number of things kind of didn't sort of get noticed there. For example, our peacekeeping money -- we got the full request of $835 million. That's our U.N. peacekeeping money, which is a very, very big deal.

Things like our fighting terrorism money is also in that bill. There was a billion dollars for the Department of State embassy security. And while those are not the things that are always publicly focused on, they're a large part of what was really important that occurred in these bills.

Q The CJS was done, right?

MS. MATHEWS: It was done because we basically had agreement that until everything was done we would not publicly talk about the bill. We never were afforded an opportunity on either side, and it was an agreement we made that we wouldn't talk about it.

Q That's not part of the package?

MS. MATHEWS: It is, it is. CJS -- it's an omnibus with two different parts and that all has to do with different vehicles. But in this you will have what Gene mentioned --

Q But CJS has already been passed.

MS. MATHEWS: But it will be part of the entire package that moves. It is being dropped into the DC bill. And it depends on how they're going to do the titles exactly which bill will move.

Q We're going to have separate bills here or separate packages?

MS. MATHEWS: I think they're going to figure out the best way to move these things, all the vehicles --

Q I thought CJS has already been passed for the House and the Senate.

MS. MATHEWS: It had been passed in a form that was unacceptable. And there have been alterations to it, some technical changes as well as changes for us -- we view immigration as part of CJS. So the question is how they're technically going to put the bills together.

The other thing -- I just got the number for the question that was raised about the Department of Education in FY93 and FY2001, and what percentage increased. In 1993, it was $23.9 billion; in FY01 it's $42.1 billion -- that's a 77-percent increase.

MR. SPERLING: The reason why, though, you will hear us talk about essentially doubling education is that in addition to that, there is $8 billion more per year in tax cuts, and $3.4 billion more in Head Start. Both of those we think of as education. So when you add that $7.9 billion in tax cuts, you get another $11.3 billion. And you can see it goes from $23.9 billion to $53.4 billion, a doubling -- more than doubling.

Thank you.

END 4:55 P.M. EST

Message Sent To:

10-24-00

PRESIDENT CLINTON, VICE PRESIDENT GORE, AND CONGRESSIONAL DEMOCRATS WIN ON THE BUDGET, BUT CONGRESS HAS NOT COMPLETED ITS WORK ON AMERICA'S PRIORITIES

October XX, 2000

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III. Despite this Progress, Unfinished Business Remains

PRESIDENT CLINTON, VICE PRESIDENT GORE, AND CONGRESSIONAL DEMOCRATS WIN ON THE BUDGET, BUT CONGRESS HAS NOT COMPLETED ITS WORK ON AMERICA'S PRIORITIES

October XX, 2000

THE CLINTON-GORE BUDGET PLAN TO ADDRESS NATIONAL PRIORITIES. Last winter, President Clinton and Vice President Gore proposed a fiscally responsible budget that maintains America's prosperity by paying down the debt, providing targeted middle-class tax cuts and making key investments in improving education, promoting national security, protecting the environment, and fighting crime. Thanks to their strong advocacy, the budget agreement with Congress invests in these key priorities:

<u>Protecting Fiscal Discipline and Paying Down the Debt.</u> The budget agreement is a victory for President Clinton's stand for fiscal discipline. ***<<Need sentence here about debt reduction under the budget agreement.>>*** Between 1981 and 1992, the debt quadrupled. When President Clinton and Vice President Gore took office, the budget deficit was $290 billion and it was projected to be $455 million by 2000. As a result of the tough and sometimes unpopular choices made by President Clinton, we have seen eight consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of $230 billion, the largest ever.

- ✓ **Protecting Fiscal Discipline.** Throughout the year, the Republicans have been proposing fiscally irresponsible tax cuts that would have jeopardized this record of fiscal discipline. To protect our nation's fiscal discipline, in August President Clinton vetoed Republican tax cuts that were part of their 10-year tax plan would have drained nearly $2 trillion from the surplus, driving us back into deficits and making it impossible to eliminate our debt by 2012.
- ✓ **Paying Down the Debt.** Because record deficits have become record surpluses, we were able to cut our debt by $223 billion last year, the largest one-year debt reduction in U.S. history. We are on track to pay off our debt by 2012, making America debt-free for the first time since Andrew Jackson was President in 1835.
- ✓ **Benefiting from Debt Reduction.** Already, debt reduction has meant about $2,000 a year in lower interest payments for home mortgages, about $200 a year in lower car payments, and about $200 a year for lower student loan payments. Continuing to pay down the debt will keep interest rates about a point lower over the next decade, saving American families over $300 billion in home mortgages alone.

<u>Investing in America's Students.</u> The Clinton-Gore education strategy of higher standards, accountability for results, a greater investment to help students and teachers meet higher expectations is working. The dropout rate is down, while reading skills, test scores, and graduation rates are up.

- ✓ **Expanding Head Start.** President Clinton won a $1 billion increase for Head Start, to $6.3 billion, to serve 950,000 children. ***(if fully funded)***
- ✓ **Modernizing Schools.** The budget agreement includes President Clinton's school construction proposals: $1.3 billion for urgent school repairs and $25 billion in tax-credit bonds for school construction and repair, neither of which were included in the Republican plan. ***(if fully funded)***
- ✓ **Reducing Class Sizes.** President Clinton won $1.75 billion for class-size reduction, enough to hire 20,000 more teachers and stay on track to hire 100,000 to reduce class sizes in the early grades. The Republican plan failed to dedicate funds for class-size reduction. ***(if fully funded)***
- ✓ **Improving Teacher Quality.** The final budget includes the President's $1 billion set of teacher quality initiatives, a $527 million increase over the Republican plan. ***(if fully funded)***
- ✓ **Creating After-School Learning Opportunities.** The budget includes $1 billion for after-school programs, nearly $450 million above current law and $400 million above the Republican plan. ***(if fully funded)***
- ✓ **Holding Schools Accountable for Student Achievement.** President Clinton won $250 million to turn around low-performing schools, $250 million above the Republican budget. ***(if fully funded)***

- ✓ **Creating College Opportunities through GEAR UP.** The budget increases funded for GEAR UP by $125 million—to $325 million—while the Republican plan provided a $0 increase. ***(if fully funded)***
- ✓ **Increasing Student Aid.** Consistent with the President's request for a $1 billion increase in programs to prepare students for college, the budget increases the maximum Pell grant to $3,650, creates the new College Completion Challenge Grants proposed by the President within TRIO, provides one million students the opportunity to work through college, and increases funds for the TRIO and SEOG programs. ***(if fully funded)***

Strengthening Health Care. (Are these the right items?)

- ✓ **Supporting Family Caregivers.** Devorah ?
- ✓ **Expanding Health Care Access for the Uninsured.** – Devorah?
- ✓ **Protecting Food Safety.** — Mary Smith —

Protecting the Environment. President Clinton and Vice President Gore won significant gains for the environment in the fiscal year 2001 budget, including new resources to combat water pollution, protect wildlife, address global warming, and preserve precious lands across the country. At the same time, the President and Vice President fought back numerous, anti-environmental riders that would have traded hard-won environmental safeguards for short-term special interest gains.

- ✓ **Preserving Our Lands Legacy.** The budge provides $12 billion over six years in unprecedented, dedicated funding for the conservation of America's land and coastal resources.

Enacting New Markets and Empowering Communities and Working Families. President Clinton and Vice President Gore are committed to tapping the potential of America's urban and rural communities. This budget moves forward on their vision to help revitalize America's communities and empower families.

- ✓ **Enacting the New Markets Initiative.** Working together, the President and Congressional leaders have enacted bipartisan legislation to spur economic development in urban and rural communities that have not shared fully in the benefits of the nation's strong economy. This legislation includes the New Markets tax credit, America's Private Investment Corporation, New Markets Venture Capital firms, BusinessLINC, and new funding and tax incentives for Empowerment Zones. ***<<Tentative, insert numbers if we win>>***

Andrea

- ✓ **Funding 79,000 New Housing Vouchers for America's Hard-Pressed Working Families.** Language?
- ✓ **Raising the Minimum Wage.** The $1 increase in the minimum wage over two years will help more than 10 million workers make ends meet. Full-time workers would receive an annual raise of about$2,000 a year, enough to pay for nearly five months of rent or seven months of groceries. ***<<If we win>>***

Closing the Digital Divide and Investing in Research and Development. In recognition of the centrality of knowledge and new technologies to our prosperity and quality of life, the budget agreement included an unprecedented commitment to creating digital opportunities and investing in research and development.

- ✓ **Closing the Digital Divide.** The budget includes a $XX million increase in three successful digital divide initiatives: Community Technology Centers, Preparing Tomorrow's Teachers to Use Technology, and the Technology Opportunities Program.
- ✓ **National Science Foundation.** The budget provides the largest one-year increase for the NSF ever, $526 million, to pursue scientific breakthroughs in core scientific areas as well as new ones like nanotechnology.
- ✓ **National Institutes of Health.** The budget agreement provides a $2.7 billion increase to NIH for research into diabetes, cancer, and brain disorders, and disease prevention strategies and vaccines.

Fighting Crime, Drugs, and Guns. To keep crime coming down to record lows, President Clinton fought for important investments in the budget to build on the Administration's successful community policing initiative, including funds to put more police on the street and critical resources to strengthen law enforcement efforts to keep communities safe.

- ✓ **Putting More Police on Our Streets.** Last year, President Clinton and Vice President Gore met their commitment to help communities hire 100,000 new police officers. This year, they won funding to take the next step and begin hiring up to 50,000 more officers over the next five years.
- ✓ **Enforcing Gun Laws.** President Clinton won $XXX for his Gun Enforcement Initiative, the largest in history.

Providing Tax Relief for Working Families. TBD.

Maintaining America's Global Leadership. The President fought for and secured victories to strengthen America's leading role in the world by investing in a strong military, ...

- ✓ **Maintaining a Strong Military.** Consistent with the Clinton-Gore plan for a long-term, sustained increase in defense spending, this year's budget provides a $17.5 billion increase (to $287.5 billion) to protect our high level of military readiness and procure modern and effective weapons systems.
- ✓ **Providing Debt Relief.** The final budget provides $XX million for debt relief for heavily indebted poor countries who commit to reform.

CONGRESS HAS LEFT UNFINISHED BUSINESS BEHIND. In the waning days of the session, the President and Congressional Democrats prevailed in making critical investments to address America's priorities, but much work still remains to be done.

- × **Expanding Federal Hate Crimes Laws.** The President and Vice President have called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability.
- × **Passing Common-Sense Gun Safety Legislation.** Congress must act to save more lives by passing sensible gun safety measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.
- × **Extending the COPS Initiative.** Despite a proven record of success, the Congress has failed to reauthorize the Administration's overwhelmingly successful COPS program through FY 2005 to: fund the hiring of up to 50,000 more officers on the street; provide law enforcement with the latest crime-fighting technologies; and fund new community prosecutors to join community police in fighting crime at the local level.
- × **Helping Working Families Save for a Car to Get or Keep a Job.** The President proposed to make it easier for hard-pressed working families to save for a car that will help them get and keep a job by expanding the uses of Individual Development Accounts to include saving for a car.
- × **Enacting Comprehensive Campaign Finance Reform.** This year Congress failed once again to adopt real, meaningful reform of our campaign finance system. Congress should act to restore the public's faith in our political process.
- × **Reducing Youth Smoking and Helping Current Smokers Quit.** President Clinton and Vice President Gore have prioritized protecting our children from the dangers of tobacco and holding tobacco companies accountable. Congress has failed to pass legislation affirming full FDA authority to curb youth access to tobacco, cut youth smoking in half, and ensure that Medicaid beneficiaries have access to medical treatments.
- × **Tax Cuts for Working Families.**

THE 2001 BUDGET: A VICTORY FOR AMERICA'S STUDENTS

	CLINTON-GORE BUDGET	HOUSE BUDGET[1]	FINAL BUDGET AGREEMENT	INCREASE OVER HOUSE
School Modernization Bonds	$24.8 billion[2]	$0		
Urgent School Renovation	$1.3 billion	$0		
Class-Size Reduction	$1.7 billion	$0		
After School	$1 billion	$600 million		
Teaching to High Standards	$1 billion	0.0		
Accountability Fund	$250 million	$0		
Title I Grants to School Districts for Disadvantaged Children	$8.357 billion	$7.941 billion		
Maximum Pell Grant	$3,500	$3,500		
GEAR UP	$325 million	$200 million		
Safe, Small, and Successful High Schools	$120 million	$0		

[1]Based on the budget passed by the U.S. House of Representatives on June 14, 2000. That bill provided $37.2 billion for education programs, $XX billion less than the final budget agreement.

[2]Face value of bonds. The cost is $36 million in FY 2001 and $8 billion over ten years.

PRESIDENT CLINTON AND VICE PRESIDENT GORE: PROGRESS ON AMERICA'S PRIORITIES

FISCAL DISCIPLINE

The budget agreement is a victory for President Clinton and Vice President Gore's stand for fiscal discipline. By balancing competing needs and maintaining fiscal discipline, the Fiscal Year 2001 budget continues the successful strategy that has fostered the longest economic expansion in the nation's history. America will stay on course to pay off the debt held by the public by 2012 for the first time since Andrew Jackson was President.

✓ **National Debt Quadrupled Between 1981 and 1992.** Between 1981 and 1992, the debt held by the public quadrupled. The budget deficit grew to $290 billion in 1992, and it was projected to grow to more than $455 billion by 2000.

✓ **President Clinton's Tough Choices Led to Largest Surplus Ever.** As a result of the tough and sometimes unpopular choices made by President Clinton in 1993 and 1997, we have seen eight consecutive years of fiscal improvement for the first time in America's history. Last year, the federal government has a unified surplus of $230 billion, the largest ever. The debt held by the public is $2.4 trillion lower than it was projected to be when the President came into office. This achievement has kept interest rates down and confidence and investment up, contributing to the strongest American economy in generations.

✓ **The Solvency of Social Security and Medicare Has Been Extended.** The Social Security surplus would be dedicated to paying down the debt and, starting in 2011, the interest savings used to extend of the life of Social Security. As a result, Social Security solvency would be extended to at least 2057. Medicare solvency would be secured for at least 15 years to 2030, Medicare would be reformed to make it more efficient and competitive, and its benefits modernized with a new prescription drug benefit.

✓ **The President Stopped Republican Attempts to Reverse this Fiscal Discipline.** Throughout the year, the Republican Congress proposed policies that would have threatened the nation's fiscal discipline. According to Congress' own calculations, the tax cuts House Republicans passed this year would have cost $734 billion over 10 years, which with interest would have drained over $900 billion from the surplus. The tax cuts passed this year and those endorsed for next year by the Republican Party would drain over $2 trillion, more than the entire budget surplus (projected to be $1.8 trillion). Twice this year, President Clinton vetoed tax legislation to maintain our fiscal discipline and prevent American from being plunged back into deficits.

✓ **Debt Reduction Benefits the Economy and American Families.** The lower national debt:

- **Keeps investment and growth strong.** With the government no longer draining resources from capital markets, interest rates are lower and businesses have more funds for productive investment. Paying off the debt will continue to help fuel investment and productivity growth while increasing productive capacity and restraining inflation.
- **Saves money for families.** Because of the deficit and debt reduction we have already done, a typical family can expect to save $2,000 a year on their home mortgage.
- **Saves money for taxpayers.** Currently we spend 12 cents of every federal dollar on net interest payments. These payments, which were once projected to grow to 25 percent of all federal spending in 2012, would be completely eliminated under the President's plan. ***<<update for budget agreement>>***
- **Prepares for retiring baby boomers.** By paying off the debt, eliminating interest payments, and dedicating the resulting benefits to extending Medicare and Social Security solvency, debt reduction will free up funds for investment and boost workers' productivity and incomes and help the nation prepare for the challenge of the retiring baby boomers.

EDUCATION AND TRAINING

Over the past eight years, President Clinton and Vice President Gore have invested more in our schools and demanded more from them. As a result, test scores are up. SAT and ACT scores have also risen in the 1990s and are now at the highest level in a quarter of a century, even as more minority, low-income, and limited English proficient students take these tests. More students than ever before are graduating from high school and enrolling in college. This year, President Clinton and Vice President Gore again delivered on their ambitious education agenda.

✓ **Building and Modernizing Schools.** An estimated 3.5 million students attend schools that need extensive repair or replacement. Research shows that the physical structure of the school building directly affects the ability of students to learn. Because all students deserve a safe, healthy, and modern place to learn, President Clinton fought for a federal investment in our schools. The final budget includes:

- **$25 Billion in School Modernization Bonds.** The final budget creates $22.4 billion in a new type of federal bond—School Modernization Bonds—to help build and modernize 6,000 schools nationwide. Bond owners would receive federal tax credits rather than interest payments from school districts, allowing districts to borrow interest-free for school construction. In addition, the budget expands the similar Qualified Zone Academy Bonds (QZABs) program by authorizing $2.4 billion in new QZABs. Together, these initiatives will cost $8 billion over ten years. Neither the House nor the Senate passed School Modernization Bond legislation. ***(TBD)***

- **$1.3 Billion for Urgent Repairs.** The final budget includes a $1.3 billion initiative for emergency school renovation, based on the proposal in President Clinton's budget. The Republican budget did not provide dedicated funding for school renovation. The initiative will help schools make much-need repairs, such as roofs, heating and cooling systems, and electrical wiring. The assistance would be targeted to high-need districts and includes $50 million for public schools with high concentrations of Native American students.

- **Native American Schools.** President Clinton has won $293 million—a $160 million increase and more than double last year's level of $133 million—to replace and repair BIA-funded schools on reservations. This is the largest investment ever in a single year for BIA school construction and repair. These schools have an $800 million backlog in health, safety, and other critical needs.

✓ **Ensuring More High-Quality Teachers for Smaller Classes.** The final budget provides a **[$450 million??]** increase to improve educational results by reducing class size in the early grades to 18 or below with well-qualified teachers in the early grades. This initiative brings the total number of quality teachers hired to **[49,000??]** in the last three years, nearly halfway to our goal of hiring 100,000 high-quality teachers by 2005.

