Clinton Presidential Records
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Divider Title: **8**

Poverty
Q&A
October 22, 1999

Q: What's your reaction the child poverty proposal Senator Bradley made yesterday?

A: Thanks to the Clinton/Gore Administration's work to create jobs, increase the minimum wage, expand the Earned Income Tax Credit, and increase health coverage to children, unemployment is at its lowest in 29 years and we have the lowest child poverty rates in 20 years. There are now 4.8 million fewer people, including 2.2 million fewer children, in poverty than in 1993. The child poverty rate fell from 19.9 percent in 1997 to 18.9 percent in 1998 – the lowest child poverty rate since 1980 and the largest one-year drop in child poverty since 1976. We're pleased to see that the Vice President and Senator Bradley are both proposing steps to address child poverty in this time of prosperity.

Background

This Administration has:

- Created over 19 million new jobs since 1993;

- Increased the minimum wage to $5.15 an hour and is fighting for an additional $1.00 increase;

- Added $4 billion in child care funds to the welfare reform law and is fighting for nearly $20 billion in new subsidies and tax credits;

- Expanded the Earned Income Tax Credit in 1993 to give a tax break to 15 million hard-pressed working families, lifting 4.3 million people out of poverty in 1998, and are fighting House Republican leadership attempts to delay tax credits to these working families;

- Enacted 110,000 new housing vouchers (50,000 last year and 60,000 in VA/HUD bill signed this week) to help hard-working, low-income families move closer to where their jobs are;

- Enacted the Children's Health Insurance Program, investing $24 billion to provide health insurance for millions of children in low income working families;

- Increased child support collections by 80 percent, collecting $6.4 billion more for families than in 1992 and a record $14.3 billion in 1998; and

- Created 31 Empowerment Zones and more than 100 Enterprise Communities and are fighting for New Markets initiative to do even more to invest in our communities.

- **Creating Jobs and Helping Working Families**. This Administration has helped create over 19 million new jobs and unemployment is as low as it's been in 29 years (figures released 10/8/99). Since 1993, typical family income is up by over $5,000 from $41,691 in 1993 to $46,737 in 1998 (adjusted for inflation). In 1998, for the second year in a row, all five quintiles of the income distribution, from poorest to richest, saw their incomes rise. A key part of this Administration's economic strategy has been to invest in our communities and in our working families. We've stimulated new jobs, new opportunities, and stronger communities by creating 31 Empowerment Zones and more than 100 Enterprise Communities and fought for and won an additional $3 billion in welfare to work funds in the Balanced Budget Act to help move long-term recipients and fathers trying to pay child support into jobs. [www.whitehouse.gov]

  President Clinton and Vice President Gore have worked for the last six and a half years to raise incomes, make work pay, help families make a successful transition from welfare to work, and extend opportunity to all. This includes raising the minimum wage, expanding the Earned Income Tax Credit, enacting the Children's Health Insurance Program, and promoting investment in underserved communities. The latest data released by the Census Bureau show we are making tremendous progress.

  The President has warned Congress not to renege on the bipartisan commitment to help states and communities finish the job of welfare reform and. He vigorously opposes attempts to cut the welfare block grant and the EITC tax refund for low-income workers. The EITC lifted 4.3 million people out of poverty in 1998. To finish the job, we need to reauthorize the Welfare-to-Work program, raise the minimum wage, and increase our investment in childcare, transportation and housing vouchers

Poverty and Welfare Reform
Question and Answer
September 30, 1999

Q: How is welfare reform going?

A: In 1992, President Clinton promised to end welfare as we know it, and three years after the enactment of the welfare reform law, welfare reform is working. We've seen revolutionary changes to promote work and responsibility: welfare rolls are down by nearly half to their lowest level in 30 years, nearly four times more of those on welfare are working, and the employment rate of people receiving welfare in the previous year has increased by 70 percent. All fifty states are meeting the law's overall work requirement. Numerous independent studies also confirm that record numbers of people are moving from welfare to work.

Background

Caseloads: The number of welfare recipients is at its lowest level since 1969 (30 years) and the percentage of Americans on welfare is at its lowest level since 1967 (32 years). The welfare rolls have fallen by 48 percent, or 6.8 million, since January 1993, when they stood at 14.1 million. State-by-state numbers show 31 states have had declines of 50 percent or more. A recent report by the Council of Economic Advisers finds that the implementation of welfare reform is the single most important factor contributing to the widespread and continuous caseload declines from 1996 to 1998. CEA estimates that the federal and state program and policy changes implemented as a result of welfare reform account for approximately one-third of the caseload reduction from 1996 to 1998. The strong economy has also played an important role, accounting for approximately ten percent of the decline.

Employment and earnings of current welfare recipients: Nationally, the percentage of welfare recipients who work rose from 7 percent in 1992 to 27 percent in 1998, with the remainder fulfilling their participation requirements through job search, education, and training. The earnings of those on welfare have increased about 11 percent between 1997 and 1998 (from $506/month to $553/month).

Employment and earnings of former welfare recipients: Results from a national survey released in August by the Urban Institute found 69 percent of recipients had left welfare for work, and 18 percent had left because they had increased income, no longer needed welfare, or had a change in family situation. The report found that women leaving welfare were working at nearly identical rates, types of jobs, and at salaries as other mothers with incomes up to 200 percent of poverty or $32,000 a year for a family of four. This study found former welfare recipients had a median hourly wage of $6.61, which is actually higher than other low-income mothers whose median hourly wage is $6.06. More than two-thirds of employed former recipients are working 35 hours per week or more, which is slightly higher than other low-income mothers.

Welfare Reform Q&A
Children's Defense Fund Report: Welfare to What?
December 2, 1998

Q: **Are you concerned about findings from the Children's Defense Fund that families leaving welfare may be experiencing hardship?**

A: This Administration has fought for and succeeded in ensuring that families moving from welfare to work will have the supports, such as child care, housing, transportation, food stamps and Medicaid, that they need to succeed in the work force. This Administration also fought successfully to expand the Earned Income Tax Credit and raise the minimum wage to ensure that working families can get out of poverty. Further, through the welfare high performance bonus, we are providing states with a powerful incentive to move people not just off welfare but into jobs by rewarding them based on their success in placing people into jobs and succeeding in the work place.

We agree with this report that the effort is far from over, but we adamantly disagree with the apparent premise of this report that families are better off on welfare than when they move off the welfare rolls. The report's most negative conclusions rest on inherently unreliable data, coming from a very small sample of families in the process of seeking emergency assistance. In fact, on average, welfare benefits provide a family income of only 34 percent of the poverty line, and even welfare combined with food stamps brings family income to only 62 percent of the poverty line. In comparison, a recent study by the Urban Institute found that, on average, a parent working even part-time at the minimum wage would raise a family's income to the poverty line and full-time, minimum wage work would raise a family's income to 119 percent of the poverty line -- in large part because of the increases in the minimum wage and the EITC secured by this Administration.

Q: **Is it true as reported by CDF, and in <u>The New York Times</u>, that the U.S. has launched an inquiry into whether the application procedures in New York City's job centers violate federal Medicaid and Food Stamp law?**

A: The Department of Health and Human Services and the U.S. Department of Agriculture are requesting information from city and state officials about Medicaid and Food Stamp application procedures to ensure that these federally guaranteed programs serve all qualified applicants, as required by federal law. This information-gathering process is currently at its earliest stages. As you may know, during the consideration of welfare reform legislation, the President insisted on maintaining the federal Medicaid and Food Stamps guarantee, and we are committed to working with the States to ensure this guarantee remains in place.

<u>Background</u>
The report called <u>Welfare to What? Early Findings on Family Hardship and Well-Being</u> is being released today by the Children's Defense Fund and the National Coalition for the Homeless. It

includes four sections: 1) outcomes for former welfare recipients, 2) barriers to self-sufficiency experienced by families who have left welfare, 3) promising practices adopted in some places and 4) recommendations for policy and practice changes at the federal, state and community level.

