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Divider Title: 11

Food-borne Illness
Q&A
September 16, 1999

Q: **What did the Department of Health and Human Services (HHS) announce today?**

A: Today, HHS published the most accurate estimate yet made on the level of food-borne disease in the United States. This new data estimates that food-borne diseases cause approximately 76 million illnesses, 325,000 hospitalizations, and 5,000 deaths in the United States each year. In large part, these new numbers are the result of improved surveillance and collection methods implemented during President Clinton's Administration. Therefore, they don't show a trend and can't be used to demonstrate advancements or setbacks in this area. (The previous numbers the Administration has used to define the scope of the problem indicated food-borne disease caused 33 million illnesses and 9,000 deaths per year.) While these numbers indicate that food-borne illness remains a significant public safety concern, they also reflect that the Administration has been on the right track by aggressively pursuing significant investments in food safety, particularly in the areas of surveillance and research. These numbers also demonstrate the need to fully fund the President's $72 million request for his food safety initiative in FY2000.

Encephalitis
Q&A
September 16, 1999

Q: What are you doing about the encephalitis outbreak in New York?

A: We are deeply troubled by the situation in New York City and we are providing strong Federal support to assist state and local public health authorities. We are pleased to report that the Centers for Disease Control believes that the crisis appears to be under control.

Since the beginning of the outbreak, CDC and EPA have worked closely with local, city, and state public health officials, providing technical and on the ground support and assistance, including laboratory support, assistance with public education efforts, and the dedication of a team of epidemiologists, entomologists, and virologists to assist the city for the duration of the crisis. The President has been extremely encouraged and heartened by the collaborative response of Federal, state, and local officials to this crisis. Their training, expertise and commitment has saved many lives and prevented the spread of the epidemic by their quick and professional response.

Q: Are you paying special attention to this crisis because it's happening in New York?

A: We're concerned about any public health crisis in any state. Our record is clear on this – whether it be a natural disaster like a hurricane or a public health emergency like an outbreak of infectious disease. The Federal government plays its own unique role in situations like this, and we are proud that this Administration has responded quickly and professionally at every level. The suggestion that a coordinated Federal response in a time of crisis is limited to one state is preposterous. Our public health experts are available and committed to going wherever they are needed in every part of the country.

Q: Are you doing special things oriented to the situation in New York?

A: No. We responded professionally and appropriately, and provided the same assistance that we would to any other state.

Q: Why haven't you sent the state any emergency funds to help them deal with this crisis?

A: We have provided significant Federal staff and support since day one of this crisis. We believe that additional funds do not appear to be necessary at this point and are reviewing this situation on a daily basis.

Q: So, are you rejecting their request for funds?

A: We have received no formal request for funds from state or local authorities. As I mentioned, we are reviewing the situation every day to make a determination of additional scientific, technical, financial support that may be necessary.

[Joe, we would prefer that you not get to this portion of the answer if you can avoid it because we don't want to send an open ended invitation for funding. Also, if there are any technical questions about specific public health interventions or requests made for assistance in other states in the past, you should refer them to HHS and EPA.]

Needle Exchange Q&As
May 5, 1998

Q: **What is your position on the Solomon Amendment to prohibit any Federal funding for needle exchange programs?**

A: The Administration strongly opposes this legislation because it is unnecessary and unwarranted. We believe that this legislation serves only to further politicize this issue. Congress should focus on those issues that immediately impact the health and well being of the nation: youth smoking, quality shortcomings, and Americans ages 55 to 65 that have been failed by the insurance market.

Q: **If you believe that needle exchange is an issue that should be decided at the local level why does the Secretary need any authority to authorize Federal funding?**

A: It has been the longstanding position of Congress to give the Secretary of Health and Human Services the authority to determine the scientific and public health merits for a wide range of public health activities. We believe it is unwarranted and unnecessary to take away the Secretary's authority and that this legislation is being pursued for purely political -- not policy -- reasons.

Q: **If the science concludes that needle exchange programs reduce the transmission of HIV and do not increase drug use, why didn't you release federal funds for needle exchange programs?**

A: We have always said that communities should make their own decisions on this issue, based on their own circumstances and using the best available scientific information. Releasing federal funding for needle exchange would have inappropriately shifted the focus away from communities -- where these decisions should be made -- to the national level. That could have severely undermined or threatened local programs that are currently in place, and hindered additional communities from deciding to put these programs into place. At the same time, such federal action could send an inappropriate message about the acceptability of drug use -- a message that is not sent when an individual community decides, on the basis of its unique circumstances, that a particular, carefully designed needle exchange program advances public health interests. For these reasons, the Administration concluded that it should simply give the scientific guidance that is necessary for communities to make their own decisions, rather than federalize the needle exchange issue.

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Divider Title: **12**

Tobacco
Q&A
April 20, 2000

Q: What do you think about RJ Reynolds releasing a new product that they claim poses a lower potential risk of cancer than traditional cigarettes?

A: We don't know that any science-based evidence exists to support the claim that this tobacco product may reduce the risk of cancer. What we do know is that cigarettes and other tobacco products in any form are unsafe, dangerous and kill people. We also know that Congress has it within its power to pass legislation to give FDA clear jurisdiction over tobacco products – and they should do now to protect our children from the dangers of tobacco, and to ensure that claims like the ones RJ Reynolds is now making are based on fact. Until we know more, smokers should be very careful about assuming that products such as this are in any way safer than cigarettes.

Tobacco – Florida Verdict
Q&A
April 7, 2000

Q: What's the Administration's response to the $12.7 million verdict against the tobacco companies in Florida?

A: Although we don't comment on private lawsuits, the $12.7 million verdict against the nation's largest tobacco companies suggests again that Americans want the tobacco industry to change the way it does business. Every day, 3,000 children become smokers and 1,000 have their lives shortened as a result. Tobacco is linked to over 400,000 deaths a year from cancer, respiratory illness, heart disease and other problems.

Over the last several years, we have learned that the tobacco industry has known for decades that the product it was selling was harmful and addictive, and it was mounting a lavish and sophisticated marketing campaign to target children. This is an important reason why Congress needs to pass legislation granting the FDA jurisdiction over tobacco products to protect our children. The Justice Department has also sued the tobacco manufacturers, to recover the costs of tobacco-related illnesses and to make sure they are held accountable for their actions.

The important point is that we continue, through all means - in the courtroom and out of it - to increase the pressure on the industry to change the way it does business and this Administration remains fully committed to that effort.

Q: Because of the way the suit is structured, some analysts have predicted that a class of some 500,000 Florida smokers could be awarded as much as $300 billion in punitive damages against the industry – possibly crippling them. Does the Administration want to see the tobacco companies go bankrupt?

A: We don't want to put the tobacco companies out of business. We just want to put them out of the business of selling cigarettes to kids. That's one reason why FDA regulation of tobacco products is important. This administration will continue to work on many fronts to reduce youth smoking. In particular, the President's budget proposes to increase the excise on cigarettes by an additional 25 cents a pack, and to charge the tobacco industry a $3,000 assessment for every underage smoker in 2004 if youth smoking is not cut in half.

Tobacco
Q&A
April 7, 2000

Q: **Does the Administration support any programs that subsidize the growing of tobacco?**

A: The U.S. Department of Agriculture does not directly subsidize the growing of tobacco in the United States. Tobacco farmers, like other farmers, can purchase crop insurance that protects them against natural disasters and other loses. For the past few years, this Administration has provided crop insurance premium discounts to all farmers to help them protect their farms and families.

This Administration is committed to protecting tobacco farmers and their communities. We've already taken several important steps to protect farmers and their communities and are prepared to do more. First, the Administration fully supported the $5 billion settlement to compensate tobacco farmers, which was agreed to by the states and industry last year. Second, I signed and supported the Agricultural Appropriations bill last year, which will provide $328 million this year to compensate tobacco farmers who had quotas reduced in 1999. And third, the Administration is committed, as any federal litigation proceeds to judgment or settlement, that we will make sure that adequate funds are set aside to ensure the financial security of tobacco farmers and their communities.

Tobacco
Q&A
April 6, 2000

Q: What do you think about the bipartisan proposals being introduced in the House by Reps. Ganske and Dingell and in the Senate by Sens. Harkin, Chafee and Graham that would give the FDA authority to regulate tobacco?

A: Although we have not seen the details of the proposals, we understand they encompass the principles laid out in the bipartisan Frist/McCain legislation from 1998, which we support. We look forward to working with Congressmen Ganske, Dingell and Waxman; Senators Harkin, Chafee and Graham and other members of the House and Senate, to pass bipartisan legislation to protect our children from tobacco. Every day 3,000 young people start smoking and 1,000 will die early as a result.

The President has made it clear that if we are to protect our children from the harm of tobacco, Congress must enact the provisions of the FDA rule. There is strong bipartisan support in the Congress for enacting those protections: in 1998, 57 Senators supported a bill negotiated by Senators Frist and McCain containing provisions comparable to those included in the FDA regulation. Congress can, and should, act this year.