✓ **Tripling the Number of Children in Federally Supported After-School Programs.** The final budget provides a **[$547 million??]**—or **[121 percent??]**—increase for 21st Century Community Learning Centers, to **[$1 billion??]**. This initiative will provide more high-quality extended learning opportunities for **XXX** children and help insure that every child attending a failing school will have the opportunity to participate in quality after-school or summer-school programs.

✓ **Strengthening Accountability for Fixing Failing Schools.** The budget agreement provides a **[$116 million??]** increase to will accelerate efforts by states and school districts to improve accountability and turn around failing schools. It will help states and districts provide extra help to at least **[80 percent??]** of schools identified for improvement, up from 50 percent in 1999.

✓ **Strengthening Teacher Quality.** [Language]

- **Offering Professional Development to America's Teachers.** This program promotes professional development along with school and classroom-based improvements linked to state standards and assessments.

- **Bringing Well-Prepared Mid-Career Professionals into the Classroom.** This **[$25??]** million will build on a Department of Defense model to recruit quality teachers from the ranks of engineering and the sciences, corporations, and other career-changing professionals.

- **A New Investment in High-Quality Preschool Teachers.** This **[$30 million??]** will train **[15,000??]** early childhood educators and caregivers in advancing children's language and literacy skills to help prevent later difficulties in learning and reading.

✓ **Expanding College Opportunity.** More and higher quality education is more important to economic opportunity than ever before. The final budget includes the President's request for a $1 billion boost in investments to make college more affordable for economically disadvantaged students.

- **Largest Maximum Pell Grant Award Ever.** Pell scholarships for needy students are the foundation of student aid. The final budget provides $XX billion for Pell Grants, increasing the maximum Pell Grant award from $3,300 last year to $XX. The maximum award has increased by XX percent since President Clinton and Vice President Gore took office in 1993, when it was $2,300. Under this Administration, for the first time ever, our investment in the Pell program has increased for six consecutive years. The final budget also includes the President's requested $60 million increase for Supplemental Equal Opportunity Grants, the largest increase in a decade.

- **Support for One Million Students To Work Their Way Through College.** The final budget includes the President's request for $1 billion $934 million for Federal Work-Study to maintain his commitment to allowing one million students the opportunity to earn money for college through part-time work.

- **Early Intervention to Help Disadvantaged Students Prepare for College.** House Republicans proposed to freeze the President's GEAR UP college preparation initiative for low-income students at $200 million, a level that would have forced existing GEAR UP programs to scrap plans to help 250,000 new disadvantaged 6th and 7th graders. The final budget provides $XX million for GEAR UP, supporting state projects and partnerships of colleges, high-poverty schools, and community organizations, to help XX students aspire to and prepare for college starting in the 7th grade.

- **Expanding College Opportunity through TRIO.** This year, President Clinton requested the largest increase in funding in the TRIO initiatives since the program began in 1966. The final budget funds TRIO at $760 million, helping motivate and prepare XXX low-income and first-generation-college students to go to and stay in college. *(College Completion Challenge Grants TBD)*

✓ **Strengthening the Hispanic Education Action Plan.** $XXX increase to programs that help Hispanic students succeed, including $416 million increase for Title I Grants to Local Educational Agencies: $100 million for Bilingual Education Professional Development: $180 million for Bilingual Education Instructional Services. $380 million for the Title I Migrant State Grants program. $30 million for the High School Equivalency Program and College Assistance Migrant Program.

✓ **Creating Smaller, Safer and More Successful High Schools:** This will help create smaller and more supportive learning environments in approximately 700 of the nation's largest high schools through innovations like schools-within-schools or career academies that allow teachers to spend more quality instructional time with students.

✓ **Expanding Public School Choice with More Support for Charter Schools:** This $30 million increase will support the start up of 1,700 new or redesigned schools that offer enhanced public school choice and have the flexibility to offer innovative educational programs in exchange for greater accountability for student achievement.

✓ **Creating Economic Opportunities through Job Training.** The final budget expands successful training programs and implements new ones focused on providing needed training for young people, displaced workers and individuals with disabilities.

- **Youth Opportunity Grants and Youth Training Formula Grants.** Youth Opportunity Grants are an initiative to provide comprehensive employment and training assistance to all out-of-school young people in high poverty areas. The final budget provides $XXX million, enough to serve an XXX youth in high poverty areas. In addition, the final budget provides a XXX million increase (from $1.001 billion to $1.022), to the Youth Training Formula Grants, enough to provide job training and summer job opportunities to nearly XXX disadvantaged young people.

- **Youthbuild.** Through the Youthbuild program, 16-to-24-year-old high-school dropouts rehabilitate and built housing for low-income and homeless people. The program provides youth with education and employment skills to while expanding affordable housing. Funded at $XX million, the Youthbuild programs will provide opportunities for approximately XX trainees in 2001, XX more than this year.

- **Job Corps.** Job Corps is the nation's largest and most comprehensive residential education and job training program targeted at impoverished young people. The final budget increases Job Corps funding by $XX million to $1.X billion, helping XXS youth.

- **Employment of People with Disabilities.** *The budget proposes a $1,000 tax credit for workers with disabilities to defray costs including improving access to employment and training programs.*

- **Universal Reemployment Initiative.** *The Dislocated Worker Training program provides training and support services to help permanently dislocated workers return to productive, unsubsidized employment.*

- **Responsible Reintegration for Young Offenders.** *This new $75 million initiative in the Department of Labor helps young offenders under age 35 to successfully reintegrate into the mainstream economy. Competitive grants will be made to partnerships between the criminal justice system and local workforce investment systems. This effort will be operated in conjunction with a related initiative at the Department of Justice that focuses on community safety and the supervision of ex-offenders.*

CHILD CARE

The number of children with parents who work outside of the home is higher than ever before. In 1996, three out of four mothers with young children worked outside of the home, compared to one in four in 1965. During the Clinton-Gore Administration, funding for child care has more than doubled. Still, many eligible children do not receive assistance. The Clinton-Gore Administration proposed and fought for a comprehensive child care initiative to address the struggles our nation's working parents face in finding child care they can afford, trust and rely on.

- ✓ **Providing More Children Access to Head Start than Ever Before.** President Clinton won **[$6.3 billion]** in funding for Head Start—a $1 billion increase over last year and the largest funding request ever proposed or received for the program. It will provide access to Head Start and Early Head Start for approximately 950,000 children in 2001, and is a large step toward the goal of serving one million children in 2002. Head Start prepares low-income children for a lifetime of learning and development by providing early, continuous and comprehensive child development and family support services.

- ✓ **Helping More Low-Income Families Afford Child Care.** The President fought for an $817 million increase for the Child Care Development Block Grant, to $2 billion. This increase will enable the program to provide child care subsidies for nearly 150,000 more children in 2001. These new resources, combined with the child care funds provided in welfare reform, will serve over 2.2 million children in 2001, an increase of nearly 1 million since 1997. The Child Care Development Block Grant is the primary federal effort to help low-income families pay for child care, helping low-income parents to work.

- ✓ **Promoting Early Learning by Improving the Quality of Child Care. (This piece is the most up in the air right now.)** At the beginning of this year, President Clinton called on Congress to include an Early Learning Fund in the budget to help improve child care quality and early childhood education for children under five years old. The final budget included the Stevens-Kennedy Early Learning Opportunities Act and provided **(??)** to allow states to help communities foster cognitive development, improve child care quality and promote readiness for school. Resources could be used to: help child care providers get training or certification; teach parents and caregivers how to facilitate development of cognitive skills and language comprehension; increase access to existing child care programs by expanding the days or times that children are served; enhance childhood literacy; improve quality of existing early learning programs through recruitment, retention and professional development incentives; and increase early learning opportunities for children with special needs.

- ✓ **Working to Make Parental Leave More Affordable: (This piece is also very up in the air.)** The final budget includes **($10 million)** for states and regions to explore how to make parental and family leave more available and affordable for those who need it. A 1996 study by the Commission on Family and Medical Leave found that the most significant reason why parents did not take advantage of unpaid leave after the birth or adoption of a child was the expected loss of income.

- ✓ **Expanding Family Planning: [This is a win if we get the $35 million increase requested]** The President won **[$274?]** million in FY 2001 for family planning, an increase of [$35?] million over FY 2000 spending levels. This initiative will allow family planning clinics to provide reproductive health services and clinical care to over 5 million of underserved Americans, including testing and treatment for sexually-transmitted diseases, cancer screenings, and HIV prevention and counseling. Title X Family Planning funding helps prevent over one million unintended pregnancies per year through comprehensive reproductive health services, including programs to discourage adolescent sexual activity and contraceptive counseling.

HEALTH CARE

The President won a $XX billion investment in health programs, XX percent above last year's level, to strengthen the public health infrastructure, provide critical prevention and treatment services to individuals with mental illness, and advance biomedical research with a historic investment of $XX billion.

- ✓ **Creating the Family Caregivers Program and Investing in Services for the Elderly *(tentative)*.** The budget provides a major new investment of $XX in the Older Americans Act for information and referral as well as direct support services for family caregivers.

- ✓ **Increasing Access to Health Care for the Uninsured.** The budget invests $XX million to develop integrated systems of care for the uninsured. It also provides an additional $XX million to identify the best way to deliver health care services to this population.

- ✓ **Making Our Food Safe.** The President won his entire request of $422 million for food safety, a $68 million increase over last year. These resources will support enhanced and expanded food safety inspections, outbreak responses, and research, risk assessment and education activities. It will also fund bioscience research and risk assessment modeling and data collection to include the pre-harvest phase for foods and begin implementation of the Egg Safety Action Plan adopted by the President's Council on Food Safety.

- ✓ **Supporting Graduate Medical Education at Children's Hospitals.** The final budget agreement funds the President's request of $XX million to support graduate medical education at freestanding children's hospitals, which play an essential role in the education of the nation's pediatricians.

- ✓ **Caring for the Nation's Elderly.** The budget includes a $XX million increase for the new Nursing Home Initiative for more rigorous inspections of nursing facilities and improved federal oversight and enforcement of nursing home quality.

- ✓ **Improving States' Capacity to Deliver Health Care Services to the Mentally Ill.** Provides an additional $XX million above the FY 2000 funding level, for the Mental Health Block Grant, a XX percent increase over FY 2000 and the largest increase ever.

- ✓ **Preparing for and Preventing Bioterrorist Attacks.** The budget fully funds President Clinton's request for $XX million to stockpile vaccines, antibiotics, and other medical supplies to deploy in the event of a chemical or biological terrorist attack.

- ✓ **Reducing Racial Disparities in Health Status.** The budget provides an additional $XX million, a XX percent increase over the FY 2000 funding level, for health education, prevention, and treatment services to address health disparities among minority populations.

- ✓ **Expanding AIDS Care, Prevention, and Research.** Building on the historic reauthorization of the Ryan White Act, the Administration and Congress continue their strong partnership to address the AIDS epidemic with substantial increases in funding. The budget includes a $XX million increase in funding for HIV prevention activities; an increase of $XX million in the Ryan White CARE Act, which helps provide primary care and support for those living with HIV/AIDS; and an estimated $XX million in additional funds for AIDS-related research at the NIH. Congress and the Administration also worked closely together to add $XX million in funding to the Minority AIDS Initiative, which utilizes existing programs to reach African-Americans, Latinos, and other racial and ethnic minorities that are disproportionately impacted by HIV/AIDS. Consistent with the President's request, an additional $XX million to fight AIDS internationally was funded.

- ✓ **Preventing Childhood Diseases.** The budget provides an additional $XX million, a X percent increase over FY 2000 funding levels, to provide childhood immunizations nationwide and fully funds the President's request to eradicate polio worldwide.

- ✓ **Increased Funding For the Ricky Ray Hemophilia Relief Fund Act.** The budget provides $XX million for one-time payments of $100,000 to hemophiliacs who were infected with HIV by blood solids during the 1980s.

✓ **Controlling the Spread of Infectious Disease.** The budget provides $XX million to the Center for Disease Control (CDC), a XX percent increase over the FY 2000 funding level, for programs dedicated to emerging infectious diseases and improving disease surveillance systems.

✓ **Increasing Family Planning Efforts Nationwide.** The budget provides $XX million, a XX percent increase over the FY 2000 funding level, for grants to family planning clinics providing reproductive health services and clinical care to millions of low-income clients.

✓ **Expanding Substance Abuse Activities.** The budget provides $XX million, a XX percent increase over the FY 2000 funding level, for the prevention and treatment of substance abuse.

✓ **Providing Quality Health Care to Native Americans:** The budget provides $XX million, a XX percent over the FY 2000 funding level, to provide high quality health care services on American Indian and Alaska Native reservations.

ENVIRONMENT

This year, President Clinton and Vice President Gore proposed a record $42.5 billion to protect our natural resources, communities and families—an 11 percent increase over last year and a 36 percent increase since 1993. At the same time, they fought back numerous, anti-environmental riders that would have traded hard-won environmental safeguards for short-term special interest gains. The final budget includes:

✓ **Conserving America's Lands.** Congress passed a bipartisan agreement doubling our conservation investment next year, and guaranteeing even greater funding in the years ahead, to ensure that communities have the resources they need to protect their most precious lands. This historic conservation effort—totaling $12 billion over six years—will protect parks and forests, community green spaces, and coastland, and more than triple the current funding for these programs by 2006. The bill also creates a new "conservation spending" category—protected from being spent on any other programs—for state and local needs and for maintaining existing parks and other conservation and recreation areas.

✓ **Restoring Florida's Everglades**. The Administration secured $118 million for Army Corps of Engineers restoration projects in the Everglades, providing funds to restore wetlands along the Kissimmee River, restore natural water flows benefiting plants and animals in eastern Everglades National Park, and continue projects with immediate and substantial environmental benefits.

✓ **Ensuring Clean Water.** The budget agreement includes a 14 percent increase—over $225 million—for President Clinton's Clean Water Action Plan. Under the plan, the Environmental Protection Agency, the Department of the Interior, and the Forest Service will work together to clean the 40 percent of our nation's waters that still do not meet water quality standards. It includes monitoring activities, watershed improvements, and private forest land stewardship, reclaiming abandoned mine land, and controlling non-point source pollution.

✓ **Fighting Global Warming.** The budget includes $123 million, a 19 percent increase, for the EPA's Climate Change Technology Initiative to help businesses and consumers conserve energy and save money and reduce local air pollution and the emissions that contribute to global warming.

✓ **Protecting the Environment.** The budget provides $3.9 billion for the EPA, a 9 percent increase, to strengthen the backbone of the nation's environmental protection efforts. In recent years, Congress's failure to fully fund the President's budget proposals has jeopardized the EPA's ability to protect public health and the environment. This increase will enable EPA to continue to provide American communities with cleaner air, cleaner water, and improved quality of life.

COMMUNITY EMPOWERMENT

The United States is currently in the midst of the longest expansion in its history. The strength and duration of this expansion have helped bring economic opportunity to millions of people once cut off from the economic mainstream, but too many urban and rural areas have not participated in this growth. Moreover, the President believes that parents who work hard and play by the rules should not have to raise their children in poverty.

✓ **Enacting the New Markets Initiative.** President Clinton and Congress have worked together on this bipartisan initiative to stimulate new private capital investments in economically distressed communities and build a network of private investment institutions to funnel credit, equity and technical assistance to businesses in America's new markets.

- **Expanding Empowerment Zones.** The budget agreement provides $90 million—$20 million more than last year—to fund Round II rural and urban empowerment zones and enterprise communities.

✓ **Developing the Mississippi Delta Region.** The budget establishes a new federal-state partnership to fight for economic growth in the Mississippi Delta region, a seven-State area which includes some of the most distressed communities in the nation, including:

- **$20 million for the Delta Regional Authority,** a federal-state partnership. Resources will be focused on the more than two million people living in the Delta's distressed counties. These counties have a poverty rate that is 243 percent of the national average and per-capita income of only 53 percent of the national average. The funding will support area development and technical assistance to participating State and local economic development entities;
- **$6 million to improve rural economic opportunity** by allowing the Department of Agriculture to fund activities such as financing loans to intermediary borrowers who re-lend funds to rural businesses and community development corporations; and
- **$226 million to improve the transportation infrastructure in the Delta region** through Department of Transportation transit and highway projects.

✓ **Increasing the Minimum Wage.** President Clinton won a $1 increase in the minimum wage over to years, helping more than 10 million workers—including millions of women and hard-pressed families—make ends meet. Full-time workers would receive an annual raise of about$2,000 a year -- enough to pay for nearly 7 months of groceries or 5 months of rent.

✓ **Creating Economic Opportunity in Distressed Communities.** The budget provides $4.95 billion—a $169 million increase—for the Community Development Block Grant to improve housing, strengthen public works, promote economic development, and acquire or clear land. The budget also provides $118 million to the Community Development Financial Institutions Fund to continue providing equity capital to the most under-served communities.

✓ **Promoting Community Service.** The final appropriation includes $464 million for the Corporation for National and Community Service, a $26 million increase and the first increase since 1993. This level will provide nearly 50,000 Americans the opportunity to meet pressing education, public safety, and human and environmental needs in exchange for help with college costs through participation in AmeriCorps. In addition, the bill provides vital resources to support the National Civilian Conservation Corps, the Points of Light Foundation, and America's Promise.

- ✓ **Helping Former Welfare Recipients and Other Low-Income Workers Get to their Jobs.** Congress provided guaranteed funding of $100 million for the Job Access and Reverse Commute program, a critical component of the Administration's effort to move families from welfare to work and support working families. This is an increase of $25 million over the FY 2000 level, but less than the $150 million requested by the Administration. Regrettably, Congress earmarked 75 percent of the funds and failed to allow Native American tribes to apply directly for Job Access grants.

- ✓ **Helping Hard-Pressed Working Families Meet Their Nutritional Needs.** Congress approved an important reforms proposed by the Administration to allow 245,000 people to own a reliable car and still be eligible for food stamp assistance. Many of these families need a car to get to jobs, job training, and child care. The changes also help over 2 million people put food on the table by ensuring that the food stamp program more accurately recognizes high housing costs faced by many low-income working families.

