

State of the Union & Budget 2001 Talking Points

TALKING POINTS:
The President's Budget
February 7, 2000

- On Monday, February 7th, President Clinton will unveil a budget that maintains the balanced, fiscally responsible approach that has brought us the longest economic expansion in American history, with 107 months of continuous economic growth.
- The President's budget uses honest, realistic funding levels and puts the nation on a path to eliminate the national debt in the year 2013, making our nation debt-free for the first time since 1835.
- The President's budget is balanced, because while it maintains fiscal responsibility and puts us on a path to eliminate the debt – it also makes key investments in the American people and our future prosperity.

Those investments include:

- strengthening Social Security and extends solvency to the year 2050;
 - strengthening and modernizing Medicare by extending solvency to the year 2025 and creating a new voluntary prescription drug benefit;
 - increasing support for education, research and development, the environment, child care, health care and farm and rural communities;
 - providing over \$250 billion in tax cuts and credits for working families.
- Eliminating the debt. Making investments in our future. Strengthening Social Security and Medicare. And providing tax cuts for working families. The President's budget is a balanced blueprint to accomplish all of these things – and maintain our economic prosperity.

TALKING POINTS:

The President's Budget

February 7, 2000

President Clinton's budget proposal maintains the balanced, fiscally responsible approach that has brought us the longest economic expansion in American history. The President's plan eliminates the debt by 2013 using honest, realistic numbers; makes investments in the future while strengthening Social Security and Medicare; and provides tax relief for working families.

Sticks With The Balanced Approach That Has Brought Us The Longest Economic Expansion In American History: The President's budget relies on a balanced approach, which maintains fiscal discipline, eliminates the national debt, extends the solvency of Social Security and Medicare, provides a tax cut and funds essential investments in our future. By providing balance and maintaining fiscal discipline, this budget upholds the successful strategy that has brought us the longest economic expansion in the nation's history.

Puts The Nation On A Fiscally Responsible Path To Eliminate The National Debt By 2013, Making Our Nation Debt-Free For The First Time Since 1835: The President's plan will eliminate the national debt by 2013, the first time our nation has been debt-free since 1835. The President's successful policy of fiscal discipline and deficit reduction has already allowed us to pay off \$150 billion in debt. Total debt reduction through 2000 is projected at \$300 billion. By maintaining our fiscal discipline, we can eliminate the national debt in thirteen years, and devote the savings from debt reduction to Social Security. Last year, the government paid \$230 billion in interest costs to finance the national debt, payments that, under the President's plan, would become unnecessary.

The Smallest Government As Share of the Economy Since 1966: Federal spending as a share of the economy is the lowest since 1966. President Clinton brought spending down from 22.2 per cent of the economy (GDP) in 1992 to 18.7 percent of the economy in 1999. At the same time, President Clinton has increased investments in education, technology and other areas that are vital to growth. Under Presidents Reagan and Bush, Federal government spending as a share of the economy increased from 21.6 percent in 1980 to 22.2 percent in 1992.

An Honest Budget with Realistic Funding Levels: The President's budget is an honest budget that proposes fiscally responsible and realistic levels of spending that respond to the nation's pressing needs. These levels are lower than the average increase of spending passed by Congress in the past two years -- levels which have only been achievable through Congressional reliance on gimmicks that attempt to disguise the true spending levels.

Maintains Fiscal Responsibility And Makes Investments In Our Future: The President's budget maintains fiscal discipline, puts us on a path to eliminate the debt by 2013 – *and* provides for investment in issues critical to our future, including education, research and development, the environment, and defense and diplomacy.

Additionally, the President's budget helps American's working families through investments in childcare, health care, support for farm and rural communities, and other key areas.

Specifically, the budget helps America's working families by expanding the successful health insurance program (State Children's Health Insurance Program) to more low-income children and extending it to their hard-pressed parents. Established with bipartisan support as part of the 1997 Balanced Budget Act, SCHIP has already enrolled 2 million children of working low-income parents. The budget also provides a comprehensive package to provide support for falling crop prices and target assistance to certain segments of the farm and rural communities.

Strengthens Social Security And Extends Solvency To 2050: The President's commitment to Social Security has resulted in acceptance of the need to protect the Social Security Surplus. Now we must meet the next challenge by strengthening Social Security for the future. The President's plan to pay down and eliminate the national debt results in savings in interest costs, which are devoted to strengthening and extending the solvency of Social Security. The combined interest savings and transfers from the surplus in the President's budget extend the solvency of Social Security to 2050. The plan also invests half the transfers from the surplus in equities up to but not beyond 15% of the Social Security Trust Fund.

Strengthens And Modernizes Medicare By Extending Solvency To 2025 And Creating A Voluntary Prescription Drug Benefit: The President's plan extends the solvency of Medicare until 2025 and modernizes Medicare with a needed prescription drug benefit. The solvency of Medicare is extended until 2025 by devoting a portion of the surplus over 10 years to this essential program. Today, three out of four older Americans lack decent, dependable private-sector prescription drug coverage. And modern medications are more central to treatment today than they were when Medicare was established thirty-five years ago. The President's budget addresses this problem by providing seniors with a new voluntary prescription drug benefit.

Over \$250 Billion In Tax Cuts And Credits For America's Working Families. The President's plan proposes \$256 billion net for tax cuts and credits for America's working families, including reducing the marriage penalty for married two earner couples, expanding the Earned Income Tax Credit, helping families finance higher education, child care and long-term care, as well as expanding health insurance options for those facing unique barriers to coverage. The President's plan also establishes Retirement Savings Accounts, to give 76 million Americans the opportunity to build wealth and save for their retirement.

The balanced approach of this plan provides for all these essential needs, while still preserving the fiscal discipline that has balanced the budget, made our prosperity possible, and resulted in the longest economic expansion in history.

SOTU Agenda

President Clinton's State of the Union Agenda

January 26, 2000

On Thursday evening, January 27th, President Clinton will deliver his annual State of the Union Address to the Congress and the American people. The President will outline an aggressive agenda based on three enduring American principles – creating opportunity, demanding responsibility and building community. The President's agenda will build on the prosperity created over the past seven years and make progress on issues important to the American people. And the President's plan will maintain fiscal discipline and put the nation on a path to eliminate the national debt by 2013.

A STRONG UNION PREPARED FOR NEW CHALLENGES:

After seven years of hard work by the American people, our economy and spirit are strong.

✓ A Strong American Economy:

- Over 20 million new jobs.
- The lowest unemployment rate in 30 years.
- The lowest poverty rate in 20 years.
- The lowest African American and Hispanic unemployment rates in history.
- The highest homeownership rate ever.

✓ A Strong American Spirit:

- Overall crime rates are down 25 percent.
- Teen births have declined seven years in a row.
- Adoptions are up by 30 percent.
- Welfare rolls have been cut in half and are down by over 7 million people to the lowest levels in 32 years.

COMPLETING UNFINISHED BUSINESS ON IMPORTANT ISSUES:

The President will call on Congress to take action on priority issues facing the nation, including:

- ✓ Setting aside the surplus to pay down the debt
- ✓ Strengthening Social Security
- ✓ Modernizing Medicare, including a voluntary prescription drug benefit
- ✓ Enacting a Real Patients' Bill of Rights
- ✓ Passing Common Sense Gun Safety Legislation.
- ✓ Passing Legislation to Fight Hate Crimes
- ✓ Raising the Minimum Wage

OPPORTUNITY AND RESPONSIBILITY IN EDUCATION:

Over the last seven years, the President and Vice President have worked hard to improve standards and provide the resources needed to give our kids the best elementary and secondary education in the world and to make college education and lifetime learning more affordable. Among the proposals the President will make to build on this record in the coming year are the following:

- ✓ Investing \$25 billion to repair, renovate and renew our children's schools
- ✓ Improve early childhood education by investing \$30 million to train high-quality teachers
- ✓ Create smaller, safer and better high schools by investing \$120 million in a Smaller Schools Initiative
- ✓ Help communities across the country improve school safety through a comprehensive \$247 million investment
- ✓ Making College more affordable for families with a \$30 billion College Opportunity Tax Cut which provides up to \$2,800 annually in tax relief per family per year

- ✓ Helping students afford and be able to stay in school through nearly \$1 billion in College Completion Challenge Grants, Pell Grants and other initiatives
- ▶ *The President will announce several other new initiatives to strengthen education by improving accountability, teacher quality and training and expanding Head Start as well as pre-school and after-school opportunities.*

REWARDING WORK AND STRENGTHENING FAMILIES:

The President and Vice President have worked hard to help families balance the demands of work and family through policies like the Family and Medical Leave Act, targeted tax cuts and raising the minimum wage. The President's State of the Union will seek to build on this record by:

- ✓ Providing tax relief for working families by expanding the Earned Income Tax Credit by \$21 billion over ten years
- ✓ Making housing affordable for hard-pressed working families by investing \$690 million in new housing vouchers
- ✓ Expanding health insurance coverage to 5 million uninsured Americans and expanding access to health insurance to millions more by investing \$110 billion over ten years
- ✓ Helping make long-term health care more affordable for families by tripling to \$3,000 the tax credit available to people requiring long-term care. The credit is also available to caregivers who are most often family members.
- ✓ Combating unfair pay practices against women by investing \$27 million in an Equal Pay Initiative
- ▶ *The President will make additional new proposals to reward work and strengthen families on child care and other issues.*

RESPONSIBILITY AND CRIME:

President Clinton and Vice President Gore have pursued a tough, smart agenda to reduce crime in America including signing the Brady Bill into law, putting 100,000 new police officers on the street and banning assault weapons. As a result, overall crime rates have dropped for seven years in a row and are lower today than they have been in twenty-five years. To build on that record, the President will urge Congress to pass the common sense, bipartisan legislation passed by the Senate last year -- to keep guns out of the hands of criminals and children. And the President will make additional proposals, including:

- ✓ A new \$280 million initiative to crack down and prosecute gun criminals through, among other things, hiring 500 new ATF agents, 1,000 new federal, state and local gun prosecutors
- ✓ An investment of \$10 million to fund innovative "smart" gun technologies, which could limit a gun's use to its owner, thereby preventing accidental shootings, deterring gun theft and protecting police officers
- ✓ A new \$10 million anti-drug initiative to investigate and prosecute illegal drug sales on the Internet
- ▶ *The President will have a number of additional common sense measures to prevent gun violence and make our communities safer.*

EXPANDING ECONOMIC OPPORTUNITY TO EVERY CORNER OF AMERICA:

The three-part strategy President Clinton and Vice President Gore have pursued for seven years – fiscal discipline, investing in the American people and opening new markets for American goods – has resulted in the strongest American economy in a generation. Last year, President Clinton announced the New Markets Initiative and toured communities that have not yet felt the benefits of our strong economy. This year, the President's New Markets agenda, which enjoys bipartisan support, includes:

- ✓ Doubling proposed New Markets Tax Credit to spur \$15 billion in private investment in untapped markets
- ✓ Expanding Empowerment Zone tax incentives to bring economic opportunity to under-served communities
- ✓ Providing access to financial services for low and moderate income Americans through First Accounts
- ▶ *The President will announce other proposals to expand economic opportunity to rural areas and close the digital divide so that all Americans have access to the opportunities available through today's technologies.*

EXPANDING ECONOMIC OPPORTUNITY AND PROTECTING AMERICAN INTERESTS

AROUND THE WORLD: Over the past seven years, the Clinton Administration has aggressively pursued American interests abroad, including opening foreign markets to American goods and expanding peace, democracy and human rights. The President's agenda for the this year seeks to build on these gains through:

- ✓ Winning approval for China's entry into the rules-based trading system through WTO membership
- ✓ Continuing to work for peace in the Middle East, Northern Ireland and Kosovo
- ✓ Investing over \$150 million to combat the spread of AIDS and other diseases in Africa and other developing nations

RESPONSIBILITY, OPPORTUNITY AND THE ENVIRONMENT:

President Clinton and Vice President Gore have demonstrated that you can both grow the economy and protect the environment. This Administration has cleaned up over 500 Superfund toxic waste sites – nearly three times as many in six years as previous administrations had cleaned in twelve. The Administration has improved air quality by setting the toughest soot standards ever and has protected over 60 million acres of public lands, more than any administration since Franklin Roosevelt. *This year, the President will build on this record through important new initiatives to meet the challenge of climate change, make our communities more livable, and preserve our nation's historic and valuable lands for future generations.*

OPPORTUNITY AND RESPONSIBILITY OF SCIENCE AND TECHNOLOGY:

Investment in science and technology has increased dramatically under President Clinton and Vice President Gore. The President will continue this trend in his State of the Union agenda.

- ✓ \$2.8 billion increase in the "21st Century Research Fund," including a \$1 billion increase in biomedical research at NIH and double the largest dollar increase the National Science Foundation has ever received
- *The President will have additional proposals dealing with investments in science, technology and biomedical research.*

BUILDING ONE AMERICAN COMMUNITY:

The President and Vice President have worked hard to bring all Americans together around the principles of opportunity, community, and responsibility. The President created Americorps to give Americans to earn money for college by serving in their communities. And through his Presidential Initiative on Race, the President has lead a nationwide effort to Build One America in the 21st Century. The President's State of the Union agenda will have a number of proposals to further this goal, including:

- ✓ Increasing our ability to enforce our civil rights laws by investing \$695 million in civil rights enforcement agencies, a 13 percent increase over last years request
- ✓ Standing up against intolerance and hate by calling for quick Congressional action to pass legislation to fight hate crimes
- *The President will announce other proposals to strengthen our communities and build One America which will create new opportunities through national service, fight discrimination in the work place and provide new tax incentives to support community building efforts.*

FY2001 Budget/State of the Union Announcements
As of January 24, 2000

- **Curbing Illegal Internet Drug Sales:** A \$10 million new initiative that invests new funds in the investigation and prosecution of entities selling drugs illegally over the Internet. (announced on December 28, 1999)
- **Investing in Smart Gun Technology:** A \$10 million investment to fund smart gun and other personalized gun technology development at DOJ/National Institute for Justice. (announced on December 19, 1999)
- **Providing Working Americans with Affordable Housing:** A \$690 million investment to fund 120,000 new housing vouchers to help America's hard-pressed working families. These housing vouchers subsidize the rents of low-income Americans, enabling them to move closer to job opportunities. (announced on December 29, 1999)
- **Investing in New and Modernized Schools:** A \$24.8 billion tax credit to modernize up to 6,000 schools; and \$1.3 billion in new funding to support nearly approximately 8,300 renovation projects in high-poverty, high-need school districts with little or no capacity to fund urgent repairs over the next 5 years. (announced on January 5, 2000)
- **Investing in Early Childhood Education:** A \$30 million investment in the Early Childhood Education Professional Development Initiative to ensure that our young children are being taught by well-trained professionals. This initiative would create professional development opportunities for early childhood educators who serve high concentrations of children living in poverty. (announced on January 6, 2000)
- **Conserving our Natural Resources:** A nearly \$1.3 billion investment in conservation programs that help family farmers take steps to protect water quality and the environment and to preserve farmland. This conservation package is part of a larger Administration budget proposal to strengthen the farm safety net. (announced on January 7, 2000)
- **Increasing Family Planning Efforts Nationwide:** A \$35 million investment to fund family planning clinics providing reproductive health services and clinical care to over 5 million low income women. (announced on January 8, 2000)
- **Protecting the Great Lakes:** A new \$50 million initiative to help restore the beauty and livability of our nation's Great Lakes. Under the proposal, Great Lake communities would be eligible for matching grants to help them restore and protect their waterways for drinking, fishing, swimming, boating, and urban redevelopment. (announced on January 10, 2000)
- **Fighting the War On Emerging Infectious Diseases:** A new \$20 million initiative to further the development of a national electronic disease surveillance network to track newly emerging infectious diseases and provide essential information to public health clinics, hospitals, and health care providers. (announced on January 10, 2000)

- **Preventing Infectious Diseases Around the World:** A \$50 million investment to purchase vaccines to fight against diseases that ravage poor nations, including hepatitis B, certain forms of meningitis and yellow fever, helping to save millions of children. (announced on January 10, 2000)
- **Combating the Global Spread of Aids:** A \$100 million investment to assist efforts to combat the international AIDS pandemic in Africa, Asia, and other regions of the world – double last year's increase. (announced on January 10, 2000)
- **Promoting National Service:** An increased investment of over \$850 million to support community service and to empower more Americans to participate in civic life. This funding keeps AmeriCorps on track for the goal of 100,000 members each year by the year 2004 and also includes a new "AmeriCorps Reserves" program, modeled after the military reserves, and designed to engage former Corps members in times of need. (announced on January 11, 2000)
- **Providing our Children with Health Insurance:** Along with an HHS report documenting that 2 million children have now been enrolled in the new State Children's Health Insurance Program (SCHIP) (doubling the program's enrollment in less than a year), the White House unveiled a new \$2.7 billion multi-faceted proposal that will be included in the President's FY 2001 budget to accelerate enrollment of uninsured children in Medicaid and SCHIP. (announced on January 11, 2000)
- **Expanding EITC for America's Working Families:** A new \$21 billion plan to expand the Earned Income Tax Credit – a key part of the President's "New Opportunity Agenda." (announced on January 12, 2000)
- **Creating Smaller Schools:** A \$120 million initiative to create smaller, safer and better high schools. The program offers competitive grants to local school districts to create smaller schools or break up larger schools by funding innovative strategies such as autonomous schools-within-schools, career academies, restructured school days, and other innovations that allow schools to ensure that every student receives personal attention and academic support. (announced on January 12, 2000)
- **Developing Bio-based technologies:** A new investment of more than \$240 million to accelerate the development and use of bio-based technologies, which convert crops, trees, and other "biomass" into a vast array of fuels and products. This initiative will increase the viability of alternative energy sources, help meet environmental challenges like global warming, support farm incomes, and diversify and strengthen the rural economy. (announced on January 13, 2000)
- **Investing in New Markets:** The President's New Markets Agenda more than doubles the proposed New Markets Tax Credit to spur \$15 billion in new private investment, expands Empowerment Zone Tax Incentives, and provides access to financial services to low and moderate income Americans through First Accounts. The President also issued an invitation to corporate leaders to participate in a roundtable at the White House to discuss how the business community can build upon the success of the Community Reinvestment Act (CRA). (announced on January 13, 2000)
- **Determining the Environmental Causes of Diseases, Including Breast And Prostate Cancer:** A \$7.5 million investment to evaluate the exposure of men, women, and children to toxic substances that cause cancer. It also provides an additional \$5 million for breast cancer screening programs at CDC. (announced on January 13, 2000)