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Divider Title: 13

PRESIDENT CLINTON: A LIFETIME COMMITMENT TO COMMUNITY SERVICE
Celebrating the 5^{th} Anniversary of AmeriCorps

Today, the President and the First Lady will host an audience of over 1,000 current and former AmeriCorps members as well as supporters of the program to celebrate the 5^{th} anniversary of AmeriCorps. Since September 1994, when President Clinton signed the AmeriCorps bill, more than 150,00 AmeriCorps members have served in over 4,000 communities across the country providing much need community assistance from tutoring and mentoring to disaster relief and environmental work. Today, the President will first recognize 21 AmeriCorps members for their extraordinary commitment to community service. Second, he will unveil a new initiative to engage AmeriCorps alums in continuing service to their communities. Third, he will highlight the support AmeriCorps receives from all sectors. And, finally, he will call on Congress to continue supporting the values of the American public as they finish the FY 2000 budget.

RECONGIZING OUTSTANDING SERVICE

- **First Annual All-AmeriCorps Award Winners.** Today, the President will announce the first annual All-AmeriCorps awards designed to honor the extraordinary contribution AmeriCorps members make to their communities every day. Awards will be presented in four categories to honor twenty-one AmeriCorps members for getting things done, strengthening communities, leadership, and building common ground. Awards will be presented by national leaders that exemplify these qualities: Colin Powell, Governor Michael Leavitt, Coretta Scott King, and Sergeant Shriver.

UNVEILING AN INITIATIVE TO SUPPORT AMERICORPS ALUMS IN CONTINUING TO SERVE THEIR COMMUNITIES

- **Continuing Service Initiative for AmeriCorps Alums.** In taking the AmeriCorps pledge, each AmeriCorps member promises: "I will carry this commitment with me this year *and beyond.*" As part of the AmeriCorps fifth anniversary commemoration, President Clinton will issue a renewed "call to service" to the over 150,000 former AmeriCorps members and seek to expand and strengthen the continuing service for these AmeriCorps alumni. The President will announce the following specific actions: he will write to all former AmeriCorps members about their obligation and opportunities for continuing service to their community and their country; he will direct the Corporation for National Service to connect former AmeriCorps members to community service opportunities; and he will announce a strategic alliance between the Corporation for National Service and leading non-profit organizations to engage former AmeriCorps members in significant volunteer roles. This alliance will include the National Mentoring Partnership; the Big Brothers Big Sisters of America; the Habitat for Humanity International; the American Red Cross; the Boys and Girls Clubs; America's Promise; the Points of Light Foundation; and the United Way of America.

RECONGNIZING SUPPORT FROM ALL SECTORS

- **New Corporation for National Service Board Members**. The President will announce that he is appointing two new members to the Corporation for National Service Board. Governor Marc Racicot, Republican Governor of Montana, and Mark Gearan, former Director of the Peace Corps. Governor Racicot and Mark Gearan are representative of the fact that a commitment to community service cuts across political and organizational boundaries.

- **AmeriCorps Visibility Campaign**. Today, the President will roll-out two thirty second television spots highlighting a new ad campaign, "Taking Responsibility Personally," and a web-site designed by Yahoo! to help tell the stories of AmeriCorps members and promote information about AmeriCorps through the web site.

CALLING FOR A BUDGET THAT REFLECTS OUR VALUES

- **President Signs VA-HUD Appropriations bill**. President Clinton will sign the VA-HUD appropriations bill today. The bill includes funding for AmeriCorps and represents the ability of Congress to set priorities in line with the American people – demonstrating a commitment to community service. Unfortunately, Congress did not, however, honor the President's request to increase the appropriations for AmeriCorps thus moving closer to the goal of 100,000 AmeriCorps members serving each year.

- **President Urges Congress to listen to the American people and make education a top priority**. Today, President Clinton urged Congress to make education a top priority as they finish negotiations on the Labor-HHS-ED appropriations bill. The American public has made it clear that improving public education should be a number one priority for Congress and the Administration. Unfortunately, Congress has cut education funding instead of supporting the President's request for funding to support his goal of hiring 100,000 teacher to reduce class-sizes in the early grades, to invest in accountability in order to help turn around failing schools, and to meet the demand for quality after-school programs.

PRESIDENT CLINTON CALLS FOR LIFELONG COMMITMENT TO SERVICE
October 20, 1999

The President and the First Lady today will host over 1,000 AmeriCorps members and friends to commemorate the 5th anniversary of the national service program. The President will recognize twenty-one AmeriCorps award winners for their extraordinary commitment to service. He will also unveil a new initiative to engage AmeriCorps alumni in continuing service to their communities. And as he highlights the bipartisan support for AmeriCorps, he will call on Congress to pass a budget that honors the values and priorities of the American people.

Since September 1994, when President Clinton swore in the first AmeriCorps members, some 150,000 corpsmembers have served in over 4,000 communities, providing much-needed community assistance from tutoring and mentoring to disaster relief and environmental work.

RECOGNIZING EXEMPLARS OF OUTSTANDING SERVICE

- **First Annual All-AmeriCorps Award Winners.** Today, the President will announce the first annual All-AmeriCorps awards designed to honor the extraordinary contribution that twenty-one AmeriCorps members have made to their communities every day. Awards will be presented by Gen. Colin Powell, Gov. Michael Leavitt, Coretta Scott King and Sargent Shriver.

UNVEILING AN INITIATIVE TO ENGAGE AMERICORPS ALUMNI IN SERVICE

- **Continuing Service Initiative for AmeriCorps Alumni.** In taking the AmeriCorps pledge, each AmeriCorps member promises: "I will carry this commitment with me this year *and beyond*." Today President Clinton will issue a renewed "call to service" to former AmeriCorps members and unveil an initiative to tap the energies and idealism of these alumni. Specifically, he will announce a new strategic alliance between the Corporation for National Service and leading non-profit organizations to engage former AmeriCorps members in community service opportunities. This alliance will include the National Mentoring Partnership; the Big Brothers and Big Sisters of America; Habitat for Humanity International; the American Red Cross; the Boys and Girls Clubs; America's Promise; the Points of Light Foundation; and the United Way of America.

- **"Taking Responsibility Personally."** The President will also unveil two thirty-second television spots -- part of a new ad campaign, "Taking Responsibility Personally" -- and a website designed by Yahoo! to tell the stories of AmeriCorps members.

CALLING FOR A BUDGET THAT REFLECTS OUR PRIORITIES AND VALUES

- **President Urges Congress Pass a Budget Making Education and Young People the Top Priority**. Emphasizing the importance of investing in our young people, the President will call on Congress to pass a budget that makes education the number-one priority -- by hiring more highly trained teachers to reduce class size in the early grades, investing in accountability to help turn around failing schools, and funding after-school and mentoring programs for young people in communities nationwide.

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Divider Title: **14**

PRESIDENT CLINTON URGES CONGRESS TO ACT ON AMERICA'S PRIORITIES
Patients' Rights, Gun Safety, Minimum Wage, and the Supplemental Appropriations Bill:
The Time to Act is Now
April 8, 2000

Today, in his weekly radio address, President Clinton urged Congress to act before the spring recess on national priorities that have been unnecessarily delayed to the detriment of the health, safety, and economic and defense security of the nation. He called on Congress to put partisan politics aside and pass a strong, enforceable, Patients' Bill of Rights; common sense gun safety legislation; a simple $1 increase in the minimum wage; and the President's supplemental budget request, which will fund urgent domestic and international priorities. In so doing, President Clinton highlighted the real everyday consequences of inaction on those initiatives, including: (1) thousands of doctors see patients whose health has seriously declined because a managed care plan refused to approve a diagnostic test or rejected a referral to a specialist; (2) 12 children a day continue to be killed by gunfire; (3) hundreds of dollars a year are lost to millions of working families; and (4) international and domestic safety are jeopardized.

AMERICAN FAMILIES PAY THE PRICE FOR CONGRESSIONAL DELAYS.

- **Patients need protections now.** Unnecessary delay in passing legislation to curb insurance company abuse results in harm to thousands of patients daily and millions of patients annually. Each day without a strong Patients Bill of Rights results in: 14,000 physicians seeing patients harmed because a plan refused to cover a prescription drug their doctor deemed necessary; 10,000 physicians seeing patients harmed because a plan refused a diagnostic test or procedure; and 7,000 physicians seeing patients harmed because their insurance plan refused a referral to a specialist, according to a new analysis by the minority staff of the Senate Health Education Labor and Pensions Committee of Kaiser Family Foundation data. The President has been calling on Congress to pass strong patient protections for more than two years now, and despite the passage of the Norwood-Dingell bill – a strong, enforceable Patients' Bill of Rights that passed with overwhelming bipartisan support – Congress has delayed action on this critical legislation for more than 5 months.

- **Sacrificing the safety of American families to the interests of the gun lobby.** While gun crime has fallen over 35 percent nationwide since 1993, gun violence continues to claim the lives of too many Americans. Every day, nearly 89 Americans, including 12 children, are killed by gunfire. For each fatal shooting, another three people are injured by guns. Despite the tragic toll that gun violence has taken on our nation and widespread support for common sense gun measures, Congress has buckled under the pressure of the powerful gun lobby and allowed sensible gun safety legislation to languish for over 9 months.

- **Making America's families work harder to make ends meet.** Congress has spent over a year delaying action on this legislation and attaching costly and unnecessary poison pill tax cuts to this common-sense measure. While the Congress has been stonewalling, a full-time minimum wage worker has lost $620 – two months' worth of grocery money for a family of four or nearly a semester of community college tuition and fees. Each month of delay costs a person working at the minimum wage $86.