The report cites familiar data regarding dramatic caseload reductions, increases in the number of welfare recipients working, and some families being better off after leaving welfare. However, it concludes that caseload reductions are not sufficient measures of success, and that even for those working, work is often not sufficient to help a family achieve self-sufficiency. Most of the report's findings are based on previously released data, including state studies of welfare leavers, analysis of national survey data (including Census data), and reports by advocacy groups. However, most of the information related to hardships for those leaving welfare relies heavily on a combination of informal surveys and data collected by seven, local non-profit organizations in six states (MI, MN, PA, NY, KY, OH). These data reflect a very small sample of families who were seeking emergency assistance from these non-profit organizations so they are inherently biased to show families who are having the most difficulty.

Accomplishments

Since the President signed the Welfare Reform law in August 1996, caseloads have fallen dramatically and are now at the lowest level in 29 years and an increasing number of welfare recipients are going to work. To ensure the success of this historic effort, the Administration has:

- Encouraged the business community to hire from the welfare rolls, launching the Welfare to Work Partnership, which now has over 7,000 business members;
- Mobilized the civic, religious and non-profit community through the Vice President's Coalition to Sustain Success;
- Committed to hire our fair share of welfare recipients into the federal government -- at least 10,000 welfare recipients by the 2000 -- and under the Vice President's leadership and the commitment of Cabinet Secretaries, we're already over 80% of the way to this goal;
- Fought successfully to provide $3 billion for the Welfare to Work grants for those communities and individuals who might need additional help to make the transition to work;
- Encouraged states to use all available resources -- TANF, Welfare-to-Work, and state funds -- to provide all families on the welfare rolls with the opportunity for work and self-sufficiency.
- Expanded and extended tax credits for employers who hire long term welfare recipients and other disadvantaged individuals;
- Obtained $283 million in FY 1999 for 50,000 new welfare-to-work housing vouchers to help families who need housing in order to get or keep a job;
- Enacted $75 million in FY 1999 for transportation grants to local communities who develop innovative ways to expand transportation options for families moving from welfare to work and other low income workers;
- Increased child support collection by 68 percent since 1992;
- Signed into law just at the end of this Congress a new Individual Development Account program to help low income families save for a first home, higher education, or to start a new business.

Q&A on Archer Piece on Welfare Reform
August 10, 1998

Q: Is it true that the President's Council of Economic Advisors attributed most of the welfare caseload decline to the economy, as Congressman Archer said in his Washington Post op-ed piece?

A: A 1997 CEA study attributed 44 percent of the decline in caseloads to the strong economy, but also attributed about one-third of the decline to waivers the Clinton Administration granted to states to change their welfare reform policies. The CEA study, published in May 1997, analyzed caseloads trends from 1993-1996.

Q: Congressman Archer says the Clinton Administration was slow to grant state welfare reform waivers -- it this true?

A: No, this Administration granted over 80 welfare reform waivers to 43 states between 1993 and 1996. This is more than all previous Administrations combined.

Welfare Reform Q&As
August 4, 1998

Q: What did the President announce today?

A: Today President Clinton will take new action to promote work and responsibility as he sends to Congress a report showing the welfare reform he signed into law nearly two years ago has helped millions of families make the successful transition from welfare to work. The President will announce that he is eliminating an old vestige of the welfare system so that all states can provide Medicaid health coverage to working, two parent families. He will announce $60 million in new Welfare-to-Work grants for six states and Guam to help the most disadvantaged welfare recipients get and keep jobs. He will announce the latest numbers showing that the federal government is doing its fair share in the welfare to work effort, hiring 5,714 former welfare recipients since April 1997. He will send to Congress the first annual report on welfare reform showing that 1.7 million adults who were on welfare in 1996 were working in 1997, and he will urge Congress to fully fund his Welfare-to-Work housing vouchers proposal so that welfare recipients who need to move in order to work can do so.

100 Hour Rule/Health Coverage for Two Parent Families

Q: What is the 100 hour rule and how are you changing it?

A: Under previous welfare and Medicaid rules, a two-parent family could only be eligible for assistance if the primary wage earner was unemployed, defined in regulation as working less than 100 hours per month. Instead of rewarding work, the 100-hour rule took away health care from two-parent families who increased their hours at work. And instead of rewarding marriage, it punished single mothers who married and gave preference to single over two-parent families.

Because this tended to discourage parents from working and was not applied to single-parent families, President Clinton granted waivers of this "100-hour rule" to a number of states prior to welfare reform. However, states that did not receive such a waiver cannot do so now because welfare reform locked in place the states' Medicaid eligibility rules as of 1996. Today, President Clinton will allow all states to abolish the 100 hour rule if they choose -- ending the last vestige of the old, discredited welfare system and waiving an antiquated and anti-family regulation that prevents many states from providing health coverage to very low income, two parent families.

Q: How will this affect real people?

A: The change will make Medicaid coverage available to approximately 135,000 people.

Q: How many states will be affected?

A: Thirty states received statewide welfare waivers that allowed them to eliminate the 100 hour rule. The remaining 20 states plus the District of Columbia will now have the option of eliminating this provision so they can expand Medicaid coverage to two parent families. These states are: Alabama, Alaska, Arkansas, Colorado, Florida, Kentucky, Louisiana, Maine, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Dakota, Oklahoma, Pennsylvania, South Dakota, Virginia, Wyoming. (Eight of these states -- Alabama, Florida, Maryland, Nebraska, North Dakota, New York, Oklahoma, and Pennsylvania -- had substate waivers and would now be allowed to expand these policies state wide).

Q: How much will this new initiative cost? How will it be paid for?

A: Allowing states to waive the 100 hour rule is expected to cost approximately $600 million over 5 years. The cost of this regulation will be offset by savings from other regulatory policies. Throughout the year, some regulations are promulgated which raise costs and some which lower them. Our record for the past six years has shown that the President is committed to fiscal discipline and the publication of this revised regulation is no exception.

Q: How does the Secretary have the authority to issue this rule if the welfare reform act froze Medicaid rules in place as of July 16, 1996?

A: The welfare reform bill simply referred to the statutory test for "unemployment" in prior welfare law. The secretary retains the ability to revise regulations regarding how to define unemployment.

Q: Why wasn't this 100-hour rule regulation included in the set of regulations implementing PRWORA?

A: This regulation primarily changes Medicaid law, so it was done separately. It is, however, on a fast track -- with publication for this week and an effective date of 60 days after publication.

Q: Aren't most welfare families headed by single parents?

A: In 1997, about 7 percent of families on welfare are two-parent families, though this varies quite a bit by state. Prior to the 1996 welfare reform act, welfare rules discouraged two parent families from receiving assistance. With the flexibility provided in the new law, many states have removed disincentives for two-parents families.

Annual Report on Welfare Reform

Q: What does the annual report say?

A: The annual report to Congress, released today, shows a dramatic increase in the number of welfare recipients who have gone to work since the President signed the welfare law in August 1996. Data from the Census Bureau's Current Population Survey show that the rate of employment of individuals on welfare in one year who were working in the following year increased by nearly 30 percent between 1996 and 1997. As a result, 1.7 million adults on welfare in 1996 were working in March 1997. The report also finds that families moving from welfare to work enjoy increases in income.

The report highlights the dramatic decline in welfare caseloads, showing that welfare rolls have declined 27 percent since the welfare reform law was signed and that the percentage of the population on welfare is at its lowest point since 1969. The report also finds that on average states are spending more per person on welfare-to-work efforts than they did before the passage of the 1996 law.

