

OPPORTUNITY AND PROSPERITY FOR ALL

Universal Reemployment Initiative

Last year, the President announced a Universal Reemployment Initiative which included putting us on a path (beginning in FY2000) toward job training services for all dislocated workers who want and need it. The Dislocated Worker Employment and Training program provides core services, intensive services, training and support to help permanently dislocated workers return to productive, unsubsidized employment. The President's FY2001 budget keeps us on track by providing an increase of \$175 million to provide assistance to almost a million dislocated workers. In addition, the initiative includes \$50 million to provide reemployment assistance to unemployment claimants to help them find jobs faster.

DRAFT Helping Low-Income Working Families Get to Work

Many low-income parents need a car to get to work; however, current law forces many working families to choose between feeding their families and owning a reliable car because it limits food stamp eligibility to most families owning a car worth less than \$4,650. This limit has increased only three percent since it was set in 1977, while the cost of cars has nearly tripled. The President's budget will make it easier for working families to own vehicles and receive food stamps by allowing states to conform their food stamp vehicle policy with a more generous TANF vehicle policy. The President will also double Access to Jobs transportation funding to \$150 million to expand grants to communities to develop innovative transportation solutions that help more low-income workers and welfare recipients get to work, and will propose to allow low-income working families to use Individual Development Accounts to save for a car that will allow them to get or keep a job.

NEW MARKETS INITIATIVE

The United States is currently in the midst of the longest peacetime expansion in history marked by tremendous business and job growth. The strength and duration of this expansion has helped bring economic opportunity to millions of people once cut off from the economic mainstream. Despite all of this success, many urban and rural areas of the country have not participated in this growth. These new markets here at home have great potential and President Clinton is committed to building a strong America, where every individual and community are provided access to the country's economic success. The President's expanded New Markets initiative will spur approximately \$20 billion in new capital investment in businesses in these underserved areas through a package of tax credits and loan guarantees. Specifically:

DRAFT Expanded New Markets Tax Credit

\$15 billion dollars in new investment in community development. An entity making new equity investments in a selected community development project would be eligible for a tax credit worth 25 percent of the cost of the investment. A variety of vehicles providing equity and credit to community development organizations making investments in underserved areas would be eligible for this tax credit.

The budget proposes a \$X billion initiative that includes a \$3,000 tax credit to compensate for the cost of long-term care services – three times what was in the FY 2000 Budget; a new National Family Caregivers Program; a national campaign educating Medicare beneficiaries about long-term care options; and will make group long-term care insurance available to Federal employees, annuitants, and their families. Employees would pay the full cost of insurance premiums, which, at group rates, are expected to be 15 to 20 percent lower than the individual rates otherwise available. The budget also invests \$X million in an innovative housing initiative to integrate assisted living facilities and Medicaid home and community-based long-term care, \$Y million in a new Medicaid option to equalize eligibility for people with long-term care needs in community settings; and an additional \$16.8 million to help states strengthen nursing home enforcement tools and increase Federal oversight of nursing home quality and safety standards.

DRAFT Patients Bill of Rights

The President encourages Congress to finish the job this year and pass patients' rights legislation that 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 so that patients will not have an abrupt transition in care if their providers are dropped; access to a fair, unbiased and timely internal and independent external appeals process to address health plan grievances; and an enforcement mechanism that ensures recourse for patients who have been harmed as a result of a health plan's actions.

DRAFT Preventing Medical Errors and Improving Quality of Care

This initiative will respond to the recent Institute of Medicine study and the President's request to develop new avenues for the prevention of medical errors. It will include new funding to increase medical errors prevention, patient safety research, information dissemination, and create a new Center for Patient Safety at HHS. In addition, in FY 2001, OPM will require FEHBP participating carriers to institute initiatives to improve health care quality through the prevention of medical errors and enhancements in patient safety.

