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Divider Title: **25**

THE WHITE HOUSE CONFERENCE ON TEENAGERS:
RAISING RESPONSIBLE AND RESOURCEFUL YOUTH
May 2, 2000

The President and First Lady today will host the first-ever White House Conference on Teenagers. The conference will include parents, teens, policy makers and other experts who will discuss the importance of the teenage years in the social and intellectual development of children. Like the White House Conference on Early Learning and Childhood Development in 1997, today's gathering will underscore some of the common misconceptions that parents have about the teenage years and will offer strategies for raising responsible and resourceful youth. Conference participants will highlight ways in which parents, schools, businesses, the media and others in the larger community can support children during this critical stage of life.

The President and First Lady will announce several new steps the Administration is taking to better understand the teenage years and provide the support that America's teens need.

TODAY'S TEENS AND THEIR PARENTS

Report Shows Good Signs for Today's Teens and Indicates that Parental Involvement is Key in Raising Responsible and Resourceful Youth. The President will release a new report by the President's Council of Economic Advisers, *Teenagers and their Parents in the 21st Century: An Examination of Trends in Teen Behavior and the Role of Parental Involvement.* This report outlines positive trends for today's teenagers, including increases in student achievement, college access, and participation in community service, as well as declining rates of pregnancy, teen suicides, and homicides. The report concludes that teenagers whose parents are engaged and involved in their lives are more likely to excel in school and avoid risk behaviors. The report also makes clear that many challenges continue to confront America's teens: college opportunities remain more elusive for Hispanic youngsters and those from low-income families; the number of teens who smoke and eat poorly is increasing; and, in states where teens have greater access to guns, teen suicide and homicide rates are on the rise.

Poll Shows Teens Want More Time with Parents, Parents Worried About Outside Influences on Teens. A YMCA of the USA poll commissioned for the White House Conference and conducted by Global Strategy Group shows that, despite the positive trends highlighted in the CEA report, parents are anxious about the well-being of their teenagers. They rate drugs, alcohol, and violence among their top concerns. By contrast, teenagers rate "not having enough time together" with parents and education as their top issues. The poll reveals that: many families are unable to eat meals together more than a few times a week; many teens watch television and surf the Internet without parental supervision; and many parents wish they had more quality time with their teens.

New Brain Research Suggests that Early Adolescence is a Critical Time of Development. The First Lady will highlight preliminary research conducted by the National Institute of Mental Health indicating that the cognitive portion of the brain goes through a critical second wave of development just before puberty. Although the total size of the brain is already 95% of its adult size by the first grade, the new research shows that the gray matter of the brain thickens as the brain cells grow extra connections. This process peaks at about 11 years in girls and 12 years in boys, after which excess connections are "pruned," resulting in a thinning of the gray matter. This exciting new finding implies that the early years of adolescence are pivotal years for determining the make-up of the adult brain.

TOOLS FOR PARENTS OF TEENS

Ensuring Workplaces that Do Not Discriminate Against Parents. The President, today, will sign an Executive Order to bar discrimination against parents in the federal workplace. This Executive Order mirrors the "Ending Discrimination Against Parents Act of 1999," which the President announced in his 1999 State of the Union address. Legislation was introduced on November 10, 1999, by Senators Dodd and Kennedy. The Order would bar discrimination against parents in all aspects of employment, including recruitment, referral, hiring, promotions, discharge, and training. The Order would also prohibit employers in the Executive Branch from acting on assumptions that parents, or those with parental responsibilities, cannot satisfy the requirements of a particular position. The Order would not interfere with an employer's ability to select workers; it would simply ensure that workers are not discriminated against simply because they are parents. Guidance on this Executive Order will be provided by the Office of Personnel Management.

Urging Support for Parents to Spend Time with Their Teens. Research to be discussed at the Conference shows that teens whose parents are active and engaged in their lives are more likely to avoid risky behavior and to do better in school. Today, the President and First Lady will announce a number of steps to help parents and teens spend more time together:

- **"Time with Your Teens Campaign".** The President and First Lady will announce a new public education campaign to raise awareness about the importance of parent-teen time, including family mealtime. The National Partnership for Women and Families, along with the Families and Work Institute, will organize a national coalition to develop a public education campaign around this issue. The campaign will highlight the importance of business support for family time, the need for continued parental involvement in middle school and high school, and a challenge to parents and teens to make more time for one another.
- **Family Meal Time for Federal Workers.** In the federal workplace, the Office of Personnel Management will raise awareness among parents of teenagers about family-friendly tools that they can use, including flexible work schedules, job sharing and the use of leave, in order to make family time a priority. In addition, OPM will encourage agencies to provide information about teen development and teen issues at the workplace. Agencies may also hold seminars and establish support groups for parents of teenagers.
- **Expansion of FMLA.** The President and the First Lady will also renew their call for Congress to pass an expansion of the Family and Medical Leave Act to allow eligible workers an additional 24 hours of leave to meet family responsibilities, such as parent-teacher conferences.

Task Force on "Navigating the New Media Age". Today, the First Lady will announce a public-private effort to provide tools for parents and teens to find resources through the media and to help parents monitor their teens' use of the media. The task force plans to complete its work within six months and will: establish an Internet site that provides a one-stop information site for parents of teenagers, including a newly developed federal effort, "Parenting Resources in the 21st Century" *www.parentingresources.ncjrs.org*; work with the media and entertainment industry to develop one web-site where parents can find comprehensive information on current media ratings systems; establish a portal for teenagers that would include non-commercial, teenager-friendly resources on the Internet; and provide guidance to local communities on how to set up one-stop information centers that list services, hotlines, and community opportunities to teenagers and their parents through toll-free numbers and local web sites.

The following partners are members of this task force: Center for Media Education, American Psychological Association, America's Promise, Children's Defense Fund, National Network for Youth, United Way of America, and GetNetWise.

Tips for Parents. Parents want to know how they can best nurture and raise their children to avoid risky behaviors, including drug, alcohol and tobacco use, sex, and violence. For the first time, a coalition of prevention campaigns has joined forces with the federal government to offer strategies for parents. *Parents Matter: Tips for Raising Teenagers* was jointly produced by the Campaign for Tobacco-Free Kids, the National Campaign Against Youth Violence, the National Campaign to Prevent Teen Pregnancy, the Office of National Drug Control Policy, the U.S. Department of Education, and the U.S. Department of Health and Human Services. In addition, the U.S. Department of Education, in partnership with the Afterschool Alliance, will release the Afterschool Parent Action Kit to help parents identify, create or improve afterschool programs in their communities in order to provide safe and enriching places for teenagers in the non-school hours.

TOOLS FOR TEENS

A Web Resource for Teens. The President will announce a new web site for teenagers, www.americasteens.gov. The site provides a gateway to federal and other publicly supported web sites for teens. With this new web site, teens can find information to help them do their homework, pursue a hobby, or choose a career. The site was developed by 17 federal agencies supported by Vice President Gore's National Partnership for Reinventing Government and the General Services Administration. The President will also direct federal agencies to expand educational material for youth on their own websites and to assure that all federally-supported websites for youth comply with the Children's Online Privacy Protection Act and relevant federal regulations.

Communication Tips for Teens. As part of this conference, the U.S. Department of Health and Human Services will release a guide to help teenagers identify people to whom they can open up and strengthen teen communication with each other, their parents and other caring adults. It will be distributed through community-based organizations and through the National Clearinghouse for Family and Youth.

FOLLOW-UP TO TEEN CONFERENCE

Youth Summit. The Corporation for National Service, together with two dozen other national organizations, will host a National Youth Summit, entitled "Young People: Partners in Fulfilling the Promise," June 22-25 in Orlando, Florida. Up to 1,000 teens and adults who work with them will attend the summit to build their skills and develop action plans for young people to play a role in meeting the needs of their communities.