- ✓ **Helping Low-Income Families Invest for the Future.** The Administration proposed amendments to the national Individual Development Account demonstration program that will make it simpler and easier for program operators to encourage low-income working families to save for a first home, postsecondary education, or to start a new business. Congress has approved these program improvements and provided the President's budget request of [$25] million to create over 20,000 new accounts. [this assumes victory – pending in L/H]

- ✓ **Expanding Nutrition and Health Care for Women and Young Children.** The final budget provides $4.05 billion million for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), an increase of $20 million over FY 2000. The budget will provide vouchers for nutritional food packages, nutrition education and counseling, and health care and immunization referrals to an average of 7.35 million women, infants, and children each month.

- ✓ **Creating 79,000 New Housing Vouchers for America's Hard-Pressed Working Families.** Congress approved $453 million for new vouchers that subsidize the rents of low-income Americans, enabling them to move closer to job opportunities, many of which are being created far from where these families live. These vouchers build on the 110,000 new vouchers secured though the President's leadership in the past two years, and represent a doubling of the annual number of new vouchers secured over last year.

- ✓ **Increasing Voucher Use and Tenant Housing Options.** The budget reforms voucher rules to improve use at the local level while enhancing tenant options and choice by ensuring that some vouchers can be used to expand tenant rental options. All tenants will continue to have the option to move if their family needs change, without losing their housing assistance.

- ✓ **Increasing Support for the Federal Emergency Agency's Emergency Food and Shelter Programs.** These grants go to the states and are distributed to local communities that use the funds to provide assistance to families and individual in need of emergency housing and food assistance. The final bill increases funding to $140 million, and increase of $30 million over last year. As a result, needy Americans will receive 25 million more meals and 1.1 million additional nights of shelter. [Check. What was PB request?]

- ✓ **Increasing Funding for Homeless Assistance.** The President and Vice President proposed a major expansion of HUD's continuum of care program, designed to help homeless persons obtain temporary and permanent housing and supportive services. The final budget includes $1.125 billion in funds for the homeless assistance grants—a $105 million, or 10 percent, increase over last year, including $100 million for Shelter Plus Care renewals. ***[is Shelter Plus part of the $105 million, or is there $205 million total??]***

- ✓ **Expanding the Home Investment Partnership.** The budget provides $1.8 billion for the Home Investment Partnership Program, a $200 million increase, to build, buy, and renovate affordable housing for low-income families. The program also supports housing vouchers and counseling.

- ✓ **Funding to States for Critical Local Needs.** Congress approved [$2.1] billion for the Social Services Block Grant which plays a critical role in funding child welfare and child protection services, as well as services to the elderly, disabled, and child care for children of hard-pressed working families. [Not final – draft conference report was for $1.7 million.]

- ✓ **Promoting Responsible Reintegration for Young Offenders.** The budget provides [$75 million] for a new initiative in the Department of Labor to help young offenders under the age of 35 successfully reintegrate into the mainstream economy. Competitive grants will be made to partnerships between the criminal justice system and local workforce investment systems. Partnerships will coordinate with reentry partnerships and reentry courts funded through the Department of Justice and substance abuse and mental health funding from the Department of Health and Human Services.

- ✓ **Extending Welfare-To-Work Funding.** [language?]

- ✓ **Second Chance Homes.** [language?]

- ✓ **Expanding Substance Abuse Prevention and Treatment.** -- block grant and targeted capacity funding

- ✓ Promoting responsible fatherhood and improving child support [may not win] language ?

- ✓ Restoring food stamp assistance for legal immigrants [may not win] language?

FROM DIGITAL DIVIDE TO DIGITAL OPPORTUNITY

Access to computers and the Internet and the ability to use this technology effectively are becoming increasingly important for full participation in America's economic, social and political life. Unfortunately, there is strong evidence of a "digital divide"—unequal access to technology by income, education level, race, and geography. In 1998, those with a college degree were more than eight times more likely to have a computer at home and nearly sixteen times as likely to have home Internet access as those with an elementary school education. This growing divide also cleaves our community along income, ethnic, and geographic lines. We also need to give people skills to use technology and to promote content and applications of technology that will help empower under-served communities.

- ✓ **Establishing Community Technology Centers.** $XXX million to create up to XXX Community Technology Centers in low-income urban and rural communities, up from $10 million to years ago and $32.5 million last year. This initiative, championed by Congresswoman Maxine Waters, aims to help close the "digital divide" by providing computers and Information Age tools to children and adults who can not afford them at home.

- ✓ **Preparing Tomorrow's Teachers to Use Technology.** The final budget includes $XXX to train new teachers to use technology effectively in the classroom, up from $75 million last year. Under the leadership of President Clinton and Vice President Gore, the United States has made enormous progress in connecting schools to the Internet and increasing the number of modern computers in the classroom. However, access to computers and the Internet will not help students achieve high academic standards unless teachers are as comfortable with a computer as they are with a chalkboard.

✓ **Supporting Innovative Applications of Technology.** President Clinton's budget will increase the investment in the Department of Commerce's highly successful Technology Opportunities Program (TOP) to $XX million—triple the current level of $15 million. Applications might include public health information systems that raise childhood immunization rates in inner cities, tele-mentoring for at-risk youth, and electronic networks that strengthen local communities by fostering communication and collaboration.

RESEARCH AND DEVELOPMENT

For the seventh straight year, President Clinton and Vice President Gore have requested, and negotiated, increases in Federal funding for fundamental research. Increased investment in science and technology leads to economic growth, the creation of high-tech, high-wage jobs, cures for diseases, and a cleaner environment for future generations of Americans. The 21st Century Research Fund consists of the Federal government's long-term investments directed toward creating new knowledge and developing new technologies. In FY 2001, these investments will total $43.9 billion (check final number), an increase of nearly $4 billion (10 percent) over last year.

✓ **Investing in Health Research.** This year, the National Institutes of Health will receive $20.5 billion, an increase of $2.7 billion (15 percent) over last year to broaden research on diseases such as diabetes, cancer, and brain disorders, and disease prevention strategies and vaccines. NIH resources have doubled in the Clinton Administration from $10.3 billion in FY 1993.

✓ **Passing the Largest Increase Ever for the National Science Foundation.** The budget includes a $526 million increase for NSF, the largest increase ever, to $4.4 billion.

- **Information Technology.** The budget includes a $424 million increase for information technology to $2 billion. The information technology industry accounts for a third of our economic growth and also creates high-tech, high-wage jobs.
- **Nanotechnology.** The budget increases resources for nanotechnology research by $150 million to $421 million. Nanotechnology— the manipulation of matter at the atomic and molecular level—could lead to breakthroughs such as the ability to store the equivalent of the Library of Congress in a device the size of a sugar cube, materials 10 times stronger than steel and a fraction of the weight, and the ability to detect tumors when they are only a few cells in size.
- **Core Research Areas.** The budget also provides a $189 million (or 7 percent) increase for fundamental mathematics, functional genomics, physics, chemistry, geology, psychology, and cognitive and linguistic sciences to help sustain the flow of new discoveries and promote the emergence of new disciplines, fields, and technologies. These priority areas hold great promise for breakthroughs that are revolutionary, likely reshaping science and engineering, and changing the way we think and live.

✓ **Investing in Energy Research.** The budget includes a $72 million increase, to $817 million, for energy efficiency activities at the Department of Energy, including the Partnership for a New Generation of Vehicles. It also includes increases for development of more efficient homes and commercial buildings, for more efficient industrial processes, and for increasing energy efficiency within the Federal Government itself. The Administration secured $375 million, a $65 million increase, for solar and renewable energy and related R&D. This research will allow the United States to achieve greater energy security, reduce pollution and greenhouse gas emissions, and create new high-tech industries and jobs.

✓ **Expanding the National Aeronautics and Space Administration.** The final budget includes a $684 million increase, to $14.3 billion, for NASA. The budget includes $290 million for the Space Launch Initiative to more safely meet its human space flight needs at lower cost on commercial launch vehicles and a $940 increase in Solar System Exploration to enable NASA to eventually establish a sustained presence at key research sites in our solar system.

SAFE COMMUNITIES

America has the lowest crime rate in a generation. The final budget proposes a series of measures to continue to make progress toward the goal of making America the safest large country in the world.

- ✓ **Enforcing Gun Laws.** The final budget contains [TK] to fund President's Gun Enforcement Initiative—the largest national gun enforcement initiative in history. This will fund 500 new ATF firearms agents and inspectors, expanded crime gun tracing and ballistics testing; and $[TK] for over [TK] new federal, state and local gun prosecutors to crack down on gun criminals.

- ✓ **Putting More Police on the Streets.** Last year, President Clinton and Vice President Gore met their commitment to fund 100,000 new police officers for our streets. As called for by the President, the final budget contains [$TK million] to help communities take the next step and hire up to 50,000 more police officers by FY 2005.

- ✓ **Hiring More Community Prosecutors.** The budget includes [$TK million] for the Administration's initiative to extend the success of community policing to local prosecutors by helping states and localities hire new community prosecutors to address public safety and quality of life issues.

- ✓ **Fighting against Domestic Violence.** The President and Vice President have championed reauthorization of the historic Violence Against Women Act, which the President recently signed. The President won $504 million in FY 2001 to combat domestic violence—$289 at the Department of Justice and $215 at the Department of Health and Human Services. These funds will help communities to expand prevention efforts and enhance the safety of more victims of domestic violence and sexual assault.

- ✓ **Saving Lives by Preventing Drunk Driving.** Congress has also reached agreement on a critical measure to help set a nationwide impaired driving standard of .08 blood alcohol content. This common-sense nationwide limit will save an estimated 500 lives a year and prevent thousands of injuries.

- ✓ **Developing Smart Gun Technology.** To help prevent accidental gun death and injuries of children who obtain access to guns, as well as other unauthorized gun use, the Administration won [$TK million] to expand the development of "smart" gun technologies. These state-of-the-art gun safety technologies can limit a gun's use to its proper adult owner or other authorized users.

- ✓ **Investing in Law Enforcement Technology.** The final budget provides [$TK million] to provide law enforcement with the latest crime-fighting and crime-solving technology.

- ✓ **Strengthening Police Integrity.** The budget provides [$TK million] to help strengthen police integrity including hate crimes training for Federal, state, and local law enforcement, and other innovative initiatives to build trust between police and communities and promote police accountability.

- ✓ **Preventing Repeat Offenders.** The budget contains a total of [$TK]million for Project Reentry, an innovative Administration initiative to create "reentry partnerships" and "reentry courts" to help communities reduce recidivism for offenders returning to their communities from prison. The initiative will help to address public safety concerns with greater community supervision, provide services to instill responsibility and accountability such as job training and drug testing and treatment, and promote responsible fatherhood. This will complement [$TK] for Responsible Reintegration for Young Offenders grants and $10 million in substance abuse and mental health services grants targeted towards reentry initiatives.

✓ **Continue the Youth Anti-Drug Media Campaign.** The Administration secured $185 million to continue the successful national media campaign to regularly reach our youth with the message that drugs are wrong, dangerous and deadly.

✓ **[Reauthorization of the Violent Crime Reduction Trust Fund (VCRTF).** The Administration fought for and secured a [TK]- year extension of the VCRTF to help ensure that critical law enforcement funding is protected in future budgets.]

✓ **Hate Crimes.** Congress has fully funded the President's request of $20 million for police integrity and hate crimes training for federal, state, and local law enforcement.

✓ **Violence Against Women.**

AMERICA'S ARMED FORCES AND LEADERSHIP IN THE WORLD

At the start of a new century, the United States is faced with new opportunities and new challenges as a global leader and the world's strongest force for peace and prosperity. American leadership has been instrumental in seizing new opportunities for peace, including reversing ethnic cleansing and restoring stability to the Balkans; ending bloodshed in Northern Ireland; brokering peace in the Middle East between Israel and its neighbors; restoring democracy in East Timor; supporting Russia's transformation to democracy and free markets; and integrating China into the international community. U.S. leadership has also been decisive in meeting new challenges and combating new threats such as weapons proliferation, terrorism, and drug-trafficking.

The FY 2001 budget builds upon past success to advance America's leadership position in the world, funding a number of new initiatives designed seize the new opportunities and face the new challenges the 21st century presents.

✓ **Maintaining a Strong and Capable Military.** Last year, President Clinton and Vice President Gore initiated a long-term, sustained increase in defense spending to protect our high level of military readiness and procure modern and effective weapons systems. This year's budget includes:

- **More Resources.** The FY 2001 budget will pay for the Department of Defense's most critical needs, consistent with the President's budget request. It provides $287.5 billion in discretionary budget authority, a $17.5 billion increase.
- **Military Readiness.** The FY 2001 budget fully funds key compensation initiatives, including the Administration's requests for a 3.7 percent pay increase for military personnel, training, spare parts, equipment maintenance, and base operations. It also fully funds a new pharmacy benefit for military retirees over the age of 65, ensuring that those who dedicated their lives to military service benefit from comprehensive prescription drug coverage.
- **Modernized Weapons Systems.** The bill fully funds key modernization programs such as the F-22 fighter aircraft, the CVN-77 Nuclear Aircraft Carrier, and National Missile Defense. America's armed forces must maintain their status as the best-equipped in the world.

✓ **Fighting Terrorism.** The bill includes $106 million for counterterrorism initiatives, including adding agents to Joint Terrorism Task Forces, enhancing technology and intelligence gathering along the northern border, enabling Treasury law enforcement to respond to unanticipated terrorist incidents, and improving the tracking of terrorist assets.

Other requests – Dunno the funding levels:

✓ **Kosovo.** $175 million to bolster democracy in Kosovo and help the democratic opposition in Serbia.

- ✓ **Southeast Europe Initiative.** $428 million to promote the political and economic integration of the Balkans into Europe and into the global community and economy.
- ✓ **Middle East Peace.** $1.8 billion from the Economic Support Fund (ESF) and $3.4 billion from Foreign Military Financing (FMF) to support the next phase of negotiations between Israel and its neighbors.
- ✓ **Expanded Threat Reduction Initiative (ETRI).** $974 million to contain the spread of weapons of mass destruction (WMD) from the former Soviet Union and to promote stability.
- ✓ **Colombia Assistance.** $954 million in FY2000 emergency supplemental appropriations plus $318 million in new FY2001 for drug interdiction in Colombia.
- ✓ **Debt Forgiveness.** $600 million for a U.S. contribution to the Heavily Indebted Poor Country trust fund over three years, including a $210 million supplemental request in FY2000. The budget also includes $37 million for the Tropical Forest Initiative, to use debt relief funds in support of conservation.
- ✓ **AIDS/Vaccines.** To combat AIDS and other infectious diseases, especially in the developing world, the budget proposes $100 million for AIDS prevention, $50 million for the Global Alliance for Vaccines and Immunizations, increased funding for vaccine research, and a new tax credit that will encourage the development of vaccines.
- ✓ **Expanding the Fight against Abusive Child Labor.** More than double combined investments in child labor from customs enforcement to helping children move out of dangerous work situations and into schools.

FARM SAFETY NET

- ✓ **Helping farmers and ranchers recover from natural disasters and low prices for their commodities.** The budget includes over $4 billion in assistance to farmers, ranchers, and rural residents who suffered losses from natural disasters, such as this summer's severe drought that impacted many parts of the country. This includes over $2 billion to compensate crop producers for quantity and quality losses and over $1 billion for livestock feed and dairy income assistance. In addition, the budget includes the President's proposal to extend the dairy price support program, providing further income support and security for dairy farmers.

- ✓ **Closing the "economic divide" in rural America.** The budget provides increases of $2.7 billion for loans and grants for high-priority rural development programs which will improve the quality of life for rural residents, strengthen rural communities, and diversify the rural economy. More than 1.5 million more rural residents will receive access to safe, affordable drinking water through water and wastewater loans and grants; nearly 100,000 jobs will be created or saved through $2.5 billion in guaranteed loans to rural businesses; and, over 60,000 very-low to moderate income rural families will receive single-family housing loans and loan guarantees, allowing many to own their own homes for the first time.

OTHER HIGHLIGHTS

Other Clinton-Gore initiatives funded by the 2001 budget include:

- ✓ **Protecting Youth and Holding Tobacco Companies Accountable.** [will need to update depending on what happens with litigation funding] Tobaccos is one of the nation's most serious public health challenges. Every year, more than 400,000 Americans die from tobacco-related diseases; nearly 90 percent of them started smoking as children. The budget agreement includes the funding necessary for the Department of Justice to proceed with the federal litigation effort to hold tobacco companies accountable for decades of unlawful conduct. This lawsuit seeks to prevent tobacco companies from continuing to engage in and profit from deception of the American public, particularly children, about the dangers of tobacco. This funding will allow the American people to have their day in court.

✓ **Expanding Civil Rights Enforcement.** The President requested a 13 percent increase for civil rights enforcement, bringing the total commitment to more than $1 billion per year. **(not final yet –what did we get)** Funding for the Civil Rights Division of Justice was expanded from $82 million in FY 2000 to $92 million in FY 2001 – a 12 percent increase. Funding for the Equal Employment Opportunity Commission increased from $281 million to $304 million in FY 2000 – an eight percent increase.**(not final)**

✓ **Funding the Native American Initiative.** The President and Vice President have won a $XXX increase—the largest increase ever—for critical funding for Native American communities. The final budget provides $292 million for Bureau of Indian Affairs school replacement and repair; $2.6 billion for the Indian Health Service; and $77 million in funding for this nation's tribal colleges.

✓ **Hate Crimes.**

✓ **Meeting Our Commitment to the Nation's Veterans.** The budget provides a $1.5 billion increase for the Department of Veterans Affairs, the largest increase ever requested by any Administration. These resources will improve benefits and services to the nation's 24 million veterans, serve more patients while ensuring high quality and timely care, improve the delivery of benefit payments for veterans, and ensure that we meet our National Shrine commitment to cemeteries for veterans.