Several other reports also confirm that welfare reform is on the right track. The Urban Institute recently found that, on average, a family's income goes up 51 percent when they move from welfare to a part-time entry level job, and increases even more as they move to full-time work. The Earned Income Tax Credit, which this Administration fought hard to expand in the 1993 budget, is a major factor in making work pay, especially if families take the option to get part of this tax credit in their regular paycheck. And the National Governors' Association recently reported that state spending on child care has increased by more than half, while spending on helping welfare recipients succeed at work has increased by one-third.

Q: Why is this the first annual report to Congress when the law was enacted two years ago? Wasn't this report to Congress due in April?

A: The new law gave states nine months -- until July 1997 -- to begin their TANF programs and thus Congress didn't ask for the first annual report until 1998. While we had hoped to complete the report this spring, we waited so we could include information from several new studies.

Q: Does the report include work participation rate data? If not, why not?

A: The new welfare law required states to record and report their welfare caseloads with information they have never compiled before. HHS has been working diligently with states, providing technical assistance and guidance, to obtain the necessary data to analyze participation rates. With any new reporting system, there have been technical glitches which we are working to resolve.

Welfare to Work Grants

Q: Didn't the President announce Welfare-to-Work Grants in May? How were those different from what he's announcing today?

A: Seventy-five percent of the $3 billion welfare to work funds are distributed on a formula to states, and in turn to local communities, based on their share of individuals receiving welfare and individuals living in poverty. This ensures that resources go to those areas that need the most help. In addition, 25 percent of the funds are available on a competitive basis to innovative programs. In May, the President announced the first round of Welfare to Work competitive grants. Today, the President is releasing formula grants for Maine, Maryland, New Hampshire, New Mexico, Virginia, West Virginia, and Guam. With the $60 million released today, the Department of Labor has now approved $759 million for 38 states plus Guam.

Federal Welfare to Work Hiring

Q: How many welfare recipients has the federal government hired?

A: According to the Office of Personnel Management, the federal government has hired 5,714 welfare recipients since April 1997 when the federal hiring initiative was launched. This is 54 percent of our goal of 10,000 hires by the year 2000. As a part of this effort, the White House pledged to hire six welfare recipients and has already hired seven.

Q: How was the goal of 10,000 hires set?

A: The Federal government is approximately 1.5 percent of the nation's workforce. To meet its portion of the President's challenge to move 2 million people off welfare by the year 2000 -- which amounts to moving about 700,000 adults into the workforce -- the Federal government ought to hire about 10,000 welfare recipients.

Q: How can you hire welfare recipients when government is downsizing and budgets are tight? Are you creating special preferences for welfare recipients?

A: It is true that the government is downsizing. Since the President took office, he has actually shrunk the Federal government to its smallest size in three decades. However, downsizing does not mean there are no jobs to fill. As in any organization, there is a natural amount of turnover in jobs at all levels. The Federal agencies have committed to reaching out specifically to the welfare population to fill those positions. We are not creating any preference such as the one that exists for veterans. We are encouraging the departments to use existing hiring authorities, including programs that allow departments to cut through red tape and hire entry-level workers quickly and easily. We are also encouraging outreach efforts to our federal contractors, grantees and partners.

Welfare to Work Housing Vouchers

Q: The President urged Congress to pass his proposal for welfare to work housing vouchers. Why is this important and what has Congress does so far?

A: The President's FY99 budget takes further steps to promote work and welfare reform through a plan to provide $203 million for 50,000 new housing vouchers to welfare recipients who need housing assistance in order to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These targeted vouchers will give people on welfare a new tool to make the transition to a job and succeed in the work place. To date, the House has appropriated $100 million (17,700 vouchers) and the Senate has approved $40 million (7,000 vouchers). While this is a good first step, we hope the conference will fund even more.

Other Welfare Issues

Q: Did the President announce new welfare caseload numbers today?

A: No, the numbers mentioned today are the same March figures he released in late May and are the most recent available at the national level. They show that welfare caseloads have fallen to 8.9 million, a record drop of 3.3 million since he signed welfare reform into law and 5.2 million since he took office. The welfare rolls have declined by 37 percent since January 1993, when they stood at 14.1 million, and by 27 percent since their August 1996 level of 12.2 million. The percentage of the U.S. population on welfare is at its lowest since 1969 -- 3.3 percent.

Q: The New York Times recently reported that minorities are being left behind in increasing numbers on the welfare rolls as caseloads decline. Does this disturb you?

A: We believe this new information is important and merits close attention. The story suggests that one reason for the difference is that blacks and Hispanics are more likely to live in high poverty areas where jobs are scarce. This is exactly why the President fought for and won the $3 billion Welfare-to-Work grants which states and cities can use to create job opportunities for welfare recipients, particularly targeted at hard-to-employ individuals in high poverty areas, some of which are being announced today.

The President's welfare-to-work transportation initiative, which was included in the transportation reauthorization, will also help communities around the country address the challenge that people can't go to work if they can't get to work. And, we are urging Congress to fully fund the President's proposal for 50,000 welfare-to-work housing vouchers which will provide families with stable, affordable housing that is needed to help them get or keep a job. Both of these initiatives will help people who live in concentrated areas of poverty move to where the jobs are.

Q: **<u>The New York Times</u> recently endorsed Senator Wellstone's amendment to the higher education bill to expand educational opportunities for welfare recipients. What is the Administration's position?**

A: The Senate higher education bill contains an amendment that would expand the type and length of eduation programs that can be counted toward a State's "work activity" participation rate. The Administration does not oppose this amendment, but we have other high priority battles we are fighting on the higher education bill. Last September, the Administration made clear to colleges and welfare departments that they have the flexibility to use work study funds to provide jobs to welfare recipients, thereby making it easier for students to stay in school while meeting the welfare reform work requirements. The President's education policies have ensured that college is available to every Amercian, increasing the number of Pell Grants by 220,000, making student loans more affordable, and creating tax free education IRAs and Hope scholarships to cover the cost of college.

Q: What does the Administration think of the welfare reform plan Mayor Giuliani announced on July 20th?

A: We applaud Mayor Guiliani's strong focus on work. The President has always said that everyone who can work, should work. A universal work requirement is an ambitious plan for a city as large as New York, and it will require adequate jobs and support services. Through our economic policies, which have created over 16 new million jobs, and our efforts to expand child care for working families, this Adminstration will do its part to help Mayor Guiliani reform welfare.

Q: There have been criticisms that Mayor Giuliani's workfare program doesn't lead to real jobs and may be displacing city employees. Does the Administration support this type of welfare reform?

A: The President believes that private sector involvement in welfare reform is critical to its success -- that's why he's worked so hard to launch the Welfare to Work Partnership, which now includes over 5,000 companies in all 50 states that hired 135,000 welfare recipients last year. The President also believes that all work is honorable and workfare can be a valuable component to state and local welfare to work efforts. The Mayor's recent comments indicate that, while workfare will apparently continue to be an important part of his program, he plans to make it part of a broader approach which also includes private sector unsubsidized and subsidized employment.

The President firmly opposes displacing existing employees with new workers from the welfare rolls, and the welfare reform law that he signed prohibits such worker displacement.

Q: When the President signed the welfare reform law he pledged to fix the cuts to legal immigrants. Has he fulfilled this promise?

A: The President believes that legal immigrants should have the same opportunity, and bear the same responsibility, as other members of society. Upon signing the 1996 welfare law, he pledged to work toward reversing the unfair cuts in benefits to legal immigrants that Congress had added to the bill that had nothing to do with moving people from welfare to work and under his leadership many of these cuts have been restored. As part of last year's Balanced Budget Act (BBA), Medicaid and Supplemental Security Income (SSI) were restored to hundreds of thousands of disabled and elderly legal immigrants. The Agriculture Research bill, which the President signed into law in June, restored Food Stamp benefits to vulnerable groups of legal immigrants.

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Divider Title: **9**

Audio-bridge with President Clinton and Secretary Glickman
Thursday, July 23 @ 3:00 p.m. ET
Questioner List

Brownfield Network
Interviewer: Shelley Beyer
Phone: 573-893-5700
Topic: What can we do about low farm prices? Also interested in fast track and IMF.