- **Improving Nursing Home Quality:** A \$16.8 million initiative provides new funds to help states strengthen nursing home enforcement tools and increase Federal oversight of nursing home quality and safety standards. (announced on January 14, 2000)
- **Enforcing Civil Rights:** A \$695 million for civil rights enforcement agencies, which represents a 13 percent increase over last year's funding levels, a significant increase for civil rights enforcement to help ensure equal opportunity for all Americans. (announced on January 15, 2000)
- **Investing in Biomedical Research:** Includes almost \$19 billion for biomedical research at the National Institute of Health (NIH), an increase of \$1 billion over last year's funding level. In addition, the President will eliminate the delays in releasing \$4 billion in research funds as required in last year's appropriations bill. (announced on January 16, 2000)
- **Reducing Gun Violence:** A \$280 million expansion of fire-arms enforcement programs to crack down on gun criminals, which includes the largest increase ever for the ATF. The plan would add 500 new ATF agents and inspectors, and more than 1,000 new local and federal gun prosecutors to combat violent gun criminals and illegal gun traffickers. The budget will also expand the Administration's gun tracing efforts; increase the number of cities participating in the Administration's Youth Crime Gun Interdiction Initiative to 50 cities; and triple funding for ballistics testing to help law enforcement solve more crimes with bullets and shell casings left at crime scenes. (announced on January 18, 2000)
- **Preventing the Spread of AIDS:** A \$50 million new investment to encourage individuals at risk to avoid behaviors that can result in the transmission of HIV. An additional \$125 million investment in the Ryan White Program, an increase of almost 8 percent over last year's funding level, to provide primary medical care, pharmaceuticals critical to treatment, and other critical support services for people living with HIV and AIDS. (announced on January 18, 2000)
- **Expanding Health Insurance to More Americans:** A \$110 billion initiative, over 10 years, which would dramatically improve the affordability of and access to health insurance, by expanding coverage to at least 5 million uninsured Americans and expanding access to millions more. The initiative will: (1) provide a new, affordable health insurance option for families; (2) accelerate enrollment of uninsured children eligible for Medicaid and S-CHIP; (3) expand health insurance options for Americans facing unique barriers to coverage; and (4) strengthen programs that provide health care directly to the uninsured. (announced on January 19, 2000)
- **Protecting and Restoring our Wetlands:** A \$30 million investment, double last year's funding, to protect and restore wetlands through voluntary partnerships with state and local governments, farmers and other private landowners, Indian tribes and non-profit conservation groups. (announced on January 19, 2000)
- **Helping American's with Long Term Health Care:** A \$3,000 tax credit for people with long-term care needs or their caregivers -- tripling the credit over last year's proposal and increasing the total investment in long-term care to \$28 billion over 10 years. This credit is the centerpiece of the President's historic long-term care initiative that has won praise from senior groups and health policy experts. (announced on January 19, 2000)
- **Promoting Safe Schools and Healthy Students:** A \$247 million investment to help communities throughout the country promote a coordinated, comprehensive response to school safety. This

investment includes a \$100 million increase over last year's funding. (announced on January 12, 2000)

- **Making College More Affordable:** A \$30 Billion College Opportunity Tax Cut to provide tax relief for millions of families struggling to make college more affordable; nearly \$1 Billion for College Completion Challenge Grants, Pell Grants, and other initiatives to help students afford and be able to stay in school; over \$400 Million in increases in initiatives to keep young people on the track to success. (announced on January 20, 2000)
- **Investing in Science and Technology for a Stronger America:** A \$2.8 billion increase in the "Twenty-First Century Research Fund," including a \$1 billion increase in biomedical research at the National Institutes of Health and double the largest dollar increase for the National Science Foundation in its 50 year history to ensure that science and technology will continue to fuel economic growth and allow Americans to lead longer, healthier lives. (announced on January 21, 2000)
- **Combating Medicare Fraud:** A new \$48 million investment to ensure a swift and coordinated response to suspected fraud, waste or abuse by Medicare contractors, following on the success of the Administration's current anti-fraud efforts. (announced on January 22, 2000)
- **Providing Equal Pay for Women:** A \$27 million Equal Pay Initiative to combat unfair pay practices against women. The Initiative includes \$10 million to 1) bolster the ability of the EEOC to identify and respond to wage discrimination; 2) teach businesses how to meet legal requirements; and 3) launch an equal pay public service announcement campaign. The Initiative also dedicates \$10 million for the Labor Department to train women in nontraditional jobs and \$7 million to help employers improve their pay policies, provide non-traditional apprenticeships, and implement industry partnerships. (announced on January 24, 2000)
- **Promoting Responsible Fatherhood:** An initiative to promote work, child support, and responsible fatherhood, including measures to 1) collect child support from parents who can afford to pay; 2) ensure that more child support goes directly to families, and 3) provide funds to help more "deadbroke" fathers who owe child support go to work. These proposals, which build upon the President's efforts to help low-income families succeed in the workforce, will collect nearly \$2 billion more over five years in support for children who need and deserve the support of both parents. (announced on January 26, 2000)

Accomplishments

MAJOR ACCOMPLISHMENTS OF PRESIDENT CLINTON AND VICE PRESIDENT GORE: 1993-2000

Progress and Prosperity at Home, Peace Abroad
January 20, 2000

- ◆ **Leading the Longest Economic Expansion in U.S. History**
Sustained the longest peacetime economic expansion in history creating over 20 million jobs and producing the lowest unemployment rate in 30 years, the lowest poverty rate in 20 years, and the highest homeownership rate on record.
- ◆ **Restoring Fiscal Discipline, Replacing Decades of Budget Deficits with Surpluses**
Eliminated the \$290 billion budget deficit, produced back to back surpluses and paid off over \$140 billion of the national debt. This resulted in lower interest rates on mortgages and car loans – an effective tax cut of \$2,000 for a family with a \$100,000 mortgage.
- ◆ **Leading Global Efforts to Promote Peace, Democracy and Human Rights**
Reversed ethnic cleansing in Kosovo by leading NATO alliance to victory and returning nearly 1 million refugees to their homes. The President also worked to broker peace in the Middle East, bring peace to Bosnia, restore democracy to Haiti, and end hostilities in Northern Ireland.
- ◆ **Moving Millions of Americans from Welfare to Work**
President Clinton kept his promise to reform the welfare system by supporting work and responsibility, moving millions to work--1.3 million in 1998 alone, reducing the welfare rolls by more than half to the lowest level in 30 years, and nearly doubling child support collections.
- ◆ **Reducing Crime Rates to the Lowest Level in a Generation**
Passed the Brady Law to stop nearly half a million felons, fugitives, and domestic abusers from getting guns. Enacted a tough crime bill that funded 100,000 community police officers and banned assault weapons--helping to reduce the overall crime rate for the seventh year in a row, the longest consecutive decline ever recorded.
- ◆ **Enacting the Largest Expansion of College Opportunity Since the GI Bill**
Created new options to pay for college, such as HOPE Scholarships and AmeriCorps, opening the doors of college to all Americans.
- ◆ **Setting High Standards and Providing Historic New Investment In Our Schools**
The President enacted an initiative to hire 100,000 quality teachers to reduce class size; slots for 200,000 new Head Start students; after school and summer school programs; GEAR-UP college preparation opportunities; Internet connections for America's classrooms; and strong leadership that resulted in higher standards for practically every American student and school.
- ◆ **Improving Our Nation's Health**
Strengthened Medicare by adding preventive benefits, cracking down on fraud and waste and extending the life of the Trust Fund from 1999 to 2015. Enacted reforms to prevent people from losing their health insurance when changing jobs or being denied coverage due to pre-existing conditions, and to allow people with disabilities to work without losing their health coverage. Raised childhood immunization rates to all time high and provided health coverage to millions of uninsured children.
- ◆ **Proving You Can Grow the Economy and Protect Our Environment**
Cleaned over 500 toxic waste dumps, improved air quality by setting the toughest smog and soot standards ever and protected over 60 million acres of public lands -- more than any administration since FDR.
- ◆ **Helping Americans Balance Work and Family**
Won important victories for children and families like passage of the Family and Medical Leave Act, targeted middle class tax cuts, an increase in the minimum wage and expansion of the Earned Income Tax Credit.
- ◆ **Expanding Trade to Create Jobs and Strengthen Our Economy**

Concluded more than 270 market opening agreements. Opening foreign markets has contributed to the 62 percent increase in American exports since 1992.

◆ **Doing All of This With a Smaller Government that Works Better for Less**

Under the leadership of Vice President Gore's National Performance Review, this Administration has reduced the federal workforce to the lowest level since the Kennedy Administration and eliminated over 16,000 pages of federal regulations.

**President Clinton And Democratic Congressional Leaders:
Focused On Getting The Job Done For
The American People in 2000**
January 5, 2000

Today, President Clinton meets with Senate Minority Leader Tom Daschle and House Minority Leader Richard Gephardt to reaffirm their common commitment to making progress on priority issues for the American people. Specifically, they will discuss a new expanded proposal on school construction and modernization. In addition, the President and Leaders will discuss a list of issues where there is unfinished business and where they can expect bipartisan progress in the coming year.

An Agenda For Progress In 2000

- **Repairing, Renovating and Renewing Our Schools**
 - **Cutting Taxes While Maintaining Fiscal Discipline**
 - **Modernizing Medicare, Including A Voluntary Prescription Drug Benefit**
 - **Strengthening Social Security**
 - **Enacting A Real Patients' Bill Of Rights**
 - **Passing Common Sense Gun Safety Legislation**
 - **Raising The Minimum Wage**
 - **Passing Legislation To Fight Hate Crimes**
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**President Clinton And Democratic Congressional Leaders:
Focused On Getting The Job Done For The American People 2000
January 5, 2000**

Repairing, Renovating and Renewing our Schools.

It is incomprehensible that during one of the greatest periods of economic prosperity in our history, the Congressional Majority has refused to act on a tax proposal to provide for school construction and modernization. Many schools are crumbling. And in many other communities, new schools are needed to give exploding student populations a decent place to learn. This year, the President and Democrats are united in an effort to seek bipartisan support for measures aimed at dealing with this crisis in education.

Cutting Taxes While Maintaining Fiscal Discipline.

Last year, the President's budget proposal included targeted tax cuts and a substantial tax cut to promote retirement savings as part of a framework to maintain fiscal discipline and extend the life of Social Security and Medicare. While the President's tax proposals are still being finalized, the President plans to announce a similar-sized targeted tax cut during his State of the Union speech later this month. The President's tax cuts will help people save for retirement, continue to reward work for hard-pressed families, encourage investment in poorer communities, help expand health coverage, and provide middle-class tax relief.