✓ **Promoting the Arts in America.** This year President Clinton proposed to expand resources for the National Endowment for the Arts to provide support for the important cultural, educational and artistic programs for communities across America. Working together, the President and the Congress were able to increase funding for the NEA to $105 million, a $7 million boost over last year's funding level and the first significant increase in the six years since the Republicans took control of the Congress.

✓ **Teaching Immigrants English and Civics.** [will depend on whether it's funded in Labor-H] The President and Vice-President won [$50] million for the English Language/Civics Initiative—nearly double last year's funding. This program helps states and communities provide Limited English Proficient individuals with expanded access to quality English-language instruction linked to civics and life skills instruction, including understanding the U.S. government system, the public education system, the workplace, and other key institutions of American life.

✓ **Restoring Fairness to Legal Immigrants.** Congress approved the President's FY 2001 budget proposal to restore eligibility to legal immigrants in the United States before August 22, 1996 who either subsequently reach age 65 or who live in a household with Food Stamp eligible children. This initiative will restore benefits to about [165,000[legal immigrants by 2005 at a cost of [$565] million. [this assumes victory at level requested in our budget – has not happened yet; also include restoration of Medicaid/CHIP if that happens – probably listed under health section]]

DESPITE THE PROGRESS MADE BY THE 2001 BUDGET, UNFINISHED BUSINESS REMAINS OCTOBER XX, 2000

In the last days of the 106th Congress, President Clinton, Vice President Gore, and Congressional Democrats prevailed in making critical investments to advance the President's comprehensive education agenda, put more police on the streets, protect the environment, and strengthen America's leading role in the world. Nonetheless, much work remains for the future:

× **Raising the Minimum Wage.** Congress failed to increase the minimum wage by $1 over two years, a step that would simply restore it to the 1982 inflation-adjusted level. Congress' delay on this issue has already cost minimum-wage workers over $1,000. More than 11 million workers would benefit from a $1 increase in the minimum wage. A full-time, year-round worker at the minimum wage would get a $2,000 raise – enough for a typical family of four to buy groceries for 7 months or pay rent for 5 months.

× **Expanding Federal Hate Crimes Laws.** The President and Vice President have called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability. Congress should take a strong stand against intolerance and hatred by enacting such legislation without further delay.

× **Passing Common-Sense Gun Safety Legislation.** Congress must act to save more lives by passing sensible gun safety measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.

× **Extending the COPS Initiative.** Despite a proven record of success, the Congress has failed to reauthorize the Administration's overwhelmingly successful COPS program through FY 2005 to: fund the hiring of up to 50,000 more officers on the street; provide law enforcement with the latest crime-fighting technologies; and fund new community prosecutors to join community police in fighting crime at the local level.

× **Helping Working Families Save for a Car to Get or Keep a Job.** The President proposed to make it easier for hard-pressed working families to save for a car that will help them get and keep a job by expanding the uses of Individual Development Accounts to include saving for a car. While there is broad support for this issue among key members of Congress, program operators, and low-income families, it was not included in the final budget.

× **Enacting Comprehensive Campaign Finance Reform.** This year Congress failed once again to adopt real, meaningful reform of our campaign finance system. Congress should act to restore the public's faith in our political process.

× **Reducing Youth Smoking and Helping Current Smokers Quit.** President Clinton and Vice President Gore have prioritized protecting our children from the dangers of tobacco and holding tobacco companies accountable. In contrast, the Republican leadership has refused to pass legislation affirming full FDA authority to curb youth access to tobacco products and prevent tobacco companies from marketing to children. Congress also failed to adopt the Administration's initiative to cut youth smoking in half through a significant price increase, and by holding tobacco companies accountable through strong incentives for reducing sales and marketing to minors. Finally, Congressional Republicans also rejected the Administration's proposal to ensure that Medicaid beneficiaries have access to medical treatments.

- **Reauthorizing the Elementary and Secondary Education Act.** For the first time in more than three decades, Congress has allowed the Elementary and Secondary Education Act (ESEA) to lapse. President Clinton transmitted his proposal to reauthorize the ESEA in May 1999, but nearly 18 months later, Congress has not yet acted. The ESEA authorizes the federal government's largest investments in elementary and secondary education and is its most significant effort to ensure that all children receive a quality education. The President's proposal would strengthen accountability, improve teacher quality, increase school safety, expand public school choice, promote secondary school reform, and reauthorize programs such as Title I (aid to disadvantaged students), bilingual education, magnet schools, and programs that support technology in schools.

OTHER POTENTIAL ITEMS:

- ***Strengthening Social Security:*** *The President has put forth a specific proposal to use the benefits of fiscal discipline and debt reduction to strengthen Social Security, extending its solvency from 2034 to 2050. This would be a down payment on truly saving Social Security. The Republican so-called "lockbox" legislation would not add a single day to the life of Social Security.*

- ***Modernizing and Strengthening Medicare:*** *Although members of both parties joined the President in the effort to adjust Medicare health care provider payments, Congress failed to address the growing challenges that Medicare faces. With the number of beneficiaries expected to double over the next 30 years, Medicare needs adequate resources and the tools to be as efficient as possible. A long-overdue prescription drug benefit option is also essential for seniors and people with disabilities.*

- ***Funding the EEOC:*** *Despite EEOC's success in beginning to reduce its backlog of private-sector cases in the last year, Congress failed to provide the funding which would allow EEOC to meet its goal of reducing the backlog of cases to 28,000 by the end of 2000. In addition, despite the fact that women still earn only approximately 75 percent of what men earn, Congress has failed to fund the EEOC's Equal Pay Initiative to improve compliance with equal pay laws.*

- ***Providing for Long-term Care Assistance for the Those Chronic Illnesses and Their Families:*** *At the beginning of this year, the President proposed a new, $6 billion initiative to address complex long-term care needs, including an unprecedented $1,000 tax credit that compensates Americans with long-term care needs of all ages or the family caregivers who support them for their formal or informal costs. The initiative also supports a new National Family Caregivers Support Program that provides a range of critical services such as respite, home care services, and information and referral. Many members of Congress, on a bipartisan basis, introduced similar proposals, but despite this, the Congress failed to respond and lost an opportunity to provide critical assistance for this population.*

- ***Providing Health Options for Older Americans:*** *In the FY 1999 and FY 2000 budgets, the President proposed an initiative to expand health options available for older Americans by: enabling Americans aged 62 to 65 to buy into Medicare by paying a full premium; providing vulnerable displaced workers ages 55 and older access to Medicare by offering those who have involuntarily lost their jobs and their health care coverage a similar Medicare buy-in option; and providing Americans ages 55 and older whose companies reneged on their commitment to provide retiree health benefits a new health option, by extending "COBRA" continuation coverage until age 65. Despite the fact that the number of uninsured Americans aged 55 to 65 is growing faster than any other age group, Congress refused to act on this proposal.*

- ***Encouraging Small Businesses to Offer Health Insurance:*** *In the FY 2000 budget, the President proposed an initiative to encourage small businesses to offer health insurance to their employees through: a new tax credit for small businesses who offer coverage by joining coalitions; encouraging private foundations to* *support coalitions by allowing their contributions towards these organizations to be tax exempt; offering technical assistance to small business coalitions from the Office of Personnel Management. The President urges Congress to provide new health insurance options for these vulnerable Americans.*

× ***Continuing to Help People Move From Welfare to Work:*** *In January, the President proposed to invest an additional $1 billion in the Welfare-to-Work program and to reauthorize the program with several changes including helping more low-income fathers work and support their children. The Congress enacted eligibility changes similar to those proposed by the Administration to allow States, tribes and communities to more effectively serve low-income fathers and hard-to-employ welfare recipients, but failed to provide any new funding.*

× ***Promoting Peacekeeping:*** *While the budget goes a long way in meeting the anticipated requirements for funding UN peacekeeping operations around the world, the Congress did not fund the full requests. The shortage threatens to undermine fragile peace processes around the world or to incur additional UN arrears. To promote peace and encourage burden-sharing, Congress should fully fund UN peacekeeping efforts.*

× ***School Construction:*** *Despite record student enrollment and a massive maintenance backlog in our nation's schools, Congressional Republicans again failed to enact school construction legislation. The President's school construction proposal would provide funding to help states and school districts build and modernize 6,000 schools nationwide. We can not hold students to high academic standards if we do not provide them with adequate facilities within which to learn. Congress should pass the President's plan and invest in our nation's schoolchildren.*

× ***Enacting Comprehensive Campaign Finance Reform:*** *This year, the Congress failed once again to adopt real, meaningful reform of our campaign finance system. Although the House passed a bipartisan reform plan, a minority of the Senate blocked further action and left unchecked the influence of moneyed special interests. The President will continue to fight for comprehensive campaign finance reform and believes that the Senate should act to restore the public's faith in our political process.*

× ***Child Care Initiative.*** *In his State of the Union, the President proposed an historic child care initiative to make child care better, safer, and more affordable for America's working families. The President's proposal included $7.5 billion over 5 years for child care subsidies for low-income working families, and tax credits to help millions of working families pay for child care. The Republican Majority has refused to support these critical investments.*

× ***Farm Assistance.*** *The President and Vice President were pleased to get $8.6 billion in emergency assistance to farmers and ranchers, but they believe that Congress did not address the underlying issues that exist in the wake of Freedom to Farm legislation. For example, most of the assistance is not targeted to farmers who need it most, but is available to farmers, both large and small, whether they have suffered particular difficulty this year or not.*

× ***Providing Fairness to Immigrant Families.*** *Congress has failed to take action to provide fairness to immigrant families by: restoring important disability, health, and nutrition benefits to additional categories of legal immigrants; restructuring the Immigration and Naturalization Service (INS); approving the Administration's proposal to support the process of democratization and stabilization now underway in Central America and Haiti and ensure equitable treatment for migrants from these countries; or changing the registry date to permit long-term migrants to adjust their status.*

PRESIDENT CLINTON: MAKES OFFER TO BUILD BIPARTISAN COMMON GROUND ON TAX CUTS FOR MIDDLE-CLASS AMERICANS AND URGES CONGRESS TO PASS A BUDGET THAT INVESTS IN EDUCATION AND ADDRESSES AMERICA'S PRIORITIES

October 25, 2000

Today, in an effort to find bipartisan common ground on tax cuts for middle-class families, President Clinton will send an offer to Speaker Hastert and Majority Leader Lott outlining a consensus package of tax relief legislation that he would sign this year. He will also call on Congress to finish its job by addressing America's priorities. Nearly a month after the end of the fiscal year, Congress still has not finished a budget. The fourth deadline extension expires at midnight tonight. Today, President Clinton will reiterate that he will grant additional extensions one day at a time to ensure that Congress stays in town and completes its business. Before adjourning, Congress should pass tax cuts for middle-class families, invest in key priorities like education, provide health care coverage and long-term care assistance for more working families, and adopt legislation to address America's key priorities, while maintaining a fiscally responsible budget that pays down the debt.

IN ADDITION TO MAKING THE OFFER TO BUILD COMMON GROUND ON TAX CUTS FOR MIDDLE-CLASS FAMILIES, PRESIDENT CLINTON WILL CALL ON CONGRESS TO FINISH THE BUDGET NOW AND INVEST IN EDUCATION. In February, President Clinton and Vice President Gore sent Congress a balanced and fiscally responsible budget that makes investments in key education initiatives. Nearly one month past the end of the fiscal year, Congress still has not completed a budget. The budget Congress has passed so far:

- **Fails to create new school modernization bonds.** The Republican plan would not dedicate funds to helping communities build and modernize up to 6,000 schools, while the President's budget would support $25 billion in bonds for that effort, **including tribal bonds for schools serving Native Americans**.
- **Fails to guarantee funding for urgent school repairs.** President Clinton's plan includes $1.3 billion to help school districts repair roofs, heating and cooling systems, and electrical wiring. The Republican plan would not dedicate funds to these purposes, and could deny much-needed renovations up to 5,000 schools.
- **Fails to expand after-school opportunities.** The Republican plan is $400 million less than the President's budget and denies funding for more than 3,000 centers that would provide after-school and summer programs to more than one million children.
- **Fails to secure funding for class-size reduction.** The Republican plan fails to dedicate $1.75 billion to help school districts hire 20,000 new teachers and support the 29,000 teachers already hired under the Class-Size Reduction initiative, potentially denying smaller classes to 2.9 million children.
- **Fails to provide sufficient resources to improve teacher quality.** The Republican plan, which provides $527 million less than the President's teacher quality proposal, fails to fully support teacher professional development, recruitment, and rewards, and does not help ensure a qualified teacher in every classroom.
- **Fails to help turn around failing schools.** The Republican plan denies funding for the Accountability Fund—$250 million below the President's budget—denying resources to states and school districts to turn around low-performing schools and hold them accountable for results.

FOCUSING ON AMERICA'S PRIORITIES. President Clinton will call on Congress to do their job by addressing America's priorities before returning to their districts to campaign for re-election. Specifically, Congress should:

- **Provide an affordable prescription drug benefit option for all Medicare beneficiaries.** Three out of five Medicare beneficiaries have inadequate prescription drug coverage or none at all. In the context of broader reform that ensures that Medicare revenues are only used for Medicare, the President has proposed a voluntary, affordable, Medicare prescription drug benefit for all beneficiaries.
- **Enact a meaningful Patient's Bill of Rights.** The majority of the U.S. Senate supports a strong, enforceable Patients' Bill of Rights, similar to the bipartisan Norwood-Dingell plan. However, the

Republican leadership continues to support an alternative that leaves over 135 million people without protections and doesn't assure that plans are held accountable when they make decisions that harm patients.

- **Raising the minimum wage.** Raising the minimum wage by $1 over two years would help more than 10 million workers make ends meet. At a time when we are experiencing the longest economic expansion in history, the proposed $1 increase before Congress would merely return the real value of the minimum wage to the level it was in 1982. It would give full-time workers an annual raise of about $2,000 a year, enough money to pay for nearly 7 months of groceries or 5 months of rent. Approximately 33 percent of minimum-wage workers rely on their income to support children under 18;
- **Pass hate crimes legislation.** ~~The Senate has already passed legislation that will punish hate crimes based on a victim's sexual orientation, gender, or disability—areas not covered by current law. The President will urge the House to act expeditiously to pass this critical proposal.~~ **The President will urge Congress to send him meaningful hate crimes legislation this year. This legislation will allow federal prosecution of hate crimes based on gender, disability, or sexual orientation. —**

- **Ensure equal pay for women.** The President's **$45 million for his Equal Pay Initiative which will provide training to employers on wage discrimination; train women in nontraditional jobs; provide for apprenticeships; and support industry partnerships. Within this initiative, the National Science Foundation will invest $20 million to remove barriers to career advancement for women scientists and engineers.**

- ~~$27 million Equal Pay Initiative will help the EEOC and Labor Department fight wage discrimination. The~~ President will also urge Congress to pass the "The Paycheck Fairness Act," introduced by Senator Tom Daschle and Congresswoman Rosa DeLauro, to strengthen laws prohibiting wage discrimination.
- **Insist on fairness for immigrants.** The President will reiterate his commitment to ensuring fairness for immigrants who have been in this country for years, working hard and paying taxes, by enacting the Latino and Immigrant Fairness Act (LIFA) this year and restoring critical nutrition assistance and health benefits for legal immigrants.
- **Protect our nation's youth and hold tobacco companies accountable.** The President will call on Congress to provide the funds necessary to support the Department of Justice's tobacco litigation so we can hold the tobacco companies accountable for the harm they've caused and give the American people their day in court.

PRESIDENT CLINTON: PRESERVING OREGON'S NATURAL TREASURES
October 30, 2000

Today, President Clinton today signed legislation providing additional protections for 425,000 acres of federal land in southeastern Oregon, marking a bipartisan effort that brought together local ranchers and environmentalists. The President signed the Steens Mountain Cooperative Management and Protection Act, safeguarding an extraordinary landscape in southeastern Oregon -- wild rivers, volcanic uplifts, canyons, sand dunes and a rich diversity of plant and animal species -- and a way of life for all who live there, proving again that a strong economy and a healthy environment can go together.

A Partnership to Preserve the "American West". The bipartisan legislation establishes additional protections for 425,000 acres of public land in southeastern Oregon. An advisory council including local ranchers, environmentalists, and recreational users will work with federal land managers on new approaches to meet the area's human and ecological needs. Specifically, the Steens Mountain Cooperative Management Protection Act accomplishes the following:

- provides wilderness protection to 156,000 acres of the most pristine areas, ending cattle grazing on these lands;
- places nearly 900,000 acres (including the areas described above) off limits to new mining and mineral leasing;
- limits off highway vehicles to specific roads and trails;
- allows grazing, recreation, historic, and other uses in areas where they are sustainable;
- protects two new "wild" rivers, Wildhorse and Kiger Creek; and
- provides for voluntary agreements with private landowners to acquire some of the most fragile lands within the Steens Mountain area.

Today's action enjoys broad local support among ranchers, property owners, and environmentalists. The President acknowledged the efforts of Secretary Babbitt, Oregon Senators Wyden and Smith, Representatives Walden, Hooley and DeFazio and the entire Oregon congressional delegation, Governor Kitzhaber, community landowners and officials, and local ranching and environmental organizations. The Steens Mountain Cooperative Management and Protection Act represents a unique agreement to protect Oregon's natural resources and heritage for this and future generations.

Protecting "The Steens," an American Treasure. Steens Mountain, often called "The Steens," is a 30-mile-long fault block, thrust a mile upward 15 million years ago when layers of basalt gave way under the pressures caused by the Earth's cooling and contracting. The tilting of the fault block to the west resulted in a rugged eastern face rising to the escarpment at 9,773 feet, one vertical mile above the Alvord Desert in a horizontal distance of approximately three miles.

Fourteen million years later, glaciers carved the mountain, moving down the Blitzen, Wildhorse Kiger, and Indian Creek valleys, resulting in the present U-shaped gorges. Complete erosion took place at one location between the western and eastern faces. The rugged eastern face of the Steens contrasts with the gentle western slope that gradually descends into the Blitzen and Catlow valleys.