Based in Jefferson City, Missouri, this network has 200+ affiliate stations in Arkansas, Colorado, Illinois, Indiana, Kansas, Missouri, Nebraska and Tennessee.

Q: What are you going to do about the rapid decline in farm income?

A: The first thing that we need to recognize is that this is a major drought coupled with other things that are beyond the control of the farmer -- severe weather and a serious economic downturn in Asia where many of our biggest customers are. That's why government must reposnd quickly to farmers and ranchers who are suffering.

That's why we are pushing Congress to approve emergency assistance for farmers and ranchers who are experiencing financial stress from natural disasters and low prices. In addition, we are purchasing surplus wheat which will be used to help needy people overseas. We are also challenging Congress to improve the farm safety net in a number of very specific ways. We are also looking for ways to strengthen crop insurance, which is a key component of the safety net so that those who suffer repeated disasters are adequately compensated.

Q: Why is IMF funding so important to farmers and ranchers?

A: When major U.S. agricultural markets like Indonesia, Korea, Russia, and other countries in Southeast Asia experience an economic crisis, they can't afford to buy our goods. The IMF helps stabilize those economies, while they make important structural reforms to open their economies. This provides U.S. farmers and ranchers with both benefits, because it ensures that our customers around the world are strong enough to buy American farm products.

That's why it is so disturbing that Congress has failed to act to provide full funding for the IMF. delaying this important legislation is a mistake that puts American jobs, farmers, and savers at risk. There is no doubt that the resources of the IMF are stretched dangerously thin -- especially in the wake of the Russia package. Failing to act responsibly now only increases the risks to American jobs and exports.

Q: What about Fast Track?

A: Fast track is critical to our long term ability to negotiate strong agreements to break down unfair trade barreiers around the world. I applaud the agricultural community's support for free trade. Agriculture stands to gain perhaps more than any other sector of our economy from breaking down trade barriers overseas. That's why we have put agriculture at the top of the agenda for WTO trade negotiations set to begin in 1999.

But the most important thing we can do this year to give the IMF the funds it needs to improve help American farmers. The IMF helps stabilize those economies, while they make important structural reforms to open their economies. This provides U.S. farmers and ranchers with both benefits, because it ensures that our customers around the world are strong enough to buy American farm products.

That's why it's so disturbing that Congress has failed to act to provide full funding for the IMF. Delaying this important legislation is a mistake that puts American jobs, farmers, and savers at risk. There is no doubt that the resources of the IMF are stretched dangerously thin -- especially in the wake of the Russia package. Failing to act responsibly now only increases the risks to American jobs and exports.

WHO-AM, Des Moines, Iowa
Interviewer: **Gary Wergen**
Phone: **515-242-3550**
Topic: Gary will ask what we can do about low farm prices -- uncapping loans; accelerating payments. And, trade, specifically, IMF, sanctions and fast track.

WHO-AM is a 50,000 watt clear-channel radio station that reaches most of Iowa and several surrounding states. The President has previously interviewed with WHO-AM.

See above, for farm prices Q&A

See above, for IMF Q&A

Arkansas Radio Network -- Agriculture
Interviewer: **Stewart Doan**
Phone: **501-661-7612**
Topic: Will ask about low commodity prices and reaction to the Democratic Congressional proposals to improve the safety net. Also interested in IMF funding and fast track.

Based at KARN-AM/FM in Little Rock, this network has 29 Ag stations and 67 statewide affiliates. Stewart Doan will be the interviewer and is a farm broadcaster based in Little Rock. Mr. Doan is also the current president of the National Association of Farm Broadcasters. The NAFB will make audio from the entire program available to its more than 2000 radio station affiliates nationwide.

Q: How would you strengthen the Farm Safety Net?

A: When I signed the 1996 Farm Bill, at a time when prices were strong, I made clear my concern that there was not an adequate safety net for farmers. The bill had to be signed to avoid putting farmers in an even more difficult situation under the old 1949 Farm Bill.

We have also proposed legislation to Congress to improve the 1996 Farm Bill to strengthen the safety net for family farmers. Our proposals would:

- extend the term of marketing assistance loans;
- increase planting flexibility;
- allow flexibility so that farmers can receive advance AMTA payments;
- improve credit availability and modify the "one strike" policy for farmers who have had a debt write-down;
- let farmers use USDA guaranteed operating loans to refinance;
- expand and improve crop insurance;
- compensate farmers whose crop and pasture land is flooded; and
- provide emergency feed assistance to livestock producers suffering from drought, and allow us to use leftover EEP funds in future years for food aid and other purposes.

Texas State Ag Network
Interviewer: Tony Purcell (Julius Graw as backup)
Phone: 817-543-5525
Topic: Concerned about drought relief for Texas. Also, the recent decision to purchase surplus wheat for humanitarian efforts.

Based at KRLD-AM in Dallas, this network has 50 affiliate stations throughout Texas. This network is also affiliated with the Texas State Radio Network, which has an additional 60 stations (total of 110 statewide stations).

Q: Why can't you do more to help livestock producers who suffer losses due to drought?

A: Today, I will declare the state of Texas a disaster area, enabling the state's farmers and ranchers to apply for low interest emergency loans. Emergency loans help cover production and physical losses. USDA has also authorized emergency haying and grazing of CRP acreage in counties with significant losses in hay and pasture production. And, I have asked Secretary Glickman to travel to Texas and Oklahoma next week to see the damage first hand and report back to him.

Unfortunately, the 1996 Farm Bill suspended some provisions to deal with emergencies that we could use at a time like this -- like the USDA's emergency feed programs until 2002. This is authority we would like to have back. We expended all available funds from the sale of grain in the Disaster Reserve Assistance Program addressing last year's livestock emergencies and have no congressional authority to replenish those stocks. Last week, I proposed emergency legislation to replenish this reserve with commodities forfeited to the USDA. Congress should move quickly to get this legislation to my desk to sign it.

Red River Farm Network
Interviewer: Mike Hergert
Phone: 701-795-1315
Topic: Wants to follow up on Saturday's announcements. And, are we considering any changes to crop insurance?

Based in Grand Forks, North Dakota, this network has 14 affiliate stations in Northwest Minnesota, and Eastern North Dakota.

Q: What are you doing to improve crop insurance?

A: In addition to all our recent announcements, I have asked the Secretary to look at other ways we can help get our farmers through these tough times. We have already made several changes to crop insurance and we are studying new ways to make it better.

Q: What have you done to improve crop insurance?

A: We have expanded the size of the program from 80 million acres in 1993 to over 180 million acres covered today. We have expanded farmers' choices by creating new varieties of crop insurance that include catastrophic coverage at the low end.

We have introduced the concept of revenue insurance in the large majority of the grain producing parts of the country on major crops.

We have launched a major risk management education program.

We have introduced new forms of risk management such as the dairy options pilot program that will begin in 7 states at the end of the summer.

We have improved the program by offering coverage on prevented planting since 1993 and we have increasingly based our coverage on a farmer's individual yields.

Agrinet Farm Radio Network
Interviewer: **Bill Ray**
Phone: **919-480-1372**
Topic: What are the Administration's suggestions for long term help for farmers. Would we consider returning to provisions from the pre-1996 farm bill?

Based in Kill Devil Hills, North Carolina, this network has 300+ affiliates in Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia, North Carolina, South Carolina, New York, Illinois, Ohio, South Dakota, Texas and Wisconsin

Q: **Would you consider returning to provisions from the pre-1996 Farm Bill**

A: We don't want to go back to the days when government micro-managed farmers, telling them what to plant and when to plant. The Farm Bill's flexibility has proven to be very beneficial to American agriculture in our global economy. Today, our farmers and their products are second to none in innovation and productivity.