Leadership on Reinventing the American High School to Better Serve Teens. Over 1,000 teachers, principals, policymakers and parents will gather in Washington, D.C. from June 14-16th to attend a "Reinventing High School" conference hosted by U.S. Secretary of Education Richard W. Riley. All across America, millions of young people are coming of age and are entering high schools in record numbers. In the next ten years, the number of high school graduates will increase by seventeen percent. If America's high schools are to be ready to prepare all of these young people for the 21st century, many experts are rapidly coming to the conclusion that the American high school, as we know it, needs to be reinvented. This conference will explore options for reforming American high schools. It is sponsored by the U.S. Department of Education, the National Association of Secondary School Principals, Southern Regional Education Board, Jobs for the Future, Sonoma State University, the California Department of Education, and the Kauffman Center for Entrepreneurial Leadership.

A BLUEPRINT FOR THE FUTURE:
THE CLINTON ADMINISTRATION'S
FY 2001 BUDGET AND LEGISLATIVE PROPOSALS FOR
TEENAGERS AND THEIR FAMILIES

The Clinton-Gore Administration has supported policies that help parents balance their responsibilities at home and at work, provide teens with greater educational opportunities, engage young people in civic action, and make communities safer and stronger. The Administration's FY 2001 budget and legislative priorities include a wide range of new initiatives for teens and their families.

I. HELPING PARENTS BALANCE THEIR RESPONSIBILITES AT WORK WITH THEIR RESPONSIBILITIES TO THEIR TEENS

Parental Involvement In Schools Pays Off, but Parents need Support from Employers to Stay Involved. The President has called on Congress to allow eligible workers under the Family and Medical Leave Act to take up to 24 hours of additional leave each year to meet certain family obligations, such as participating in school activities, including parent-teacher conferences.

Today More Than Ever, Working Families Struggle with Child Care or After-School Opportunities for their Children and Teenagers.

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

Universal After-School Opportunities for Children and Teenagers Most In Need. The President's budget includes $1 billion to expand after-school and summer school for students across the nation – more than doubling the $453 million enacted last year, and representing the largest expansion ever proposed. With this increase, the program can provide every child in every failing school with the chance to participate in quality extended learning programs and work toward higher academic standards. Studies have shown that extended learning programs such as after-school and summer school help improve student achievement in reading and math, as well as increase student safety and reduce juvenile crime. Under the President's proposal, the number of children served will nearly triple, from 850,000 to 2.5 million children.

II. GIVING PARENTS THE TOOLS THEY NEED TO PROTECT THEIR CHILDREN AND TEENAGERS IN THE NEW MEDIA AGE

Parents Need Good Information to Help Monitor and Protect their Children's Usage of Media. The Clinton-Gore Administration has worked with leaders from the entertainment and media industry to ensure support for the creation of a "family friendly" Internet; help parents control what comes into their living room with the V-Chip; and encourage more educational television. With leadership from the First Lady, the President is calling on leaders in the media and entertainment industry to take the next step and come together to adopt a voluntary uniform ratings system. Such a system will give parents easy to understand, uniform information that will enable them to monitor their children's media usage more effectively.

III. BUILDING STRONG SCHOOLS FOR AMERICA'S TEENS

Modernizing Our Schools. At least 2,400 new public schools will be needed nationwide by 2003 to accommodate rising enrollments and relieve overcrowding. This year, the Administration has proposed federal tax credits to pay the interest on nearly $25 billion in state and local bonds to modernize and rebuild up to 6,000 public schools that are overcrowded, out-of-date, and unsafe. In addition, the budget includes a new $1.3 billion school urgent/emergency renovation loan and grant proposal which would support emergency repairs on 5,000 public schools each year for the next five years.

Small, Safe and Successful High Schools. Research shows that smaller high schools can boost academic achievement and extracurricular involvement and lead to fewer discipline problems. The President's budget will include $120 million for a Small Schools Initiative to reinvent high schools on a smaller scale and make them more responsive to student needs. School districts could use this money to create small schools or break up existing large schools into smaller learning communities. School districts receiving grants would be expected to demonstrate increases in student achievement, graduation rates, the number of students pursuing postsecondary options, and decreases in classroom disruptions and violence.

Encouraging Students to Stay in School and Succeed in College. GEAR-UP is a nationwide initiative to encourage disadvantaged young people to have high expectations, stay in school, study hard, and take the right courses to go to and succeed in college. GEAR UP is funded at $200 million in FY 2000, enough to provide services to over 750,000 students. The FY 2001 budget provides a 62.5 percent increase to $325 million, enough to provide services to 1.4 million students. The TRIO programs seek to motivate and prepare students to go to and stay in college. The FY 2001 budget provides $725 million for TRIO, an increase of $80 million to help provide assistance to over 760,000 students, 37,000 more than in 2000.

IV. ENGAGING TEENS IN COMMUNITY SERVICE

Keeping AmeriCorps on Track for 100,000 Members a Year. With a $73 million increase, AmeriCorps will be able to grow to 100,000 new members a year over the next four years. Since the launch of AmeriCorps five years ago, more than 150,000 Americans have served on the front lines in hard-pressed neighborhoods -- tutoring in schools, responding to natural disasters, helping to make our streets safer, building homes, and more. In fact, more Americans have served in AmeriCorps in the last five years than have served in the entire history of the Peace Corps.

Providing Community Coaches. For the first time, the Corporation for National Service will award $5 million in grants to place a "community coach" in nearly 1,000 schools. Community Coaches – AmeriCorps members, teachers, and counselors -- can help students make the most of their community service and can act as a vital link between the school, the business sector, and the local community. This initiative is modeled after the Community Coaches program pioneered by the national youth leadership non-profit organization "Do Something". "Do Something" is already supporting community coaches in more than 100 schools in 75 communities across the country.

Rewarding Youth Service with Empowerment Grants. The budget also includes $3 million for new Youth Empowerment Grants, competitive fellowships that reward young social entrepreneurs dedicated to solving problems in their communities. The Corporation for National Service will award the grants to community-based organizations that sponsor young people who have designed and developed their own projects. These will include efforts to prevent youth violence, programs to improve civic participation, and initiatives that engage older students in tutoring and mentoring.

Supporting America's Promise: The Alliance for Youth. The budget will include $7.5 million for this national crusade to help all children grow into healthy, strong, and productive adults. America's Promise focuses on five promises for every child: (1) an ongoing relationship with a caring adult -- parent, mentor, tutor or coach; (2) a safe place with structured activities during non-school hours; (3) a healthy start; (4) a marketable skill through effective education; and (5) an opportunity to give back through service.

V. HELPING AMERICA'S MOST VULNERABLE TEENS

Youth Opportunity Grants, Job Training, and Summer Jobs. Youth Opportunity Grants provide comprehensive employment and training assistance to all out-of-school young people in high poverty areas. The President's FY2001 budget provides a 50 percent increase in funding to $375 million, enough to serve an additional 25,000 youth in high poverty areas for a total of 75,000 youth served per year. In addition, the FY2001 budget provides a $25 million increase, to the Youth Training Formula Grants, enough to provide job training and summer job opportunities to nearly 600,000 disadvantaged young people.

Preventing Youth Violence. Over the past year, the country has been traumatized by a spate of school shootings. The President has taken leadership to address the issue of preventing youth violence by establishing a National Campaign against Youth Violence and establishing the White House Council on Youth Violence to coordinate federal efforts. To help communities throughout the country promote a coordinated, comprehensive response to school safety, the President also launched a Safe Schools/Healthy Students initiative. It empowers parents, principals, police, and mental health providers to collaborate on local solutions. An increase of more than $100 million in the initiative will invest a total of $247 million in FY 2001 to help communities throughout the country promote a coordinated, comprehensive response to school and youth violence.

New Opportunities for High School Dropouts. The Youthbuild program, is targeted to 16-24 year old high school dropouts, and provides disadvantaged young adults with education and employment skills through rehabilitating and building housing for low-income and homeless people. The program also helps to expand the supply of housing in these categories. Funded at $42.5 million, the Youthbuild programs provides opportunities for approximately 2,000 trainees in 2000. The FY2001 increases funding by 76 percent to $75 million, enough to serve approximately 3,330 trainees.