A Commitment to a Healthy Environment and Strong Economy. Under the leadership of President Clinton and Vice President Gore, America is doing more than ever to ensure a safe, healthy environment for our families. Over the past seven years, the Administration has built a strong record of environmental and public health protection:

- Adopted the strongest air quality protections ever, cleaned up three times as many Superfund sites as the previous two Administrations combined, and strengthen drinking water protections for millions of Americans;
- Preserved and restored natural treasures from the Florida Everglades to the California redwoods, and on track to protect more land in the lower 48 states than any other Administration;
- Made record investments in public transit, helped hundreds of communities clean up and redevelop brownfields, and launched new efforts to help communities fight sprawl;
- Led the international community in the fight against global warming, the most profound environmental challenge we face.

Most importantly, Americans enjoy the cleanest air and water in a generation while also benefiting from the longest economic expansion in our nation's history.

# # #

Redlined + latest welfare & working families 2:30pm 10/18/00

Helping Former Welfare Recipients And Other ~~Low Income Workers~~Low-Income Workers Get To Their Jobs: Congress provided guaranteed funding of $100 million for the Job Access and Reverse Commute program, a critical component of the Administration's effort to move families from welfare to work and support working families. This is an increase of $25 million over the FY 2000 level, but less than the $150 million requested by the Administration. Regrettably, Congress earmarked 75 percent of the funds and failed to allow Native American tribes to apply directly for Job Access grants.

Funding 79,000 New Housing Vouchers for America's Hard Pressed Working Families: Congress approved $XXX for new vouchers which subsidize the rents of low-income Americans, enabling them to move closer to job opportunities – many of which are being created far from where these families live. These vouchers build on the 110,000 new vouchers secured though the President's leadership in the past two years, and represent a doubling of the annual number of new vouchers secured over last year.

Increasing Voucher Use And Tenant Housing Options: Language in the budget reforms voucher rules to improve use at the local level while enhancing tenant options and choice by ensuring that some vouchers can be used to expand tenant rental options. However, all tenants will continue to have the option to move if their family needs change, without losing their housing assistance. [Note: Deich and I agree that we have to talk about this win in terms that reflect our priorities.]

Increasing Support For The Federal Emergency Agency's Emergency Food And Shelter Programs: These grants go to the states and are distributed to local communities that use the funds to provide assistance to families and individual in need of emergency housing and food assistance. The final bill increases funding to $140 million, and increase of $30 million over last year. [Check. What was PB request?]

Funding to States for Critical Local Needs: Congress approved [$2.1] billion for the Social Services Block Grant which plays a critical role in funding child welfare and child protection services, as well as services to the elderly, disabled, and child care for children of hard-pressed working families. The Administration's request was for $1.775 billion, a $75 million increase over the ~~last year.~~authorized level. [Not final – draft conference report was for $1.7 million.]

Helping to Invest for the Future: ~~The Administration proposed amendments to the national~~Congress approved the President's budget request of [$25] million to create over 20,000 new Individual Development ~~Account demonstration program that will~~Accounts to empower~~program operators to encourage~~ ~~low-income working families to save for a first home, postsecondary education, or to start a new business. Congress~~ low-income working families to save for a first home, postsecondary education, or to start a new business. Congress ~~has~~ also ~~approved~~ approved ~~these program improvements and provided~~ the Administration's proposed changes that make it simpler and easier for community-based organizations and individuals to participate in this national demonstration program. This builds on President Clinton's longstanding support for empowering individuals to save through IDAs. [this assume victory – pending in L/H]

Helping Hard-Pressed Working Families To Meet Their Nutritional Needs: Congress approved an important change proposed by the Administration enabling 245,000 people to own a reliable car and still be eligible for food stamp assistance, as well as helping over 2 million people put food on the table by ensuring that the food stamp program more accurately recognizes high housing costs faced by many low-income working families.

Restoring Fairness to Legal Immigrants: In a major win, Congress approved the President's FY 2001 budget proposal to restore eligibility to legal immigrants in the United States before August 22, 1996 who either subsequently reach age 65 or who live in a household with Food Stamp eligible children. This initiative will restore benefits to about [165,000[legal immigrants by 2005 at a cost of [$565] million. [this assumes victory at level requested in our budget – has not happened yet; also include restoration of Medicaid/CHIP if that happens – probably listed under health section]]

Nutrition And Health Care For Women And Young Children: The [enrolled bill] provides $4.05 billion million for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), an increase of $20 million over FY 2000, which is sufficient to provide vouchers for nutritional food packages, nutrition education and counseling, and health care and immunization referrals to an average of 7.35 million women, infants, and children each month. [NOTE: This level is $57 million below the requested level, which would have supported full participation by a monthly average of 7.5 million individuals. Calling this a win may suggest that we concede that we don't have 7.5 million in need.]

Responsible Reintegration for Young Offenders: The budget provides [$75 million] for a new initiative in the Department of Labor to help young offenders under the age of 35 to successfully reintegrate into the mainstream into the mainstream economy. Competitive grants will be made to partnerships between the criminal justice system and local workforce investment systems, and will coordinated with reentry partnerships and reentry courts funded through the Department of Justice and substance abuse and mental health funding from the Department of Health and Human Services.

Extending Welfare-to-Work Grants: To help more long-term welfare recipients and low-income fathers go to work and support their families, the Administration proposed and Congress approved giving state, local, tribal, and community- and faith-based grantees an additional two years to spend existing Welfare-to-Work funds. This will give grantees an opportunity to fully implement the $3 billion Welfare-to-Work initiative the Administration fought to include in the 1997 Balanced Budget Act, as well as the program eligibility improvements enacted last year with the Administration's support. [pending approval in L/HHS]

Second Chance Homes: The budget provides [$25 million] to support adult-supervised and supportive living arrangement, often called second chance homes, for unmarried teen parents and their children who cannot live at home or with other relatives. This builds on the Administration's comprehensive efforts to break the cycle of dependency and reduce teen pregnancy, which have resulted in the lowest teen pregnancy and teen birth rates on record.

Expanding Substance Abuse Prevention and Treatment: The budget continues the Administration's commitment to expanding substance abuse treatment with a [$xx million] increase in funding, a [xx%] increase since 1993. This includes an additional [$xx million] for Targeted Capacity Expansion grants to help communities address gaps in substance abuse services for emerging areas of need. Combined with an additional [$xx million] for the Substance Abuse Block Grant, the budget will provide treatment for another [xx,000] individuals.

Promoting Responsible Fatherhood And Improving Child Support: Congress approved important new initiatives – similar to the President's budget proposals-- to promote responsible fatherhood and increase the child support paid directly to families. When fully implemented, this will increase child support payments to low-income women and children by over $1 billion per year and provide grants to states and communities to [help more fathers honor their responsibilities to their children – CHK to make sure Hill is OK w/ this characterization of the bill]. This builds on President Clinton and Vice President Gore's strong commitment to strengthen the role of fathers in their children's lives and ensure more children receive the emotional and financial support they need. Child support collections have reached a record $16 billion – double the level in 1992. [assumes enactment or inclusion in L/HHS]

ESL/Civics: [will depend on whether it's funded in Labor-H] The President and Vice-President won [$50] million for the English Language/Civics Initiative—nearly double last year's funding. This program helps states and communities provide Limited English Proficient individuals with expanded access to quality English-language instruction linked to civics and life skills instruction, including understanding the U.S. government system, the public education system, the workplace, and other key institutions of American life.

Protecting Youth and Holding Tobacco Companies Accountable: [will need to update depending on what happens with litigation funding] The budget agreement includes the funding necessary for the Department of Justice to proceed with the federal litigation effort to hold tobacco companies accountable for decades of unlawful conduct. This lawsuit seeks to prevent tobacco companies from continuing to engage in and profit from deception of the American public, particularly children, about the dangers of tobacco. This funding will allow the American people to have their day in court.

DISABILITY [NEC or Health will likely be covering these, but just in case we wanted to make sure a placeholder was in there—we're checking status]

Establishing an Office of Disability Policy: The budget agreement includes funding to establish an Office of Disability Policy within the Department of Labor, as recommended by the Presidential Task Force on Employment of Adults with Disabilities. This step will improve access for adults with disabilities to employment services offered through one-stop career center systems.

A New $1,000 Tax Credit To Offset The Formal And Informal Employment Related Costs Incurred By Working People With Disabilities: The budget agreement fails to include a tax credit to provide a new incentive for approximately 200,000-300,000 people with disabilities to begin working, and help those people with jobs maintain them. This credit would have complemented the Work Incentives Improvement Act and would be available to all people with disabilities, irrespective of their state Medicaid eligibility options. For participants in the Work Incentives Improvement Act Medicaid buy-in, this tax credit would have paid for services not covered (e.g., assistive technology, transportation).

Disappointments

Allowing Working Families To Save For A Car That Will Allow Them To Get Or Keep A Job: The President proposed to make it easier for hard-pressed working families to save for a car that will help them get and keep a job by expanding the uses of Individual Development Accounts to include saving for a car. While there is broad support for this issue among key members of Congress, program operators, and low-income families, it was not included in the final budget.

Philanthropy Tax Proposals:

Reducing Youth Smoking and Helping Current Smokers Quit: President Clinton and Vice President Gore have made it their priority to protect our children from the dangers of tobacco and hold tobacco companies accountable. By contrast, the Republican leadership has refused to pass legislation affirming full FDA authority to curb youth access to tobacco products and prevent tobacco companies from marketing to children. Congress also failed to adopt the Administration's initiative to cut youth smoking in half through a significant price increase, and by holding tobacco companies accountable through strong incentives for reducing sales and marketing to minors. Finally, Congressional Republicans also rejected the Administration's proposal to ensure that Medicaid beneficiaries have access to medical treatments that will help them break their addiction to tobacco.

welfare workers families 1st one

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Helping to Invest for the Future: The Administration proposed amendments to the national Individual Development Account demonstration program that will make it simpler and easier for program operators to encourage low-income working families to save for a first home, postsecondary education, or to start a new business. Congress has approved these program improvements and provided the President's budget request of [$25] million to create over 20,000 new accounts. [this assume victory – pending in L/H]

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Expanding Substance Abuse Prevention and Treatment: Block grant and targeted capacity funding.

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A Victory for American Students

- **$250 Million for Title I Accountability grants:** This $116 million increase will accelerate efforts by States and school districts to improve accountability and turn around failing schools. This request will help States and districts provide extra help to at least 80 percent of schools identified for improvement as opposed to less then 50 percent in 1999
- **$1.75 billion for the Class Size Reduction initiative:** This $450 million increase will improve educational results by reducing class size in the early grades to 18 or below with well-qualified teachers in the early grades. This initiative brings the total number of quality teachers hired to 49,000 in the last 3 years.
- **$1 billion for 21st Century Community Learning Centers:** This $547 million is a full 121percent higher then last year. The 21st CCLC will provide more high-quality extended learning opportunities for children and to help insure that every child that attends a failing school will have the opportunity to participate in quality after-school or summer-school programs.
- **$120 million for a Small, Safe and Successful High School program:** This will help create smaller and more supportive learning environments in approximately 700 of the nation's largest high schools through innovations like schools-within-schools or career academies that allow teachers to spend more quality instructional time with students.
- **$175 million for Charter Schools:** This $30 million increase will support the start up of 1,700 new or redesigned schools that offer enhanced public school choice and have the flexibility to offer innovative educational programs in exchange for greater accountability for student achievement.
- **$690 million for Teaching to High Standards State Grants:** This program promotes professional development along with school and classroom-based improvements linked to state standards and assessments.
- **$25 million for Transition to Teaching (Troops to Teachers):** This $25 million will create a Department of Defense model to recruit quality teachers from the ranks of engineering and the sciences, corporations, and other career-changing professionals.
- **$30 million for a new Early Childhood Educator Professional Development program:** This $30 million will train 15,000 early childhood educators and caregivers in advancing children's language and literacy skills to help prevent later difficulties in learning and reading.
- **$1.3 billion for a new School Renovation program:** This total includes $50 million in grants to approximately 119 local educational agencies with at least 50 percent of their children residing on Indian lands. Also included is $125 million in grants to other high-need local educational agencies, and $1.125 billion that would subsidize an estimated $6.5 billion in seven year, no interest loans.
- **$25 billion in tax credit bonds over two years to modernize up to 6,000 schools:** This School Modernization Bond will provide interest-free financing

to help State and Local governments pay for school construction and renovation.

- **A $125 million increase for GEAR UP:** This 62.5 percent increase will help raise the educational expectations of approximately 1.4 million low-income elementary and secondary school students. This program will give kids the skills and encouragement they need to enter and succeed in college.
- **The Pell grant has increased from $200 to $3,500:** With the highest maximum award ever, nearly 3.9 million students will receive Pell grants. This will also improve access to post-secondary education for students from the neediest families.

Hispanic Education Action Plan

- **$416 million increase for Title I Grants to Local Educational Agencies:** This will improve the educational outcome for the one-third of Title I students who are Hispanic.
- **$100 million for Bilingual Education Professional Development:** This increase of $28.5 million addresses the continual shortage of bilingual education and English as a second language teachers needed to serve limited English proficient students. This is 40 percent over last year.
- **$180 million for Bilingual Education Instructional Services:** This increase of $17.5 million will help school districts build their capacity to operate high-quality instructional programs for LEP students. This increase is targeted at districts with rapidly growing LEP populations and little prior experience in serving such students.
- **$380 million for the Title I Migrant State Grants program:** This 25 million, or 7 percent increase, will meet the unique needs of the children of highly mobile migrant agricultural and fishery workers. This will bring better coordination of the resources available for serving migrant students.
- **$30 million for the High School Equivalency Program and College Assistance Migrant Program:** This increase of $8 million or 36.4 percent, will support 20 new projects serving more than 2,600 additional students.

FY 2000 BUDGET

PRESIDENT CLINTON, VICE PRESIDENT GORE, AND CONGRESSIONAL DEMOCRATS WIN ON THE BUDGET, BUT CONGRESS STILL NEEDS TO DO MORE WORK TO ADDRESS AMERICA'S PRIORITIES

November 18, 1999

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OVERVIEW: PRESIDENT CLINTON, VICE PRESIDENT GORE, AND CONGRESSIONAL DEMOCRATS WIN ON THE BUDGET, BUT CONGRESS STILL NEEDS TO DO MORE WORK TO ADDRESS AMERICA'S PRIORITIES

November 18, 1999

PROTECTING FISCAL DISCIPLINE AND PAYING DOWN THE DEBT. The budget agreement represents a victory for President Clinton's stand for fiscal discipline. Between 1981 and 1992, the debt quadrupled. In 1992 the deficit was $290 billion and projected to rise to over $400 billion in 1999. As a result of the tough and sometimes unpopular choices made by President Clinton in 1993 and 1997, we have seen seven consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of $123 billion – the largest ever. Throughout the year, the Republicans have been proposing fiscally irresponsible tax cuts that would have jeopardized this record of fiscal discipline. In September, the President vetoed a Republican tax cut that would likely have drained hundreds of billions of dollars of the Social Security surplus from debt reduction. As a result of the President's stand, America will stay on course to pay off the debt held by the public by 2015 – for the first time since Andrew Jackson was President.

A VICTORY FOR AMERICA'S STUDENTS. After vetoing a Congressional budget that denied funding to priority education and training investments, President Clinton and Vice President Gore delivered on their ambitious education agenda.

- ✓ **More High-Quality Teachers With Smaller Class Sizes**: Following on a new initiative by the President last year, the budget agreement includes $1.3 billion for a bipartisan plan to help reduce class size in the early grades by hiring 100,000 quality teachers over the next six years.
- ✓ **Double Funding for After School:** $453 million for after school, providing support to 675,000 students – 375,000 more than last year.
- ✓ **GEAR UP:** A 67 percent increase to $200 million for the President's GEAR UP initiative, which helps 482,000 students aspire to and prepare for college – the second year of this new initiative.
- ✓ **Accountability for the Lowest Performing Schools:** $134 million in Title I funds to help turn around the worst-performing schools and hold them accountable for results.
- ✓ **Expanded Head Start:** A $607 million increase for Head Start to serve an additional 44,000 children. Total funding is $5.3 billion – 90 percent higher than 1993.
- ✓ **Hispanic Education Agenda:** $436 million in increases for a number of education programs that help to improve the educational achievement and high dropout rates of Latino students.
- ✓ **Largest Pell Grant Maximum Award Ever:** Increased to $3,300 – a 43 percent increase since 1993.

FIGHTING CRIME, DRUGS, AND GUNS. To keep crime coming down to record lows, President Clinton fought for important investments in the budget to build on the Administration's successful community policing initiative, including funds to put more police on the street and critical resources to strengthen law enforcement efforts to keep communities safe.

- ✓ **More Police for Our Streets**: The budget contains full funding for the first installment toward the President's goal to hire up to 50,000 more police officers for our Nation's streets by 2005. The initiative builds on the President's successful COPS program that has already funded 100,000 police officers to help keep America's streets safe.

INVESTING IN A CLEANER ENVIRONMENT. President Clinton and Vice President Gore won significant gains for the environment in the fiscal year 2000 budget, including new resources to combat water pollution, protect wildlife, address global warming, and preserve precious lands across the country. At the same time, the President and Vice President forced Congress to drop or substantially modify dozens of anti-environmental riders that would have rolled back hard-won environmental safeguards and benefited special interests at the expense of our public lands.

- ✓ **Preserving Our Lands Legacy:** The President and Vice President won $651 million for Lands Legacy, a 42 percent increase for this historic initiative that strengthens federal efforts to preserve natural treasures and provides communities with new resources to protect local green spaces.

MAINTAINING AMERICA'S GLOBAL LEADERSHIP. The Republican Congressional budget would have turned its back on America's leading role in the world by not providing funds for peace in the Middle East, leadership at the United Nations, economic development in the poorest countries, and efforts to halt the spread of nuclear weapons. The President fought for and secured victories to strengthen America's leading role in the world – by meeting our commitment to the Middle East peace process, paying our dues and arrears to the United Nations, making a critical investment in debt relief for impoverished countries, funding efforts to safeguard nuclear weapons and expertise from the former Soviet Union, and help raise labor standards around the world.