But, when I signed the Farm Bill two years ago, I said I was very concerned about its failure to provide an adequate safety net. Unfortunately, that bill took away our authority to respond quickly to disasters. We still are not satisfied that the 1996 Farm Bill provides an adequate safety net for farmers and we have put forward a number of proposals to strengthen it.

WGNS-AM, Murfreesboro, Tennessee
Interviewer: Bart Walker
Phone: 615-893-5373
Topic: What can we do to save the family farm? And, what do you see as the differences between the Republican and Democratic proposals to help farmers?

WGNS-AM is 1,000 watt radio family owned and operated talk-news-sports station in Murfreesboro. The station does heavy early morning and late afternoon news and ag coverage and has high listenership among the local farm community.

Q: What can we do to save the family farm?

A: I am very concerned about the decline in family farms. We believe a comprehensive approach is needed to help keep farmers on the land. That's why we are working to expand markets abroad for American farm products and to make sure that there is a safety net when unforeseen events devastate people's lives and livelihoods.

Family farmers also need access to credit and that's why we have endorsed legislation which would give farmers a second chance by modifying the "one strike and you're out" provisions in the 1996 Farm Bill. The Agriculture Deaprtment has also established an Office of Outreach to provide technical assistance to farmers so they can remain competitive. In addition, we're targeting our agricultural research to address their needs.

We are also very concerned about concentration in agriculture. That's why we took administrative action to restrict IBP from engaging in preferential pricing -- so family farmers would get a fair price. We also established the Small Farms Commission to look at new ways of helping small farmers. And, Deputy Secretary Rominger is working with other USDA officials to implement the recommendations of that commission's report.

Q: What is the difference between the Republican and Democratic proposals to help farmers?

A: There are some in Congress who just think we should leave the market alone and leave these families to the ups-and-downs of the market. They are apparently content to ride out this economic downturn and focus on increasing exports, even though many of our farmers and ranchers are suffering from economic and natural disasters that require action.

We believe the farm safety net needs to be strengthened. We have put forward proposals to address the inadequacies of the safety net which have not been acted upon by Congress. In the meantime, we have exercised what administrative authority we have to help farmers and ranchers -- buying surplus wheat and donating it to people around the world facing real hunger..
On the trade front, we are pushing Congress to provide full funding for the International Monetary Fund, which can help restore stability to the Asian economies, which are such critical customers for America's farmers. We are also pushing for a more rational sanctions policy that exempts basics such as commerical exports of food and medicine except under compelling circumstances.

Q: Today, Senator Burns and Congressman Tauzin introduced legislation today to replace the "e-rate" with a block grant administered by the Department of Education. The program would be paid for by dedicating a portion of the revenue created by the existing 3 percent telephone excise tax. Can the White House support that?

A: We are pleased that Senator Burns and Congressman Tauzin support the President's goal of connecting every classroom to the Internet.

However, we do not believe that Congress should take any steps that would delay the e-rate from moving forward. As the President said in his MIT Commencement address, the e-rate is absolutely essential to ensuring that all of our children participate in the Information Age. We believe the current program is efficient, effective, and most of all, equitable.

Before the Administration could support any new proposal, it would have to meet the following criteria.

- Be fully paid for and consistent with the Balanced Budget Agreement;

- **Target its support to the poor and rural schools that need the most help wiring their classrooms;**

- Not delay the existing contracts that are on track to wire up 30,000 schools, school districts, and libraries; and

- Maintain local control so that schools can make their own decisions about what telecommunications services and Internet access they need.

Additional background

- Dingell may introduce a similar bill.

- The reason that OMB would score this as a reduction in budget receipts ($25 billion over 5 years) is that the proposal would repeal half of the telecommunications excise tax, and reduce the contribution that telecom companies make to the Universal Service Fund.

- We think that shifting the "e-rate" to a new agency would cause significant delays in the program.

COMMODITY PRICES AND THE FARM ECONOMY

Question: Is the farm sector in a crisis?

Answer: Overall, the U.S. agricultural economy is performing well, but some sectors of agriculture are under stress, and in certain states, considerable stress. Declining commodity prices are taking their toll, particularly on farmers in the Northern Plains, where wheat accounts for roughly 45 percent of the value of all agricultural production. In recent weeks, the Kansas City market for wheat dropped below $3 per bushel for the first time since 1991. In the Northern Plains, farm income has fallen sharply due to three straight years of record and near-record world wheat production, declining exports, and repeated years of sustained crop losses.

The problems are not limited to the Northern Plains: this year, farm income from wheat, corn, and soybeans will be well below the five year average. With corn, cattle, and soybean prices all down, these regional problems are growing and are a cause for national concern.

Question: Why are prices weak for major commodities?

Answer: There are many reasons. For one, world grain production is up: this is the third year in a row of record and near-record wheat, corn, and soybean crops. At the same time, demand is down: this year our producers face a triple challenge on the export front: weak demand in Asia, increased export competition due to large world supplies, and a stronger U.S. dollar.

STRENGTHENING THE FARM SAFETY NET

Question: What are you going to do about the rapid decline in farm income?

Answer: We are purchasing surplus wheat which will be used to help needy people overseas. We are also pushing Congress to provide emergency assistance for farmers and ranchers who are experiencing financial stress from natural disasters and low prices. And we are challenging Congress to improve the farm safety net in a number of very specific ways.

Question: How would you assess Freedom to Farm?

Answer: We have seen that it works well during good economic times, but it fails to provide an adequate safety net. However, planting flexibility has certainly been a success, as have been the conservation programs.

Question: What is the difference between the Republican and Democratic proposals to help farmers?

Answer: The Majority really hasn't put forward any new proposals. They are apparently content to ride out this economic downturn, even though many of our farmers and ranchers are suffering from economic and natural disasters that require action.

We on the other hand, believe the farm safety net needs to be strengthened. We have put forward proposals to address the inadequacies of the safety net which have not been acted upon by Congress. In the meantime, we have exercised what administrative authority we have to help farmers and ranchers.

On the trade front, we are pushing Congress to provide full funding for the International Monetary Fund, and a more rational sanctions policy that exempts basics such as food and medicine -- except under compelling circumstances.

Question: Would you consider returning to provisions from the pre-1996 Farm Bill

Answer: We have no intention of returning to the supply management programs of the past. We don't want to go back to the days when government micro-managed farmers, telling them what to plant and when to plant. The Farm Bill's flexibility has proven to be very beneficial to American agriculture in our global economy.

But, when the President signed the Farm Bill, he made clear his concerns about the adequacy of the safety net. It took away much of our authority to respond quickly to disasters. We still are not satisfied that the 1996 Farm Bill provides an adequate safety net for farmers and we have put forward a number of proposals to strengthen it.

Question: How would you strengthen the Farm Safety Net?

Answer: When I signed the 1996 Farm Bill, at a time when prices were strong, I made clear my concern that there was not an adequate safety net for farmers. The bill had to be signed to avoid putting farmers in an even more difficult situation under the old 1949 Farm Bill.

We have also proposed legislation to Congress to improve the 1996 Farm Bill to strengthen the safety net for family farmers. Our proposals would extend the term of marketing assistance loans; increase planting flexibility; allow flexibility in farmers can receive advance AMTA payments, improve credit availability and modify the "one strike" policy for farmers who have had a debt writedown; let farmers use USDA guaranteed operating loans to refinance; expand and improve crop insurance; compensate farmers whose crop and pasture land is flooded; and provide emergency feed assistance to livestock producers suffering from drought, and allow us to use leftover EEP funds in future years for food aid and other purposes.

Question: Do you support Speaker Gingrich's call to make over $5 billion in payments to producers in October?

Answer: We should give farmers the opportunity to receive their AMTA payments earlier than December 15, as the 1996 Farm Bill provides. Secretary Glickman proposed this earlier this year. I must remind everyone that the Gingrich plan does not offer additional income to family farms - it simply accelerates payments by a few months. We need more substantiate improvements in farm policy if we are to provide a proper safety net for family farmers.