- **Ignoring essential and urgent foreign and domestic priorities.** The Congress has yet to act on the President's supplemental budget request. Delay in this funding could have devastating effects at home and abroad – curtailing military training activities essential to peace and stability in Kosovo; eroding international support for Colombia's effort to fight drug traffickers; leaving more than 2,300 families without funds to relocate after their homes were destroyed by Hurricane Floyd; providing debt relief to the poorest nations; and leaving low-income elderly nationwide vulnerable to summer's high temperatures.

- **Delaying international debt relief.** Congress has yet to approve the President's $210 million supplemental request for international debt relief. As a result, an international initiative to reduce the debts of the world's poorest countries by up to 70 percent cannot move forward. The longer inaction by Congress continues, the longer countries in Latin America and Africa that are reforming their economies and trying to reduce poverty will continue to pay millions more in interest to foreign creditors than on the health or the education of their people. In many of these countries, one in ten children dies before their first birthday, one in three children is malnourished, and the average adult has had only three years of education.

PRESIDENT CLINTON URGES CONGRESS TO PUT AMERICA'S PRIORITIES AHEAD OF POLITICS. Today, President Clinton urged the Congress to:

- **Pass a strong, enforceable, Patients' Bill of Rights without delay.** Last October, the House passed the Norwood-Dingell Patients' Bill of Rights with overwhelming bipartisan support, strong legislation that the President would be proud to sign. This legislation, endorsed by over 200 health care provider and consumer advocacy groups, is the only proposal currently being considered that meets the Administration's fundamental criteria: that patient protections be real and that court enforced remedies be accessible and meaningful. The legislation includes critical protections such as: guaranteed access to needed health care specialists; access to emergency room services when and where the need arises; continuity of care protections; access to a fair, unbiased and timely internal and independent external appeals; assurance that doctors and patients can openly discuss treatment options; and an enforcement mechanism that ensures recourse for patients who have been harmed as a result of a health plan's actions.

- **Reduce gun violence with common sense gun legislation.** Congress should act immediately to pass sensible gun safety measures proposed by the Administration and passed by the Senate last year that would help keep guns out of the wrong hands and prevent gun accidents. Specifically, the Senate-passed provisions would: close the gun show loophole permitting guns to be sold at thousands of gun shows without background checks; require child safety locks for all handguns sold; ban the importation of large capacity ammunition clips; and bar violent juveniles from buying guns as adults. The President, who is leading the fight to reduce gun violence, will renew his call on Congress to complete work on this life-saving legislation by the anniversary of the Columbine High School tragedy on April 20th.

- **Give American families a needed increase in the minimum wage.** In his 1999 State of the Union Address, the President called for a $1 increase in the minimum wage in two equal steps. That same day, Representative Bonior and Senator Kennedy introduced a simple, one-page bill to raise the minimum wage from $5.15 an hour to $5.65 on Sept.1 1999, and $6.15 on Sept. 1 2000. This proposal would benefit more than 10 million American workers – but Congress has refused to pass clean, straightforward legislation.

- **Fund urgent needs in the President's supplemental request.** On Feb. 25th, President Clinton sent Congress his request for FY2000 funding for a set of urgent needs that are essential for Americans at home and our nation's interests and security around the world. The request includes funding to help victims of Hurricane Floyd, provide debt relief to the poorest nations, provide needed energy assistance for families struggling with increased oil prices, combat drug traffickers in Columbia, and support our efforts to build stability and our troops in Kosovo without jeopardizing our current state of military readiness world-wide.

- **Congressional action is necessary to reduce foreign debt and alleviate poverty in poor, reforming countries.** The President requested $210 million for U.S. participation in the Heavily Indebted Poor Country (HIPC) Trust Fund to provide debt relief for the poorest nations. Full implementation of this initiative, which was spearheaded by the U.S. and is supported by the Pope and a broad spectrum of religious and other groups, depends on funding by Congress. Each dollar the U.S. contributes leverages $27 from other creditors and is essential to enable the Inter-American Development Bank (IDB) and African Development Bank to write down their debts. The IDB is the largest creditor for some Latin American countries. Largely because of Congressional inaction, Bolivia is not receiving $850 million in debt relief for which it has qualified. Countries such as Honduras, Tanzania, and Mozambique will soon qualify for the program.

THE CLINTON-GORE ECONOMIC RECORD:
WHAT A DIFFERENCE SEVEN YEARS MAKES
March 31, 2000

After seven years, the results of President Clinton and Vice President Gore's economic leadership for the American people are clear. In 1992, when Bill Clinton was elected President, the American economy was barely creating jobs and wages were stagnant. His bold, three-part economic strategy focused on establishing fiscal discipline; investing in education, health care, science and technology; and opening foreign markets so that American workers have a fair chance to compete abroad. Seven years later the results of this strategy are clear:

Deficits Replace By Surpluses: Keeping Us On Track to Be Debt Free by 2013

- **1992.** The deficit was $290 billion – the highest dollar level in history. When President Clinton took office, the Congressional Budget Office projected the deficit would grow to $404 billion in 1999 and $455 billion in 2000.
- **Today.** In 1999, we had a budget surplus of $124 billion – the largest dollar surplus on record (even after adjusting for inflation) and the largest as a share of our economy since 1951. This year the Administration forecasts a surplus of $167 billion. This is $622 billion less drain by the government on private financial markets than projected. With the President's plan, we are now on track to eliminate the nation's publicly held debt by 2013.

Jobs Are Up: Nearly 21 Million Created Since January 1993

- **1981-1992.** In their three terms combined, Presidents Reagan and Bush created only 18.5 million new jobs despite the growth of the labor force from the maturation of the baby boom. Only 2.5 million jobs were created under President Bush, with nearly half of them in the public sector.
- **Today.** The economy has created 20.8 million new jobs since January 1993. This is the most jobs ever created under a single President. There have been an average of 245,000 jobs created per month – a faster rate than any President. And 19.2 million – 92 percent – of the new jobs were created in the private sector, the highest share since Harry Truman was President.

Faster Economic Growth: 3.9 Percent Per Year

- **1981-1992.** The economy grew an average 1.7 percent per year under President Bush and 2.8 percent per year during the Reagan-Bush years.
- **Today**. Since President Clinton took office, growth has averaged 3.9 percent per year.

Private-Sector Growth Is Up: 4.4 Percent Per Year

- **1981-1992.** The private sector of the economy grew 2.9 percent annually from 1981-1992.
- **Today.** The private sector of the economy has grown 4.4 percent annually since 1993.

Equipment and Software Investment Is Growing Faster Than Ever

- **1981-1992.** Real equipment and software investment rose just 3.8 percent annually during the previous Administration and only 4.7 percent annually for the entire Reagan-Bush period.
- **Today.** Real equipment and software investment is up 12.1 percent per year under President Clinton – faster than any Administration on record. We have seen seven consecutive years of double digit growth in equipment and software investment, for the first time on record.

Government Spending: Lowest in Over Three Decades

- **1981-92.** 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.
- **Today.** Under President Clinton, Federal government spending as a share of the economy has been cut from 22.2 percent in 1992 to 18.7 percent in 1999 – its lowest level since 1966.

Taxes for Typical Families: Lowest in Over Two Decades

- **1981-92.** The total Federal tax rate rises for middle-income families from 23.7 percent in 1980 to 24.5 percent in 1992. (Total tax rates include both the employer and employee portion of the Social Security and Medicare payroll taxes.)
- **Today.** Under President Clinton, the total Federal tax rate for middle-income families has dropped from 24.5 percent in 1992 to 22.8 percent in 1999 – that's the lowest tax rate since 1978. For families at one-half the median income, the effective Federal tax rate has been slashed from 19.8 percent in 1992 to 14.1 percent in 1999 – that's the lowest tax rate since 1968.

Homeownership Is Up: The Highest in American History

- **1981-1992.** The homeownership rate *fell* from 65.4 percent in 1981 to 64.2 percent in 1992.
- **Today.** In 1999, the homeownership rate was 66.8 percent – the highest ever recorded.

Inflation is Down: The Lowest Core Rate In 35 Years

- **1981-1992.** The underlying core rate of inflation averaged 4.7 percent annually.
- **Today.** In 1999, the underlying core rate of inflation was 1.9 percent – the lowest since 1965.

Welfare Rolls Dropped Dramatically: Lowest Since 1969

- **1981-1992.** The number of welfare recipients increased by almost 2.5 million (a 22 percent increase) to 13.6 million people.
- **Today.** Between January 1993 and June 1999, the number of welfare recipients dropped by 7.2 million (a 51 percent decline) to 6.9 million – the lowest level since 1969.

Unemployment Is Down: The Lowest Rate in 30 Years

- **1981-1992.** The unemployment rate averaged 7.1 percent and rose to more than 10 percent in 1982 and 1983.
- **Today.** In January 2000, the unemployment rate was 4.0 percent – the lowest rate in 30 years. The unemployment rate has been below 5 percent for 31 consecutive months.

<u>Unemployment for African Americans the Lowest on Record</u>

- **1981-1992:** African American unemployment reached 21.2 percent in January 1983– a record high, and never dropped below 10 percent.
- **Today.** The African-American unemployment rate has fallen from 14.2 percent in 1992 to 8.0 percent in 1999 – the lowest rate on record.

<u>Unemployment for Hispanics Recovered From Record Highs to Achieve Record Lows</u>

- **1981-1992.** Hispanic unemployment hit a record high of 15.7 percent in December 1982.
- **Today.** The Hispanic unemployment rate has dropped from 11.6 percent in 1992 to 6.4 percent in 1999 – the lowest rate on record.