EMPOWERING FAMILIES AND COMMUNITIES. President Clinton and Vice President Gore are committed to tapping the potential of America's urban and rural communities. This budget moves forward on their vision to help revitalize America's communities and empower families.

- ✓ **Funding 60,000 New Housing Vouchers for America's Hard-Pressed Working Families.**
- ✓ **Additional Funding for Empowerment Zones:** The budget provides $55 million in funding for Urban Empowerment Zones and $15 million for Rural Enterprise Zones and Enterprise Communities.
- ✓ **Continuing To Build a Network Of Community Development Banks Across the Nation:** The final budget includes $95 million for the Community Development Financial Institutions (CDFI) Fund.

PROGRESS ON THE NEW MARKETS INITIATIVE: In his State of the Union, President Clinton proposed to bring more private investment to all areas of the United States. The President and Congressional Leaders have agreed to work together to enact bipartisan legislation to help spur economic development in urban and rural communities that have not shared fully in the benefits of the nation's strong economy. The New Markets initiative enjoys bipartisan support.

- ✓ **Funding America's Private Investment Companies (APICs):** Provides $20 million of funding for APICs (subject to authorization), a key element of the President's New Markets Initiative, that would leverage $800 million of new investment in underserved areas.
- ✓ **New Markets Venture Capital Program:** Provides, subject to authorization, $16.5 million in funding for New Market Venture Capital Firms (NMVCs) and BusinessLINC to bring equity capital and technical assistance to small businesses in low- and moderate-income neighborhoods.

ADDRESSING HEALTH CARE. The President won a $34.5 billion investment in health programs, 11.7 percent above the FY 1999 enacted level, to strengthen the public health infrastructure, provide critical prevention and treatment services to individuals with mental illness, and advance biomedical research with a historic investment of $2.3 billion.

✓ **Passing the landmark Work Incentives Improvement Act for people with disabilities:** Since 1998, the President has advocated for the passage of the bipartisan Jeffords-Kennedy-Roth-Moynihan Work Incentives Improvement Act. Currently, people with disabilities often become ineligible for Medicaid or Medicare if they work, forcing a choice between health care and employment. This legislation allows people with disabilities to maintain their Medicare or Medicaid coverage when they go to work. It also includes a $250 million demonstration, which the President insisted on fully funding, that allows people with disabilities who are still working and are not yet sufficiently disabled to qualify for Medicaid to buy into the program. Finally, the bill reforms the training system for people with disabilities.

RESPONDING TO THE FARM CRISIS: The Agriculture Appropriations bill included $8.6 billion in emergency funds to assist our Nation's farmers and ranchers who are suffering through the second year in a row of low commodity prices and, for many, crop and livestock losses from severe drought and flooding. The final budget includes over $550 million more to fulfil the unmet needs identified by the President, including significant funds targeted to hurricane-affected areas, increased crop loss payments for all producers, and over $2.5 billion in additional farm loans to help producers secure financing for next year's crop. The President and Vice President remain concerned that Congress did not address the underlying issues that exist in the wake of Freedom to Farm legislation and that more needs to be done.

A STRONG RESEARCH AND DEVELOPMENT AGENDA: The final budget included an unprecedented commitment to key civilian research. The final budget increases the President's "21st Century Research Fund" for civilian research programs by more than $3 billion. It also includes a five year extension of the Research and Experimentation tax credit.

✓ **National Science Foundation**: A 6.6 percent increase in support for science and engineering research and education.
✓ **National Institutes of Health**: Provides $2.3 billion, a 15 percent increase over FY 1999 funding levels, to build on the President's commitment to biomedical research.
✓ **Information Technology**: The final budget includes more than $80 million in funding for the Next Generation Internet and $235 million for the Administration's "Information Technology for the 21st Century" initiative.

MUCH WORK STILL LEFT TO DO In the waning days of the session, the President and Congressional Democrats prevailed in making critical investments to advance the President's comprehensive education agenda, put more police on the streets, protect the environment, and strengthen America's leading role in the world. But much work still remains to be done.

× **Passing Common Sense Gun Legislation:** Congress must pass a bipartisan juvenile crime bill that includes strong gun measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.

× **Passing a Strong, Enforceable, Patients' Bill of Rights:** During the past two years, the President has exercised his executive authority to extend critical patient protections to over 85 million

Americans. But ultimately, the only way to ensure that all Americans in all plans have basic consumer protections is to enact a strong, enforceable Patients' Bill of Rights.

- **Strengthening Social Security:** The Republicans have proposed so-called "lockbox" legislation that would not add a single day to the life of Social Security; the President has asked them to join him in using the benefits of fiscal discipline to extend the life of Social Security from 2034 to 2050.
- **Modernizing and Strengthening Medicare:** Although members of both parties joined the President and Vice President in the effort to adjust Medicare health care provider payments, Congress failed to address the growing challenges that Medicare faces. These challenges include modernizing it with a long overdue, optional prescription drug and giving Medicare the adequate resources and tools to be as efficient as possible.
- **Reducing Youth Smoking:** President Clinton and Vice President Gore have made passage of comprehensive tobacco legislation to reduce youth smoking a top priority in order to stop kids from smoking before they start, through a significant price increase, measures to prevent tobacco companies from marketing to children, and critical public health prevention and education programs.
- **Expanding Federal Hate Crimes Laws:** The President and Vice President have called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability.
- **Funding the EEOC:** Despite EEOC's success in beginning to reduce its backlog of private-sector cases in the last year, Congress failed to provide the funding which would allow EEOC to meet its goal of reducing the backlog of cases to 28,000 by the end of 2000. In addition, despite the fact that women still earn only approximately 75 percent of what men earn, Congress has failed to fund the EEOC's Equal Pay Initiative to improve compliance with equal pay laws.
- **Providing for Long-term Care Assistance for Those With Chronic Illnesses and Their Families:** Despite proposals by the President and bipartisan support from many members of Congress, the Congress has failed to respond and lost an opportunity to provide critical assistance for this population.
- **Providing Health Options for Older Americans:** Although the number of uninsured Americans aged 55 to 65 is growing faster than any other age group, Congress refused to act on the President's proposals to expand health options for older Americans
- **Encouraging Small Businesses to Offer Health Insurance:** The President has urged Congress to provide new health insurance options for vulnerable Americans employed by small businesses.
- **Continuing to Help People Move From Welfare to Work:** Although the Congress enacted eligibility changes similar to those proposed by the President to allow states, tribes and communities to more effectively serve low-income fathers and hard-to-employ welfare recipients, Congress failed to provide any new funding.
- **Raising the Minimum Wage:** The Congress has failed to pass a clean, straightforward bill to increase the minimum wage by $1 over two years – a step that would simply restore it to the 1982 inflation-adjusted level. Instead, the Senate attached the minimum wage increase to fiscally irresponsible tax giveaways for special interests.
- **Expanding Trade and Providing Opportunity for Africa and the Caribbean Basin:** Congress should complete work on the Africa Growth and Opportunity Act. This legislation would be an important milestone in America's effort to build a new economic relationship with Sub-Saharan Africa and deepen ties with our Caribbean and Central American neighbors.
- **Supporting Southeast Europe's Economic Development and Integration:** Congress should pass the Southeast Europe Trade Preference Act submitted by the President, which would authorize expansion of duty-free treatment to a broad range of imports from the region for five years as part

of an effort to strengthen stability and prevent further conflict in the Balkans by facilitating long-term economic growth.

- **Promoting Peacekeeping**: While the budget goes a long way in meeting the anticipated requirements for funding UN peacekeeping operations around the world, the Congress did not fund the full requests. To promote peace and encourage burden-sharing, Congress should fully fund UN peacekeeping efforts.
- **School Construction:** The President's school construction proposal would provide funding to help states and school districts build and modernize 6,000 schools nationwide. Congress should pass the President's plan and invest in our nation's schoolchildren.
- **Enacting Comprehensive Campaign Finance Reform:** This year, the Congress failed once again to adopt real, meaningful reform of our campaign finance system. The President will continue to fight for comprehensive campaign finance reform and believes that the Senate should act to restore the public's faith in our political process.
- **Child Care Initiative**: The Republicans refused to support the President's historic child care initiative to make child care better, safer, and more affordable for America's working families.
- **Farm Assistance**: The President and Vice President were pleased to get $8.6 billion in emergency assistance to farmers and ranchers, but they believe that Congress still needs to address the underlying issues that exist in the wake of Freedom to Farm legislation.
- **Providing Fairness to Immigrant Families**: Congress has failed to take action to provide fairness to immigrant families.
- **Continuing to Empower Communities:** The $70 million funding for EZs and ECs represents less than half of the amounts authorized. The President and Vice President are committed to seeking full funding for the remaining eight years of this program.

A VICTORY FOR AMERICA'S STUDENTS
November 18, 1999

	HOUSE GOP BUDGET*	FINAL BUDGET AGREEMENT	DIFFERENCE
Class Size Reduction	$0**	$1.3 billion	**+$1.3 billion**
After-School Programs	$300 million	$453 million	**+$153 million**
GEAR UP	$0	$200 million	**+$200 million**
Title I Grants to LEAs	$7.732 billion	$7.941 billion	**+$209 million**
Accountability Set-aside/Title I	$0	$134 million***	**+$134 million**
Head Start	$4.760 billion	$5.267 billion	**+$507 million**
Education Technology	$500 million	$769 million	**+$269 million**
Teacher Quality Enhancement	$75 million	$98 million	**+$23 million**
Safe and Drug Free Schools	$566 million	$606 million	**+$40 million**
Charter Schools	$130 million	$145 million	**+$15 million**
Reading Excellence	$200 million	$260 million	**+$60 million**
Adult Education	$ 378 million	$470 million	**+$92 million**
Work Study	$ 880 million	$934 million	**+$64 million**
Learning Anytime Anywhere	$0	$24 million	**+$24 million**
Hispanic Educ. Action Plan ****	$43 million	$436 million	**+$393 million**

*Based on the Labor/Health and Human Services and Education bill passed by the House Appropriations Committee on September 23, 1999. This bill provided $33.321 billion for all education programs, compared to $35.701 billion in the final budget agreement.
**House bill eliminated the class size program by absorbing it in a block grant that dedicated no funding specifically for class size reduction.
***The Title I set-aside for accountability is also included in the Title I grants to LEAs.
****These figures represent increase over FY 1999. HEAP figures also include increase to Title I.

PROTECTING FISCAL DISCIPLINE AND PAYING DOWN THE DEBT

The budget agreement represents a victory for President Clinton's stand for fiscal discipline. As a result of the President's commitments, America will stay on course to pay off the debt held by the public by 2015 – for the first time since Andrew Jackson was President.

- **Debt Quadrupled Between 1981 and 1992:** Between 1981 and 1992, the debt held by the public quadrupled. The budget deficit grew to $290 billion in 1992 – and was projected to grow to more than $400 billion by 1999.

- **President's Tough Choices Led to Largest Surplus Ever:** As a result of the tough and sometimes unpopular choices made by President Clinton in 1993 and 1997, we have seen seven consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of $123 billion – the largest ever.

- **The President Stopped Republican Attempts to Reverse this Fiscal Discipline:** Throughout the year, the Republican Congress took steps that would have threatened our fiscal discipline. These were stopped by the President, who vetoed the Republican's fiscally irresponsible and exploding tax cut.

    - **In January, Republicans Proposed a Tax Cut that Would Have Spent the Social Security Surplus:** H.R. 3 and S. 3 called for an across-the-board 10 percent reduction in income tax rates. According to Joint Committee on Taxation Estimates, this proposal would have cost $58 billion in 2000 – *using tens of billions of dollars from the Social Security surplus this year.* In the first five years, this tax cut would have cost $360 billion – much more than could be paid for out of the non-Social Security surplus, then projected at $165 billion by the Congressional Budget Office (CBO).
    - **In August, Republicans Passed a Tax Cut that Would Likely Have Spent the Social Security Surplus:** In August, the Republican Congress passed a $792 billion tax cut that, if continued, would have used virtually all of CBO's projected surplus over the next 10 years. It would have used growing amounts of the Social Security surplus every year after 2004. This tax cut was based on a budget plan that would have required nearly 50 percent cuts in all domestic discretionary spending, assuming defense were funded at the level requested by the President. If cuts of this magnitude were not made, the likely consequence of the Republican tax cut would have been to divert hundreds of billions of dollars of the Social Security surplus from promised debt reduction.

A VICTORY FOR AMERICA'S STUDENTS

After vetoing a Congressional budget that denied funding to priority education and training investments, President Clinton and Vice President Gore delivered on their ambitious education agenda.

✓ **More High-Quality Teachers With Smaller Class Sizes**: President Clinton's budget included the second installment of his plan to help reduce class size in the early grades by hiring 100,000 quality teachers. The President vetoed a Congressional budget that reneged on last year's bipartisan agreement, did not guarantee funding for 29,000 teachers hired last year, and would have allowed Class Size dollars to be used for virtually any activity – including vouchers – rather than hiring qualified teachers. The final budget enhances last year's teacher quality and flexibility provisions and provides $1.3 billion for Class Size Reduction, enough to stay on track to hire 100,000 teachers over the next 6 years.

✓ **More than Twice as Much Federal Support for After School:** In his State of the Union address, the President called for a large investment in after school and summer school programs to give children the extra help they need to meet high standards. The final budget more than doubles the federal investment in these programs to $453 million, to provide educational support to nearly 675,000 students – 375,000 more students than last year.

✓ **Early Intervention To Help Disadvantaged Students Prepare for College:** House Republicans proposed to terminate the President's GEAR UP college preparation initiative for low-income students, a new initiative begun in 1998. The final budget increases funding for GEAR UP from $120 million in 1999 to $200 million to support State projects and partnerships of colleges, high-poverty schools, and community organizations, to help 482,000 students aspire to and prepare for college starting in the 7th grade.

✓ **Accountability for the Lowest Performing Schools:** In his State of the Union address, President Clinton insisted that "all states and school districts must turn around their worst-performing schools – or shut them down," and his Budget included funds to help states and school districts turn around their own failing schools. The final bill provides $134 million in Title I funds to help turn around the worst-performing schools and hold them accountable for results. In addition, the bill provides $7,807 million for the base program, Title I Grants to LEAs, which is an increase of $75 million over last year, in order to continue efforts to help disadvantaged students catch up with their peers.

✓ **More Education Technology for Students:** The final budget triples funding for Community Technology Centers to reach at least 120 low-income communities, provides $75 million to train new teachers in the use of technology, and provides $425 million to states and school districts to purchase computer hardware and educational software. Investment in educational technology has increased to $769 million, up from $698 million in 1999.

✓ **Making Schools Safe, Disciplined, and Drug-Free:** The budget agreement provides $606 million for school-based drug and violence prevention programs, including the President's $50 million request for the Coordinator Initiative, that would provide coordinators to plan, implement, and evaluate successful prevention programs in middle schools across the Nation. Additional resources are also provided for an expansion of the interagency Safe Schools / Healthy Students initiative, with HHS and DoJ.

✓ **Expanded Head Start:** President Clinton and Vice President Gore proposed a $607 million increase for Head Start to serve an additional 44,000 young children – and stay on track toward serving one million children by 2002. The House Republican budget did not provide the President's increase and would have denied over 40,000 children Head Start slots if enacted. The final budget includes the President's full increase for Head Start, which is funded at $5.3 billion – or 90 percent above the 1993 level.

- ✓ **Increasing Public School Choice Through Charter Schools:** The budget agreement provides $145 million for Public Charter Schools, an increase of $45 million over the FY 1999 enacted level. This will strengthen and expand public school choice by providing startup funding to as many as 2,400 charter schools next year, about 650 more schools than this year. The President has pledged to help start 3,000 charter schools across the country by early in the next century. When President Clinton and Vice President Gore were first elected in 1992, there was only one charter school operating in the country. This year, more than 1,700 charter schools are operating, serving a diverse student body in more than 30 states. This remarkable growth is in large part due to the President's leadership and support for these innovative high quality schools.

- ✓ **Hispanic Education Agenda:** President Clinton's budget included an ambitious agenda to address the disproportionately low educational achievement and high dropout rates of Latino students. The final budget includes $436 million in increases for a number of education programs that help to improve the educational outcomes of Latinos and limited English proficient students, including Title I Grants to LEAs, Adult Education, Bilingual Education, and TRIO.

- ✓ **English Language/Civics Education Initiative**: The increase to Adult Education targets $25.5 million for the President's ESL/Civics Initiative, which would provide instruction in both English literacy and critical life skills necessary for effective citizenship and civic participation.

- ✓ **Largest Maximum Pell Grant Award Ever:** The final budget provides $7.7 billion for Pell Grants, increasing the maximum Pell Grant award from $3,125 to $3,300. The maximum award has increased 43 percent since President Clinton and Vice President Gore took office in 1993.

- ✓ **Support for One Million Students To Work Their Way Through College:** The President's budget requested $934 million for Federal Work-Study to fulfill his commitment to expand work-study to one million students in FY 2000. House Republicans initially provided only $880 million. The final budget provides the President's request and will give one million students the opportunity to earn money for college through part-time work.

- ✓ **Training for Dislocated Workers:** The final budget provides a $190 million increase for a total of $1.6 billion to provide much needed training for dislocated workers. This is more than triple the funding in 1993, allowing the program to serve more than 3 times as many dislocated workers. This increase is a step toward meeting the 5-year goal of the Universal Reemployment Initiative to provide training to every dislocated worker who wants and needs training.

- ✓ **Providing for School Construction:** The final budget extends Qualified Zone Academy Bonds (QZABs) through 2001. QZABs provide no-interest loans to school districts in needy areas to fund certain expenditures on rehabilitation and repairs, educational equipment, curriculum development, and teacher training. QZABs have been used to purchase computers and develop technology-based curricula, renovate and repair a charter school, purchase computer software and hardware to develop literacy programs, and even to establish the first public secondary military academy in the nation.