Question: What has USDA proposed to improve access to credit for financially strapped borrows?

Answer: Currently under the 1996 Farm Bill imposes a lifetime ban, without exception, on FSA loans to family farmers who have previously received FSA debt forgiveness. We have requested Congressional authority to give creditworthy USDA borrowers a second chance. Unless this provision changes, many of these borrowers will be forced out of business, even though they have the ability to repay the loans they need.

AGRICULTURAL EXPORTS

Question: Why have U.S. agricultural exports fallen so sharply?

Answer: There are three main causes for this year's decline. The first has been the Asia crisis which is largely to blame for U.S. exports to the region falling by 17 percent over the first eight months of the year. This region accounts for almost 40 percent of worldwide U.S. exports. The second has been lower commodity prices, especially for grains, which has largely been responsible for the 12 percent decline in the value of our worldwide bulk commodity exports. The third is the strength of dollar, which has made U.S. exports less competitive against major exporters including Canada, Australia, and the European Union.

Question: What are you doing to boost commercial U.S. agricultural exports?

Answer: For one, we are making substantial credits available under USDA's export credit guarantee programs. In response to the Asia crisis, we made available $2.4 billion in export credit guarantees in fiscal year 1998 to countries in Asia. Overall, we have announced export credit guarantees of nearly $5.8 billion for fiscal year 1998, up from $3.9 billion at this time a year ago. Our export credit guarantee program has proven to be the right tool at the right time.

We also continue to help U.S. producers develop foreign markets through a variety of programs (Market Access Program, Foreign Market Development Program, Cochran Fellowship Program, and Emerging Markets Program).

Question: Why is IMF funding so important to farmers and ranchers?

Answer: When major U.S. agricultural markets like Mexico, Korea, and those in Southeast Asia experience a macroeconomic crisis, the ensuing chaos and capital flight can sharply reduce U.S. agricultural exports to those markets. IMF loan programs helps stabilize those economies and induces them to undertake structural reform and trade liberalization. This provides U.S. farmers and ranchers with both short term and long term benefits. Should another crisis break out, we are concerned about their ability to offer assistance and the negative impact that would have on U.S. agricultural export interests.

Question: Why are normal trade relations with China important for farmers and ranchers?

Answer: MFN is critical for agriculture. At stake is the fate of $3.3 billion in

U.S. agricultural products. MFN will keep China in the market for U.S. agricultural products. If we were to revoke MFN, it is very likely that China would retaliate and turn to other countries, such as Australia, Canada, and the European Union, all of whom would line up quickly to fill the void left behind by the United States. Moreover, revoking normal trade relations with China would undermine our efforts to resolve several key issues (i.e., access for U.S. wheat from the Pacific Northwest, citrus, plums and tobacco) and jeopardize ongoing WTO accession negotiations.

Question: How has agriculture fared under NAFTA?

Answer: NAFTA is now the number one regional market for U.S. agricultural exports. Although agricultural exports are down overall, we are seeing strong gains in exports to our NAFTA partners, Mexico and Canada. This year, U.S. agricultural exports to Mexico are up 19 percent over 1997 and exports to Canada are up 8 percent over 1997. **NOTE:** U.S. imports from Canada and Mexico are up as well. We are now running a substantial deficit in agricultural trade with Canada.

Question: Is the Administration still concerned about imports of wheat from Canada?

Answer: We continue to be concerned about high levels of Canadian wheat and barley imports are of significant regional importance to producers in the nortern Pains who believe that excessive Canadian imports disrupt their market. Trade must be fair as well as free. We continue to monitor very closely shipments of wheat and barley from Canada. For the past five years, imports of wheat from Canada have been at historically high levels. As you know, the Canadian Wheat Board controls all wheat and barley exports. We are concerned that this gives Canada the opportunity to compete unfairly in international markets. This is of particular importance to producers in the Northern Plains compete with the CWB. For these reasons, we have requested a full audit of Canadian Wheat board sales, and hope to work with Canadian officials to address our concerns.

Question: Will USDA's purchase of wheat encourage more wheat imports from Canada?

Answer: This should not draw additional wheat into the United States. We expect typical trade patterns between the United States and Canada to continue. We are now in a global marketplace. To the extent our actions have a positive effect on price, it will be because we are increasing wheat utilization world-wide, not displacing commercial sales.

Question: How are you responding to the EU's continued refusal to allow imports of U.S. corn?

Answer: We continue to press the Europeans, specifically France, to approve unapporved corn varieties for import. The Vice President called the Prime Minister of France on this very issue on Tuesday morning. We believe these products are safe. Biotechnology offers great promise for improving farmers income and environmental protection.

Sanctions and Agricultural Exports

Q: Do you support Congressional efforts to exempt agricultural goods from unilateral sanctions?

A: First, we should be prepared to donate food to those around the world at risk of malnutrition or starvation. Moreover, I believe as a general principle that commerical exports of food and other human necessities should be excluded from sanctions, except under compelling circumstances. In implementing sanctions we must never forget their humanitarian impact. On July 14, I signed into law a bill to exempt USDA credit guarantees from mandatory sanctions under the Arms Export Control Act. This allowed U.S. exporters to sell 300,000 tons of wheat to Pakistan the very next day.

And I urge Congress to go further, and to include in any sanctions legislation Presidential authority to determine whether exempting food would be in the national interest.

Q: Does this mean you support lifting current restrictions on food and medicine exports to Cuba, Iran, North Korea, Sudan or Libya?

A: I currently could not support legislation lifting or modifying sanctions on any of those countries.

EXPORT SUBSIDIES

Question: Why are we subsidizing dairy product exports under the Dairy Export Incentive Program (DEIP) and driving up the cost of butter?

Answer: DEIP sales were not a factor in driving up the price of butter in the United States. In July 31, 1997, it was anticipated that the full quantity of dairy products permitted by the Uruguay Round agreement would be exported under the DEIP in the 1997/98 (July/June) year. This commitment was fulfilled for three of the four eligible products: nonfat dry milk, whole milk powder, and cheese.

For butterfat, less than half was accepted for export under the DEIP. After January 1, 1998, only 342 tons were sold under the DEIP. High prices and strong demand within the United States are the principal reasons for the relatively low level of DEIP butterfat exports.

Question: What is USDA doing about subsidized EU barley?

Answer: We objected very strongly when the EU subsidized a shipment of barley to California last April, and then we retaliated with a shipment of US barley to their market using the Export Enhancement Program (EEP.) We remain very concerned over the continued high level of EU barley subsidies - still $50 per ton, and are closely monitoring the situation to ensure that there is no repeat of last April's subsidized EU sale to California. Global import demand is weak, yet competition has intensified with abundant supplies of cheap barley available for export from a number of countries. Consequently, EU subsidies tend to exacerbate the downward price spiral as well as disrupt normal, free-trade patterns.

Question: Are you going to authorize an Export Enhancement Program (EEP) for wheat?

Answer: It is not fair, but American farmers and ranchers still have to compete with subsidized exports from the European Union and elsewhere. That is why EEP remains an important tool and we will use it where conditions warrant. Under the current market circumstances, we believe an EEP for wheat would result in lower prices for our farmers. Clearly in these circumstances an EEP for wheat would not be productive.

Question: What is your current position on the recent legislation submitted by the Department of Agriculture to allow the use of EEP money for several food aid programs?

Answer: I continue to support this legislation and would hope that Congress would act on this proposal. Our legislation would provide the Secretary of Agriculture the ability to assure that funds designed to benefit U.S. agriculture do just that. My budget for next year also proposed that unused EEP balances be available for use in future years.

CHARTER ACT AND FOOD AID

Question: Under what authority are you operating the initiative you announced last Saturday?