Modernizing Medicare, Including a Voluntary Prescription Drug Benefit.

Three out of four seniors are without dependable, affordable prescription drug coverage. Last year, the President laid out a serious plan to reform and modernize Medicare, including the creation of a voluntary prescription drug benefit. In the coming year, the President and Democrats will continue to push for bipartisan Medicare reform that meets the health, demographic, and financing challenges of the 21st century.

Strengthening Social Security.

Last year, the President 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. The President and Democratic Leaders will work again this year to enact legislation to truly strengthen Social Security.

Enacting a Real Patients' Bill of Rights.

Americans who receive their health care through managed care organizations lack adequate protections. They are not ensured access to specialists. They can be forced to change doctors in

mid-treatment. They do not have adequate recourse when a health plan provides less than adequate care. Last year, the President and Democrats supported a real, bipartisan "Patients' Bill of Rights" bill that addressed all of these problems. That bill passed overwhelmingly in the House. In the Senate, Democrats unanimously rejected the unacceptably flawed Senate version of the bill. The President and Democratic Leaders will work to insure that a strong, enforceable, bipartisan, Patients' Bill of Rights is signed into law this year.

Passing Common Sense Gun Safety Legislation.

After a number of tragic school shootings across America, the President and Democratic Leaders finally persuaded Republicans in the Senate to pass common-sense, bipartisan gun measures to keep guns out of the hands of children and criminals. Unfortunately, the House defeated similar gun safety provisions. This year, the President will work with Democratic Leaders to enact common-sense gun measures in Congress, like closing the gun show loophole. In addition, the President has made clear that he will search for other ways, including through Executive actions, to reduce gun violence.

Raising the Minimum Wage.

We have the best economy in a generation. And yet there are too many families working full-time, 50 weeks a year that don't earn enough to support a family. Currently, a person working full-time and earning the minimum wage receives only \$10,300 -- not enough to move families from dependency to self-sufficiency. Last year in his State of the Union Address, the President called on Congress to pass the Kennedy-Bonior proposal to raise the minimum wage by \$1 over two years, from \$5.15 to \$6.15 an hour. The President and Democratic Leaders will work enact bipartisan legislation -- and defeat attempts to prevent a minimum wage hike through "poison pill" amendments by opponents.

Passing Legislation to Fight Hate Crimes.

In 1998, almost 8,000 hate crime incidents were reported -- nearly one per hour. Since 1997, the President and Democratic Leaders have been working to pass the Hate Crimes Prevention Act. There is bipartisan support for the bill and broad public support. This year, the President and Democratic Leaders will work to insure that this measure is enacted and signed into law.

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Education

PRESIDENT CLINTON'S STATE OF THE UNION 2000

Opportunity and Responsibility in Education

January 27, 2000

The Clinton-Gore Record on Education

President Clinton and Vice President Gore have worked to improve standards and increase investment in training so that every student can get a quality education. The Clinton-Gore Administration fought for and won an initiative to hire 100,000 quality teachers to reduce class size; slots for 200,000 new Head Start students; after school and summer school programs; GEAR-UP college preparation opportunities; and Internet connections for America's classroom. They also have created new options to pay for college, such as HOPE Scholarships and AmeriCorps, opening the doors of college to all Americans. At the same time, this Administration has demanded more from schools, calling for higher standards and greater accountability.

The Largest Head Start Expansion in History

The President's budget increases funding for Head Start by \$1 billion – the largest funding increase ever proposed for the program – to provide Head Start and Early Head Start to approximately 950,000 children. This funding will bring within reach the President's goal of serving one million children in 2002 and builds the foundation for the long-term goal of universal pre-school.

Promoting Early Learning

The President's budget includes \$3 billion over five years for the Early Learning Fund to help improve child care quality and early childhood education for children under five years old.

Turning Around Failing Schools

President Clinton is proposing to double funding for the Accountability Fund, which will help states and localities upgrade curriculum and staffing in underperforming schools, or close down failing schools and reopen them as charter schools.

Rewarding High Performance and Closing the Achievement Gap

The President also proposes a \$50 million initiative to provide high-performance bonuses to states that make exemplary progress in improving student performance and closing the achievement gap between high and low performing groups of students.

Class Size Reduction Initiative

The President's class size reduction initiative continues his commitment to reduce class size in the early grades by staying on a path to hiring 100,000 high quality teachers. The Administration's FY2001 budget will fund for this initiative to \$1.75 billion, an increase of \$450 million over current levels – enough to fund about 49,000 teachers, nearly half way to our long-term goal.

Teacher Quality Rewards

This \$50 million initiative will reward school districts that have made exceptional progress in reducing the number of uncertified teachers and teachers teaching outside their subject area. The President has proposed requiring states to ensure that 95 percent of teachers are certified and 95 percent of secondary teachers are teaching within field by 2004.

Modernizing and Rebuilding Crumbling Schools

President Clinton is renewing his commitment to his School Modernization Bond proposal, which provides \$24.8 billion in tax credit bonds over two years to modernize up to 6,000 schools. President Clinton also unveiled a new urgent/emergency renovation loan and grant proposal that could support nearly \$7 billion of renovation projects in high-poverty, high-need school districts with little or no capacity to fund urgent repairs.

Small, Safe and Successful High Schools

Research shows that smaller schools can boost academic achievement and extracurricular involvement and lead to fewer discipline problems. The President's budget will include \$120 million for a Small Schools Initiative to reinvent high schools on a smaller scale and make them more responsive to student needs.

Community Learning Centers

The President's budget will invest \$1 billion to ensure that unsupervised children can learn in a safe environment after school and during the summer -- more than double last year's investment.

Increasing the Number of Charter Schools

The President's budget will increase funding for charter schools by \$30 million, to a total of \$175 million -- increasing competition, providing options and choices for parents, and increasing accountability in public education.

College Opportunity Tax Cut

The President is calling on Congress to pass his College Opportunity Tax Cut to expand on previous educational tax cuts and make college, graduate school, and job training more affordable for millions of families. The President's proposal would give families the option of taking a tax deduction or a 28 percent tax credit on tuition and fees to pay for college and other higher education. When fully phased in, this proposal would provide up to \$2,800 in tax relief annually to help American families pay for college, graduate work, or courses taken to improve job skills.

Making Higher Education Affordable to All Americans

The President is proposing nearly \$1 billion in increases to Pell Grants, SEOG, Work Study, and other programs that open the doors of college to all Americans. These increases include:

- raising the maximum Pell Grant to \$3,500, the highest level ever, and increasing funding for the Pell Grant program by over \$716 million;
- providing a \$60 million increase to the Federal Supplemental Education Opportunity Grant program;
- increasing funding for the Work Study Program by \$77 million;
- creating College Completion Challenge Grants, a \$35 million initiative to help reduce the college drop-out rate by providing support services including an intensive first-year summer program, larger grants, and a strong student services program; and
- giving students the opportunity to earn two degrees in five years: one from a minority-serving institution and one from a partner institution in a field in which minorities are underrepresented with the new \$40 million Dual Degree Programs for Minority-Serving Institutions.

Keeping Young People on the Right Track

The President's budget includes over \$400 million in increases to keep young people on track, including;

- \$200 million for the GEAR UP initiative;
- \$725 million for TRIO programs;
- a 50 percent increase for Youth Opportunity Grants;
- \$42.5 million for the Youthbuild program provides disadvantaged young adults with education and employment skills through rehabilitating and building housing for low-income and homeless people; and
- a \$33 million increase for Job Corps.

**PRESIDENT CLINTON AND VICE PRESIDENT GORE:
THE LONGEST ECONOMIC EXPANSION IN HISTORY**

February 4, 2000

"This milestone is a credit to the American people, to their hard work. It also clearly highlights the need for us to stay on the path of fiscal discipline, overseas markets, investment in our people, that got us to this point."

President Bill Clinton
February 4, 2000

Today, at the White House, President Clinton announced findings of a new jobs report, showing that unemployment last month fell to 4.0 percent, the lowest in three decades. These strong employment numbers confirm that the U.S. is in the longest economic expansion in its history.

THE STRONGEST ECONOMIC EXPANSION IN AMERICA'S HISTORY. In 1992, when Bill Clinton was elected President, the American economy was barely creating jobs, wages were stagnant, and the unemployment rate was 7.5 percent. His bold economic strategy focused on three objectives: maintaining fiscal discipline; investing in education, health care, science, and technology; and opening foreign markets. This strategy helped contribute to what is now the longest economic expansion in U.S. history.

- **20.8 Million New Jobs Created Under the Clinton-Gore Administration.** Since 1993, the economy has added 20.8 million new jobs. That's the most jobs ever created under a single Administration -- and more new jobs than Presidents Reagan and Bush created during their three terms. Under President Clinton, the economy has added an average of 248,000 jobs per month, the highest of any President on record.
- **92 Percent -- 19.2 Million -- of the New Jobs Have Been Created in the Private Sector.** Since President Clinton and Vice President Gore took office, the private sector of the economy has added 19.2 million new jobs. That is 92 percent of the 20.8 million new jobs -- the highest percentage since Harry Truman was President and presiding over the post-World War II demobilization.
- **The Unemployment Rate Fell to 4.0 Percent in January -- the Lowest in Three Decades.** The unemployment rate has fallen for seven years in a row. It has remained below 5 percent for 31 months in a row. For women the unemployment rate was 4.2 percent -- staying at the lowest since 1953.
- **African American and Hispanic Unemployment Rates -- the Lowest on Record.** The unemployment rate for African Americans has fallen from 14.2 percent in 1992 to 8.2 percent in January 2000, remaining at the lowest rate on record. Unemployment for Hispanics has fallen from 11.6 percent in 1992 to 5.6 percent in January 2000, remaining at the lowest rate on record.
- **Most Rapid Growth in Construction Jobs In 50 Years.** After losing 662,000 jobs in construction during the previous four years, 2 million new construction jobs have been added during the Clinton-Gore years -- that's a faster annual rate (5.3 percent) than any other administration since Harry Truman's.
- **Fastest and Longest Real Wage Growth in Over Three Decades.** In the last 12 months, average hourly earnings have increased 3.7 percent -- faster than the rate of inflation. The United States has had five consecutive years of real wage growth -- the longest consecutive increase since the 1960s. Since 1993, real wages are up 6.6 percent, after declining 4.3 percent during the Reagan and Bush years.
- **Inflation -- Lowest Since the 1960s.** Inflation remains virtually non-existent, with the underlying core rate of inflation at 1.9 percent in 1999 -- the lowest rate since 1965. For 1999, the GDP price index grew only 1.4 percent. In the last two years, GDP inflation was lower than at any time since 1963.