DRAFT Protecting Patients Purchasing Prescription Drugs Over the Internet

This initiative would invest new funds in the investigation, identification, and prosecution of entities selling unapproved new drugs, counterfeit drugs, prescription drugs without a valid prescription, expired or illegally diverted pharmaceuticals, and the marketing of products based on fraudulent health claims. It would establish new Federal certification requirements for all internet pharmacy sites to ensure that they meet all state and Federal requirements. It would also update the current penalty structure to create new civil money penalties of up to \$500,000 per violation for dispensing without a valid prescription over the internet or for selling drugs without Federal certification; and provide FDA with new administrative subpoena authority in order to gather the information necessary to build a case against offenders.

DRAFT Supporting biomedical research

Funding for biomedical research has led to groundbreaking advances in diagnosing, treating, and curing diseases. It has contributed to the eradication of smallpox and the disappearance of polio in the Western Hemisphere. The President's FY 2001 budget includes almost \$19 billion, an increase of \$1 billion over last year's funding level, for biomedical research at the National Institutes of Health. In addition, the President will eliminate the delays in releasing \$4 billion in

research funds as required in last year's appropriations bill. If Congress passes the President's proposal, funding for NIH will increase by over 80 percent – nearly twice what the NIH budget was when President Clinton came into office. The new funds will be used to support new and expanded research that provide the basis for the disease breakthroughs and pharmacological advances preventing death and disability and improving the quality of life for millions of Americans.

DRAFT Major New Investment to Combat HIV and AIDS

This initiative would invest an additional \$225 million in FY 2001 to increase efforts prevent the spread of HIV and AIDS both domestically and overseas. This initiative would invest an additional \$50 million in domestic community based interventions to: help 150,000 individuals who are not aware of their infection learn their status and access prevention counseling and treatment services; expand community prevention planning, with a special emphasis on racial and ethnic minorities, women, injection drug users and their partners, and young gay men; and building a data infrastructure to assist local public health officials in targeting their prevention efforts. It will also invest an additional \$40 million in efforts in activities to prevent AIDS worldwide, including: providing care for children who have been orphaned by AIDS; implementing workplace prevention programs through international labor unions; and providing treatment for the opportunistic infections associated with the disease. Finally, the new investment in Ryan White and ADAP would shorten the waiting time needed to access the comprehensive range of drugs needed to effectively treat this disease.

Enhancing the Nation's Food Safety System. The Centers for Disease Control estimates that contaminated food kills up to 5,000 Americans and sickens 76 million more each year. A total of \$422 million is included in the President's budget for his food safety initiative -- a \$68 million, or 19 percent, increase over FY 2000 enacted. The initiative includes an additional \$40 million for the Department of Health and Human Services (HHS) to achieve annual inspections of high-risk domestic foods such as unpasteurized juice; expand the number of inspections of imported foods; enhance the national network of public health laboratories capable of subtyping foodborne pathogen DNA for rapid response to disease outbreaks (PulseNet); and expand research, risk assessment and education activities. The Department of Agriculture's (USDA) \$28 million increase would extend risk assessment modeling and data collection to include the pre-harvest phase for all foods and support bioscience research to develop effective methods of handling and treating agricultural products to minimize microbial contamination. Funding is also included for HHS and USDA to begin implementation of the Egg Safety Action Plan adopted by the President's Council on Food Safety.

- **[DPC: decide how you want to incorporate this extra bullet on food safety; note, this one is a draft while the one above is not a draft] DRAFT Major New Investment in Food Safety**

The budget proposes a new investment of \$35 million, an 18 percent increase over FY 2000 funding levels, to provide for an additional 6,100 imported entries in order ensure the safety of food entering our borders. Today more than 3 million shipments of FDA-regulated products arrive at our ports, and these imported food entries are expected to increase by 33 percent by 2003. This additional funding would allow the FDA to conduct 1000 additional high-risk inspections. During the next few years, additional foods such as sprouts, eggs, and

juice will be considered high-risk, and will need to be inspected at least once per year in keeping with the President's commitments. Finally, this additional funding will improve research and surveillance, particularly in the area of anti-microbial resistance.

DRAFT Major Increase in the War on Emerging Infectious Diseases

This initiative will dedicate an additional \$20 million, an 83 percent increase over the FY 2000 funding level, to further the development of a national electronic disease surveillance network to track newly emerging infectious diseases, such as West Nile-like encephalitis, and new strains of influenza, and provide essential information to public health clinics, hospitals, and health care providers. Funds will also be used to enhance local investigations, education, and focused disease monitoring nationwide, and promote the dissemination of new software for outbreak detection.