Answer: The CCC Charter Act of 1948 provides broad authority to remove and dispose of, or aid in the removal and disposition of, surplus agricultural commodities. The wheat will be used for humanitarian donations under the authority of Section 416(b) of the Agricultural Act of 1949.

Question: When was the last time these authorities were used?

Answer: We are currently using the Section 416(b) authority and have used it extensively during the last 15 years. The Charter Act authority we are using has not been used since at least 1985. In 1985, Congress narrowed the authorities delegated to USDA for Charter Act use. With the passage of the 1996 Farm Bill, Congress restored much of this Charter Act authority including the authority to remove and dispose of, or aid in the removal and disposition of, surplus agricultural commodities.

Question: Are you going to expand the initiative beyond wheat?

Answer: At this time, we are focusing on wheat, but I have directed Secretary Glickman to continue to review the surplus situation facing other commodities.

ESTATE TAX RELIEF FOR FARMERS

Question: Farm leaders have called for Congress to provide farmers and ranchers with relief from the Estate Tax. Do you support this?

Answer: Last summer when I signed tax relief legislation into law, we completely exempted 96 percent of this nation's farm households from estate taxes and significantly reduced the estate tax burden on the remaining four percent. The topic of today's discussion should be on improving economic opportunity for all farmers and ranchers rather than providing additional relief for just the wealthiest four percent.

DISASTER ASSISTANCE

Question: What does your disaster designation mean for Texas farmers?

Answer: This makes available low-interest USDA emergency loans.

Question: Why can't you do more to help livestock producers who suffer losses due to drought?

Answer: Unfortunately, the 1996 Farm Bill suspended USDA's emergency feed programs until 2002. This is authority we would like to have back. We expended all available funds from the sale of grain in the Disaster Reserve Assistance Program addressing last year's livestock emergencies and have no congressional authority to replenish those stocks. Last week, I proposed emergency legislation to replenish this reserve with commodities forfeited to the USDA.

RAIL TRANSPORTATION PROBLEMS

Question: What is the current situation with agricultural transportation?

Answer: Complicated. A lot of U.S. grain moves directly into the export markets or is exported in value-added forms like pork chops or drum sticks. But because of the Asian economic crisis, U.S. exports have really fallen off, so prices are low and there's a lot of grain in storage right now. The problem is that, as we head into the peak harvest period, folks may decide to move out the old grain all at once to make room for the new grain. That's the recipe for a real mess, particularly when the railroads are really struggling just to provide "routine" service levels.

Question: **What's USDA doing about the rail transportation problems?**

Answer: Next week, Secretary Glickman will be in Kansas City with Transportation Secretary Slater at a national agricultural transportation summit. There will be over 200 industry leaders there representing railroads, barge companies, shippers, receivers, and farm organizations. We'll be talking about what we can do now and how agricultural transportation is changing. A lot of the conference is going to focus on long-term issues like the impact of biotechnology, railroad capacity issues, the investments some countries like Argentina and Brazil are making in their inland waterways, but we'll also take time to review the current grain logistics situation.

Earlier this year, Secretary Glickman signed a memorandum of understanding with the Surface Transportation Board, agreeing to work cooperatively to develop better information on grain logistics -- such as how the railroads are performing and where the grain piles are. We hope that this kind of information will help shippers, receivers, and railroads know where the budding problems are and where to focus their attention.

ORGANIC REGULATIONS

Question: How close are we to getting national organic standards?

Answer: On December 16, 1997, USDA announced the proposed rule governing national standards for growing, processing, labeling, importing, and certifying organically grown food and fiber. The comment period was open until April 30, 1998. The proposed rule was accessible on the Internet at its own website and comments were accepted online, and put back out on the Internet for public viewing, a government first. More than 275,000 comments were received, which will be considered in formulating a second proposed rule, due out by the end of 1998. USDA is committed to standards that the organic community can embrace.

Question: Why did USDA rule out the big three--products of biotechnology, the use of irradiation in food processing, and the application of biosolids (municipal sludge) in organic food production?

Answer: The first proposed rule did not take a position on these issues; instead, the proposal asked for public comment on these items. Biotechnology, irradiation, and biosolids are safe and have important roles to play in agriculture, but as the comments made clear, they neither fit current organic practices nor meet current consumer expectations about organics. Therefore these products and practices will not be included in the revised proposal, and food produced with these products and practices will not be allowed to bear the organic label.

MILK MARKETING ORDERS

Question: What is the current status of the Milk Marketing Order reform process?

Answer: At this time, USDA is reviewing the comments that were submitted in response to the proposed rule which was issued in January. Almost 4,500 comments have been received with more than 3,350 comments being submitted by dairy producers. Over half of the comments have been received from the Northeastern United States. The comments primarily address the issues of the Class I price structure (fluid milk) and the consolidation of the Federal milk orders which were set forth in the proposed rule.

Question: What is the next step in the Federal Order Reform process?

Answer: After the comments have been reviewed, additional information obtained, and further analysis completed on various proposed options, USDA will prepare a final decision that will set forth the specifics of the consolidated Federal orders. Producers will be provided the opportunity to vote to determine approval or disapproval of the consolidated orders. Once the voting process is completed, a final order will be issued that will implement the new orders.

The 1996 Farm Bill mandates that the new orders be effective no later than April 4, 1999. Currently there is legislation being considered by Congress that would extend the effective date by six months.

AGRICULTURAL RESEARCH

Question: What kind of research is being funded by the Agriculture Research Service?

Answer: ARS research has made significant contributions in the areas of food safety with new tests to quickly detect food borne pathogens as well as preventative measures to eliminate salmonella in baby chickens. Other research to control wheat scab, so vital to the great plains ,to eliminating phosphates in livestock waste and control of pfisteria, ARS research is providing the technology to attain a sustainable, efficient, and environmentally sound agricultural system.

Question: How will the recently signed Agricultural Research, Extension, and Education Reform Act of 1998 support the needs of farmers, ranchers, and consumers?

Answer: Needed funds to continue research to provide a safer more nutritious food supply while protecting our environment will be made available. Production agriculture will gain through research in genomics to produce disease resistant, higher yielding crops as well as alternative uses of agricultural products to provide new avenues of revenue.

TOBACCO

Question: What will happen to tobacco farmers if Congress passes a streamlined tobacco bill?

Answer: I support a comprehensive approach to resolve the tobacco issue. I have made clear on many occasions that any tobacco legislation must protect tobacco farmers and their communities.

I am concerned that the Congress is considering legislation that does not address the concerns of tobacco growers. I am also concerned that the individual settlements with the State Attorneys General do not address the growers. Most tobacco farmers live and work on small family farms; in many cases, their families have been growing tobacco for generations. In some states, entire communities rely on income from the tobacco crop. I am committed to working with Members of Congress in both parties to ensure that we protect the financial well-being of tobacco farmers, their families, and their communities.

RURAL DEVELOPMENT

Question: What can the Federal Government do in rural areas to promote economic growth?

Answer: USDA, through its Rural Development Agencies — Rural Business-Cooperative Service (RBS), Rural Housing Service (RHS) and Rural Utilities Service (RUS) — provides a wide range of assistance: grants and guaranteed loans to existing and start-up businesses, distance learning and telemedicine technologies, clean drinking water and proper disposal systems, assistance to help rural citizens become homeowners, essential community facilities (hospitals, childcare centers, fire stations) and numerous other services designed to help communities and their citizens realize a better quality of life.

In addition, the Empowerment Zone/Enterprise Community (EZ/EC) Initiative works with traditionally distressed and under-served communities in a comprehensive manner to create jobs, build infrastructure, spur investment through leveraging and partnerships, and build stronger communities that endure. After a very successful first round of designations, we are now ready to launch a second round.

Question: How much funding does the Federal Government provide for these programs?