- ✓ **Tax Relief to Encourage Worker Training:** The final budget extends the tax relief provided by Section 127 through 2001, which allows employers to provide educational assistance for courses at degree-granting institutions as a tax-free fringe benefit. By encouraging worker education, it helps employers expand the skills of their work force and expands the opportunities of workers to adapt to new technologies.

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FIGHTING CRIME, DRUGS, AND GUNS

To keep crime coming down to record lows, President Clinton and Vice President Gore fought for important investments in the budget to build on the Administration's successful community policing initiative, including funds to put more police on the street and critical resources to strengthen law enforcement efforts to keep communities safe.

✓ **More Police on the Streets:** In 1994, President Clinton and Vice President Gore won a commitment to put 100,000 police officers on the street. In his State of the Union Address, the President proposed a 21st Century crime plan to hire up to 50,000 more police officers by 2005. The final budget contains full funding for the first installment toward meeting this goal.

✓ **Law Enforcement Technology:** The final budget provides $230 million to provide law enforcement with the latest crime-fighting and crime-solving technology.

✓ **Community Prosecutors:** Provides $10 for the Administration's initiative to extend the success of community policing to local prosecutors.

✓ **Strengthened Gun Enforcement:** An increase of $12.6 million for more ATF agents to bolster federal law enforcement efforts against gun crime.

✓ **Youth and Guns:** Over $50 million for the President's Youth Crime Gun Interdiction Initiative, to expand the initiative from 27 to 38 cities, trace more guns used in crimes, and add more ATF agents to crack down on illegal gun traffickers who supply guns to juveniles and criminals.

✓ **Youth Anti-Drug Media Campaign:** $185 million to continue the successful campaign to reach our youth with the message that drugs are wrong, dangerous and deadly.

INVESTING IN A CLEANER ENVIRONMENT

President Clinton and Vice President Gore won significant gains for the environment in the fiscal year 2000 budget, including new resources to combat water pollution, protect wildlife, address global warming, and preserve precious lands across the country. At the same time, the President and Vice President forced Congress to drop or substantially modify dozens of anti-environmental riders that would have rolled back hard-won environmental safeguards and benefited special interests at the expense of our public lands.

✓ **Preserving Our Lands Legacy:** The President and Vice President won $651 million for Lands Legacy, an historic initiative that strengthens federal efforts to preserve natural treasures and provides communities with new resources to protect local green spaces. Lands Legacy funding, a 42 percent increase over last year, includes:
- $444 million for federal agencies to acquire and protect dozens of natural and historic sites around the country and off our coasts, including:
  - The full $101 million needed to purchase New Mexico's majestic Baca Ranch, home to one of North America's largest wild elk herds;
  - $78 million to acquire lands critical to the Administration's Everglades restoration strategy;

    - $36 million to manage and protect marine sanctuaries and coral reefs;
    - $15 million in matching funds to protect wilderness and other lands in the California Desert.
- $206 million for states and local governments to help communities preserve their farms, urban parks, coastal areas, and working forests.

✓ **Ensuring Clean Water and Healthy Communities:** The final budget secures $1.8 billion for the President's Clean Water Action Plan, a 9 percent increase includes increased funds to reduce polluted runoff from large livestock operations. In addition, the Environmental Protection Agency budget provides $2.17 billion to help communities build or upgrade drinking water and sewage treatment plants, and $1.4 billion to continue progress toward cleaning up 900 Superfund sites by 2002.

✓ **Leading the Fight Against Global Warming:** The budget provides $1.1 billion for research and development of clean energy through the Climate Change Technology Initiative, including a 7 percent increase for energy efficiency investments to reduce pollution, create jobs, and save consumers money.

✓ **Saving Pacific Salmon:** The Administration secured $83 million to initiate two major new efforts to restore salmon in the Pacific Northwest: $58 million for states and tribes through the Administration's Pacific Coastal Salmon Recovery Fund; and $25 million to implement an historic salmon treaty with Canada.

✓ **Fighting Congestion and Dirty Air:** The budget provides $8.2 billion, a 10 percent increase, for programs that reduce air pollution while increasing transportation choices. This includes increases of $407 million for public transit, and $278 million to help communities reduce congestion while improving air quality.

✓ **Encouraging Energy Efficiency:** Extend through 2001 the tax credits for wind and biomass energy production. These tax credits encourage no- (wind) and low- (biomass) emission energy production. The biomass tax credit encourages farmers to grow certain materials that can be burned to produce energy. Producing energy from wind and biomass preserves scarce energy resources and reduces our reliance on imported oil.

✓ **Cleaning Up Brownfields:** The budget extends the tax provision that allows businesses to fully deduct the cost of cleaning up polluted "brownfields" in targeted areas through 2001. This provision encourages the redevelopment of blighted properties, which improves the environment and makes communities more livable.

✓ **Defending Our Environment Against Stealth Attacks:** In addition to securing these major new environmental investments, President Clinton and Vice President Gore stood as the last line of defense against congressional efforts to attach anti-environmental riders to budget bills. These riders would have given special deals to special interests by: allowing overcutting of our national forests and jeopardizing the President's plan to protect more than 40 million acres of roadless areas; allowing mining companies to dump more toxic waste on public lands and delaying critical mining reforms; letting major oil companies continue paying below-market royalties on oil developed on federal lands; crippling critical protections for wetlands and wildlife; and attempting to block common-sense actions to reduce greenhouse gas pollution.

MAINTAINING AMERICA'S GLOBAL LEADERSHIP

The Republican Congressional budget would have turned its back on America's leading role in the world by not providing for peace in the Middle East, leadership at the United Nations, economic development in the poorest countries, and efforts to halt the spread of nuclear weapons. The President fought for and secured victories to strengthen America's leading role in the world – by meeting our commitment to the Middle East peace process, paying our dues and arrears to the United Nations, making a critical investment in debt relief for impoverished countries, funding efforts to safeguard nuclear weapons and expertise from the former Soviet Union, and help raise labor standards around the world.

- ✓ **Promoting Peace in the Middle East:** The Congress fully funded the President's $1.8 billion request arising from the Wye River Agreement, which is essential to promoting peace in the Middle East. As Israelis and Palestinians move ahead on an ambitious agenda to rapidly conclude a peace accord, this funding sends an important message of U.S. commitment to building a lasting peace.

- ✓ **Maintaining Leadership at the United Nations:** In an agreement reached between the President and Congress, the United States will now be able to avoid losing its vote, encourage needed reforms at the UN, and repay $926 million owed to the UN. This will help meet our obligations to the UN in order to protect our national security interests and preserve American influence within the organization and around the world. The bill passed by the Congress and vetoed by the President would have caused the United States to lose its vote in the General Assembly.

- ✓ **Debt Relief for Poor Countries:** The bill provides $110 million to fund reduction of debts owed to the U.S. government by the poorest developing countries. This amount represents an increase of $90 million above the Foreign Operations conference agreement funding level for this purpose ($20 million). We now have sufficient resources to finance U.S. participation over the next year in the bilateral debt aspect of the Cologne Debt Initiative. The agreement also includes authorization for U.S. support to use a portion of International Monetary Fund (IMF) gold reserves for debt relief, and additional authorization would permit the use of the full amount of gold earnings. Together, the funding and authorizations will help to begin to provide debt relief for the world's poorest nations, and allow them to focus on providing basic needs for their own citizens instead of paying interest to international creditors. Unfortunately, the agreement omits appropriations for the U.S. contribution to the Heavily Indebted Poor Country (HIPC) Trust Fund, which will be necessary to fully finance the participation of some multilateral development institutions in this historic initiative. We will work with Congress next year to secure this crucial funding as well as authorization to use the remaining portion of IMF gold earnings.

- ✓ **Promoting International Development:** The bill provides $1.1 billion for the U.S. contribution to multilateral development banks including the World Bank and regional development banks. This amount represents an increase from the $895 million included in the Foreign Operations conference agreement; however, it remains lower than the Administration's original request of $1.4 billion. The bill also provides $1.8 billion for development assistance and child survival funding, over 96 percent of the President's request. This amount includes full funding of the President's expanded global HIV/AIDS assistance initiative.

- ✓ **Reducing the Nuclear Weapons Threat and Building Democracy in Russia and the Newly Independent States:** The final bills provide $1.5 billion across the government to fund critical efforts in the Newly Independent States (NIS) to reduce the threat of nuclear weapons, to promote democracy, private enterprise, and free speech, and to generally assist in the transition these countries are undertaking. The bulk of these funds will go to the President's Expanded Threat Reduction Initiative (ETRI) for programs to increase nuclear security in the former Soviet Union, dismantle strategic weapons, and strengthen efforts to block transfers of sensitive technology and expertise. The budget will also allow us to help remove Russian troops from Georgia and Moldova, and to expand civilian research projects with former Soviet weapons scientists.

- ✓ **Raising International Labor Standards and Protecting Workers:** The FY 2000 Budget includes $70 million for working with developing economies through the International Labor Organization (ILO), an increase of $30 million over FY 1999. These funds include $20 million to finance the creation of a new arm of the ILO to provide technical assistance to help countries implement core labor standards. The agreement also provides $10 million to fund bilateral technical assistance by the US Department of Labor to developing economies seeking to establish social safety net programs and design, implement and enforce labor market policies. In addition, Congress provided the State Department with sufficient funds to allow it to go forward with the President's initiative to support innovative efforts to eliminate sweatshops.

- ✓ **More Funding for President Clinton's Child Labor Initiative**: Last year, the President proposed a 10-fold increase in funding for the ILO's International Program for the Elimination of Child Labor (IPEC) – from $3 million to $30 million – and Congress agreed. This year, the Congress once again fully funded the President's $30 million request. In addition, Congress provided additional funds sought by the President to support enhanced customs enforcement of the ban on importation of goods made with forced or indentured child labor. Congress also provided sufficient funds to the United States Agency for International Development (USAID) to allow it to go forward with the President's new "School Works!" program, which will help developing countries provide educational alternatives to abusive child labor. Finally, to help us lead by example, the budget includes enhanced resources for domestic labor standards enforcement that should help improve compliance with U.S. child labor laws.

- ✓ **Improving Military Pay and Readiness:** The final bill fully funded the President's "trilogy" pay initiative which includes a significant pay raise, pay table reform, and a change in military retirement. The bill additionally funds fully all of our critical readiness programs (unit training, depot maintenance, recruiting, and spare purchases).

- ✓ **Modernizing the Air Force:** The final bill restores most of the funding for the F-22, allowing the program to continue.

- ✓ **Continuing Chemical Demilitarization:** The final bill approves the higher funding level passed by the Senate (the House proposed cuts of $392 million), helping to meet our treaty deadlines under the Chemical Weapons Convention for destruction of chemical weapons.

EMPOWERING FAMILIES AND COMMUNITIES

President Clinton and Vice President Gore are committed to tapping the potential of America's urban and rural communities. This budget moves forward on their vision to help revitalize America's communities and empower families.

- ✓ **Funding 60,000 New Housing Vouchers for America's Hard-Pressed Working Families:** The budget includes $347 million for 60,000 new housing vouchers for low-income families, building on last year's level of 50,000. The House and Senate-passed bills had included zero funding for this initiative. These vouchers will subsidize the rents of America's hard-pressed working families, enabling them to move closer to economic opportunities.

- ✓ **Additional Funding for Empowerment Zones:** The budget provides $70 million in funding for Rural and Urban Empowerment Zones. The President's budget requested $165 million – $150 million for urban EZs and $15 million for rural EZs/ECs. The House and Senate bills included no funding. All of the Urban and Rural EZs (20 Zones) and rural enterprise communities (20 ECs) that were designated by the Vice President in January 1999 as Round II zones will receive funding.

- ✓ **Protecting Rent Subsidies for Low-Income Families:** The final budget includes $10.8 billion for the renewal of all Section 8 contracts, an increase of $1.2 billion from FY 1999. This will ensure continuation of HUD rental subsidies for low-income tenants in privately-owned housing.

- ✓ **Housing Assistance for Elderly and Disabled:** The final budget includes expansion of funding for affordable housing for the elderly and disabled by $911 million, $57 million above FY 1999, enabling about 30,000 people to have affordable housing. Also included were core elements of a *Housing Security Plan* for older Americans that recognizes the dramatic increase in our elderly population and the changing housing needs that accompany this demographic shift.

- ✓ **Increased Funding for Homeless Assistance:** The President and Vice President proposed a major expansion of HUD's continuum of care program, designed to help homeless persons obtain temporary and permanent housing. The final budget includes $1.02 billion in funds for the homeless assistance grants – a $45 million, or 5 percent, increase over last year.

- ✓ **Extending the Work Opportunity Tax Credit:** This tax credit encourages employers to hire individuals who have traditionally had a hard time securing employment. Targeted groups include disadvantaged youth, including those living in empowerment zones and enterprise communities, welfare recipients, and qualified veterans. The maximum credit paid to the employer is as much as 40 percent of an individual's first $6,000 in wages. The President proposed to extend this credit in his FY 2000 budget and the final budget includes an extension through 2001.

- ✓ **Extending the Welfare-to-Work Tax Credit:** This tax credit encourages employers to hire and retain certain long-term assistance recipients. The maximum credit to an employer is as much as 50 percent of wages, with a maximum credit of $8,500 per qualified employee over 2 years. The President proposed to extend this credit in his FY 2000 budget and the final budget includes an extension through 2001.

- ✓ **Access to Jobs Transportation Funds:** The final budget includes $75 million to assist states and localities in developing flexible transportation alternatives, such as van services, to help former welfare recipients and other low income workers get to work.

- ✓ **Individual Development Accounts:** Since 1992, President Clinton and Vice President Gore have supported the creation of Individual Development Accounts (IDAs) to empower individuals to save for a first home, post-secondary education, or to start a new business. Last year, Congress passed legislation authorizing IDAs, and the final budget includes $10 million for a second round of demonstration grants.

- ✓ **Continuing To Build a Network Of Community Development Banks Across the Nation:** The final budget includes $95 million for the Community Development Financial Institutions (CDFI) Fund that will expand the capacity of the network of community development financial institutions across the country, spurring the flow of capital to distressed neighborhoods and low-income residents. The President's budget requested $125 million for the CDFI Fund – the House appropriated $70 million and the Senate appropriated $80 million. The added resources bring funding up to FY 1999 enacted levels.

- ✓ **More Home Delivered Meals:** President Clinton's budget included an additional $35 million for home-delivered meals, a 31 percent increase over last year's funding level. Hundreds of thousands of seniors with disabilities depend on nutritious home-delivered meals to help them remain in their homes. The final bill includes this increase to support the delivery of 146 million meals in FY 2000.

- ✓ **HUD Fair Housing.** The final budget includes $44 million for efforts to fight housing discrimination, a $4 million increase from last year's enacted level, as part of President Clinton and Vice President Gore's "One America" initiative. This amount includes $6 million to continue the audit-based fair housing enforcement initiative started last year.

- ✓ **Maintaining Community Service.** The VA/HUD bill includes $438.5 million for AmeriCorps, funding that will support nearly 50,000 AmeriCorps members in community service projects across the country.

PROGRESS ON THE NEW MARKETS INITIATIVE

In his State of the Union, President Clinton proposed to bring more private investment to all areas of the United States. The President and Congressional Leaders have agreed to work together to enact bipartisan legislation to help spur economic development in urban and rural communities that have not shared fully in the benefits of the nation's strong economy. The New Markets initiative enjoys bipartisan support.

- ✓ **Funding America's Private Investment Companies (APICs):** Provides $20 million of funding for APICs (subject to authorization), key elements of the President's New Markets Initiative to leverage $800 million of new investment in underserved areas.

- ✓ **New Markets Venture Capital Program:** $16.5 million in funding, subject to authorization, has been provided for the New Markets program at the Small Business Administration (SBA). This includes $6 million in funding for the New Markets Venture Capital program, which provides capital to untapped rural and urban new market areas; $1.5 million for BusinessLINC, which encourages large businesses to mentor small business owners; and $9 million for technical assistance to enhance the borrower's probability of success. This program exploits investment opportunities that are not presently being met by private lenders.

- ✓ **Authorization of the PRIME Program:** Congress passed new legislation that included authorization of the PRIME Act, which will provide micro-enterprise technical assistance through competitive grants to micro-enterprise development organizations that focus on low-income entrepreneurs.

ADDRESSING HEALTH CARE

The President won a $34.5 billion investment in health programs, 11.7 percent above the FY 1999 enacted level, to strengthen the public health infrastructure, provide critical prevention and treatment services to individuals with mental illness, and advance biomedical research with a historic investment of $2.3 billion.

- ✓ **Passing the Landmark Work Incentives Improvement Act for People with Disabilities:** Since 1998, the President has advocated for the passage of the bipartisan Jeffords-Kennedy-Roth-Moynihan Work Incentives Improvement Act. Currently, people with disabilities often become ineligible for Medicaid or Medicare if they work, forcing a choice between health care and employment. This legislation allows people with disabilities to maintain their Medicare or Medicaid coverage when they go to work. It also includes a $250 million demonstration, which the President insisted on fully funding, that allows people with disabilities who are still working and are not sufficiently disabled to qualify for Medicaid to buy into the program. Finally, the bill reforms the training system for people with disabilities.

- ✓ **Increasing Access to Health Care for the Uninsured:** Fully funds the President's request of $25 million, making a down payment on the President's $1 billion investment in developing integrated systems of care for the uninsured. It also provides an additional $15 million to identify the best way to deliver health care services to this population.

- ✓ **Supporting Graduate Medical Education at Children's Hospitals:** Fully funds the President's request of $40 million to support graduate medical education at freestanding children's hospitals, which play an essential role in the education of the nation's pediatricians.

- ✓ **Caring for the Nation's Elderly.** Includes a $43.5 million increase for the new Nursing Home Initiative, only $1 million below the President's request, for more rigorous inspections of nursing facilities and improved federal oversight and enforcement of nursing home quality.