DRAFT Increasing Family Planning Efforts Nationwide

The FY 2001 budget will invest an additional \$35 million, a 16 percent increase over the FY 2000 funding level, for grants to family planning clinics providing reproductive health services and clinical care to over 5 million low income women. These new funds will be used to prevent over a million unintended pregnancies year by improving the delivery of comprehensive reproductive health services, including STD and cancer screening and prevention, and HIV prevention, education and counseling; providing educational programs that encourage adolescents to postpone of sexual activity; increase the accessibility of contraceptive counseling and services; increasing efforts to provide effective contraceptives to those in need; and developing partnerships with other community based providers to conduct outreach to adolescents at risk. In addition, the budget continues the requirement that health plans in FEHBP offer the full range of contraceptive options.

DRAFT Promoting Childhood Immunizations

The budget proposes \$1.1 billion for the Childhood Immunizations Initiative, including the Vaccines for Children program and CDC's discretionary immunization program. The incidence of vaccine-preventable diseases among children, such as diphtheria, tetanus, measles, and polio, is at an all-time low.

DRAFT Expanding Substance Abuse Activities

The budget includes an \$30 million increase for the prevention and treatment of substance abuse, a 45 percent increase from the FY 1993 enacted level. These new funds continue the Administration's commitment to expand substance abuse treatment for thousands of underserved Americans. To help communities address gaps in substance abuse services for emerging areas of need, the budget proposes an additional \$20 million for Targeted Capacity Expansion grants. With this increase and an additional \$25 million in funding for the Substance Abuse Block Grant, the budget will provide treatment for another XX individuals. In addition, in January 2001, the FEHBP's benefit structure will, for the first time, provide for parity in the provision of mental health and substance abuse benefits, illnesses which have long been given less favorable treatment by the health care industry.

DRAFT Increasing Federal Support for Improving the Mental Health of All Americans

According to the December 1999 Surgeon General's Report on Mental Health, one in five Americans is living with a mental health disorder. This report states that the fundamental components of effective service delivery are broadly agreed upon, but in short supply. The budget provides an increase of \$80 million for mental health services, a \$329 million, 85 percent increase from FY 1993. This includes: a \$44 million increase for the Mental Health Block Grant, which provides integral support to States for services for people with severe mental illnesses. The budget also proposes \$28 million for new Targeted Capacity Expansion grants to assist those with mental illnesses that the Mental Health Block Grant is not authorized to serve.

DRAFT Improving Public Health's Response to the Threat of Bioterrorism

The budget proposes a \$8.5 million, 3 percent increase for medical and public health response and preparedness related to potential terrorist use of biological and chemical weapons. The proposed increase would also support 25 new local health care response systems for a total of 97 teams by the end of FY 2001.

DRAFT Promoting Full Participation in the Women, Infants, and Children (WIC) Program

Last year, WIC reached over 7.3 million low-income women, infants, and children, providing nutritional food packages, nutrition education and counseling, and health and immunization referrals. Due in large part to expansion during this Administration, funding has grown by over 40 percent, and the program now helps nearly half of America's infants. The budget proposes \$4.1 billion to serve 7.5 million people in 2001 and fulfills the President's goal of full participation, making sure that all who are eligible take part in WIC.

DRAFT Providing Quality Health Care to Native Americans

The budget proposes a new investment of \$230 million, a 10 percent increase over the FY 2000 funding level, for a six pronged funding strategy for the Indian Health Service (IHS). This initiative includes new efforts to: improve preventive services designed to reduce the need for acute medical care; expand preventive care programs; improve emergency medical services in remote locations common on American Indian and Alaska Native reservations; address the environmental conditions in American Indian and Alaska Native homes and communities, including environmental planning, food protection, and occupational health and safety; expand programs that provide substance abuse treatment and prevention services; provide surveillance and training in diabetes care; conduct nutrition services research and coordinate with other social service; and providing preventive and corrective dental care to prevent disease and reduce tooth loss, such as water fluoridation.