Answer: USDA Rural Development program levels (including grants and loans) is nearly $10 billion annually nationwide. In South Dakota, Rural Development expects to award $90 million this year to help South Dakotans meet their housing, business and utility needs.

Question: What types of specific initiatives are presently being done?

Answer: Obviously everything being done is important. Successful economic development means that you not only create jobs in a community, but also that there is affordable housing, safe and reliable utilities, adequate infrastructure, good schools, hospitals, etc. Presently, my Administration has a home ownership that has pushed home ownership levels to record highs. We also have Water 2000 which is working to ensure that every rural citizen has access to clean, safe drinking water. As I mentioned, the second round to EZ/EC is coming up. We also have a Self-help housing Initiative where groups of rural residents partner with a not-for-profit organization to build their own homes. The "sweat equity" that they provide from physically building their homes is treated as a down-payment that they otherwise would not have had.

Question: What is the REAP Initiative?

Answer: The Rural Economic Area Partnership (REAP) Initiative was established to address the unique problems of the Northern Great Plains: low-density settlement patterns, historic dependence on agriculture, continued population loss and outmigration, stagnant or declining employment, and isolation that has led to disconnection from markets, suppliers, and centers of information and finance.

Two Zones were designated with each zone completing a strategic plan for economic revitalization. As part of this process, federal funds were targeted to the zones. To date, nearly $30 million has been invested in the REAP area.

Question: What is the Administration's position on the House- and Senate-passed versions of the FY 1999 appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies?

Answer: The President's senior advisers have serious reservations about certain aspects of both the House and Senate versions of the bill.

Farm Issues: • The total funding in both bills is close to request ($13.7B), but both achieve these levels in part by cutting key programs including 2 in the Ag research bill signed last month: the Fund for Rural America in FY 1999 (-$60M); and agriculture research invesment (-$120M in FY 1999).

- The Senate bill provides $500M in contingent emergency funds to assist farmers and ranchers suffering income loss due to repeated natural disasters and low commodity prices ("the Conrad Amendment")

- Both the House and Senate fail to fund the proposed $7M increase for Outreach for socially disadvantaged farmers. Both versions of the bill include the requested statue of limitations waiver for civil rights complaints.

Other issues: • The House has not funded the $7M increase for additional research as part of the Climate Change Technology Initiative or the $23M increase for the Clean Water Action Plan.

- Neither bill accepted increased user fees proposed by the Administration -- the largest was $473M to cover meat/poultry inspections by USDA's Food Safety and Inspection Service.

- There are no objectionable environmental riders in either bill.

- The House bill contains a provision that would prohibit the Food and Drug Administration from using funds for the testing, development, or approval of any drug for the chemical inducement of abortion. **The Secretary of Health and Human Services would recommend that the President veto any bill that includes this provision. No Senate provision.**

- Both the House and the Senate fail to fund the proposed $100M increase for FDA's efforts to reduce tobacco use among young people.

- The House bill would freeze WIC funding at the FY 1998 level of $3,924M. This level is $157M below the request and would result in cuts to the proposed participation level of 7.5M of over 100,000 participants. Senate bill $24M more than the House.

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Divider Title: 10

Unborn Victims of Violence Act
Q&A
September 15, 1999

Q. The House Judiciary Committee passed H.R. 2436, the "Unborn Victims of Violence Act of 1999," which would make it a separate federal offense to cause "death or bodily injury" to "a child in utero" in the course of committing any one of 68 listed federal crimes. What is the Administration's position on this bill?

A. The Administration has made the fight against domestic violence and other violence against women a top priority. If the Congress were serious about taking steps to protect all women -- including pregnant women -- from violence, it would reauthorize the historic Violence Against Women Act (VAWA), which passed with bipartisan support of the Congress in 1994. VAWA, for the first time, created federal domestic violence offenses with strong penalties to hold violent offenders accountable. The Department of Justice (DOJ) has brought 179 VAWA and VAWA-related federal indictments to date, and this number continues to grow. In addition, the DOJ alone has awarded well over $700 million through VAWA grants to communities' efforts to respond to domestic violence and sexual assault. These funds have helped save the lives of many victims of domestic violence.

But it is clear that, as currently drafted, this bill is not about providing additional protections to women against violence. The DOJ has sent a letter to the Judiciary Committee outlining the Administration's reasons for opposing the bill strongly. The Administration would be willing, however, to work with Congress to develop alternative legislation that would strengthen punishment for intentional violence against women whom the perpetrator knows or should know is pregnant, strengthen the criminal provisions of the VAWA, and reauthorize the grant program established by this historic legislation.

Partial Birth
Q&A
April 5, 2000

Q: Will the President veto the bill passed by the House today?

A: The President has said he will veto the bill for the same reasons he vetoed similar bills in the 104th and 105th Congresses – because it lacks a health exception.

Q: Did the President support the Hoyer-Greenwood substitute?

A: The President has repeatedly said he would sign a bill that bans late-term abortions with an appropriate exception for life or health. For that reason, he supported the Hoyer-Greenwood substitute.

Q: Isn't this position inconsistent with the position the Administration took in the Supreme Court case (Carhart v. Stenberg)?

A: No. The Nebraska statute that is the subject of the case does not meet the standards that the President has indicated are necessary for any acceptable legislation.

Q: Do you believe that there is any significance to the Court's denying DOJ's request for oral argument in Carhart?

A: No. The arguments of the Department of Justice are fully set out in its brief.

Q&A's on Clinic Security Funding and Family Planning
January 22, 1999

Q. What is the Administration proposing to do to prevent violence at abortion clinics?

A. The Administration's FY2000 budget request includes $4.5 million for DOJ's Office of Justice Programs to provide security assessments and, where necessary, security improvements to women's health care clinics that are at high risk of violence. A security assessment is a review of a facility by a security expert to identify vulnerabilities and recommend ways to address them. Security improvements can include measures like closed circuit camera systems, improved lighting, motion detectors, alarm systems, bullet-resistant windows, and access control systems.

Q. How many clinics will receive security assessments, and how will you choose which ones to review?

A. Initial estimates suggest that $4.5 million could address security review and improvement needs for approximately 250-300 clinics (approximately 10% of all clinics nationwide). In determining which clinics to review, we will draw upon the threat assessment criteria first developed by the U.S. Marshals Service.

Q. Will the money go directly to clinics themselves?

A. No. Consistent with the approach taken with similar initiatives, the Office of Justice Programs will work with a contractor with expertise in relevant security issues to perform the assessments and provide the security equipment deemed necessary.

Q. How does this relate to the Attorney General's Task Force on Violence Against Health Care Providers?

A. This proposal builds on the Justice Department's National Task Force on Violence Against Health Care Providers announced on November 9 to coordinate the investigation of violence against women's health care clinics nationwide. The Task Force has begun working closely with local authorities and U.S. Attorneys investigating acts of violence against clinics by: coordinating national investigative efforts; creating an investigative clearinghouse for information related to clinic violence; and providing training to federal, state and local law enforcement personnel. A key missing piece in preventing clinic violence is funding for greater security. The new initiative will be administered by the Office of Justice Programs, and the Task Force, given its expertise on clinic violence, will serve as an advisor to the project.

Q. Why are you providing government support for security review and improvements

when you don't do the same thing for banks, which are also at risk of criminal activity?

A. This is about hate-inspired violence and the efforts of some extremists to interfere with a woman's right to seek legal health services. Health care clinics' vulnerability to violence is in many ways similar to the recent spate of church arsons. Churches, like clinics, have been the objects of hate-inspired violence, and that is why the Administration has provided support to them.

Q. What else are the Vice President and First Lady announcing today at their meeting with the women's groups?

A. They are unveiling several new initiatives in the President's FY 2000 budget, including the largest increase in family planning services in 15 years, a $25 million contribution to the UN Population Fund, and the continuation of our effort to ensure that Federal employees have access to comprehensive family planning services.