Helping to Prevent Teen Pregnancy and Give Teen Mothers a Chance to Succeed. The FY 2001 budget proposes $25 million to support adult-supervised and supportive living arrangements, often called second chance homes, for unmarried teen parents and their children who cannot live at home or with other relatives, including services provided by community and faith-based organizations. This new initiative will be latest of the Administration's efforts to break the cycle of dependency and reduce teen pregnancy, which have resulted in the lowest teen pregnancy rates on record and an 18 percent decline in teen birth rates from 1991 to 1998.

Responsible Reintegration for Young Offenders. The FY 2001 President's Budget includes a new $75 million initiative in the Department of Labor to help young offenders under age 35 to successfully reintegrate into the mainstream society. Competitive grants will be made to partnerships between the criminal justice system and local workforce investment systems. This effort will be operated in conjunction with a $60 million initiative at the Department of Justice that focuses on community safety and the supervision of ex-offenders through "reentry partnerships" and "reentry courts." The Department of Health and Human Services will also target $10 million in targeted capacity expansion grants for substance abuse and mental health services to complement these efforts.

VI. PROMOTING THE HEALTH AND WELL-BEING OF AMERICA'S TEENS

Providing Access to Health Insurance for Children and Teenagers. The President's budget would accelerate enrollment of uninsured children and teenagers eligible for Medicaid and the State Children's Health Insurance Program (S-CHIP) by $5.5 billion over 10 years, allowing for an additional 400,000 uninsured children to be covered. The S-CHIP helps children in families with income too high to be eligible for Medicaid but too low to afford private insurance. Enrollment in S-CHIP doubled to 2 million children in 1999. However, despite this encouraging trend, millions of children remain eligible but unenrolled in both S-CHIP and Medicaid. The Administration's budget includes initiatives that would give states needed tools to increase coverage by:

- **Allowing School Lunch Programs to Share Information with Medicaid ($345 million over 10 years).** Since 60 percent of uninsured children are in the school lunch program, sharing eligibility information can efficiently help outreach efforts.

- **Expanding Sites Authorized to Enroll Children in S-CHIP and Medicaid ($1.2 billion over 10 years).** This includes schools, child care resource and referral centers, homeless programs, and other sites.

- **Requiring States to Make their Medicaid and S-CHIP Enrollment Equally Simple ($4.0 billion over 10 years).** Most states have carried over their S-CHIP simplification strategies like eliminating assets tests and using mail-in applications into the Medicaid program. This proposal would have all states do so to make enrollment easier for both programs.

Feinstein Victims' Rights Amendment
Q&A
April 13, 2000

Q: What is your position on the Feinstein/Kyl victims' rights amendment? Do you support it?

A: The President strongly supports a victims' rights amendment that will ensure that victims have a voice in the criminal justice system. This entails basic rights, such as the right to be notified of proceedings, the right to attend, and the right to be heard prior to sentencing, the acceptance of a plea bargain, or a decision to release a defendant on bail.

We support the overall intent of the Feinstein Amendment amendment, but there have been concerns raised about certain provisions that could, among other things, undermine effective law enforcement and victims' interests in finality of sentences. We'll work with the amendment's sponsors to address these and other concerns so that we can offer our full support for the amendment.

Civil Asset Forfeiture
Q&A
April 12, 2000

Q: Will the President sign the Civil Asset Forfeiture bill that recently passed the House and Senate? How was this agreement reached, and what does the bill do?

A: The President supports the bipartisan civil asset forfeiture reform bill that recently passed both the House and the Senate, and will sign it. Civil asset forfeiture is a valuable tool for law enforcement because it deprives criminals of their ill-gotten gains. At the same time, the Administration has recognized the need for reform of the current law. That's why the Department of Justice worked with Congress to strike the appropriate balance between protecting the civil liberties of property owners and maintaining this valuable law enforcement tool. The final bill includes important provisions to shift the burden of proof to the government while also strengthening crime-fighting tools that would make it easier for prosecutors to seize criminal properties after convictions. We are pleased that it now has the support of both the law enforcement community and civil liberties groups.

Racial Profiling
Q&A
April 10, 2000

Q: A GAO report released today indicates that minorities, especially African American women, were disproportionately singled out for strip searches by the U.S. Customs Service inspectors at airports between 1997 and 1998. The report also indicates that these searches were not justified by a higher rate of discovery of contraband among minority groups. What is the federal government doing to address this problem?

A: Without question, the findings of the GAO report were deeply troubling. As the President has said before, no person should ever be targeted by law enforcement because the color of his or her skin. Stopping or searching individuals on the basis of race is not effective law enforcement policy, and it is not legitimate as a strategy for public protection. Simply put, racial profiling is wrong.

The GAO report is based on information that was collected prior to sweeping reforms made by U.S. Customs Commissioner Raymond Kelly eighteen months ago. Upon his appointment to the post, Commissioner Kelly made it clear that racial profiling would not be tolerated by the U.S. Customs Service, and tightened up search procedures that include closer supervision of searches and increased training for inspectors. Current statistics compiled for the first six months of FY 2000 indicate that these reforms are working. For instance, Customs has reduced the number of the most intrusive searches by more than one half, while actual seizures of illegal drugs increased by five percent.

Q: Will the Administration support Senator Richard Durbin's proposed legislation to require U.S. Customs to document searches of individuals and to submit the information to Congress? What else is the Administration doing to the problem of racial profiling in law enforcement?

A: We support Senator Durbin's efforts to work with the Administration to address the problem of racial profiling, and look forward to reviewing his legislation. As you know, the President has spoken out repeatedly and forcefully against racial profiling. And he has recognized that in this highly charged issue, it is crucial to get the hard facts. To help ensure that federal law enforcement officers act in accordance with their broad policies against racial profiling, President Clinton in June of 1999 signed a Presidential directive to federal agencies to gather data about when and where racial profiling occurs. This data is currently being collected by the federal agencies. Having this data will arm us to combat this problem in the most thorough and effective manner possible – so that we can act on the basis of facts and not anecdote.

PRESIDENT CLINTON RELEASES NEW PRESCRTION DRUG COVERAGE AND PRICING STUDY
April 10, 2000

Today, the President will release a new study by the Department of Health and Human Services (HHS) that shows, among numerous other findings, that seniors without drug coverage not only lack insurance against high costs, but do not have access to the discounts and rebates that insured people receive. He will underscore how this comprehensive report clearly validates the need for a voluntary, affordable prescription drug benefit that is available to all beneficiaries. Key findings include: (1) not even counting manufacturers' rebates, prescription drug prices for those without coverage are typically 15 percent higher than prices paid on behalf of people with coverage; (2) this price gap almost doubled between 1996 and 1999; (3) Medicare seniors and people with disabilities without drug coverage are five times more likely to report being unable to purchase prescriptions as those with coverage; and (4) in addition to the millions of completely uninsured, nearly half of seniors with Medigap did not have that coverage for the entire year. The study contains other findings confirming that Medicare beneficiaries without drug coverage fill fewer prescriptions and have higher out-of-pocket spending across all groups, even among the most ill. However, because of the limited information about price discounts now known, the President will announce that HHS will hold a conference on prescription drug pricing practices this summer.

KEY FINDINGS FROM "PRESCRIPTION DRUG COVERAGE, SPENDING, UTILIZATION, AND PRICES" REPORT. The HHS study, available in its entirety at <http://aspe.hhs.gov/health/reports/drugstudy>, demonstrates that:

- **Seniors without drug coverage not only lack insurance against high costs, but do not have access to the discounts and rebates that insured people receive.** In contrast, Medicare beneficiaries with drug coverage not only pay out-of-pocket a fraction of the prescription drug price, but that price is significantly lower than what is charged to beneficiaries without coverage.