<u>Real Wages Rising Again: Fastest Growth in Two Decades</u>

- **1981-1992.** Real average hourly earnings *fell* 4.3 percent under Presidents Reagan and Bush.
- **Today.** Real wages have grown 6.6 percent under President Clinton. Real wages have grown for five consecutive years – for the first time since the 1960s.

<u>Poverty For African-Americans Dropped to Lowest On Record</u>

- **1981-1992.** Between 1980 and 1992, the poverty rate for African American remained at 30 percent or more.
- **Today.** Since 1993, the African-American poverty rate has dropped from 33.1 percent to 26.1 percent in 1998 – the lowest level recorded, and the largest five-year drop in African-American poverty since 1967-1972.

<u>Poverty For Hispanics Dropped to Lowest Since 1979</u>

- **1981-1992.** Between 1980 and 1992, the poverty rate for Hispanics increased from 25.7 percent to 29.6 percent.
- **Today.** Since 1993, the Hispanic poverty has dropped to 25.6 percent—the lowest since 1979.

<u>Poverty For Single Mothers is the Lowest On Record</u>

- **1981-1992.** Between 1980 and 1992, an additional 2.1 million families with single mothers were pushed into poverty.
- **Today.** Under President Clinton, the poverty rate for families with single mothers has fallen from 46.1 percent in 1993 to 38.7 percent in 1998 – the lowest level on record.

<u>Family Income Up More Than $5,000 Since 1993</u>

- **1988-1992.** Median family income, adjusted for inflation, *fell* by $1,864, dropping from $44,354 in 1988 to $42,490 in 1992.
- **Today.** Since 1993, real median family income has increased by $5,046, rising to $46,737 in 1998.

20 Million Jobs:
January 1993 – November 1999

A Report by the
Council of Economic Advisers
and the
Office of the Chief Economist,
U.S. Department of Labor

December 3, 1999

EXECUTIVE SUMMARY

- **Robust Job Growth.** Since January 1993, employment has grown rapidly and 20 million net new jobs have been created. Employment is at an all-time high—a larger percent of the population is employed now than at any previous time. The unemployment rate, at 4.1 percent, is the lowest it has been in 29 years.

- **Broad Employment Gains.** Employment gains have been strong for all major subgroups of the population. For African Americans and Hispanics, the proportions of the population with jobs rose to record highs and the unemployment rates fell to record lows. The unemployment rate for women is now lower than at any time since 1953.

- **More High-Quality Jobs.** The 20 million jobs created since January 1993 have overwhelmingly been good jobs. Eighty-one percent of the job growth was in industry/occupation categories paying above-median wages. Sixty-five percent was in the highest-paying third of industry/occupation categories.

- **Real Wage Growth for All.** Increases in real (inflation-adjusted) earnings were widely shared in the late 1990s. This is in sharp contrast to the 1980s, when growth in real earnings was concentrated among high-wage workers and real earnings fell for those at the lower end of the wage distribution. Strong earnings growth in the past few years produced gains in household income, and the poverty rate has fallen to its lowest level since 1979.

- **Sectoral Differences.** Services accounted for a substantial share of job growth since January 1993, but construction, transportation, and public utilities also accounted for significant portions. Employment was growing in manufacturing until the Asian financial crisis, but it started declining in the second quarter of 1998, reducing net job creation in that sector.

- **Most Jobs Remain Full-Time.** The majority of all jobs are full-time jobs—there has been no increase in the proportion of jobs that are part-time or in the proportion of workers holding multiple jobs.

- **Declining Worker Displacement.** In a dynamic economy with rapid job growth, many more jobs are being created than are being lost. And while some workers have been displaced from their jobs, job displacement rates have been on the decline and workers' reported fear of job loss is abating.

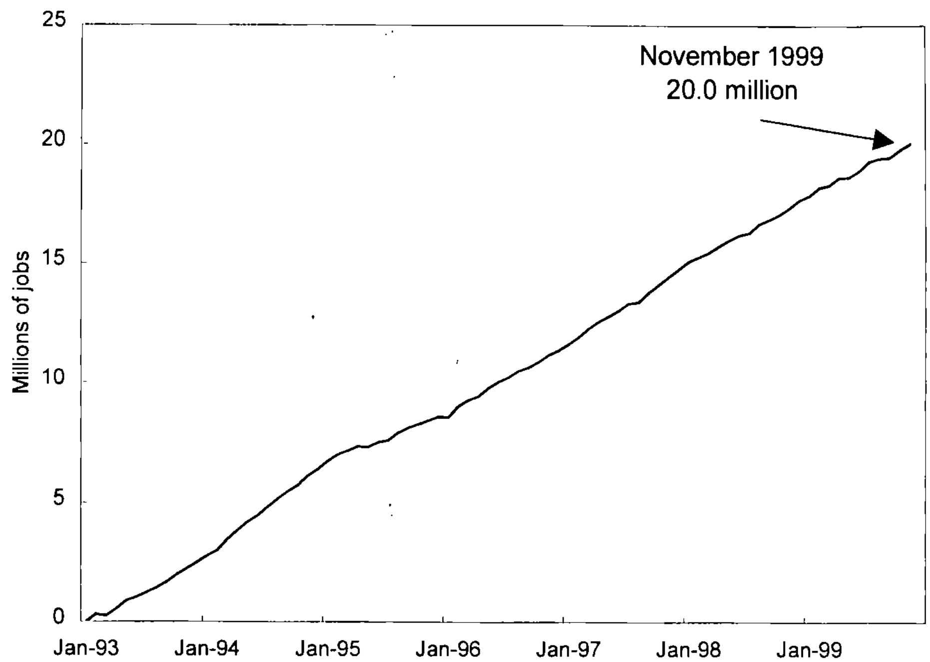
INTRODUCTION

Since January 1993, the economy has generated 20 million new jobs. A higher proportion of the population aged 16 and over is employed now than ever before, and at 4.1 percent the unemployment rate is lower than it has been since 1970.[1] Moreover, as the evidence in this paper shows, a very high proportion of the new jobs that people are taking are good jobs in industry/occupation categories that pay above-median wages. Real wages are growing again. And the benefits of a strong labor market are being shared widely among U.S. workers—including groups that saw little if any progress over the 1973-93 period.

20 MILLION JOBS

Between January 1993 and November 1999, employers added 20 million people to their payrolls[2] (Chart 1).

Chart 1: Payroll Employment Growth



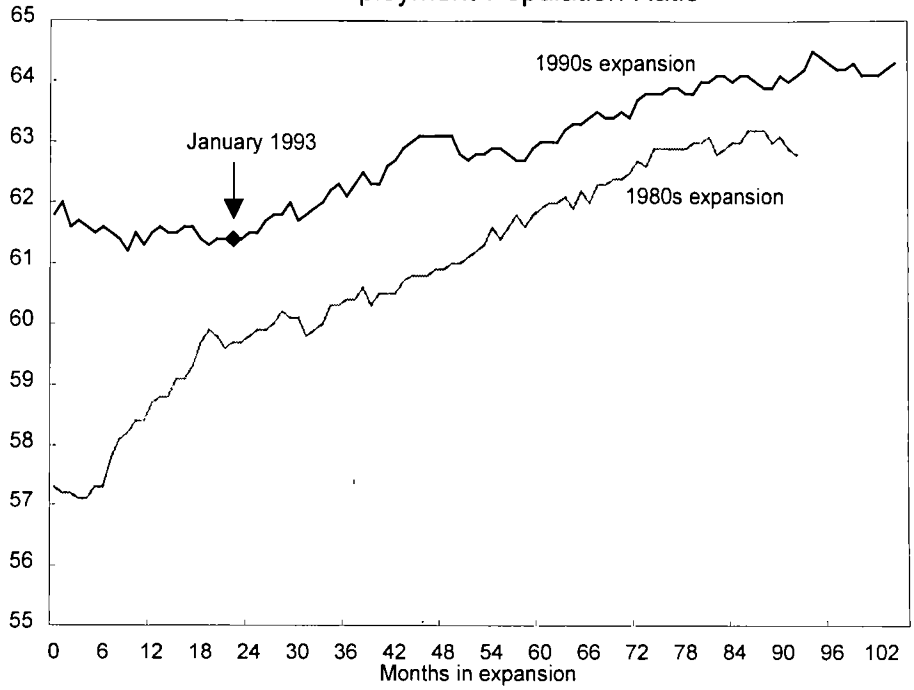
Source: Bureau of Labor Statistics, Establishment Survey.

[1] Employment and jobs data come from two sources. The establishment survey asks employers how many people they have on their payrolls; the household survey asks people whether they have a job or are looking for a job. References to "jobs" in this paper generally refer to the establishment survey, while references to "employment" generally refer to the household survey.

[2] Although the current expansion technically began following the business cycle trough in March 1991, job growth was very sluggish for more than a year and payroll employment had grown by only 1.2 million by January 1993.