DRAFT Combating Fraud and Abuse in the Medicare Program

This new initiative will invest \$48 million to create a team of over 100 anti-fraud analysts to be placed in the offices of Medicare contractors nationwide to ensure a swift and coordinated response to suspected instances of fraud. In addition, it will invest new funds to implement new, financial management computer systems to accurately track and identify claims payments and prevent Medicare claims processors and auditors from defrauding the program.

VIBRANT COMMUNITIES FOSTER OPPORTUNITY

ENVIRONMENT

DRAFT Climate Change

Against a backdrop of growing scientific consensus that the Earth is warming – and that human activity is at least partly to blame – the President is proposing a series of new initiatives to address global climate change. The President's FY 2001 budget will include [\$100 million] to accelerate the development and deployment of clean energy technologies in developing countries; a [\$240 million] increase for the research and development of bio-based technologies that use crops, trees and agricultural waste to make fuels and products; and [\$100 million] in start-up funding for a Clean Air Partnership Fund to support state and local efforts that achieve early reductions in both greenhouse gas emissions and ground-level air pollutants. [In addition, the President is proposing to close the loophole that allows old power plants to maintain high levels of air pollution (including greenhouse gas emissions) and is challenging the auto industry to offer American consumers the choice of higher fuel-efficiency cars.] Other elements of the Administration's climate change strategy include continued increases in both investments and tax incentives to spur the development and deployment of clean energy technologies and energy-efficient cars, homes, and appliances; cutting energy use by the Federal government; working with Congress to reward companies taking early, voluntary action to reduce greenhouse gas emissions; restructuring the electricity industry; and continued diplomatic efforts to fill in key details of the Kyoto Protocol and secure more meaningful participation by key developing countries in the fight against global warming.

DRAFT Greening the Globe

To help stem the loss of tropical rain forests around the world, the President's FY 2001 budget will propose [\$150] million for a new Greening the Globe initiative. The funding includes \$100 million, a 55 percent increase, for programs at the Agency for International Development that provide forest and biodiversity conservation training and technical assistance to developing countries in Asia, Africa and Latin America. These funds would support partnerships with leading conservation organizations and would be targeted to "hot spot" areas that are particularly rich in biodiversity and are at risk. The initiative also provides \$37 million, a nearly three-fold increase, for "debt-for-nature" swaps under the Tropical Forest Conservation Act. Under these agreements, the United States forgives debt owed by developing countries when they commit to invest local currency in the preservation of threatened rain forests.

DRAFT Lands Legacy

To meet the conservation challenges of a new century, President Clinton is proposing nearly \$1.5 billion a year in permanent funding to protect America's land, coastal and wildlife resources. This FY 2001 Lands Legacy initiative represents a 52 percent increase over FY 2000 and proposes a new budget category to ensure these funds are dedicated to these purposes each and every year. The initiative includes \$450 million, a 7 percent increase, for federal protection of natural and historic lands across the country, with priorities including Civil War battlefields, the Florida Everglades, the Mojave Desert, and New England forests and wildlife refuges. Another \$521 million would help state, local and tribal governments protect farmland, forests, urban

parks and other local green spaces, including a new \$100 million grant program to help states protect nongame wildlife by acquiring and improving habitat. The initiative also includes \$429 million to protect ocean and coastal resources, including a \$100 million fund to help states and tribes in the Pacific Northwest restore coastal salmon, and a new \$100 million fund to help coastal states address the environmental impacts of offshore oil and gas development.

DRAFT Livable Communities

President Clinton and Vice President Gore are proposing to strengthen the Livable Communities initiative, which expands the choices available to communities to help them grow in ways that ensure a high quality of life and strong, sustainable economic growth. The Administration's FY 2001 budget will include: a record [\$TK] billion for public transit, plus [\$TK] billion for other innovative programs to ease traffic congestion while reducing air pollution; \$25 million in matching grants to help neighboring communities develop collaborative "smart growth" strategies; and new funding to support citizen participation in the design of schools as centers of their communities, provide communities with new information tools, and improve public safety by sharing crime data. The Administration also is proposing tax credits totaling about \$900 million over five years for Better America Bonds, a new financing tool generating [\$TK] billion in bond authority for investments by state, local and tribal governments to preserve green space, create or restore urban parks, protect water quality, and clean up brownfields (abandoned industrial sites). By delivering tools and resources to the local level, where issues of growth management are most appropriately addressed, this initiative helps empower citizens to build more "livable communities" for the 21st century.