- ✓ **Improving States' Capacity to Deliver Health Care Services to the Mentally Ill:** Provides an additional $67 million above the FY 1999 funding level, for the Mental Health Block Grant, a 23 percent increase over FY 1999 and the largest increase ever.

- ✓ **Preparing For and Preventing Bioterrorist Attacks:** Fully funds the President's request of $52 million to stockpile vaccines, antibiotics, and other medical supplies to deploy in the event of a chemical or biological terrorist attack.

- ✓ **Reducing Racial Disparities in Health Status:** Provides an additional $20 million, a 200 percent increase over the FY 1999 funding level for health education, prevention, and treatment services to address health disparities among minority populations.

- ✓ **Expanding AIDS Care, Prevention, and Research:** The Administration and Congress continue their strong partnership to address the AIDS epidemic with substantial increases in funding. Included in the bill are a $73 million increase in funding for HIV prevention activities to help stop the spread of this disease; an increase of $183 million in the Ryan White CARE Act, which helps provide primary care and support for those living with HIV/AIDS; and an estimated $300 million in additional funds for AIDS-related research at the NIH. Congress and the Administration also worked closely together to add $80 million in funding to the Minority AIDS Initiative, which utilizes existing programs to reach African-Americans, Latinos, and other racial and ethnic minorities that are disproportionately impacted by HIV/AIDS. Consistent with the President's request, an additional $100 million to fight AIDS internationally was funded. Finally, the Administration helped protect local authority over HIV prevention activities, successfully removing language from the District of Columbia appropriations bill that would have tied the hands of community health agencies in their ability to use needle exchange programs as part of their overall HIV prevention strategy.

- ✓ **Preventing Childhood Diseases:** Provides an additional $62 million, a 4 percent increase over FY 1999 funding levels to provide childhood immunizations nationwide and fully funds the President's request to eradicate polio worldwide.

- ✓ **Providing Critical Organ Transplants to Those Most In Need:** Permits the development of a more equitable allocation system for the over 63,000 Americans awaiting organ transplants, saving hundreds of lives a year.

- ✓ **First Time Funding For the Ricky Ray Hemophilia Relief Fund Act:** Provides $75 million for one-time payments of $100,000 to hemophiliacs who were infected with HIV by blood solids during the 1980s.

- ✓ **Controlling the Spread of Infectious Disease:** Provides $29 million to the Center for Disease Control (CDC), a 21 percent increase over the FY 1999 funding level, for programs dedicated to emerging infectious diseases and improving disease surveillance systems.

RESPONDING TO THE FARM CRISIS

The Agriculture Appropriations bill included $8.6 billion in emergency funds to assist our Nation's farmers and ranchers who are suffering through the second year in a row of low commodity prices and, for many, crop and livestock losses from severe drought and flooding. The bill doubled annual payments to farmers of major grain crops to about $11 billion. The emergency funds include $400 million to help subsidize the cost of crop insurance premiums and $325 million for livestock and dairy assistance. In addition, the Administration secured an additional $2.5 billion in farm loans in final negotiations, as well as $186 million more for nationwide crop losses – bringing total crop loss funds to nearly $1.4 billion, as well as $130 million to clear farm fields and streams of debris left by flooding. The President and Vice President remain concerned that Congress did not address the underlying issues that exist in the wake of Freedom to Farm legislation and that more needs to be done.

A STRONG RESEARCH AND DEVELOPMENT AGENDA

For six years in a row, President Clinton and Vice President Gore have proposed substantial increases in the Federal government's research and development portfolio to build a healthier, more prosperous, and productive future. The final budget increases the President's "21st Century Research Fund" for civilian research programs by more than $3 billion.

- ✓ **National Science Foundation**: A 6.6 percent increase in support for science and engineering research and education, including $126 million for the Administration's "Information Technology for the 21st century" initiative. The NSF supports nearly half of the non-medical basic research conducted at universities.

- ✓ **National Institutes of Health**: Provides $2.3 billion, a 15 percent increase over FY 1999 funding levels, to build on the President's commitment to biomedical research as a foundation for combating disease and advancing medical technologies.

- ✓ **Information Technology**: The final budget includes more than $80 million in funding for the Next Generation Internet, which is connecting more than 100 universities at speeds that are up to 1,000 times faster than today's Internet. It also includes $235 million for the Administration's "Information Technology for the 21st Century" initiative, which will strengthen America's leadership in the high-tech industries of the future, and accelerate the pace of discovery in all science and engineering disciplines. Currently, IT industries account for 1/3 of U.S. economic growth.

- ✓ **Defense Research**: Department of Defense (DOD) support for basic and applied research is up almost 8 percent. DOD is a leading supporter of basic research in computer sciences, mathematics, oceanography, and most engineering disciplines.

- ✓ **Increases in Science at Department of Energy**: Science Programs increased $117 million. DOE, the principal supporter of the Federal investment in the physical sciences, has supported research that has resulted in over 60 Nobel prizes. DOE's scientific user facilities are used by more than 15,000 scientists to conduct frontier scientific research, and provide the next generation of scientists and engineers.

- ✓ **Advanced Technology Program**: President Clinton's FY 2000 budget continues to fund ATP's research and development into cutting-edge high-technologies. While the House proposed eliminating the program, the final budget will allow ATP funding for an additional $51 million in new awards. ATP supports the development of high-risk technologies that promise significant commercial payoffs and widespread economic benefits.

- ✓ **NASA - Investing in Our Future:** The budget includes $13.65 billion for NASA, an additional $100 million. The funding levels passed by the House would have cut the NASA budget by almost $1 billion. These investments offer the potential of new scientific breakthroughs through an aggressive robotic series of exploration missions into the solar system, as well as enhancing our ability to monitor important changes in the earth's climate system, and strengthening aviation safety for the travelling public.

- ✓ **Extending the Research and Experimentation Tax Credit:** President Clinton proposed to extend the research tax credit because it provides incentives for private sector investment in research and innovation that can help increase America's economic competitiveness and enhance U.S. productivity. The final budget extends this research tax credit through 2004. This long-term extension will encourage companies to undertake new multi-year research activities, secure in the knowledge that the 20 percent tax credit will continue to be available.

OTHER HIGHLIGHTS

- ✓ **Nutrition for Women, Infants, and Children (WIC):** The final budget provides over $4 billion for nutrition assistance to 7.4 million women, infants, and children through the WIC program, an increase of $108 million over FY 1999. The additional funds will allow the program to provide a monthly package of nourishing supplemental foods, nutrition education, and health care referrals to 7.4 million low-income women, infants, and children who are at nutritional risk – a 25 percent increase in participation since 1993.

- ✓ **Boosting Funding for Natural Disasters Such as Hurricane Floyd:** The budget provides $2.8 billion for the Federal Emergency Management Agency's (FEMA) disaster relief fund to assist victims with repairs and recovery from natural disasters. This includes $215 million to address unmet housing needs resulting from Hurricane Floyd that could not otherwise be met by Federal disaster assistance programs.

- ✓ **Expanding Civil Rights Enforcement:** Funding for the Civil Rights Division of Justice was expanded from $69 million in FY 1999 to $82 million in FY 2000 – a 19 percent increase. Funding for HUD fair housing programs was increased by $4 million – a 10 percent increase.

- ✓ **Largest Increase In Family Planning Services Since 1993:** The President won a nearly $25 million increase for Title X family planning, the largest increase since 1993, bringing the program to almost $240 million for FY 99. These grants fund family planning clinics providing reproductive health services and clinical care to over 5 million low-income women.

- ✓ **President's Food Safety Initiative:** The bill provides an increase of $59 million for the President's Food Safety Initiative, which will fund enhanced domestic and imported food safety inspections; increased outbreak response and traceback work; and expanded research, risk assessment and education activities. In addition, this increase will fund enhanced Federal-State inspection partnerships, bioscience research, and Risk Assessment modeling and data collection to include the pre-harvest phase for all foods.

- ✓ **The Final Bill Strengthens Enforcement of Labor Protections.** The final bill provides key funding increases for worker protection programs including Occupational Safety and Health Administration (OSHA) oversight of employee pension and health plans, enforcement of wage and hour laws, and the National Labor Relations Board (NLRB). The final total of $1.3 billion is $105 million (9 percent) above the FY 1999 enacted level. As a result of these increases, OSHA will conduct approximately 3,000 more compliance inspections thereby increasing the safety and health of our Nation's workers, particularly those in high-hazard industries. In addition, the Department of Labor also will be able to implement new health care laws effectively and encourage equal pay practices that will benefit our workers.

- ✓ **Ensuring That American Families Continue to Benefit From Tax Credits:** The budget ensures that Americans take full advantage of their personal credits—including the child credit, the child and dependent care tax credit, and the Hope scholarship and Lifetime Learning credits—without restriction by the alternative minimum tax. The final budget extends these rules for the alternative minimum tax through 2001.

- ✓ **Encouraging First-Time Homeowners in the District of Columbia:** Extend through 2001 the $5,000 tax credit for low- and moderate-income first-time homebuyers who purchase homes in the District of Columbia. This tax credit encourages homeownership and strengthens neighborhoods in the Capital City.

DESPITE ALL THE PROGRESS IN THIS YEAR'S BUDGET, THERE IS STILL MORE WORK THAT NEEDS TO BE DONE

November 18, 1999

In the waning days of the session, the President and Congressional Democrats prevailed in making critical investments to advance the President's comprehensive education agenda, put more police on the streets, protect the environment, and strengthen America's leading role in the world. Much work remains for the future.

- **Passing Common Sense Gun Legislation:** While the Administration's successful strategy of keeping guns out of the hands of fugitives, felons, and children has contributed to record declines in crime, recent tragic shootings reinforce the need to protect American families from gun violence. For months, Congress has failed to enact common-sense gun legislation. Congress must pass a bipartisan juvenile crime bill that includes strong gun measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.

- **Passing a Strong, Enforceable, Patients' Bill of Rights:** For over two years, the American people have been waiting for Congress to pass a strong, enforceable Patients Bill of Rights. During that time, the President has exercised his executive authority to extend critical patient protections to over 85 million Americans. The House passed such legislation earlier this year, but the Republican leadership is preventing an open debate on it in conference. The President continues to urge the Congress to recommit to passing this legislation and prevent another year from passing without action on this important issue.

- **Strengthening Social Security:** The President has put forth a specific proposal to use the benefits of fiscal discipline and debt reduction to strengthen Social Security, extending its solvency from 2034 to 2050. This would be a down payment on truly saving Social Security. The Republican so-called "lockbox" legislation would not add a single day to the life of Social Security.

- **Modernizing and Strengthening Medicare:** Although members of both parties joined the President in the effort to adjust Medicare health care provider payments, Congress failed to address the growing challenges that Medicare faces. With the number of beneficiaries expected to double over the next 30 years, Medicare needs adequate resources and the tools to be as efficient as possible. A long-overdue prescription drug benefit option is also essential for seniors and people with disabilities.

- **Reducing Youth Smoking:** President Clinton and Vice President Gore have made passage of comprehensive tobacco legislation to reduce youth smoking a top priority in order to stop kids from smoking before they start through a significant price increase, measures to prevent tobacco companies from marketing to children, and critical public health prevention and education programs. Congressional Republicans have acted as politicians instead of parents, and killed this year's effort to increase the excise tax on cigarettes by 55 cents a pack. Public health experts agree that the single most effective way to cut youth smoking is to raise the price of cigarettes.

- **Expanding Federal Hate Crimes Laws:** At a time when our leaders should be doing all they can to bring Americans together, the Congress has refused to enact legislation to punish hate crimes. The President has called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability. Congress should take a strong stand against intolerance and hatred by enacting such legislation without further delay.

- **Funding the EEOC:** Despite EEOC's success in beginning to reduce its backlog of private-sector cases in the last year, Congress failed to provide the funding which would allow EEOC to meet its goal of reducing the backlog of cases to 28,000 by the end of 2000. In addition, despite the fact that women still earn only approximately 75 percent of what men earn, Congress has failed to fund the EEOC's Equal Pay Initiative to improve compliance with equal pay laws.

- **Providing for Long-term Care Assistance for the Those Chronic Illnesses and Their Families:** At the beginning of this year, the President proposed a new, $6 billion initiative to address complex long-term care needs, including an unprecedented $1,000 tax credit that compensates Americans with long-term care needs of all ages or the family caregivers who support them for their formal or informal costs. The initiative also supports a new National Family Caregivers Support Program that provides a range of critical services such as respite, home care services, and information and referral. Many members of Congress, on a bipartisan basis, introduced similar proposals, but despite this, the Congress failed to respond and lost an opportunity to provide critical assistance for this population.

- **Providing Health Options for Older Americans:** In the FY 1999 and FY 2000 budgets, the President proposed an initiative to expand health options available for older Americans by: enabling Americans aged 62 to 65 to buy into Medicare by paying a full premium; providing vulnerable displaced workers ages 55 and older access to Medicare by offering those who have involuntarily lost their jobs and their health care coverage a similar Medicare buy-in option; and providing Americans ages 55 and older whose companies reneged on their commitment to provide retiree health benefits a new health option, by extending "COBRA" continuation coverage until age 65. Despite the fact that the number of uninsured Americans aged 55 to 65 is growing faster than any other age group, Congress refused to act on this proposal.

- **Encouraging Small Businesses to Offer Health Insurance:** In the FY 2000 budget, the President proposed an initiative to encourage small businesses to offer health insurance to their employees through: a new tax credit for small businesses who offer coverage by joining coalitions; encouraging private foundations to support coalitions by allowing their contributions towards these organizations to be tax exempt; offering technical assistance to small business coalitions from the Office of Personnel Management. The President urges Congress to provide new health insurance options for these vulnerable Americans.

- **Continuing to Help People Move From Welfare to Work:** In January, the President proposed to invest an additional $1 billion in the Welfare-to-Work program and to reauthorize the program with several changes including helping more low-income fathers work and support their children. The Congress enacted eligibility changes similar to those proposed by the Administration to allow States, tribes and communities to more effectively serve low-income fathers and hard-to-employ welfare recipients, but failed to provide any new funding.

- **Raising the Minimum Wage:** The Congress has failed to pass a clean, straightforward bill to increase the minimum wage by $1 over two years – a step that would simply restore it to the 1982 inflation-adjusted level. Instead, the Senate attached the minimum wage increase to fiscally irresponsible tax giveaways for special interests. More than 11 million workers would benefit from a $1 increase in the minimum wage. A full-time, year-round worker at the minimum wage would get a $2,000 raise – enough for a typical family of four to buy groceries for 7 months or pay rent for 5 months.

- **Expanding Trade and Providing Opportunity for Africa and the Caribbean Basin:** Congress should complete work on the Africa Growth and Opportunity Act and the Caribbean Basin legislation -- crucial to strengthening our economic ties with Sub-Saharan Africa and our Caribbean and Central American neighbors. This legislation would help increase trade, enhance opportunity, and boost growth in America and nations in Africa, the Caribbean, and Central America. The President called for the rapid passage of the Africa legislation in the State of the Union address and has pressed the case for these bills several times since. The House passed this legislation overwhelming earlier this summer, but the legislation is now awaiting Conference action.

- **Supporting Southeast Europe's Economic Development and Integration**: Congress should pass the Southeast Europe Trade Preference Act submitted by the President, which would authorize expansion of duty-free treatment to a broad range of imports from the region for five years. This initiative is an important part of the Stability Pact launched by the President and other leaders last July, and is designed to strengthen stability and prevent further conflict in the Balkans by facilitating long-term economic growth.

- **Promoting Peacekeeping**: While the budget goes a long way in meeting the anticipated requirements for funding UN peacekeeping operations around the world, the Congress did not fund the full requests. The shortage threatens to undermine fragile peace processes around the world or to incur additional UN arrears. To promote peace and encourage burden-sharing, Congress should fully fund UN peacekeeping efforts.

- **School Construction:** Despite record student enrollment and a massive maintenance backlog in our nation's schools, Congressional Republicans again failed to enact school construction legislation. The President's school construction proposal would provide funding to help states and school districts build and modernize 6,000 schools nationwide. We can not hold students to high academic standards if we do not provide them with adequate facilities within which to learn. Congress should pass the President's plan and invest in our nation's schoolchildren.

- **Enacting Comprehensive Campaign Finance Reform:** This year, the Congress failed once again to adopt real, meaningful reform of our campaign finance system. Although the House passed a bipartisan reform plan, a minority of the Senate blocked further action and left unchecked the influence of moneyed special interests. The President will continue to fight for comprehensive campaign finance reform and believes that the Senate should act to restore the public's faith in our political process.

- **Child Care Initiative**: In his State of the Union, the President proposed an historic child care initiative to make child care better, safer, and more affordable for America's working families. The President's proposal included $7.5 billion over 5 years for child care subsidies for low-income working families, and tax credits to help millions of working families pay for child care. The Republican Majority has refused to support these critical investments.

- **Farm Assistance**. The President and Vice President were pleased to get $8.6 billion in emergency assistance to farmers and ranchers, but they believe that Congress did not address the underlying issues that exist in the wake of Freedom to Farm legislation. For example, most of the assistance is not targeted to farmers who need it most, but is available to farmers, both large and small, whether they have suffered particular difficulty this year or not.

- **Providing Fairness to Immigrant Families**. Congress has failed to take action to provide fairness to immigrant families by: restoring important disability, health, and nutrition benefits to additional categories of legal immigrants; restructuring the Immigration and Naturalization Service (INS); approving the Administration's proposal to support the process of democratization and stabilization now underway in Central America and Haiti and ensure equitable treatment for migrants from these countries; or changing the registry date to permit long-term migrants to adjust their status.

- **Continuing to Empower Communities:** Urban and Rural Empowerment Zones were funded at $70 million in 2000, $55 million for Urban Zones and $15 million for Rural Zones and Enterprise Communities. Empowerment Zones continue to be a priority for the President and Vice President and they are committed to supporting and obtaining funding for the Empowerment Zones' remaining eight years. Without the full 10 years of funding, the Round II Empowerment Zones and Enterprise Communities, designated in January 1999 by the Vice President, will have difficulty implementing their community and economic development strategies to revitalize their communities.