  - **Older Americans and people with disabilities without drug coverage typically pay 15 percent more than insurers who negotiate price discounts for the same prescription drug.** At the pharmacy level, people without coverage pay higher prices for drugs than the amount paid on behalf of those with coverage through third-party payers, when controlling for the dose and strength of the drug.

  - **The gap between drug prices for people with and without insurance discounts nearly doubled, from 8 to 15 percent, between 1996 and 1999.**

  - **These differences do not take into account manufacturers' rebates, which could widen this gap by an additional 2 to 35 percent according to industry sources**. Pharmaceutical benefit managers, which pay for most prescription drugs in the U.S., typically get rebates and other forms of compensation from pharmaceutical manufacturers after the drug is purchased, to reward high volume or increased market share. However, due to data limitations, these additional reductions in price are not reflected in this study, so its results understate the gap between prices for cash and third-party payers.

- **Prescription drug spending and utilization is growing rapidly – more than twice the growth in other health spending.** Between 1993 and 1998, spending nationwide for prescription drugs increased at an annual rate of 12 percent compared to about 5 percent for all other types of health spending. Prescription drugs now account for about one-sixth of all out-of-pocket health spending by the elderly. This reflects the growing importance of prescription drugs in modern medicine.

- **The percent of Medicare beneficiaries without drug coverage who report not being able to afford a needed drug is about 5 times higher than those with coverage.** About one in ten beneficiaries without supplemental coverage reported that they needed prescription medicine in the last 12 months but did not get it because they could not afford it, compared to 2 percent of those with non-Medicaid coverage.

- **Uncovered Medicare beneficiaries purchase one-third fewer drugs but pay nearly twice as much out-of-pocket.** Overall, these beneficiaries have annual out-of-pocket costs that are twice as high even though they use fewer medications. These utilization and spending differences hold up across income, age, health status and other categories. There is no significant decrease in the gap in drug spending as income rises, suggesting that drug coverage makes a difference across all incomes.

  - **Chronically ill, uninsured Medicare beneficiaries spent over $500 more out-of-pocket than those with coverage.** This is despite the fact that these ill beneficiaries purchase fewer prescriptions than those with coverage.

- **Nearly half of Medicare beneficiaries do not have coverage for prescription drugs for the entire year**. While 31 percent of beneficiaries had no coverage for the entire year, 47 percent were uninsured for at least one month during the year, making them vulnerable to catastrophic drug costs. This is similar to the proportion of seniors who had no health insurance before Medicare was created in 1965.

- **One out of four Medicare beneficiaries with higher income (greater than 400 percent of poverty or about $45,000 for a couple) has no coverage for prescription drugs throughout the year.** This contradicts the belief that lack of coverage is a problem only for those with low-incomes. Similarly, the uninsured are not just healthy people who do not need coverage -- almost 30 percent of Medicare beneficiaries in poor health do not have drug coverage.

- **Rural and older beneficiaries are particularly vulnerable.** Rural Medicare beneficiaries are over 50 percent more likely to lack prescription drug coverage for the entire year than urban beneficiaries (43 to 27 percent). People age 85 and older are one-third more likely to lack coverage than those ages 65 to 69 (37 to 28 percent).

- **Medigap private insurance and Medicare managed care are particularly unstable**. Almost 48 percent of beneficiaries with drug coverage through Medigap policies and 29 percent who were enrolled in Medicare HMOs had drug coverage for only part of the year. Beneficiaries with part-year coverage have spending and utilization that more closely resembles that of the uncovered people – using fewer medications and having higher out-of-pocket spending.

PRESIDENT WILL ANNOUNCE THAT ADMINISTRATION WILL HOLD A CONFERENCE ON DRUG COSTS AND PRICING PRACTICES. As the HHS study makes clear, not enough is known about costs and prevalent pricing practices by the pharmaceutical industry. To further the policy debate, HHS in collaboration with the private sector will convene a conference this summer including representatives of beneficiaries, purchasers, pharmacists, pharmaceutical manufacturers as well as researchers to clarify actual pricing and discounting practices and their impact on Medicare beneficiaries. Topics covered may include:

- **Pricing practices:** What are and what determines the pattern of cash discounts and rebates offered by manufacturers to different customers; to what extent are drug formularies influenced by price and other incentives; how has the growth of third-party pharmacy benefit managers affected the pricing structure of the industry; what explains geographical variations in prescription drug prices.

- **Models**: What are the best purchasing, delivery and quality improvement practices for prescription drugs; what is the best way to ensure continued innovation within the pharmaceutical industry under a Medicare prescription drug benefit.

STUDY RESULTS CALL FOR ENACTMENT OF PRESIDENT'S PLAN TO STRENGTHEN AND MODERNIZE MEDICARE

The study's findings underscore the need for a voluntary Medicare prescription drug benefit that is accessible and affordable to all beneficiaries. The President's plan would give these elderly and disabled beneficiaries the option to purchase a prescription drug benefit that covers half of all drug costs up to $5,000 when fully phased in and includes a stop-loss provision to protection seniors against catastrophic drug costs. Its premiums would be affordable to both beneficiaries and the program; it would be competitively administered; and it would assure access to needed medications. The President's prescription drug benefit is part of a larger plan to strengthen and modernize Medicare. This plan also includes reforms to make Medicare more competitive and efficient and dedicates $432 billion to Medicare to help pay for the prescription drug benefit and to improve the program's financing, helping to extend the life of its trust fund to at least 2030.

Internet Gambling
Q&A
April 7, 2000

Q: **What does the Administration think of Rep. Goodlatte's bill passing the House Judiciary Committee?**

A: The Administration supports efforts to limit Internet Gambling, but has several concerns about Rep. Goodlatte's bill. First, this bill creates a new provision that substantially overlaps and is inconsistent with existing federal gambling laws. We recommend amending existing gambling laws, rather than creating new laws that specifically govern the Internet. The Administration is also concerned about the broad exemptions for parimutuel wagering such as horse races, dog races, and jai alai. Rep. Goodlatte's bill would make legal on the Internet types of parimutuel wagering that are not legal in the physical world.

Census 2000
Q&A
April 7, 2000

Q: **What do think about eliminating the Census long form?**

A: The Census Bureau has been leading the efforts to replace the long-form with a monthly survey. The American Community Survey is a form that would go to 250,000 households every month rather than 20 million people every 10 years. This survey would be directed at fewer people and would provide more up to date information.

Q: **What do you think about Republicans statement that Americans should simply skip the questions that they think are intrusive?**

A: As the President stated in his radio address, we strongly urge Americans to respond completely to the Census form questions to ensure that governments, businesses and communities have accurate information to make many critical decisions about issues that affect our everyday life. Information from the long form is critical for everything from helping communities design mass transit systems to providing 911 emergency services. It also helps us calculate cost of living increases for Social Security, military retirement and veterans' pensions.

[Background: Currently, the long-form response rate lags 10 percentage points behind the short form response rate.]

PRESIDENT CLINTON AND VICE-PRESIDENT GORE: WORKING TO PROTECT SENIOR CITIZENS

"Beyond paying off the debt, we must ensure that the benefits of debt reduction go to preserving two of the most important guarantees we make to every American -- Social Security and Medicare. I ask you tonight to work with me to make a bipartisan down payment on Social Security reform by crediting the interest savings from debt reduction to the Social Security Trust Fund to ensure that it is strong and sound for the next 50 years."

-- President Bill Clinton
January 27, 2000

Ensuring Long-Term Financial Security

Saving Social Security. President Clinton and Vice President Gore have coupled fiscal discipline with a commitment to preserve and protect Social Security. President Clinton has proposed extending the program's solvency until at least 2054 by paying down the national debt and dedicating the interest savings to Social Security. This would be a down payment on truly saving Social Security. President Clinton has also called for a bipartisan effort to save Social Security for 75 years.

- **Extending the Life of the Social Security Trust Fund.** Thanks in part to the Clinton-Gore economic strategy of fiscal discipline, which created the conditions for the longest economic expansion in U.S. history, the life of the Social Security trust fund has been extended until 2037.