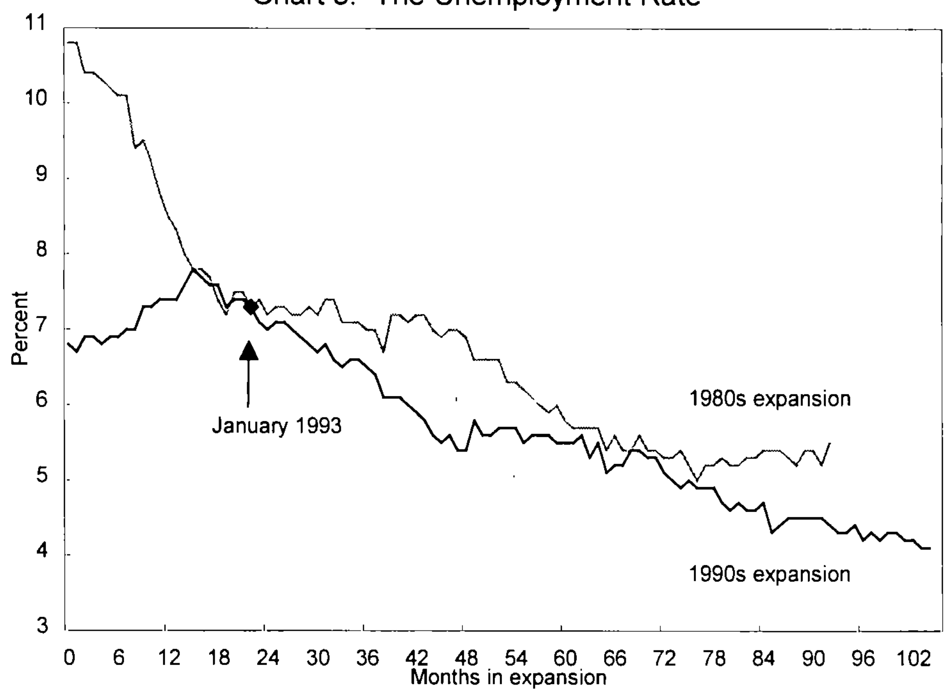
More people are working now than ever before. The proportion of the population aged 16 and over that is employed reached an all-time high this year and has been higher during this expansion than it was at comparable points during the 1980s expansion (Chart 2). This high

Chart 2: Employment-Population Ratio



Source: Bureau of Labor Statistics, Household Survey.

Chart 3: The Unemployment Rate



Source: Bureau of Labor Statistics, Household Survey.

employment-population ratio reflects longer term trends, but the very strong labor market and policies designed to increase the rewards to work surely have contributed as well by attracting new workers into the labor market. At the same time, the unemployment rate has been below 5 percent for 29 consecutive months and is lower than it has been in 29 years. While the unemployment rate in January 1993 was about the same as it was at a comparable point in the 1980s expansion, it has subsequently declined faster and further than it did in that expansion (Chart 3).

EMPLOYMENT GAINS ARE WIDESPREAD

Labor market gains since January 1993 have been impressive across demographic groups (Table 1). African Americans and Hispanics, for example, experienced their lowest unemployment rates on record during the past year (Chart 4).[3] Employment-population ratios have reached record highs not only for all persons aged 16 and over but also for particular subgroups such as women, African Americans and Hispanics.[4] The increased labor force activity of women, in particular, reflects a combination of forces, such as welfare reform and the Earned Income Tax Credit (EITC), that improve the incentives to work among those with low earnings. The unemployment rate for women is the lowest it has been since 1953.

Table 1
Indicators of Labor Market Activity for Selected Demographic Groups
1992 to November 1999
(percent, civilian workers, seasonally adjusted)

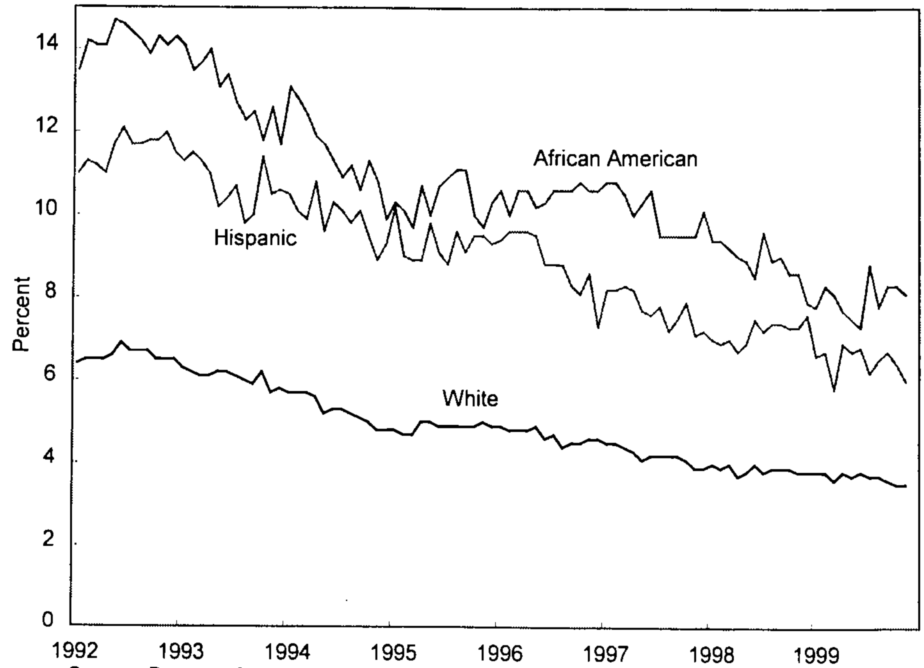
	Unemployment rate			Employment-population ratio		
Demographic group	Annual 1992	Nov. 1999	Change	Annual 1992	Nov. 1999	Change
Total	7.5	4.1	-3.4	61.5	64.3	2.8
White	6.6	3.5	-3.1	62.4	64.8	2.4
African American	14.2	8.1	-6.1	54.9	60.8	6.0
Hispanic	11.6	6.0	-5.6	59.1	63.7	4.6
Men, 16 years and over	7.9	4.0	-3.9	69.8	71.6	1.8
Women, 16 years and over	7.0	4.2	-2.8	53.8	57.5	3.8
Teenagers	20.1	14.1	-6.0	40.9	44.8	3.9

Source: Bureau of Labor Statistics, Household Survey.

[3] Separate unemployment rates have been recorded since 1972 for African Americans and 1973 for Hispanics. The record lows for these groups were 7.3 percent for African Americans (June 1999) and 5.8 percent for Hispanics (March 1999). Monthly rates for these groups have a tendency to fluctuate somewhat, due to their small sizes in the monthly surveys of households.

[4] Record highs for these groups include an employment-population ratio of 57.6 percent for women (January 1999), 61.2 percent for African Americans (January 1999) and 64.1 percent for Hispanics (March 1999).

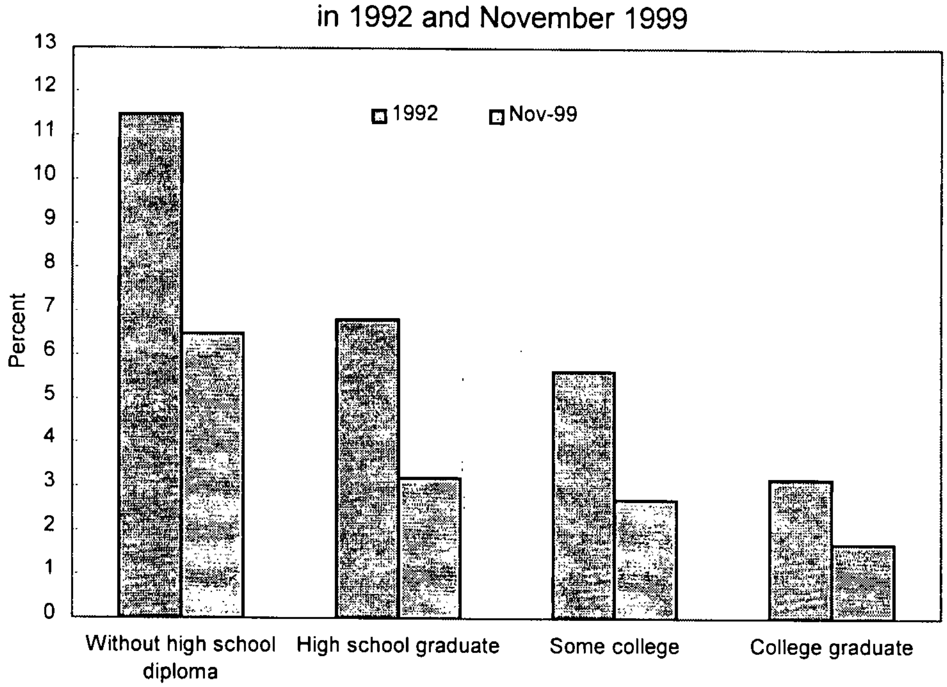
Chart 4: Unemployment Rates by Race and Ethnicity



Source: Bureau of Labor Statistics, Household Survey.

Unemployment rates have declined for all educational groups since 1992, with the largest percentage point declines in the groups with the fewest years of schooling completed (Chart 5).

Chart 5: Unemployment Rates by Educational Attainment in 1992 and November 1999



Source: Bureau of Labor Statistics, Household Survey.

THE QUALITY OF JOBS

The 20 million jobs created since January 1993 have overwhelmingly been good jobs. This conclusion is based on an analysis of employment growth in which total household employment is divided into 90 industry/occupation categories, ranked by median earnings, in order to assess where the new employment growth occurred.[5] This analysis indicates that

- 81 percent of the new jobs created from 1993 to the present[6] were in categories paying above-median wages;[7] and

- 65 percent of the new jobs created were in job categories with wages in the highest-paying third of industry/occupation categories.

Many of the good new jobs are in professional and managerial occupations, and these two categories account for almost 70 percent of college graduates in the workforce. But growth in good jobs was not confined to college graduates.