Crime

PRESIDENT CLINTON'S STATE OF THE UNION 2000

Making Our Communities Safer

January 27, 2000

The Clinton-Gore Record on Fighting Crime

President Clinton and Vice President Gore fought for and won passage of the Brady Law, which has stopped nearly half a million felons, fugitives, and domestic abusers from getting guns. They also fought for and enacted tough initiatives that funded 100,000 community police officers and banned assault weapons. Overall crime rates have dropped for seven years in a row, marking the longest consecutive decline ever recorded.

Protecting Our Communities

To keep crime rates falling, the President proposed the following measures:

- **21st Century Policing Initiative**, which would enable communities to hire up to 50,000 more police for our streets by FY 2005, give law enforcement access to the latest crime-fighting and crime-solving technologies, fund new state and local prosecutors, and engage all sectors of the community in crime prevention.
- **National Gun Enforcement Initiative**, the largest in history, that includes funding for 500 new ATF agents and inspectors, over 1,000 new federal, state and local gun prosecutors, comprehensive crime gun tracing, a National Integrated Ballistics Information Network, and local anti-gun-violence media campaigns.
- **Smart Gun Technology**, which can limit a gun's use to its adult owner or other authorized user and will help prevent accidental gun deaths and injuries of children.

The President renewed his call to Congress to complete work on **common-sense gun legislation** that closes the gun show loophole by requiring background checks and records at gun shows; requires child safety locks for handguns sold; bans the importation of large-capacity ammunition magazines; and bars violent juveniles from owning guns for life.

Preventing Hate Crimes

The President again challenged Congress to strengthen federal hate crime laws by passing the Hate Crimes Prevention Act, and has included \$20 million in his FY 2001 budget for law enforcement training on preventing and responding to hate crimes and promoting police integrity.

Investing in Youth

To keep young people on track, the President proposed:

- Expanding **21st Century Community Learning Centers**, which provide a safe place to learn for children who are unsupervised during after-school and summer hours, improve the academic achievement of children who need extra learning time, and lower juvenile crime. The President's budget will contain \$1 billion for this initiative – more than double last year's funding.
- Over \$8.8 billion to **prevent youth violence** and support the healthy development of young people. These programs include developing smaller high schools; promoting safe after-school opportunities; cracking down on illegal gun traffickers who supply guns to youth; and helping communities develop and implement community-wide responses to school and youth violence through the **Safe Schools/Healthy Students**

initiative. The President called for a \$100 million expansion of his Safe Schools/Healthy Students Initiative, investing a total of nearly \$250 million in this signature program.

- \$75 million for **Youthbuild**, a program that provides at-risk youth with a fresh start by providing them with GED preparation classes, job training, and placement assistance.

Increasing Involvement of Interfaith Partnerships and Community Organizations

Already many faith- and community-based organizations partner with government to help our nation's families, but the President and Vice President believe we should do more. Their budget proposes to increase the involvement of interfaith and community-based organizations in after school, housing, community development, criminal justice, welfare reform, teen pregnancy prevention, and juvenile justice programs, consistent with the constitutional line between church and state.

Health Care

PRESIDENT CLINTON'S STATE OF THE UNION 2000

Working to Increase Access and Improve the Nation's Health

January 27, 2000

The Clinton-Gore Record on Health Care

President Clinton and Vice President Gore strengthened Medicare by adding preventive benefits, cracking down on fraud and waste, and extending the life of the Trust Fund from 1999 to 2015. The President enacted reforms to prevent people from losing their health insurance when changing jobs or being denied coverage due to pre-existing conditions, and to allow people with disabilities to work without losing their health coverage. Under the Clinton-Gore Administration, childhood immunization rates have increased to an all-time high and health coverage has been extended to millions of uninsured children.

Health Insurance Coverage Initiative

The President and Vice President have proposed a 10-year, \$110 billion initiative that would build on current public and private programs to expand health insurance coverage to at least 5 million uninsured Americans and expand access to millions more. If enacted, this would be the largest investment in coverage since Medicare was created in 1965.

Medicare Buy-In

The Medicare buy-in for individuals between 55- and 65-years old would provide an option for the fastest growing group of uninsured Americans. The President's proposal would allow these individuals to buy into the Medicare system, and his new proposal for tax credits will make the option affordable.

Improving the Mental Health of All Americans

According to the December 1999 Surgeon General's Report on Mental Health, one in five Americans is living with a mental health disorder. The President will highlight his new investment of \$100 million for mental health services, an increase of 16 percent over last year's funding level and a 90 percent increase since 1993.

Patients' Bill of Rights

The President continues to challenge Congress to pass strong patients' rights legislation that includes:

- guaranteed access to needed health care specialists;
- access to emergency room services when and where the need arises;
- protections so that patients will not have an abrupt transition in care if their providers are dropped;
- access to a fair, unbiased and timely appeals process to address health plan grievances; and
- an enforcement mechanism to ensure recourse for patients who have been harmed as a result of a health plan's actions.

Comprehensive Plan to Reform and Modernize Medicare

The President's budget plan to reform and modernize Medicare will:

- make the program more efficient and competitive;
- extend the solvency of the Health Insurance trust fund to at least 2025;
- modernize benefits, including adding a long-overdue, voluntary prescription drug benefit; and
- create a reserve fund to be used for debt relief or to create bipartisan consensus to further strengthen the proposed drug benefit for Medicare beneficiaries.

Adding a Prescription Drug Benefit

The proposed prescription drug benefit would be voluntary, available, and affordable to all beneficiaries, including low-income beneficiaries who would pay low to no cost for coverage. It would be administered by private organizations like pharmaceutical benefit managers, and would give financial incentives to employers who currently offer retiree prescription drug benefits to maintain coverage.

Addressing the Challenges of Long-Term Care

The President's budget proposes a 10-year, \$28 billion long-term care initiative that includes:

- a \$3,000 tax credit for those who need long-term care or their caregivers;
- a major new investment in the Older Americans Act to offer support services for family caregivers;
- a new Medicaid option to states to raise income eligibility levels for home and community-based services to the same levels as nursing home residents;
- a HUD program to encourage assisted living facilities for low-income elderly; and
- a new option for Federal employees to purchase quality private long-term care insurance.

The budget also includes an additional \$16.8 million to strengthen nursing home enforcement and oversight of nursing home quality and safety standards.

Protecting the Privacy of Medical Records

This year, the Clinton-Gore Administration will issue historic, final rules that will legally guarantee key privacy protections: notice of data uses; consent before records are used for non-medical purposes; patient access to records; proper security; and effective enforcement. President Clinton also will support legislation to expand the scope and enforcement of those rules

Preventing Misuse of Genetic Information

As the Human Genome Project nears completion, genetic testing and information will be increasingly common to help predict, prevent, and treat diseases. However, there are real concerns that as this information becomes increasingly common, it could be used as a basis for discrimination. The President will stress the need for strong action on this issue.

Major New Investment to Fight HIV/AIDS

The President proposed new funding in the fight against HIV/AIDS, including:

- \$150 million in assistance to combat the international AIDS pandemic;
- an additional \$125 million investment in the Ryan White Program to provide primary medical care, pharmaceuticals critical to treatment, and other critical support services for people living with HIV and AIDS;
- an additional \$50 million for HIV prevention, the largest increase ever in funding for these activities, to encourage individuals at risk to avoid behaviors that can result in the transmission of the disease.

Supporting Biomedical Research

The President's FY 2001 budget includes almost \$19 billion, an increase of \$1 billion over last year's funding level, for biomedical research at the National Institutes of Health. In addition, the President will eliminate the delays in releasing \$4 billion in research funds as required in last year's appropriations bill. If Congress passes the President's proposal, funding for NIH will increase by over 80 percent – nearly twice what the NIH budget was when President Clinton took office.

Preventing Medical Errors

The Institute of Medicine reported that as many as 98,000 Americans die from preventable medical errors each year. In response, the President instructed that all health plans serving federal employees institute patient safety initiatives, and directed all federal agencies to review steps they can take to reduce medical errors. In the coming weeks, the President will announce further actions to help eliminate preventable errors.

One America

PRESIDENT CLINTON'S STATE OF THE UNION 2000

Building One American Community

January 27, 2000

The Clinton-Gore Record on Working for One America

President Clinton launched a historic initiative to create One America: a place where we respect others' differences while embracing the common values that unite us. To reach this goal, he created a new office in the White House to ensure that we have a coordinated strategy to close the opportunity gaps that exist for minorities and the underserved in this country, and build the One America we want for all of our nation's children.