Eliminating the Retirement Earnings Test. President Clinton has pushed for a bipartisan effort to eliminate the confusing and out-dated earnings test to encourage work and earnings among older Americans. Both the House and Senate have passed this legislation, and President Clinton will sign it into law.

Social Security Reform Critical to Women. Women live an average of six years longer than men, and because they live longer they become increasingly dependent on Social Security benefits as they age. Women represent 60 percent of all Social Security recipients at age 65, and by age 85, 71 percent of recipients are women. Social Security provides 90 percent of income for 41 percent of all older women; 25 percent have no other source of income. The poverty rate among elderly women is twice the poverty rate among seniors as a whole. President Clinton and Vice President Gore are committed to reducing the loss of Social Security income at widowhood and to reforming Social Security in a manner that will ensure fairness and reduce the poverty rate of single elderly women.

Held First-Ever White House Conference on Social Security. President Clinton has called on Congress to reach a bipartisan consensus on a Social Security consensus on a Social Security plan that extends the life of the trust fund for 75 years. In December 1998, the President hosted the first-ever bipartisan White House Conference on Social Security. This capped off a series of non-partisan regional forums on the future of Social Security held in Albuquerque, New Mexico; Providence, Rhode Island; and Kansas City, Missouri.

Social Security Critical to Improving Seniors' Standard of Living. Social Security has been critical to ensuring that American seniors do not have to live in poverty. In 1998, the elderly poverty rate was 10.5 percent, as low as it's ever been. In 1959, 35.2 percent of American seniors were living in poverty.

Cost of Living Increase for Social Security Beneficiaries. Social Security and Supplemental Security Income (SSI) benefits will increase 2.4 percent in the year 2000. The average monthly benefits for retired workers will rise from $785 to $804, while the maximum monthly SSI payment will rise to $512 for an individual and $769 for a couple.

Increasing Pension Security. President Clinton proposed and signed the Retirement Protection Act of 1994, protecting the benefits of more than 40 million American workers and retirees. The President also signed the Small Business Job Protection Act of 1996, which provided a tax credit to small business that adopt pension plans; created a simplified and better defined contribution plan for small businesses; and promoted pension portability.

- **President Hosted SAVER Summit.** On June 4, 1998, President Clinton hosted the White House SAVER Summit to address the need for greater savings and pension opportunities for the American people.

Signed the Landmark Work Incentives Improvement Act. President Clinton signed the Work Incentives Improvement Act, which prevents people with disabilities from losing their Medicare or Medicaid health coverage when they go to work. It also includes a $250 million demonstration, which the President insisted on fully funding, that allows people with disabilities who are still working and are not yet sufficiently disabled to qualify for Medicaid to buy into the program.

Strengthening and Modernizing Medicare

Enacted Most Comprehensive Medicare Reforms in History. In the 1997 Balanced Budget, the Clinton-Gore Administration protected, modernized and extended the life of the Medicare Trust Fund while offering new options for patient choice and preventive care. New preventive benefits passed include coverage of annual mammograms, coverage of screening tests for both colorectal and cervical cancer, and a diabetes self-management benefit. The President's FY 2001 budget dedicates $432 billion over 10 years – an amount equivalent to over half of the on-budget surplus – to strengthen and modernize Medicare to prepare it for the health, demographic, and financing challenges of the 21st Century. This plan would extend Medicare's solvency for over a decade until at least 2025.

- **Extending the Life of the Medicare Trust Fund.** When President Clinton and Vice President Gore took office, Medicare was expected to run out of money in 1999. Now, the life of the Trust Fund has been extended until 2023. Medicare is now in the soundest shape it has been since 1975.

Protecting Medicare and Medicaid from Extreme Proposals. In 1995-1996, President Clinton and Vice President Gore fought, and President Clinton vetoed, extreme Republican proposals that called for more than $400 billion in cuts to Medicare and Medicaid. If passed, these proposals would have shifted a staggering financial burden to elderly and disabled Medicare beneficiaries, reduced Medicaid nursing home coverage for elderly and disabled Americans, and resulted in damaging structural changes in the

Medicare program. The Administration also opposed the Breaux-Thomas Medicare plan, which would have increased premiums, raised the age of eligibility to 67, and failed to dedicate a portion of the budget surplus to extend the life of the Trust Fund.

Modernizing Medicare's Benefits. Unlike virtually all private health plans, Medicare does not cover prescription drugs. Over three in five seniors lack dependable insurance coverage for drugs. President Clinton and Vice President Gore have proposed a plan to add a long-overdue, optional prescription drug benefit that is affordable and available to all beneficiaries. They have also proposed a reserve fund to help Medicare beneficiaries with extremely high prescription drug costs. The Administration's plan also improves preventive services and rationalizes cost sharing.

Medicare Critical to Improving the Health of Seniors. Medicare has played a critical role in improving the health of America's seniors. The life expectancy for someone turning 65 today is nearly 20 percent longer than it was for an individual turning 65 in 1965, the year Medicare was enacted.

Working to Establish an Affordable Medicare Buy-In Option. The President and Vice President have called on Congress to pass their proposal to allow people ages 62 through 65 and displaced workers ages 55 to 65 to pay premiums to buy into Medicare. The initiative also would require employers who drop previously-promised retiree coverage to allow early retirees with limited alternatives to have access to COBRA continuation coverage until they reach age 65 and qualify for Medicare. This year, to make this policy more affordable, the President has proposed a tax credit, equal to 25 percent of the premium, for participants in the Medicare buy-in.

Fighting Medicare Fraud and Waste. Since 1993, the Clinton-Gore Administration has assigned more federal prosecutors and FBI agents to fight health care fraud than ever before. In 1995, the Clinton-Gore Administration launched Operation Restore Trust, a ground-breaking and ongoing anti-fraud project aimed at coordinating federal, state, local and private resources in targeted areas. As a result of the Administration's commitment to fighting health care fraud, convictions have gone up a full 410 percent, saving more than $50 billion in health care claims. The Balanced Budget Act gave an array of new weapons in our fight to keep scam artists and fly-by-night health care out of Medicare and Medicaid.

Tightening Standards for Home Health Care Providers. In September 1997, President Clinton announced the Department of Health and Human Services (HHS) was declaring its first ever moratorium to stop new home health providers from entering the Medicare program. The moratorium gave the Clinton-Gore Administration an opportunity to implement new regulations to create protections to screen out providers who are likely to cheat Medicare. Four months later, President Clinton announced that HHS was removing the moratorium because those new tougher regulations were in place to root out fraud and abuse in the home health industry. The Health Care Financing Administration (HCFA) has also doubled the number of home health audits and increased claims review by 25 percent. HCFA also now requires home health agencies to be more accountable for the care they provide, and to conduct criminal background checks on the aides they hire.

Implementing Comprehensive Nursing Home Quality Initiative. The Clinton-Gore Administration has issued the toughest nursing home regulations in the history of the Medicare and Medicaid programs, including: increased monitoring of nursing homes to ensure that they are in compliance; requiring states to crack down on nursing homes that repeatedly violate health and safety requirements; and changing the inspection process to increase the focus on preventing bedsores, malnutrition and resident abuse. President

Clinton won a $43.5 million increase in FY 2000 to fund more rigorous inspections of nursing facilities and improved federal oversight and enforcement of nursing home quality.

Improving Health Care for Older Americans

Fighting for Passage of the Patients' Bill of Rights. The President and Vice President have called for passage of the bipartisan Patients Bill of Rights Act, to ensure that all Americans have essential 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 to assure patient care if a patient's health care provider is dropped; access to a timely internal and independent external appeals process with a medical necessity standard; 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 health plan actions.

- **Protecting Seniors in Managed Care Plans.** Leading by example, President Clinton signed an executive order to extend the strong enforceable protections in the Patients' Bill of Rights to the growing number of Medicare recipients in HMOs.