First, while roughly 77 percent of employees in professional jobs in 1998 had at least a bachelors degree, 51 percent of managers did not.

Second, the overwhelming majority of new jobs in industry/occupation categories more likely to be filled by non-college graduates are also good jobs. When professional occupations are excluded from the analysis, 71 percent of the remaining employment growth was in categories that paid above-median wages (for the categories that remained). Sixty percent was in the highest-paying third of industry/occupation categories.

Finally, the overwhelming majority of employment growth among those with a high school diploma (but no college) were good jobs. A preliminary analysis confined to this group found that virtually all of the net growth in employment was in the highest-paying third of industry/occupation categories for such workers. (Gains for the bottom third were largely offset by losses in the middle third.)

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[5] The household survey is used because the establishment survey does not contain information about occupations that would allow this kind of breakdown. The results from the household survey are used to infer where the job growth occurred. The Council of Economic Advisers and the Department of Labor earlier conducted a similar analysis of job growth between February 1994 and February 1996 based on a finer industry/occupation breakdown (see *Job Creation and Employment Opportunities: the United States Labor Market, 1993-1996*, A Report by the Council of Economic Advisers with the U.S. Department of Labor, Office of the Chief Economist, April 23, 1996). That report found that 68 percent of the net growth in full-time employment occurred in industry/occupation groups paying above-median wages.

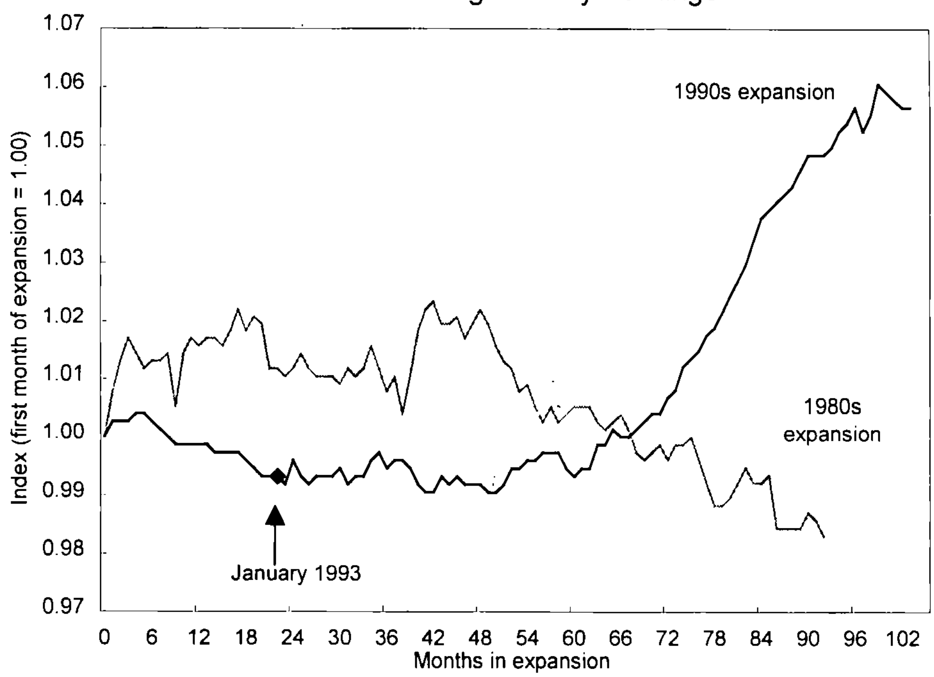
[6] Because the household data are not seasonally adjusted, a comparison of October 1999 employment levels with January 1993 employment levels might be contaminated by seasonal factors. To minimize seasonal effects and to capture jobs created in 1993-99, the analysis compares average employment in January through October 1999 with average employment in 1992.

[7] Industry/occupation groups were ranked by median earnings in the base year and separated into two groups, each containing half of total employment. Eighty-one percent of the employment growth was in the higher paying half.

WAGE GAINS ACROSS-THE-BOARD

This expansion's strong labor market has created a large number of good new jobs and it has generated rising real (inflation-adjusted) wages for most workers. Although it took some time for growth in real average hourly earnings to gain momentum in this expansion, the past 4 years have witnessed solid gains (Chart 6). By contrast, real wages declined at the end of the 1980s expansion and continued to decline in the 1990-91 recession.

Chart 6: Real Average Hourly Earnings

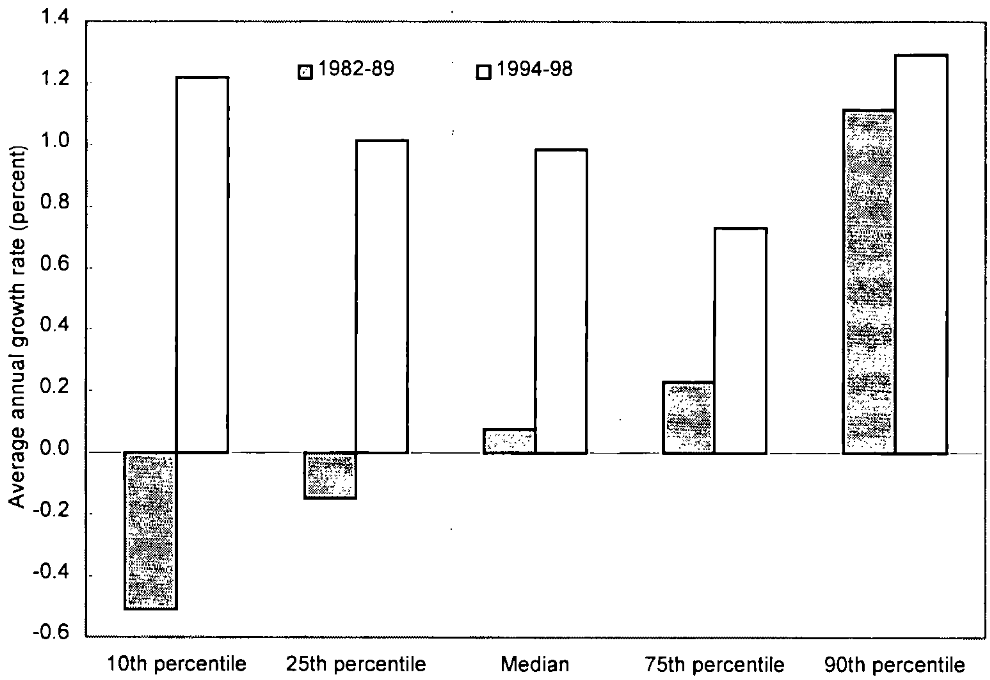


Source: Bureau of Labor Statistics, Establishment Survey.

Average real earnings in the United States were relatively stagnant or falling from 1979 through the mid-1990s, with low-wage earners experiencing the greatest losses of earnings and overall earnings inequality rising significantly.[8] However, the resumption in real earnings growth since 1996 has been especially evident among low-wage workers. Since the second quarter of 1996, median usual weekly earnings of full-time workers have grown by 5.3 percent. Growth was 7.0 percent at the 25th percentile of earnings, and 8.5 percent at the 10th percentile. Compared with the 1980s expansion, the growth in these earnings has been much more evenly distributed since 1994 (Chart 7).

[8]Real wage data in this report are based on the official consumer price indexes (CPI) computed by the Bureau of Labor Statistics (BLS). However, methodological improvements made by the BLS would have reduced measured inflation between 1979 and 1995 by almost a half percentage point per year, on average, if they had been introduced earlier. Use of an experimental index that incorporates these changes in earlier years would raise real wage growth slightly, but not change the basic conclusions of this report.

Chart 7: Growth in Median Usual Weekly Earnings



Source: Bureau of Labor Statistics, Household Survey.

The resumption of significant real wage growth primarily reflects the return of high productivity growth, which has averaged over 2 percent per year for each of the past 3 years. Furthermore, the higher real wage growth at the bottom of the wage scale reflects other policy developments, such as the increases in the Federal minimum wage that were implemented during October 1996 and September 1997.

Finally, the increases in employment and earnings experienced by workers have resulted in rising real incomes and declining poverty rates for American families. Real median household income reached an all-time high of $38,885 in 1998. The poverty rate fell to 12.7 percent, the lowest it has been since 1979. The effects of the EITC, which are not reflected in the official money income and poverty measures, lifted an additional 4.3 million people out of poverty in both 1997 and 1998. African Americans experienced a large 15.1 percent increase in real median household income between 1993 and 1998 and the poverty rate for African Americans of 26.1 percent is the lowest ever recorded. Real median income of Hispanic households grew by 4.8 percent in 1998, and the poverty rate dropped to the lowest it has been since 1979.