PROTECTING OUR COMMUNITIES

21st Century Policing Initiative

In order to keep crime rates down to record low levels, and officers on the beat at all time highs, the President is committed to continuing the second year of his 21st Century Policing Initiative. The 21st Policing Initiative, builds on his successful COPS program that has funded 100,000 more community police for our streets, by: (1) providing resources for communities to hire and redeploy up to 50,000 more police for our streets by FY 2005 with an effort to target new police officers to crime "hot spots"; (2) giving law enforcement access to the latest crime-fighting and crime-solving technologies, such as improved police communications, crime mapping software, laptop computers, and crime lab improvements; and (3) funding new state and local prosecutors to work with local law enforcement and the community to combat local crime problems; and (4) engaging all sectors of the community to prevent and fight crime by funding partnerships with probation parole officers, schools, and faith-based organizations.

Fighting Gun Crime with New National Gun Enforcement Initiative

Building on his successful strategy of combating gun violence that has helped lead to a 35 percent decline in gun crime, the President proposed \$280 million to fund the largest national gun enforcement initiative in history that specifically includes:

- ***500 new ATF agents and inspectors:*** The President's initiative includes the largest increase ever in ATF agents and inspectors, with new agents to crack down on violent gun criminals

and illegal gun traffickers at guns shows, gun stores and on the streets, and more firearms inspectors to target unscrupulous gun dealers who supply firearms to criminals and juveniles.

- ***Over 1,000 new federal, state and local gun prosecutors:*** The proposal will fund 1,000 new state and local prosecutors to combat gun crime and violence, 100 new federal gun prosecutors, and new gun enforcement teams to coordinate efforts with local law enforcement to remove gun criminals from our communities and put them behind bars.
- ***Comprehensive crime gun tracing:*** To move toward tracing every crime gun in America, 250 local law enforcement agencies will receive training and tracing equipment to facilitate comprehensive tracing, and the Administration's Youth Crime Gun Interdiction Initiative (YCGII) will be expanded from 38 to 50 cities across the country.
- ***New National Integrated Ballistics Information Network:*** The President's initiative will triple current funding for ballistics testing programs to launch the first-ever national ballistics network -- to support the deployment of 150 ballistics imaging units to law enforcement, helping to link bullets and shell casings to the criminal guns they were fired from.
- ***Local anti-gun violence media campaigns:*** To help communities send a strong message to combat gun crime and violence, the initiative funds matching grants to support local media campaigns highlighting penalties for breaking gun laws, proper storage of firearms and preventing child access.

Funding Innovative Smart Gun Technology

The accidental gun death rate for children under 15 in the U.S. is nine times higher than 25 other industrialized nations combined. To help prevent accidental gun death and injuries of children who obtain access to guns, gun theft, and other unauthorized uses, the President committed to fund the expansion, testing and replication of "smart" gun technologies. These state-of-the-art gun safety precautions can limit a gun's use to its adult owner or other authorized users.

Passing Common Sense Gun Legislation

In addition to pressing the Congress to pass his aggressive gun enforcement budget to give communities more and better tools to fight gun crime, President Clinton urged the Congress to make passage of pending common sense gun safety measures the first order of legislative business. Among the reforms he called on the Congress to enact include: closing the gun show loophole by requiring background checks and records at gun shows; requiring child safety locks for handguns sold; banning the importation of large capacity ammunition magazines; and banning violent juveniles from owning guns for life.