Easing the Burden of Long-Term Care. President Clinton has proposed a historic initiative to support the long-term care needs of the over five million Americans, most of whom are elderly, who have significant limitations due to illness or disability. The initiative includes a $3,000 tax credit to compensate people with long-term care needs or their caregivers for the cost of long-term care services -- tripling the credit proposed by the President last year. In addition, this initiative addresses the needs of caregivers and supports families who care for elderly relatives with chronic illness or disabilities through services such as respite care, which studies have found can relieve caregiver stress and delay nursing home entry.

Supporting Family Caregivers. The President's long-term care proposal in his FY 2001 budget invests $125 million to support family caregivers. This initiative will provide States working with local communities with the flexibility to design and provide important caregiver support to approximately 250,000 families nationwide who are caring for their older relatives. In addition to quality respite care, services provided will include information about local services, counseling and training for complex care needs. The President's proposal would also improve equity in Medicaid eligibility for those who use home- and community-based care by helping to eliminate complicated Federal waivers; and would have the Federal government serve as a model employer by offering long-term care insurance to its employees at group rates.

- **Increasing Need for Quality Long-Term Care Options.** The number of Americans age 65 years or older will double by 2030 (from 34.3 to 69.4 million), so that one in five Americans will be elderly. The number of people 85 years or older, nearly half of whom need assistance with everyday activities, will grow even faster. Although it is difficult to quantify, one study found that the economic value of care giving for families ranges from $4,800 to $10,400 per caregiver. As such, this new $3,000 tax credit could cover up to 60 percent of families' costs.

Unprecedented Investment in Biomedical Research. Two years ago, the President called for an increase of almost 50 percent over 5 years in the NIH budget as part of his Research for America Fund. Since that time, the NIH budget has increased by over $4.3 billion and with the funding proposed by the President this year, the Administration will be one year ahead of schedule in reaching the 50 percent goal. NIH now supports the highest levels of research ever on nearly all types of disease and health conditions, making new breakthroughs possible in vaccine development and use, the treatment of chronic disease, and prevention and treatment of diseases such as diabetes, osteoporosis, heart disease, cancer, and neurological diseases like Alzheimers and Parkinsons.

Proposed Largest Increase Ever for Veterans Programs. The Clinton-Gore Administration's FY 2001 budget proposal gives the Department of Veterans Affairs a $1.5 billion increase, the largest increase ever proposed for veterans' programs which demonstrates the President and Vice President's commitment to caring for those who served our country. Since 1993, the VA health system has increased the number of patients treated every year by over 29 percent; treated 83 percent more homeless patients; organized approximately 1,300 sites of care delivery under 22 Veterans Integrated Service Networks; and established more than 250 new community-based outpatient clinics.

Enacted Historic Comprehensive FDA Reform that Expedited the Review and Approval of New Drug Products. The President signed into law the 1997 FDA Modernization Act that includes important measures to modernize and streamline the regulation of biological products; increase patient access to experimental drugs and medical devices; and accelerate review of important new medications. This reform builds on the administrative initiatives implemented under Vice President Gore's reinventing government effort which have led U.S. drug approvals to be as fast or faster than any other industrialized nation. Average drug approval times have dropped since the beginning of the Administration from almost three years to just over one year.

New Efforts to Help Consumers Understand Important Information on Over the Counter Drug Labels. The President unveiled a historic new FDA regulation that, for the first time, requires over-the-counter drug products to use a new product label with larger print and clearer language, making it easier for consumers to understand product warnings and comply with dosage guidance. The new regulation provides Americans with essential information about their medications in a user friendly way and takes a critical first step toward preventing the tens of thousands of unnecessary hospitalizations caused by misuse of over-the-counter medications each year.

Enacted the Family and Medical Leave Act. The Family & Medical Leave Act (FMLA) -- the first piece of legislation the President signed into law -- enables workers to take up to 12 weeks unpaid leave to care for a new baby or ailing family member without jeopardizing their job. Since its enactment, millions of Americans have benefited from FMLA, and the President has expanded leave options for Federal employees. President Clinton has called for extending this benefit to 12 million more working families and expanding the law to allow workers to take leave for family obligations such as doctors appointments and parent-teacher conferences. Additionally, in his FY 2001 budget, the President is proposing new grants to enable states and regions to develop innovative paid leave options for working parents.

Passed Meaningful Health Insurance Reform. The President signed into law the Kennedy-Kassebaum Health Insurance Portability and Accountability Act, which helps people keep health insurance when they change jobs, guarantees renewability of coverage, and ensures access to health insurance for small businesses. As many as 25 million people will benefit from this law. The bill also eliminated the discriminatory tax treatment the of the approximately 10 million Americans who are self-employed;

strengthened efforts to combat health care fraud, waste and abuse by creating a stable source of funding; and provided consumer protections and tax incentives for private long-term care insurance.

Released Strong New Protections for the Privacy of Electronic Medical Records. The Clinton-Gore Administration released a new regulation to protect the privacy of electronic medical records held by health plans, health care clearinghouses, and health care providers. This rule would limit the use and release of private health information without consent; restrict the disclosure of protected health information to the minimum amount of information necessary; establish new requirements for disclosure of information to researchers and others seeking access to health records; and establish new administrative and criminal sanctions for the improper use or disclosure of private information.

Increasing Federal Support for Improving Mental Health. According to the December 1999 Surgeon General's Report on Mental Health, one in five Americans is living with a mental health disorder. This report states that the fundamental components of effective service delivery are broadly agreed upon, but in short supply. The budget includes a new investment of $100 million for mental health services, an increase of 16 percent over last year's funding level and a 90 percent increase since 1993.

Making Our Communities Safer

Lowest Overall Crime Rate in 25 Years. Under the Clinton-Gore Administration, America has experienced the longest continuous drop in crime on record. Violent crime rate fell 7 percent in 1998 and 27 percent since 1993. The murder rate is down more than 25 percent since 1993, its lowest point since 1967. The overall crime rate is the lowest in 25 years.

Targeting Criminals Who Target Seniors. President Clinton proposed the 21st Century Crime Bill, which would protect seniors from crime, fraud and abuse by: (1) shutting down the telephone service of illegal telemarketing schemes; (2) enacting new criminal and civil penalties for nursing home operators who engage in serious neglect or abuse of seniors in their care; (3) implementing new prosecutorial tools to stop false health care claims and illegal kickback schemes; and (4) increasing penalties on individuals who rip off retirement plans and try to cheat seniors out of their pensions.

Putting 100,000 More Police on the Streets. In 1999, ahead of schedule and under budget, the Clinton-Gore Administration met its commitment to fund an additional 100,000 police officers for our communities. As a part of the COPS Program, the President announced new grants to increase community policing in high-crime and underserved neighborhoods. To help keep crime at record lows, the President won funding for the first installment toward his goal to hire up to 50,000 more officers by 2005. This year, the Clinton-Gore budget includes over $1 billion to continue the successful COPS initiative to hire more officers, hire new community prosecutors, give police the tools they need to fight crime, and to fund community-wide crime fighting efforts.

More than 500,000 Felons, Fugitives and Domestic Abusers Denied Guns. Since the President signed the Brady Bill into law, more than 500,000 felons, fugitives and domestic abusers have been prevented from purchasing guns. And the historic 1994 Crime Bill banned 19 of the deadliest assault weapons and their copies, keeping assault weapons off our streets. The homicide rate dropped 7 percent in 1998 – almost entir

Executive Memorandum on Supporting the Role of Nonprofit Organizations
Q&A
October 22, 1999

Q: What does this Executive Memorandum do?

A: The President announced the formation of a new interagency Task Force to examine current partnerships between the Federal Government and the nonprofit sector and evaluate ways that these partnerships can be strengthened. The President recognizes that the nonprofit sector is a significant part of our economy and national life. Nonprofits are also uniquely able to identify problems, care for people in need and create positive social change at the community level.

Specifically, the Task Force will develop a public inventory of "best practices" in existing collaborations between Federal government agencies and work to apply these models to other government efforts. The Task Force will also examine ways government can draw on the experience and innovations of nonprofits in the development of new ideas.