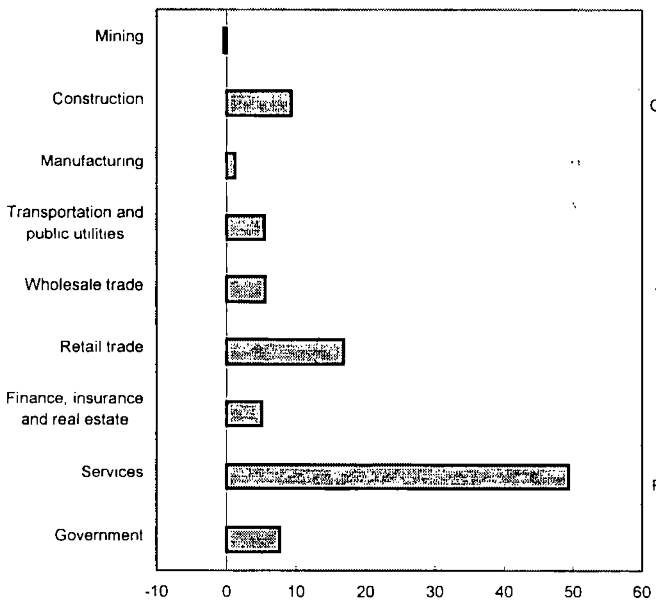
SECTORAL DIFFERENCES

An industry breakdown of the 20 million new payroll jobs that have been created since January 1993 shows that services accounted for about 50 percent of all new jobs created, and retail trade accounted for another 17 percent (Chart 8). Although jobs in the services industry are commonly thought of as low-wage, the industry is in fact quite heterogeneous, with predominantly high paying jobs. Of all jobs created in the services industry, nearly three-quarters have been in the professional and managerial occupations that pay above-median wages.

Across all industries, employment in the professional and managerial job categories is growing the most rapidly, and these two categories together account for over 60 percent of all net new job creation (Chart 9). They also account for almost 70 percent of all college graduates in the workforce, so rising employment in these occupations reflects the premium that our economy now places on the acquisition of skills.

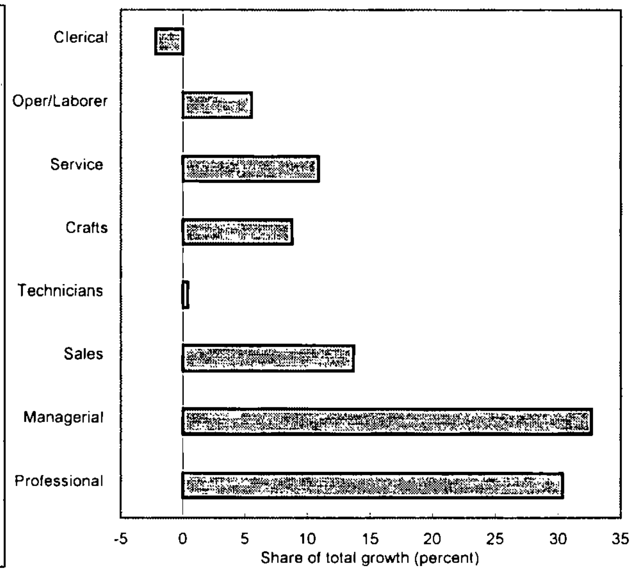
While professionals and managers experienced the highest employment growth rates, the robust growth of the economy also produced strong growth rates in high-wage jobs for those without college degrees. For example, there was significant employment growth in the sales, crafts, and operative/laborer occupational categories. This included significant growth in blue-collar jobs, reflecting the relative strength of the construction, transportation/communication, and wholesale trade sectors. Since January 1993, 1.8 million new construction jobs have been added. The annual rate of job creation in construction over this period was substantially faster than it was during the expansion of the 1980s.

Chart 8: Shares of Employment Growth by Industry, Jan. 1993 - Nov. 1999



Source: Bureau of Labor Statistics, Establishment Survey.
Note: Based on seasonally adjusted estimates.

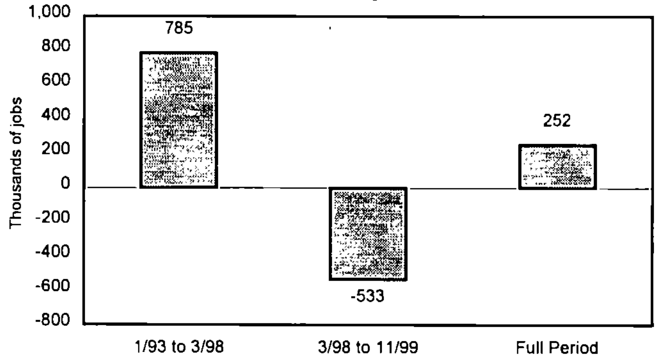
Chart 9: Shares of Employment Growth by Major Occupation, 1992-1999



Source: Bureau of Labor Statistics, Household Survey.
Note: To avoid seasonality and to be consistent with the previous analysis, these figures are based on the change between the annual average in 1992 and the 10 month average in 1999.

After declining by 3 million jobs from an all-time peak in 1979, manufacturing jobs rose by 252,000 after January 1993. However, the pattern of job growth in this sector has been uneven since then. Almost 800,000 new jobs were added between January 1993 and February 1998, but since that time roughly two-thirds of that number have been lost. This decline reflects the loss of exports to Asia since the financial crisis there, as well as stagnant exports and rising imports more broadly that reflect the strength of the U.S. economy relative to those of our trading partners. It is anticipated, however, that some of the lost jobs will return when foreign markets regain strength.

Chart 10: Change in the Number of Manufacturing Jobs



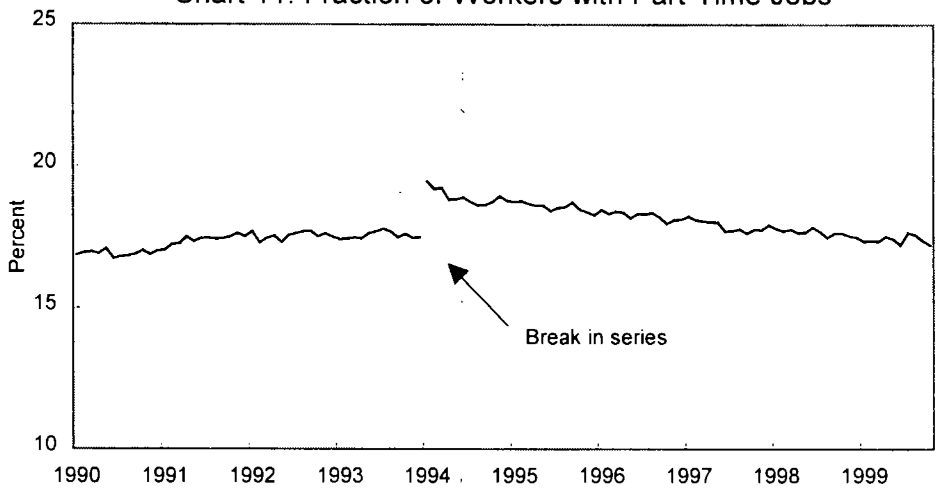
Source: Bureau of Labor Statistics, Establishment Survey.

MOST JOBS REMAIN FULL-TIME

The majority of all jobs continue to be full-time jobs. There has been no increase in the proportion of jobs that are part-time or that are secondary jobs for workers.

The proportion of employed persons reporting part-time employment has declined slightly in recent years, falling 2 percentage points since 1994 (Chart 11). Most of the decrease in part-time employment has occurred because of a decrease in those taking part-time jobs for "non-economic" reasons, such as illness or child-care responsibilities. If the new jobs were disproportionately part-time, average hours worked per job might be expected to fall. But employer data show that average hours worked for all jobs (including the new jobs) remained roughly constant: the number of nonfarm jobs and the total number of hours worked both grew

Chart 11: Fraction of Workers with Part-Time Jobs



Source: Bureau of Labor Statistics, Household Survey.

at about the same rate since January 1993. Thus, this evidence also suggests that most of the new jobs are full-time.

Multiple job holding might raise concerns about the quality of jobs created if Americans have to work two or more jobs to make ends meet. The data, however, do not indicate any significant change in multiple job holding. The percentage of employed persons working multiple jobs has remained about 6 percent since the late 1980s.

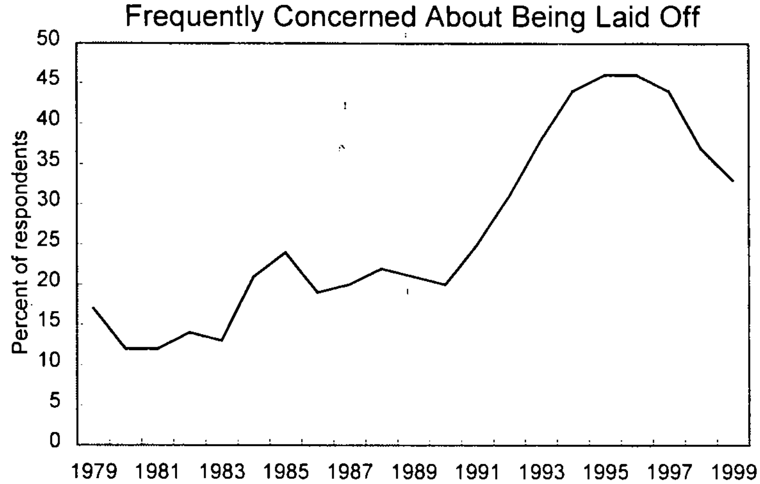
DECLINING WORKER DISPLACEMENT

In an economy characterized by rapid net job growth, the volume of new jobs vastly outnumbers the volume of job losses. But in any growing economy, particular jobs will be lost as declining firms are replaced by new, growing firms or as firms reorganize to remain competitive. Unfortunately, these kinds of job losses often generate employment and earnings losses, particularly among more experienced workers, who must then bear the costs of adjusting to new jobs. An important question is, has the rapid growth of jobs in the 1990s also been accompanied by a growth in the percent of workers who have been displaced from their jobs?