Supervising Released Offenders: Project Reentry

Nearly 500,000 inmates will leave prison or jail this year and reenter local communities. The need for greater supervision of these ex-offenders is significant: two-thirds of all prisoners are re-arrested for new offenses within three years of release. The President proposed a \$60 million community supervision initiative, Project Reentry, to address community safety concerns, lower recidivism rates, and promote responsible fatherhood of offenders returning to communities. The initiative will fund "reentry" partnerships to team up police and corrections agencies with local

service providers and groups (e.g., faith-based, victims, and fatherhood groups) to regularly monitor released offenders with additional corrections staff; connect offenders with services such as drug testing and treatment and employment; and promote parental responsibility through child support and other obligations. The initiative will also create “reentry” courts that use judicial supervision to oversee offenders on conditional release -- with regular court appearances, graduated sanctions to establish accountability, and targeted services. The initiative would be complemented by \$75 million in Responsible Reintegration of Young Offenders grants from the Department of Labor and \$10 million in substance abuse and mental health treatment services in SAMHSA to ensure a successful transition for prisoners returning to the community.

Stopping Crime by Stopping Drugs

Many crimes are committed by offenders under the influence of drugs or in the pursuit of money to feed a drug habit. To break the vicious cycle of drugs and crime, the President again called for more funding to help states to implement tough, rigorous systems of drug testing, punishment, and treatment of offenders under criminal justice supervision. The President’s initiative would double current funding for this initiative to move more offenders off of drugs and away from crime. Studies show that offenders who complete drug-treatment are 70% less likely to commit crime thereby dropping crime rates by up to two-thirds, and saving thousands of lives and billions of dollars. The initiative will also keep offenders drug- and crime-free by increasing funds for innovative drug courts throughout the country and intensive drug treatment for state prisoners with the most serious drug problems.

Safe Schools

While overall school and youth crime continues to decline, recent tragic violence in our nation’s schools has shown that we can do more to make them safer places. The President reaffirmed his commitment to school safety by calling for a significant expansion of his Safe Schools/Health Students Initiative. The President’s initiative, first launched at the White House Conference on School Safety in 1998, helps communities to develop and implement community-wide responses to school and youth violence. The program joins principals, parents, police and others in the community to collaborate on comprehensive strategies to address violence problems confronting children in and out of school. The President’s new budget will provide a \$100 million increase for his safe schools initiative, investing a total of nearly \$250 million in this signature program.

Reauthorization of the Violence Against Women Act. In 1994, the President signed into law the Violence Against Women Act (VAWA I), an historic piece of federal legislation that contains a broad array of ground-breaking laws to combat the epidemic of violence against women. The Clinton Administration has awarded over \$1.3 billion in VAWA grants since 1994. The President called on Congress to reauthorize this historic piece of legislation this year, as part of his Crime bill, in order to ensure that these programs and prevention strategies continue in this millennium. The President’s budget also includes \$516 million in order to combat domestic violence -- \$296 million for the Department of Justice and \$220 million for the Department of Health and Human Services.

SERVICE

Draft Increasing the Involvement of Faith-Based and Community-Based Organizations

Already many faith and community-based organizations partnership with government to help our nation's families, but the President believes we should do more, and his budget proposes to increase the involvement of faith-based and community-based organizations in after school, housing, community development, criminal justice, welfare reform, teen pregnancy prevention, [substance abuse, and juvenile justice] programs. [Note: policy on substance abuse and juvenile justice still outstanding.]

DRAFT Increasing Charitable Giving

The President's budget includes three proposals to increase charitable giving. First, the budget will provide incentives for all taxpayers to contribute to charity. Currently, 70 percent of taxpayers do not itemize and cannot get a tax credit for their charitable giving. The budget will allow all taxpayers to claim a deduction for charitable contributions above \$500 a year, giving charitable organizations much needed support, and improving tax fairness by giving households who do not itemize a similar opportunity to deduct charitable contributions as higher income itemizers. Second, the President's budget will allow more foundation funds to reach those in need, by simplifying the current two-tier excise tax on private foundations, increasing funds available for donations to community- and faith-based groups. And third, the President will encourage donations of appreciated stock. Currently, the tax laws place more stringent limits on deductions to private foundations and for gifts of appreciated property such as stocks than for other charitable organizations. The budget eases these limitations to encourage individuals to donate more to charity.