Q: Why is this Task Force necessary?

A: The nonprofit sector is an integral component of our national life and in many cases, government and nonprofits work together to address common goals such as helping people in need, providing health care and educating our nation's youth. We should look at the best collaborations between government and try to apply what works more widely – for example, to explore ways to encourage philanthropy and service.

Q: Does the President intend that the Task Force will address the concerns of all types of nonprofits, including religious institutions?

A: The nonprofit sector in the United States is vast and diverse, including more than a million organizations that spend nearly $500 billion each year. Many nonprofits already partner with government, including charities, foundations and social welfare organizations that work on helping people and improving our communities. Faith-based organizations are an integral part of this fabric and we believe that they can play an important and constructive role in providing social services.

Q: Are we asking nonprofits to pick up government responsibilities?

A: Absolutely not. The nonprofit sector serves a unique role that is separate from government, even though the two sometimes share common goals. The nonprofit sector brings new ideas and energy to the table and in many cases is in a unique position to promote social change at the community level. We need to encourage and protect what is special and separate about nonprofits, but we should also recognize and foster the potential to combine the forces of the nonprofit and government sector to address public priority and help individuals.

Q: What is the Task Force going to produce?

A: The Task Force will inventory successful partnerships between government and nonprofits and also explore opportunities for closer collaborations. The Task Force will also work with nonprofits to evaluate current research on trends on nonprofits and philanthropy.

Q: What does this Task Force on Nonprofits have to do with philanthropy?

A: Philanthropy, through giving of money or service, is usually converted into results that shape the face of our nation through nonprofits. The United States is the most generous nation on Earth. Last year, an estimated $175 billion was given by Americans to a wide variety of causes and organizations that turned this philanthropy into action, such as helping people in need, providing health care and educating our nation's youth.

Q&A's on Human Stem Cell Research Senate Hearing
December 2, 1998

Dr. Harold Varmus, Director of the National Institutes of Health, will testify today before the Senate Labor, HHS Appropriations Subcommittee on human stem cell research. He will describe the potential scientific and medical benefits of research using human stem cells, including the development of treatments for cancer, heart disease, diabetes, Parkinson's and Alzheimer's disease, stroke, burns, and arthritis. Additionally, Dr. Varmus will discuss the ethical issues raised by human stem cell research. He is not expected to state any option on whether current appropriations law bans all (or any) stem cell research.

Q. What is the Administration's view on human stem cell research?

A. Human stem cell research appears to have the potential for significant medical benefits, including treatments for cancer, heart disease, diabetes, and Alzheimer's. This research, however, also raises significant ethical and legal questions. The President has asked his National Bioethics Advisory Commission to undertake a thorough review of the issues associated with human stem cell research, balancing all the ethical and medical considerations. The Commission's report will assist in defining our next steps.

Q. Does the Administration believe that the Congressional ban on federal funding of human embryo research applies to stem cell research?

A. We have made no final determination about that issue. Attorneys from the Department of Health and Human Services are currently reviewing this question. Dr. Varmus is not expected to address this issue in his testimony.

Q. Was public funding used to support any of the recent stem cell research?

A. No. The human stem cell research discussed at today's Senate hearing was privately funded.

Questions And Answers
Native American Economic Development Conference
August 6, 1998

Q: **What did the President announce at the Native American economic development conference?**

A: The President announced several initiatives aimed at improving economic self-sufficiency, increasing educational opportunities, and providing health care to Native Americans. The President issued a directive which: (1) called for the Department of Commerce, in collaboration with the Department of the Interior and tribal governments, to issue a report within 9 months on the infrastructure technology needs in Indian country; (2) required the Departments of the Interior and Commerce and the Small Business Administration to develop, within 90 days, a strategic plan, in consultation with all interested parties, including tribal governments, to coordinate existing federal economic development programs for Native Americans; and (3) called for the Department of Treasury and the Department of Housing and Urban Development (HUD), in partnership with local tribal governments and in cooperation with other federal agencies, to create a one-stop mortgage center in Indian country to streamline the mortgage process. The President also announced that the U.S. Department of Agriculture will provide $70 million to create technology-based jobs in Indian country.

Because the building blocks of economic opportunity lie in obtaining a good education, the President signed an executive order at the conference which seeks to improve achievement in reading and math for American Indian and Alaska Native students in grades K-12. In order to improve the provision of health care to Native Americans, the President announced that the state funding for the Children's Health Insurance Program (CHIP) would be adjusted to accurately reflect states' populations of Native American children. Finally, the President called on Congress to pass legislation to elevate the Director of the Indian Health Service to an Assistant Secretary.

Native American Education Executive Order

Q: **What is the Native American education executive order?**

A: This executive order is designed to improve the academic performance of American Indian and Alaska Native students in grades K-12. The order focuses special attention on the following five goals: (1) improving student achievement in reading and mathematics; (2) increasing high school completion and post-secondary attendance rates; (3) reducing the influence of long-standing factors that impede educational performance, such as poverty and substance abuse; (4) creating strong, safe, and drug-free school environments conducive to learning; and (5) expanding the use of science and educational technology.

This order is structured to address Indian educational needs through participation at the federal, state, and local levels. At the federal level, the order establishes an Interagency Task Force which will plan initiatives, develop an education resource guide, and assist in implementing a comprehensive research agenda on Indian education. At the regional level, the order mandates a series of regional forums to be convened to identify promising practices. Finally, at the local level, this executive order sets up pilot sites which will receive comprehensive technical assistance in support of the goals of the order.

Economic Development Initiatives

Q: What did the President direct several federal agencies to do with respect to economic development in American Indian and Alaska Native communities?

A: The President announced a directive with the following three components:

- Technology Infrastructure Study. The President directed the Department of Commerce, in collaboration with the Department of the Interior and tribal governments, to issue a report within 9 months on the technology infrastructure needs within Indian country, including distance learning facilities, telecommunications capabilities, and manufacturing facilities.

- Strategic Plan to Coordinate Economic Development. The President also directed the Department of the Interior, the Department of Commerce, and the Small Business Administration to develop, within 90 days, a strategic plan that will coordinate economic development initiatives across agencies for Native American and Alaska Native communities. The plan will build upon current efforts in the agencies and detail future efforts on such matters as providing technical assistance, enhancing infrastructure, and developing software.

- One-Stop Mortgage Center. The President also directed the Departments of Treasury and Housing and Urban Development, in partnership with local tribal governments and in cooperation with other federal agencies, to initiate a project to help streamline the mortgage lending process in Indian country in order to improve access to mortgage loans on Indian reservations. The agencies will initiate this effort through a year-long pilot program on the Navajo Nation and in at least one other location.

Q: What did the President announce with respect to creating technology-based jobs in Indian country?

A: The President announced that the U.S. Department of Agriculture (USDA), through its Bringing Rural America Venture Opportunities (BRAVO) initiative, will direct $70 million to assist seven American Indian and Alaska Native tribes in establishing small start-up technology companies and assisting them to obtain government contracts.

Q: What is the status of technology infrastructure in Indian country?

A: A recent report, prepared by the Department of Commerce, shows that although many more Americans now own computers, minorities and low-income households are still far less likely to have personal computers or access to the Internet than white or more affluent households. Even more alarming, this study reveals that this "digital divide" between households of different races and income levels is growing. The report concluded that significant segments of the population, particularly in rural areas, remain unconnected by telephone or computer. Because reservations are often in remote areas and the income levels are low, this report supports the conclusion that more must be done to build a technology infrastructure in Indian country.

Q: What difficulties does a resident of an Indian reservation face in obtaining a mortgage?

A: There are unique issues facing prospective home buyers in Indian country such as trust land status (where the United States holds the land in trust for a tribe or an individual), tribal sovereignty issues, and limited availability of services such as appraisals and title insurance. Because of these issues, obtaining a mortgage in Indian country is often much more time consuming and complicated than a comparable transaction off the reservation.

<u>Health Care Initiatives for Native Americans</u>

Q: What did the President say with respect to the Director of the Indian Health Service at HHS?