The data show an increase in the probability of displacement in the late 1980s and early 1990s, and a drop thereafter. The percent of all workers with 3 or more years of tenure who became displaced from their job was 3.9 percent in the 1991-92 period, but then fell to 2.9 percent in the 1995-96 period. Because the labor market has been so robust in the 1990s, both the rate of re-employment following displacement and earnings after re-employment have been higher in this decade than at comparable points in the 1980s.

Workers' fears of job loss have also declined in recent years. Survey results show that the percent of workers who believe job loss is likely in the next year has declined since the mid-1990s, from 12 percent in 1993 to 8 percent in 1998. A different survey, of workers employed by large firms, finds that the percent of workers who are frequently concerned about being laid off rose until 1996 and declined thereafter from 46 percent to 33 percent in 1999 (Chart 12).

Chart 12: Percent of Workers Surveyed Who Are Frequently Concerned About Being Laid Off



Source: International Survey Research.

VI. CONCLUSION

The labor market in the United States has performed extremely well over the past several years. Unemployment rates are as low as they have been in 29 years, and many demographic groups are experiencing their lowest unemployment (or highest employment) ever recorded. Welfare caseloads too are their lowest level in over 30 years as record numbers of people are moving from welfare to work. Real wages, which had been stagnant or declining for almost two decades, are now rising again, particularly among the lowest-wage workers. Real household income has reached a record high while poverty rates are declining. While the increased earnings inequality in the 1980s and early 1990s has not been reversed, the gains from economic growth are now being shared more widely.

Employment is growing in high-wage job categories. Indeed, over 80 percent of the 20 million jobs created since January 1993 are in categories that pay wages above the median, and 65 percent are in the top third of job categories ranked by median earnings.

Other evidence too suggests that the United States is creating a large number of high-quality jobs. The data show that there has been no increase in the share of employees who are working part-time jobs or the fraction of the workforce holding multiple jobs. Recent research has also indicated that job displacement rates and workers' perceptions of the likelihood of job loss have decreased in recent years.

Overall, the U.S. labor market is performing exceptionally well, but some sources of concern remain. Although manufacturing jobs are up since January 1993, in the wake of the Asian financial crisis more than half a million jobs have been lost since March 1998. However, strong domestic consumer demand, along with some stabilization in the economies of our trading partners, have led to faster growth of output in manufacturing in 1999. If output gains continue at their current pace, employment gains should follow.

While the declines in unemployment rates for disadvantaged groups are encouraging, the rates themselves remain too high. Recognizing that continued investments in education and training for these groups are essential to improve their labor market performance, the Clinton/Gore Administration has implemented initiatives such as the Youth Opportunity Movement, America's Job Network, and the President's GEAR UP initiative. The President's New Markets Initiative, which encourages businesses to tap consumer markets and labor pools in underserved local areas, also should contribute to continued improvements in employment rates for all of these groups. The Administration also believes that those who suffer displacement through no fault of their own should be guaranteed access to the kinds of reemployment services that will help them regain employment with minimal loss of earnings.

Finally, the Administration continues to pursue policies that reduce inequality and "make work pay" for all American workers, especially the least-educated. Minimum wage increases implemented in 1996 and 1997 have been one factor that has contributed to earnings growth for those with the lowest wages, and the President has proposed an additional $1.00 increase in the minimum wage over a two-year period to contribute further to strong wage growth among those who suffered the greatest deterioration in wages during the 1970s and 1980s.

The creation of 20 million jobs since January 1993 is a significant achievement. Even more encouraging is the fact that the overwhelming majority of these jobs have been good jobs. This accomplishment highlights the importance of sound policies to keep the economy strong and to invest in people.

Tobacco – HUD Smokeshops
Q&A
April 5, 2000

Q: Senator Bond has criticized HUD for using economic development assistance to fund "smokeshops" that sell cheap cigarettes. Now that Secretary Cuomo supports Senator Bond's proposal to bar HUD economic development assistance to businesses primarily engaged in the sale of tobacco products, does the Administration support applying this standard to all federal economic assistance programs?

A: First of all, this Administration has been consistent and aggressive in its efforts to combat youth smoking. We support restrictions on HUD's economic development assistance programs to ensure that this funding is not being used to assist businesses primarily engaged in the sale of cigarettes and other tobacco products. We are going to examine whether a similar approach is appropriate in other federal economic development assistance programs.

PRESIDENT CLINTON SIGNS A BUDGET THAT MADE PROGRESS ON AMERICA'S PRIORITIES, BUT ENCOURAGES CONGRESS TO ACT ON AMERICA'S UNFINISHED BUSINESS

November 29, 1999

Today President Clinton will sign the Consolidated Appropriations Act for Fiscal Year 2000, providing funding for education, public safety, the environment, international leadership, health care and other priorities. In his speech, the President will prod Congress to act on America's unfinished business when it returns in January.

PROTECTING FISCAL DISCIPLINE AND PAYING DOWN THE DEBT. The budget represents a victory for President Clinton's stand for fiscal discipline. Between 1981 and 1992, the debt quadrupled. In 1992 the deficit was $290 billion and projected to rise to over $400 billion in 1999. As a result of the tough and sometimes unpopular choices made by President Clinton in 1993 and 1997, we have seen seven consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of $124 billion – the largest ever. Throughout the year, the Republicans have been proposing fiscally irresponsible tax cuts that would have jeopardized this record of fiscal discipline. In September, the President vetoed a Republican tax cut that would likely have drained hundreds of billions of dollars of the Social Security surplus from debt reduction. As a result of the President's stand, America will stay on course to pay off the debt held by the public by 2015 – for the first time since Andrew Jackson was President.

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

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

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

- ✓ **More Police for Our Streets**: The bill contains full funding for the first installment toward the President's goal to fund the hiring of up to 50,000 more police officers for our Nation's streets by

2005. The initiative builds on the President's successful COPS program that has already funded 100,000 police officers to help keep America's streets safe.

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

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

MAINTAINING AMERICA'S GLOBAL LEADERSHIP. The Republican Congressional budget would have turned its back on America's leading role in the world by not providing funds for peace in the Middle East, leadership at the United Nations, economic development in the poorest countries, and efforts to halt the spread of nuclear weapons. The President fought for and secured victories to strengthen America's leading role in the world:

✓ **Promoting Peace in the Middle East:** The Congress fully funded the President's $1.8 billion request arising from the Wye River Agreement.
✓ **Maintaining Leadership at the United Nations:** In an agreement reached between the President and Congress, the United States will now be able to avoid losing its vote, encourage needed reforms at the UN, and repay $926 million owed to the UN.
✓ **Debt Relief for Poor Countries:** The bill provides $110 million to fund reduction of debts owed to the U.S. government by the poorest developing countries.
✓ **Reducing the Nuclear Weapons Threat and Building Democracy in Russia and the Newly Independent States:** The final bills provide $1.5 billion across the government to fund critical efforts in Russia and the Newly Independent States to reduce the threat of nuclear weapons, to promote democracy, private enterprise, and free speech, and to generally assist in the transition these countries are undertaking.
✓ **More Funding for President Clinton's Child Labor Initiative:** The Congress fully funded the President's $30 million request – maintaining the 10-fold increase from the $3 million funding in 1998.

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

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

ADDRESSING HEALTH CARE. The President won a $34.5 billion investment in health programs, 11.7 percent above the FY 1999 enacted level, to strengthen the public health infrastructure, provide critical prevention and treatment services to individuals with mental illness, invest in pediatric training programs, and advance biomedical research with a historic investment of $2.3 billion. The bill also invests $16 billion over 5 years to address the flawed policy and excessive payment reductions resulting from the Balanced Budget Act (BBA) of 1997. It lifts caps on therapy services, increases payments for very sick nursing home patients, restores teaching hospital funding, and extends coverage of drugs that prevent rejection of organ transplants, among others.

A STRONG RESEARCH AND DEVELOPMENT AGENDA: The bill includes an unprecedented commitment to key civilian research. The bill increases the President's "21st Century Research Fund" for civilian research programs by more than $3 billion.

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

MUCH WORK STILL LEFT TO DO

- × **Passing Common Sense Gun Legislation:** Congress must pass a bipartisan juvenile crime bill that includes strong gun measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.
- × **Passing a Strong, Enforceable, Patients' Bill of Rights:** During the past two years, the President has exercised his executive authority to extend critical patient protections to over 85 million Americans. But ultimately, the only way to ensure that all Americans in all plans have basic consumer protections is to enact a strong, enforceable Patients' Bill of Rights.
- × **Strengthening Social Security:** The Republicans have proposed so-called "lockbox" legislation that would not add a single day to the life of Social Security; the President has asked them to join him in using the benefits of fiscal discipline to extend the life of Social Security from 2034 to 2050.
- × **Modernizing and Strengthening Medicare:** Although members of both parties joined the President and Vice President in the effort to adjust Medicare health care provider payments, Congress failed to address the growing challenges that Medicare faces. These challenges include modernizing it with a long overdue, optional prescription drug and giving Medicare the adequate resources and tools to be as efficient as possible.
- × **Raising the Minimum Wage:** The Congress has failed to pass a clean, straightforward bill to increase the minimum wage by $1 over two years – a step that would simply restore it to the 1982 inflation-adjusted level. Instead, the Senate attached the minimum wage increase to fiscally irresponsible tax giveaways for special interests.
- × **Expanding Federal Hate Crimes Laws:** The President and Vice President have called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability.

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Divider Title: **22**

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