OPPORTUNITY AND JUSTICE FOR ALL

Ensuring Equal Opportunity for All Americans by increasing enforcement of Civil Rights laws. The President's budget request of \$698 million for civil rights enforcement agencies represents a 13% increase over last year's funding levels. The President's package includes funding to:

- Give the Justice Department the tools to expand investigations and prosecutions of criminal civil rights cases (including hate crimes and police misconduct) and fair housing and lending practices;
- Help the EEOC reduce the backlog of private-sector cases;
- Encourage federal contractor compliance through increased outreach, education, and technical assistance;
- Allow HUD to take steps to reduce housing discrimination.

The Employment Non-Discrimination Act

President Clinton again called on Congress to outlaw discrimination in hiring, firing, and promotions based on sexual orientation. President Clinton and Vice President Gore are the first President and Vice President ever to back civil rights legislation for gays and lesbians.

Protecting Personal Privacy

President Clinton expressed the need for privacy protections in areas such as medical records, where the Administration will issue historic, final rules this year; personal financial information, including consumer consent before financial firms can share their information within a corporate family; genetic information; and the on-line world.

Ensuring Equal Pay

President Clinton will announce a \$27 million Equal Pay Initiative to help employers comply with equal pay and discrimination laws, and train women in higher paying jobs, including high-tech jobs and other skill shortage occupations. The President will again call on Congress to pass the Paycheck Fairness Act, which would strengthen wage discrimination laws, provide for new collection of data on wage issues, and provide for additional research, training, and public education efforts.

The Hate Crimes Prevention Act

The President urged Congress to pass, as one of its first orders of business, the Hate Crimes Prevention Act, which would strengthen the existing federal hate crimes law by expanding the situations in which the Department of Justice can prosecute defendants for violent crimes based on race, color, religion, or national origin. Further, it would expand existing law to cover cases of hate crimes based on sexual orientation, gender, or disability. The President's budget includes \$20 million for training for federal, state, and local law enforcement to prevent and respond to hate crimes, and to promote police integrity.

Native American Initiative

The President's budget includes an increase of \$1.2 billion for new and existing programs to assist Native Americans and Indian reservations, including:

- \$300 million for Bureau of Indian Affairs school construction and repair;
- \$349 million through the Department of Transportation for roads in Indian Country;
- \$650 million to provide rental and homeownership assistance through HUD;
- \$2.6 billion for the Indian Health Service;
- creating a Native American Small Business Development Centers at the SBA;
- creating a Native American Economic Development Access Center at HUD;
- creating a program to encourage Native Americans to enter information technology fields;
- funding 500 new Native American school administrators;
- increased funding for tribal colleges;
- \$49 million to fund infrastructure, planning, and public works projects; and
- increased funding of \$103 million for the third year of the Department of Justice/Bureau of Indian Affairs Law Enforcement initiative.

English Literacy/Civics Initiative

President Clinton is proposing a \$50 million increase for the English Language/Civics Initiative, an innovative program to help states and communities provide limited English proficient individuals with expanded access to high-quality English-language instruction linked to civics and life skills instruction, including understanding and navigating the U.S. government system, the public education system, the workplace, and other key institutions of American life. This important initiative is a powerful tool in building a stronger American community.

Fairness to Immigrant Families

The Administration is committed to improving the way the Immigration and Naturalization Service (INS) conducts its business, particularly the naturalization process that bestows United States citizenship.

- The President's budget provides additional funds to INS to improve the naturalization process and reduce the application backlogs and to expand the process to ensure that all immigration benefits and services are provided in a fair, efficient, and timely manner.
- The Administration will continue to urge Congress to pass legislation that provides fairness for immigrant families by restructuring the INS; approving the Administration's proposal to support the process of democratization and stabilization now underway in Central American and Haiti by ensuring equitable treatment for migrants from these countries; and changing the registry date to permit long-term migrants to adjust their status.

Increasing Involvement of Interfaith Partnerships and Community Organizations.

Already many faith and community-based organizations partner with government to help our nation's families, but the President and Vice President believe we should do more. Their budget proposes to increase the involvement of interfaith and community-based organizations in after school, housing, community development, criminal justice, welfare reform, teen pregnancy prevention, and juvenile justice programs, consistent with the constitutional line between church and state.

Encouraging Charitable Giving

Last October, the President and First Lady convened the first-ever White House Conference on Philanthropy. They highlighted the unique American tradition of charitable giving, and emphasized that at a moment of great prosperity, we must preserve and expand this tradition. To do that, the President proposed:

- allowing non-itemizers to take a tax deduction for charitable giving;
- new rules to make it easier for charitable foundations to make gifts in times of need; and
- making it easier for individuals to donate appreciated assets like securities and real property.

Digital Divide

TALKING POINTS:

Moving From Digital Divide To Digital Opportunity

February 2, 2000

Today, following up on his State of the Union Address, President Clinton will travel to Beale High School in Washington, DC to unveil a comprehensive proposal to help bridge the digital divide and create digital opportunity for all Americans.

- ▶ **In His State Of The Union Address, The President Called For Increasing Opportunity, Closing the Digital Divide.** In his State of the Union Address last Thursday, President Clinton noted that our nation is *"the strongest it has ever been"* -- and challenged Americans to seize this opportunity to create an America where "opportunity for all" is a reality.

And as the President said, "Opportunity for all requires something else today -- having access to a computer and knowing how to use it. That means we must close the digital divide between those who've got the tools and those who don't."

- ▶ **Why We Have To Close The Digital Divide.** Access to computers and the Internet, and the ability to use these tools, is becoming increasingly important for full participation and success in American life. Unfortunately, there is strong evidence of a "digital divide" -- a gap between those who have access to Information Age tools and those who don't. A study by the Department of Commerce (7/99) found that those Americans with lower incomes, less education and or belonging to a racial minority are far less likely to have access to technology.

- ▶ **The President's Comprehensive Proposal To Create Digital Opportunity For All Americans.** Today the President will outline a comprehensive plan to help bridge the digital divide for all Americans. The plan has six key elements, including:

1. Creating 1,000 Community Technology Centers... to close the digital divide by providing access and training on computers and information tools to children and adults who are unable to afford them at home.
2. Expanding Tax Incentives For Private Sector Donations... of computers and technology training to communities and employees.
3. Training All New Teachers To Use New Technology Effectively In The Classroom... so that all of our children will not only have access to computers in school, but also to teachers who know how to use new technology.
4. Increasing Access To Computers And The Internet For Low-Income Families... by providing competitive grants to public-private partnerships at the local level.
5. Encouraging Investment In High-Speed Networks For Urban And Rural Communities... by using grants and loan guarantees to accelerate private sector deployment of high-speed Internet access to under-served urban and rural communities.
6. Promoting Other Innovative Uses Of Technology... through increasing investment in the Telecommunications Opportunity Program (TOP), which helps empower low-income communities through public health awareness and mentoring programs.

Twenty Things You Can Do and Learn On U.S. Government Web Sites

President Clinton is the first president of the Internet Age, and with the leadership of Vice President Gore has moved the U.S. government on-line. Government web sites make information and services available at the touch of a button, helping Americans keep in touch with their government and making government work better for people.

1. Get tips on choosing a health plan, a doctor, a course of treatment, or a long-term care facility from the **Department of Health and Human Service's Healthfinder** service (www.healthfinder.gov). Healthfinder also provides the information on the latest health research, different illnesses, and a host of medical resources designed to help families stay healthy.
2. Teachers, parents, and students can access lessons and educational materials on any topic on to the Department of Education's new **Gateway to Educational Materials** (www.thegateway.org). The Gateway makes finding materials on the Internet easy by connecting users to over 140 web sites.
3. Start your own business with help from the **Small Business Administration** (www.sba.gov), which offers everything from loans to outreach initiatives for women and minority-owned businesses. The site also provides e-mail counseling and mentoring, online educational courses, and a database of federal, state and private contracts available to small firms.
4. Protect yourself and your children from environmental hazards by finding out about drinking water quality, toxic and air releases, and hazardous waste in your neighborhood by signing on to the **Environmental Protection Agency's** (www.epa.gov) Enviromapper site. You can also find out about water discharge permits and Superfund sites.
5. Find your dream job through **America's Job Bank** (www.ajb.dni.us), on the Department of Labor's web page. America's Job Bank features on-line resumes posted by more than 1.3 million job seekers, and job listings by nearly 1.4 million employers.
6. Is it possible that you or someone you know may be owed pension benefits without knowing it? The **Pension Benefit Guaranty Corporation** (www.pbgc.gov) reunites people with missing pensions, and features an online Pension Search Directory that allows you to find benefits that may be owed to you.
7. Learn how to get health insurance for your children through the **Children's Health Insurance Program** (www.insurekidsnow.gov). CHIP's web page offers state-specific information on who is eligible and how to enroll to make sure children grow up strong and healthy.
8. Begin planning for retirement by computing your estimated Social Security benefits online at the **Social Security Administration** (www.ssa.gov). SSA's home page also provides information on obtaining a Social Security number as well as information for employers on reporting earnings.
9. Agencies from across the Federal government joined forces to provide **Federal Resources for Academic Excellence** (www.ed.gov/free), which makes hundreds of education resources

available on the web for teachers, students, or parents. Subjects range from an architectural tour of the National Gallery of Art's East Building to a mutual fund cost calculator from the Securities and Exchange Commission.