A: The President called on Congress to pass legislation to elevate the Director of the Indian Health Service to an Assistant Secretary. Elevating the IHS Director to the position of Assistant Secretary will strengthen the government-to-government relationship; facilitate communication and consultation with the Tribes on matters of Indian health; and raise awareness of Indian health concerns throughout HHS and the entire federal government.

Q: What did the President announce with respect to the CHIP program?

A: The President announced a change in the state-by-state allocation of the $24 billion in the Children's Health Insurance Program (CHIP) to appropriately count Native American children. Under this new program, states receive a share of CHIP funds based on their proportion of uninsured children below 200 percent of poverty. When the Census Bureau produced these counts last September, it did not count vulnerable Native American children as "uninsured." Thus, even though such children are eligible for CHIP coverage, the states with a large number of Native American children did not receive a larger share of funds. The President announced that both the Census Bureau and Administration recognize that this was inequitable and thus will revise the allotments. These revised allotments will be published in October. We believe that this change will result in an increase in funding to states with a large number of Native American children of about $15 million.

<u>Background on the Conference and American Indians and Alaska Natives</u>

Q: What is the Native American economic development conference?

A: This conference is sponsored by the White House (Office of Intergovernmental Affairs and the Domestic Policy Council), the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Justice, Labor, State, Transportation, the Treasury, and the Comptroller of the Currency and the Small Business Administration. Secretary Babbitt, Secretary Daley, Secretary Glickman, Secretary Herman, Attorney General Reno, and Administrator Alvarez were speakers at the conference.

The conference had approximately 800 participants including tribal leaders and members, businesses, and federal agency personnel. This conference was attended by over 100 tribes from over 20 states and by over 150 businesses, both Native-owned and non-Native-owned. This conference covered topics such as commerce in Indian country; building infrastructure and positive climate for business; tribal self-government and economic self-determination; agriculture and economic development; rural business; community development in Indian country; electronic commerce; welfare to work initiatives; and tourism.

Q: Is this conference part of the Race Initiative?

A: This conference addresses many of the same issues that have been addressed by the Race Initiative. However, this conference also addresses issues unique to American Indian and Alaska Native communities such as tribal self-government and economic self-determination. Members of the President's Initiative on Race are actively participating in this conference.

Q&A ON NATIONAL
MOVIE RATINGS ENFORCEMENT
June 8, 1999

Q: What did the President announce today?

A: The President announced the commitment of the National Association of Theatre Owners (NATO) to a movie ratings enforcement and educational campaign. The three-part plan announced by NATO includes: (1) a new national policy under which movie theatre owners will require photo identification for young people seeking admission to "R" rated films; (2) an education outreach program for parents about the ratings system and the new ID-check policy; and (3) support by the theatre owners for a national study on the causes of violence. The President also reiterated his call on the Congress to move quickly and pass common sense gun legislation.

Q: How does the "R" rating currently work?

A: The "R" rating means "Restricted." The movie rating system currently requires that patrons seeking admission to "R" rated films be seventeen years of age, or be accompanied by a parent or guardian.

Q: What is NATO?

A: NATO is the National Association of Theatre Owners, a national trade association that represents 65 percent of the motion picture screens in the United States, with over 20,000 screens located in all fifty states.

Q: When has the President called for ratings to be enforced in the past?

A: The President has called for enforcing the movie ratings system several times in the past few weeks, most notably on June 1 when he called for the joint Federal Trade Commission and Department of Justice study on the extent to which the video game, music, and movie industries market violence to children; on May 23 in his commencement address to Grambling State University; and on May 15 in his radio address where he challenged the entertainment industry to do its part.

Q: Why don't theatre owners card already?

A: The movie rating system is a voluntary system sponsored by NATO and the Motion Picture Association of America to provide parents with advance information on films, enabling the parent to make judgments on movies they want or do not want their children to see. While individual theatre owners may have required photo identification for "R" rated movies in the past, NATO has never before required it of all of its members.

Q: NATO only covers 65 percent of movie screens. What about the other 35 percent?

A: While receiving the commitment of NATO which represents 65 percent of theatre screens is a good first step, the Administration challenges the remaining 35 percent to follow the lead of NATO and require photo identification at the box office for young patrons not accompanied by a parent or guardian seeking admission to "R" rated films.

Q: What other challenges has the President taken to protect our young people from media violence?

A: The President has emphasized that all of us must work together and accept responsibility for the safety of our children – in our schools and our communities. And that means there is more for each of us to do at home and at school, in Hollywood and in the heartland and here in Washington.

First and most fundamentally, the President has urged that we do more to help parents fulfill their most important responsibilities -- those to their children. Challenging parents to turn off the television or use the V-Chip to block inappropriate programming; to use the new tools to keep an eye on the computer screen; and to refuse to buy products that glorify violence.

The President also has called on the media and entertainment industries for their participation as well. Studies indicate that there is an adverse impact on our culture and our children if there is too much violence coming out of what they see and experience. So the President has challenged the people who produce these things to consider the consequences of them – whether it's a violent movie, a CD, a video game. First, the President has challenged the whole industry to stop showing guns in any ads or previews children might see. Second, he challenged theatre and video store owners to enforce more strictly the rating systems on the movies they show, rent, and sell – a challenge that the theatre owners today have accepted. Thirdly, the President has challenged the movie industry to reevaluate its entire ratings systems, especially the PG rating, to determine whether it is allowing too much gratuitous violence in movies approved for viewing by children. Finally, as noted earlier, the President has called on the FTC and the Justice Department to study the marketing of violence to children.

Questions and Answers on Release of Consumer Products Safety Commission Report on Phthalates in Toys
December 2, 1998

Q. What is the Consumer Product Safety Commission (CPSC) releasing today?

A. The CPSC is releasing a report examining the potential exposure and health risks to children from teethers, pacifiers, rattles, and toys containing chemicals called phthalates (pronounced fal-ates) that are used to soften plastic. The report concludes that the plastic toys at issue do not release phthalates -- and so children are not exposed to phthalates -- at levels that might be harmful. For this reason, the CPSC has decided not to ban these products.

The CPSC, however, also announced the plans of a number of manufacturers and retailers to discontinue selling certain toys containing DINP and to begin producing toys without this chemical. Manufacturers and retailers have agreed to take these actions out of an abundance of caution and to allay any fears relating to these products.

Q. What is the Administration going to do in response to the CPSC's action, which seem to indicate at least some uncertainty about whether products containing phthalates are harmful to children?

A. The report shows that, based on all currently available evidence, DINP used in toys, teethers, and pacifiers is not released at levels that is potentially harmful to children. But because our children's safety is of such paramount importance, the CPSC has committed to doing additional research on this issue and has encouraged manufacturers and retailers to discontinue sale of these products. The Administration will support in every way possible the CSPC's efforts to continue to research DINP, as well as to study alternative methods of softening plastic for use in children's toys.

Q. If this report shows that there is no risk to children, why did the CPSC encourage toy manufacturers and retailers to phase out the use of this chemical and stop selling products containing it?

A. Although the scientific evidence does not support removal of these products, toy manufacturers and retailers are acting out of an abundance of caution, to remove any risk whatsoever. By taking these voluntary actions, these companies are making clear to their customers that they will take every possible precaution to protect children, even where there appears to be no real risk to their safety.

Q. **Environmental groups and others claim that the Commerce and State Departments -- acting at the request of US toy manufacturers -- influenced the European Union's decision not to ban phthlates. Is this true?**

A. The report released today states that the Consumer Product Safety Commission does not believe that there is a scientific basis for a ban on phthalates in children's toys and other products. Although the Commerce and State Departments initially expressed concerns about whether the product bans considered (but rejected) by the European Union were scientifically justified , the Administration recognizes that each country has the right to take whatever precautionary measures it deems appropriate to protect public health. The President has made it clear to the Commerce and State Departments that they should respect any precautionary steps that foreign countries believe to be appropriate with respect to these products.