OPPORTUNITY AND JUSTICE FOR ALL

DRAFT Employment of People with Disabilities

The budget builds on the Administration's commitment to ensuring that individuals with disabilities have full opportunity to participate in and contribute to a growing economy. The budget builds on recent achievements enacted in the Ticket to Work and Work Incentives Improvement Act of 1999, proposing a \$1,000 tax credit for workers with disabilities to defray additional work-related costs such as personal assistance services; removing an arbitrary four-and-a-half-year limit on Medicare coverage for people with disabilities who return to work; providing new funds to enforce disability-related civil rights laws; funding a new office for disability policy within the Department of Labor; improving access to employment and training programs for individuals with disabilities; and increasing funds for assistive technology.

The Employment Non-Discrimination Act ("ENDA")

This bill would outlaw discrimination in hiring, firing, and promotions based on sexual orientation. It is designed to protect the rights of all Americans to participate in the job market without fear of unfair discrimination. The Act provides an exemption for small businesses, the Armed Forces, and religious organizations, including schools and other educational institutions that are substantially controlled or supported by religious organizations. The bill specifically prohibits preferential treatment on the basis of sexual orientation, including quotas. President Clinton and Vice President Gore are the first President and Vice President ever to back civil rights legislation for gays and lesbians. President Clinton originally announced his support for the legislation in October 1995.

Ensuring Equal Pay

According to the Department of Labor, the average woman who works full-time earns approximately 75 cents for each dollar that an average man earns. For women of the color, the gap is even wider. This gap is, in part, attributable to differing levels of experience, education, and skill. However, even after accounting for these factors, a significant pay gap still remains between men and women in similar jobs. The President will announce a \$27 million Equal Pay Initiative in his Fiscal Year 2001 budget, an increase of \$12 million over Fiscal Year 2000. The Initiative requests \$10 million for the Equal Employment Opportunity Commission (EEOC) to provide training and technical assistance to about 3,000 employers on how to comply with equal pay requirements and to launch a public service announcement campaign on wage issues. The Initiative also dedicates \$10 million for the Department of Labor (DOL) to train women in nontraditional jobs, including high-tech jobs and other skill shortage occupations. Lastly, the Initiative provides \$7 million for DOL to help employers assess and improve their pay policies, support public education efforts, provide for demonstration projects in non-traditional apprenticeships, and implement industry partnerships. The President also will call on Congress again to pass the Paycheck Fairness Act, which would strengthen wage discrimination laws, provide for new collection of data on wage issues, and provide for additional research, training, and public education efforts on this important subject.

The Hate Crimes Prevention Act. The President urged Congress to pass, as one of its first orders of business, the Hate Crimes Prevention Act, which would strengthen the existing federal

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

Native American Initiative

In order to better serve Native American communities in this millennium and to honor the federal government's trust responsibility to tribes, the President's budget includes an increase of \$1.2 billion over Fiscal Year 2000 for key new and existing programs assisting Native Americans and Indian reservations. This initiative brings together several agencies in order to address the needs of Native American communities comprehensively. Some of the highlights of this initiative include: \$300 million for Bureau of Indian Affairs school construction and repair; \$349 million through the Department of Transportation for roads in Indian Country; and \$2.6 billion for the Indian Health Service. Other key components of the Native American initiative include: "New Markets" economic development initiatives such as funding to create Native American Small Business Development Centers at the Small Business Administration; funding to create a Native American Economic Development Access Center at the Department of Housing and Urban Development; addressing the "digital divide" by creating a new program to encourage Native Americans to enter information technology fields in conjunction with the tribal colleges; funding 500 new Native American school administrators; increased funding for tribal colleges; \$49 million to fund infrastructure, planning, and public works projects; and increased funding of \$100 million for the third year of the joint Department of Justice/Bureau of Indian Affairs Law Enforcement initiative.

DRAFT Restoring Benefits to Legal Immigrants

The President believes that legal immigrants should have the same economic opportunity, and bear the same responsibility, as other members of society. The budget builds on the Administration's progress of restoring these important benefits by providing \$2.3 billion over five years to allow states to provide health care to legal immigrant children and their families and pregnant women, to restore SSI eligibility to legal immigrants with disabilities, and to restore Food Stamp eligibility to certain aged immigrants and to legal immigrants in families with eligible children.