10. Buy your first home with help from the **Department of Housing and Urban Development** (www.hud.gov). HUD's web page provides a comprehensive homebuyer's kit, complete with searchable databases of HUD homes for sale, condominiums and developments approved for FHA financing, and HUD approved lenders.
11. Eliminate hassle and find needed forms on the web: finance a college education with financial aid forms available from the **Department of Education** (www.ed.gov); find tax forms (and have your tax questions answered) from the **Treasury Department** (www.treas.gov); or online housing discrimination forms from the **Department of Housing and Urban Development** (www.hud.gov).
12. Learn food safety and handling tips, proper cooking temperature for food, and how to test to see if your kitchen is safe from foodborne illness from the **Department of Agriculture** (www.foodsafety.gov).
13. Find a fuel-efficient car with help from the **Department of Energy** (www.doe.gov).
14. Kids, parents and coaches can get tips from the U.S. Women's Soccer Team (and other experts) on good reasons not to smoke -- like, not being able to run down the soccer field -- on the **Smoke-Free Kids** web site (www.smokefree.gov).
15. Curious about online trading? Learn how to invest wisely and avoid fraud on the Internet from the **Securities and Exchange Commission** (www.sec.gov).
16. Plan your trip abroad, download a passport application, get travel tips, and find out where it's safe to travel from the **State Department** (www.state.gov). The State Department also provides country-specific Y2K information.
17. Find help after a natural disaster from the **Federal Emergency Management Agency** (www.fema.gov). FEMA's web site provides information on where to find temporary shelters, crisis counseling, or legal counseling. FEMA also provides help in applying for assistance for help in rebuilding your home.
18. Find the Veterans' Medical Center nearest you, and find out what benefits you may qualify for, with help from the **Department of Veterans' Affairs** (www.va.gov).
19. Learn about your Medicare benefits, get information about nursing homes in your area, or report suspected Medicare fraud through the **Health Care Financing Administration's** (www.hcfa.gov/medicare) web page. HCFA also provides an on-line version of the Medicare & You 2000 handbook.
20. Learn how you can pay back student loans and volunteer in your community through the **Corporation for National Service** (www.cns.gov).

Women and Families

PRESIDENT CLINTON'S STATE OF THE UNION 2000

Supporting Women and Families

January 27, 2000

The Clinton-Gore Record on Supporting Women and Families

The female unemployment rate is the lowest in 47 years, and the female-headed household poverty rate is the lowest ever. Yet women still earn only about 75 cents for every dollar men earn. The President is proposing new initiatives to eliminate the wage gap and ensure that women are paid fairly for the work they do. The President and Vice President have worked to strengthen families by improving access to health care for uninsured children, increasing access to quality child care, and enacting family leave policies that help Americans balance the demands of work and home. They passed the Violence Against Women Act to bolster the fight against domestic violence; called on Congress to pass common-sense gun safety measures to keep guns out of the hands of youth and criminals; and have been steadfast in their work to expand access to family planning services and to protect a woman's right to choose.

Rewarding Work and Strengthening Families

Expanding the Earned Income Tax Credit

President Clinton will call on Congress to pass his \$21 billion plan to expand the Earned Income Tax Credit (EITC), providing tax relief for 6.4 million hard-pressed working families.

Ensuring Fair Pay

The President will include a \$27 million Equal Pay Initiative in his budget, an increase of \$12 million over FY2000. The Initiative would provide funding for:

- training and technical assistance for employers on how to comply with equal pay requirements;
- training for women in non-traditional jobs, including high-tech jobs and other skill shortage occupations;
- a public service announcement campaign on wage issues; and
- assistance for employers on assessing and improving their pay policies.

New Initiatives to Collect Child Support

The President's budget contains several new initiatives to further crack down on parents who owe child support. The budget will also require that child support orders be updated more frequently and increase the amount of child support paid directly to families.

Fathers Work/Families Win Grants

The Clinton-Gore Administration's budget will encourage responsible fatherhood through \$125 million in "Fathers Work" grants to put approximately 40,000 non-custodial parents (mainly fathers) who owe child support to work and help them connect with their children. The budget will also contain \$130 million in "Families Win" grants to help about 40,000 low-income parents stay in their jobs, move up the career ladder, and remain off cash assistance

Investing in Education

The Largest Head Start Expansion in History

The President's budget increases funding for Head Start by \$1 billion – the largest funding increase ever proposed for the program – to provide Head Start and Early Head Start to approximately 950,000 children. This funding will bring within reach the President's goal of serving one million children in 2002 and builds the foundation for the long-term goal of universal pre-school.

Class Size Reduction Initiative

The President's class size reduction initiative continues his commitment to reduce class size in the early grades by staying on a path to hiring 100,000 high quality teachers. The Administration's FY2001 budget will fund for this initiative to \$1.75 billion, an increase of \$450 million over current levels -- enough to fund about 49,000 teachers, nearly half way to our long-term goal.

Promoting Early Learning

The President's budget includes \$3 billion over five years for the Early Learning Fund to help improve child care quality and early childhood education for children under five years old.

Community Learning Centers

The President's budget will invest \$1 billion to ensure that unsupervised children can learn in a safe environment after school and during the summer -- more than double last year's investment.

College Opportunity Tax Cut

When fully phased in, this proposal would provide up to \$2,800 in tax relief annually to help American families pay for college, graduate work, or courses taken to improve job skills.

Child Care

Helping Low-Income Families Afford Child Care

The President's budget expands the Child Care and Development Block Grant to help working families struggling to afford child care, increasing funding for child care subsidies by \$817 million in FY 2001 and enabling the program to serve nearly 150,000 more children next year.

Tax Relief for Over 8 Million Families with Child Care Expenses

The Child and Dependent Care Tax Credit provides tax relief to those who, in order to work, pay for the care of a child under 13 or for a disabled dependent or spouse. The President's proposals, which cost \$30 billion over 10 years, broaden this tax relief and will help over 8 million families pay their child care expenses. The President's proposals will:

- make the credit refundable for nearly two million working parents;
- increase the child care tax credit for families earning up to \$60,000; and
- provide tax relief to parents who stay at home.

College Campus-Based Child Care

To encourage low-income parents to pursue higher education, the budget includes \$15 million to establish and support child care services on college campuses.

Health Care

Health Insurance Coverage Initiative

The President and Vice President have proposed a 10-year, \$110 billion initiative that would build on current public and private programs to improve the affordability of and access to health insurance for millions of Americans. If enacted, this would be the largest investment in coverage since Medicare was created in 1965.

Long-Term Care Initiative.

President Clinton proposed a new initiative to improve conditions and options for the growing long-term care challenge including a \$3,000 tax credit for those who need long-term care or their caregivers, and \$16.8 million to enforce nursing home quality and safety standards.

Patients' Bill of Rights

The President again challenged Congress to finish the overdue job of passing patients' rights legislation that includes critical protections such as: guaranteed access to specialists and emergency rooms, the right for women to have an ob/gyn as a primary physician, and a fair enforcement mechanism.



Improving the Mental Health of All Americans

According to the December 1999 Surgeon General's Report on Mental Health, one in five Americans is living with a mental health disorder. The President will highlight his new investment of \$100 million for mental health services, an increase of 16 percent over last year's funding level and a 90 percent increase since 1993.

Protecting Our Communities

21st Century Policing Initiative

The President's 21st Century Policing Initiative will:

- allow communities to hire and redeploy up to 50,000 more police for our streets by FY 2005;
- give law enforcement access to the latest crime-fighting and crime-solving technologies;
- fund new state and local prosecutors to combat local crime problems; and
- engage all sectors of the community to prevent and fight crime.

Smart Gun Technology

To help prevent accidental gun death and injuries of children who obtain access to guns, the President is committed to funding the testing and use of smart gun technologies, which can limit a gun's use to its adult owner or other authorized user.

Preventing Hate Crimes

The President is urging Congress to pass the Hate Crimes Prevention Act, and has included \$20 million in his budget for law enforcement training on preventing and responding to hate crimes.

Safe Schools/Healthy Students Initiative

The President's new budget will provide a \$100 million increase for this program, which helps communities prevent and respond to school and youth violence.



PRESIDENT CLINTON'S STATE OF THE UNION 2000

Working for America's Cities

January 27, 2000

The Clinton-Gore Record on America's Cities

President Clinton and Vice President Gore have spent seven years working to promote growth and opportunity in all American communities. They have established 135 Enterprise Zones and Enterprise Communities to lure economic opportunity. Their economic success and welfare-to-work incentives have brought jobs back to cities. They have funded 100,000 community police officers for communities and fought for laws to keep assault weapons off our streets and guns out of the hands of fugitives felons and domestic abusers. And the Clinton-Gore Administration has cleaned up over 500 toxic waste dumps, leveraged nearly \$1 billion in private sector investment for brownfields redevelopment. And today, 18 million more people live in communities whose drinking water now meets all federal standards and 36 million American live in communities whose air no longer violates air quality standards than in 1992.

OPENING NEW MARKETS & EXPANDING ECONOMIC OPPORTUNITY

New Markets Initiative

The President's New Markets initiative is designed to bring America's booming economy to communities that have not yet benefited. The President's expanded initiative will spur close to \$20 billion in new capital investment in America's underserved areas through a package of tax credits and loan guarantees.

Expanded Empowerment Zone Tax Incentives

These tax credits will improve economic growth in the 31 existing urban and rural Empowerment Zones, and support a third round of 10 new empowerment zones to be designated in 2001.

Livable Communities

President Clinton has proposed an extension of his Livable Communities initiative, which expands the choices available to communities to ensure a high quality of life and strong, sustainable economic growth. As part of this initiative, the President has proposed:

- Record funding for public transit and other programs to ease traffic congestion while reducing air pollution;
- Matching grants to help neighboring communities develop "smart growth" strategies; and
- Funding to provide communities with new information tools, and improve public safety by sharing crime data.

The President also proposed tax credits for **Better America Bonds**, a new financing tool generating billions in bond authority for investments by state, local and tribal governments to preserve green space, protect water quality, and clean up abandoned toxic waste and industrial sites.

New Housing Vouchers for Hard-Pressed Working Families

President Clinton has proposed 120,000 new housing vouchers to help America's hard-pressed working families. These new vouchers build on the 110,000 new housing vouchers secured through the President's leadership over the past two years.

Protecting our Communities

To keep crime rates falling, the President proposed the following measures:

- **21st Century Policing Initiative**, which would enable communities to hire up to 50,000 more police for our streets by FY 2005, give law enforcement access to the latest crime-fighting and crime-solving technologies, fund new state and local prosecutors, and engage communities in crime prevention.
- **National Gun Enforcement Initiative**, the largest in history, that includes funding for 500 new ATF agents and inspectors, over 1,000 new federal, state and local gun prosecutors, comprehensive crime gun tracing, a National Integrated Ballistics Information Network, and local anti-gun-violence media campaigns.
- **Smart Gun Technology**, which can limit a gun's use to its adult owner or other authorized user.

The President renewed his call to Congress to complete work on **common-sense gun legislation** that includes closing the gun show loophole by requiring background checks and records at gun shows; requiring child safety locks for handguns sold; banning the importation of large-capacity ammunition magazines; and banning violent juveniles from owning guns for life.

INVESTING IN EDUCATION, DEMANDING RESULTS

The Largest Head Start Expansion in History

The President's budget increases funding for Head Start by \$1 billion – the largest funding increase ever proposed for the program – to provide Head Start and Early Head Start to approximately 950,000 children. This funding will bring within reach the President's goal of serving one million children in 2002 and builds the foundation for the long-term goal of universal pre-school.

Modernizing and Rebuilding Crumbling Schools

President Clinton is renewing his commitment to his School Modernization Bond proposal, which provides \$24.8 billion in tax credit bonds over two years to modernize up to 6,000 schools. President Clinton also unveiled a new urgent/emergency renovation loan and grant proposal that could support nearly \$7 billion of renovation projects in high-poverty, high-need school districts with little or no capacity to fund urgent repairs.

Small, Safe and Successful High Schools

Research shows that smaller schools can boost academic achievement and extracurricular involvement and lead to fewer discipline problems. The President's budget will include \$120 million for a Small Schools Initiative to reinvent high schools on a smaller scale and make them more responsive to student needs.

Turning Around Failing Schools

President Clinton is proposing to double funding for the Accountability Fund, which will help states and localities upgrade curriculum and staffing in underperforming schools, or close down failing schools and reopen them as charter schools.

Class Size Reduction Initiative

The President's class size reduction initiative continues his commitment to reduce class size in the early grades by staying on a path to hiring 100,000 high quality teachers. The Administration's FY2001 budget will fund for this initiative to \$1.75 billion, an increase of \$450 million over current levels – enough to fund about 49,000 teachers, nearly half way to our long-term goal.

Teacher Quality Rewards

This \$50 million initiative will reward school districts that have made exceptional progress in reducing the number of uncertified teachers and teachers teaching outside their subject area. The President has proposed requiring states to ensure that 95 percent of teachers are certified and 95 percent of secondary teachers are teaching within field by 2004.

Community Learning Centers

The President's budget will invest \$1 billion to ensure that unsupervised children can learn in a safe environment after school and during the summer -- more than double last year's investment.

Increasing the Number of Charter Schools

The President's budget will increase funding for charter schools by \$30 million, to a total of \$175 million -- increasing competition, providing options and choices for parents, and increasing accountability in public education.

Keeping Young People on the Right Track

The President's budget includes over \$400 million in increases to keep young people on track, including;

- \$200 million for the GEAR UP initiative;
- \$725 million for TRIO programs;
- a 50 percent increase for Youth Opportunity Grants;
- \$42.5 million for the Youthbuild program provides disadvantaged young adults with education and employment skills through rehabilitating and building housing for low-income and homeless people; and a \$33 million increase for Job Corps.

Economic Expansion

Free, Fair Trade

PRESIDENT CLINTON'S STATE OF THE UNION 2000

Building a Strong Economy Through Free, Fair Trade

January 27, 2000

The Clinton-Gore Record on Trade

President Clinton and Vice President Gore have concluded more than 270 trade agreements since 1993, helping to remove trade barriers and open markets around the world to American product. The Administration concluded an historic trade agreement that will open Chinese markets to American goods and hold the Chinese government to international standards. They have worked to build a new consensus on trade by urging world trade institutions to move toward labor and environmental standards, and have required that the United States carefully consider the environmental impacts of trade agreements.

Benefits of Expanding International Trade

- 96 percent of the world's consumers live outside the United States, many in countries that are only now achieving the means to become significant purchasers of American products.
- America's successful engagement in the world economy has helped to propel the economy's remarkable record of sustained, non-inflationary growth.
- Trade will continue to contribute to American prosperity in the 21st Century by helping us produce more of what we do best; supporting higher paying jobs in our export sectors; providing producers with a wider choice of inputs, making them more competitive and able to hire more workers and raise their wages; providing consumers with more choice and value in purchasing decisions; and stimulating productivity, investment and economic growth through greater competition, exposure to new ideas, and access to capital.

Historic U.S.-China Agreement

After 13 years of negotiations, the Administration concluded an agreement with China, with China agreeing to grant the U.S. significant new access to its rapidly growing market of over one billion people, while we have agreed simply to maintain the market access policies we already apply to China by granting it permanent Normal Trade Relations. The President has made passage of legislation granting China permanent NTR a high priority in the coming year. The U.S.-China agreement slashes Chinese tariffs on American goods; opens China's markets to American services, and contains safeguards against unfair trading practices. China's membership in the WTO will spur economic reforms in China, open China to information and ideas from around the world, and strengthen the rule of law in China.

African Growth and Opportunity Act

In the State of the Union, President Clinton called on Congress to pass the African Growth and Opportunity Act, groundbreaking legislation which recognizes African countries' efforts to institute sound economic policies and reform. The philosophy of the legislation is simple: America stands ready to help those African countries that undertake difficult reforms to build a better future. Effective aid, combined with strong reform and increased trade and investment, will help bring Africa into the global economy and create new markets for U.S. exports.

Caribbean Basin Trade Initiative

The President will work with Congress toward swift passage of legislation expanding our Caribbean Basin Initiative trading relationship with Caribbean and Central American countries. The President's CBI enhancement legislation will create opportunities for American companies and workers as it provides enhanced market access and economic stimulus for countries devastated by Hurricane Mitch.

Trade Agreements Enforcement Initiative

The President is committed to ensuring that trade is free and fair and that American companies and workers benefit fully from our bilateral and multilateral trade agreements. He is proposing in FY 2001 that the Department of Commerce and related agencies have the resources necessary to monitor and enforce international trade agreements.

**Handgun Licensing
Questions and Answers
January 27, 2000**

Q: Wasn't the Brady Law struck down by the Supreme Court under a scheme similar to this? Isn't your proposal unconstitutional?

A: No. The original Brady law was ruled unconstitutional because it mandated state and local law enforcement to conduct background checks on handgun purchasers until the National Instant Check System (NICS) took effect. Under our licensing proposal, state participation would be optional, not mandatory. For states that choose not to adopt a licensing system, federally-approved gun dealers or a federal entity (like the FBI) would be authorized to issue licenses. This is comparable to the way the revised Brady NICS system now operates.

Q: Are you planning to send legislation to Congress for this proposal?

A: What the President outlined tonight are the broad principles of a plan. These principles are that: 1) licensing should be state-based and a state option; 2) to get a license, a handgun purchaser must first pass a Brady background check and a gun safety requirement. We hope to work with the Congress and others to move this plan forward and to develop its details.

Q: How much will this proposal cost? And is it funded in the budget?

A: The ultimate program costs will depend on many variables: for instance, a dozen states already have some form of licensing in place, and that could significantly reduce the funding needed for what is otherwise a new program. The budget does not contain funds specifically for this proposal.

Q: Under your proposal, would showing a gun license substitute for a Brady background check at a gun store?

A: Absolutely not. This proposal would supplement and not replace Brady background checks, which would still be required for sales at federally-licensed gun dealers. In addition, under the President's proposal, each state licensing authority would regularly cross-check criminal history and other available records to identify license holders who, since obtaining a license, have become prohibited from possessing firearms. Prohibited persons (felons, for instance) would then lose their licenses and their firearms.

Q: How do you know criminals won't just produce fake licenses?

A: As with other forms of identification, states have an interest in producing licenses that are difficult to counterfeit. And while no identification is absolutely foolproof, requiring handgun purchasers to produce a handgun license before they are able to buy a gun will

greatly improve upon our current system, which allows criminals to buy firearms from private sellers with no ID, no background check, and no questions asked.

Q: How would you know if private sellers would actually require buyers to show a license? How would you enforce this?

A: One way this licensing plan could work would be to include penalties for sellers or buyers who fail to abide by the license requirement. That is one of the issues we hope to work with Congress and others in determining. But in general, we believe that like the Brady law, our proposal will be another useful tool to keep guns out of the wrong hands.

Q: Is this registration? What is the difference between licensing and registration?

A: No, this is not registration. Registration generally requires firearms owners to register all firearms in their possession with a central government authority. Our licensing proposal would encourage states to create licensing systems that cover prospective sales, not possession, to ensure that all handgun purchasers are legally eligible to possess firearms and know how to safely handle and store them.

Q: Why didn't you embrace handgun registration instead of licensing?

A: The President has stated previously that he believes gun registration is a good idea. But he also believes that the best next step to strengthen our gun laws is a state-based licensing system to help ensure that handgun purchasers may legally possess firearms and can safely handle and store them. This will help law enforcement efforts to keep guns out of the wrong hands, and it can help prevent many accidental shootings.

Q: Aren't you doing this just to support the Vice President's proposal?

A: The President and Vice President have worked together for seven years to reduce gun violence in this country. It is no surprise that they both agree that licensing will help strengthen our nation's gun laws. And they both agree that Congress must enact long-overdue gun measures to close the gun show loophole and require child safety locks.

Q: How many states now have licensing systems?

A: We are aware of at least 12 states that already have some form of a gun licensing system: CT, HI, IL, IA, MA, MI, MN, MO, NE, NJ, NY and NC.