STRENGTH AND LEADERSHIP: AMERICA IN A CHANGING WORLD

Have yet to receive anything from NSC. Need to start badgering Gobush.

DRAFT Expanded Empowerment Zone Tax Incentives

These tax credits totaling \$4 billion will extend and improve economic growth in the 31 existing urban and rural Empowerment Zones, administered by HUD and USDA, as well as create a third round of 10 new empowerment zones.

DRAFT America's Private Investment Companies (APICs)

Modeled after the Overseas Private Investment Corporation's (OPIC) successful investment fund program, this program would provide guaranteed debt to private investment companies, licensed by HUD, to help leverage private equity capital and lower the cost of capital for investments in low- and moderate-income communities. APICs will make equity investments in larger businesses that are expanding or relocating in inner cities and rural areas.

DRAFT New Market Venture Capital Firms (NMVCs)

SBA will match equity investment and technical assistance funds to finance 10-20 new investment partnerships selected to provide both patient growth capital and expert guidance to entrepreneurs who need both in order to transform their small businesses and great ideas into thriving companies.

DRAFT Other Elements of New Markets

Other elements include expanding our commitment to microenterprise, including increasing the level of microenterprise lending and a commitment to a program for technical assistance for microenterprise known as PRIME; increasing CDFI funding, expanding funding for BusinessLINC to encourage large businesses to work with small businesses in new markets and a new HUD initiative to establish a New Markets University Partnerships pilot project which would provide Universities with funding for the development of local community partnerships, assistance to intermediaries, and technical and business development assistance to business owners, microentrepreneurs, and individuals wanting to start a business.

WELFARE TO WORK

DRAFT Millions Move from Welfare to Work

In 1992, President Clinton promised to end welfare as we know it, and now more than three years after the enactment of the welfare reform law, welfare reform is working. We've seen revolutionary changes to promote work and responsibility: the number of Americans on welfare is at its lowest level since 1969 – 30 years ago – as millions of people move from welfare to work. Since January 1993, the welfare rolls have fallen by more than half, from 14.1 million to 6.9 million. More than 1.3 million welfare recipients went to work in 1998 alone. The percentage of adults still on welfare who were working reached 27 percent in 1998, a nearly fourfold increase since 1992.

DRAFT Help More Long-Term Recipients Move from Welfare to Work

Because of the President's leadership, the 1997 Balanced Budget Act contained \$3 billion for Welfare-to-Work grants to help long-term welfare recipients and certain non-custodial parents go to work and support their children. To fully implement these important efforts, the President's

budget allows grantees an additional two years to spend these existing funds and, as described above, includes new grants to help non-custodial parents and those who have moved from welfare to work succeed in the workforce.

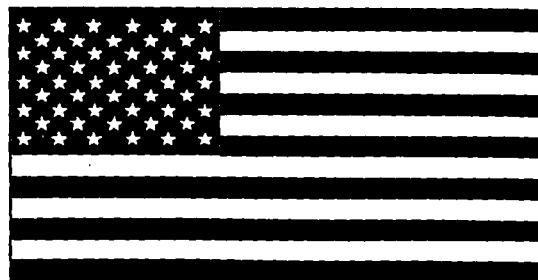
INTERNATIONAL ECONOMY

DRAFT Child Labor

In his 1999 State of the Union address, President Clinton pledged: “[W]e will lead the international community to conclude a treaty to ban abusive child labor everywhere in the world.” In June, he spoke to the ILO before it adopted the new convention and in November, with Senate advice and consent, he signed the convention on behalf of the United States. Now we must move to help countries around the world make the convention’s aspirations reality, bringing education – not hard labor -- to millions of children and preventing the loss of future generations of youth to abusive work. In the last two budgets, the United States became the world’s largest contributor to the ILO’s International Program for the Elimination of Child Labor (IPEC). This year, the President seeks to take our efforts to a new level, providing \$100 million to support international efforts to eliminate Child Labor through two inter-related strategies: (1) we will increase the U.S. contribution to IPEC by 50% to \$45 million to provide multilateral assistance to more children suffering in abusive child labor in more countries and more industries; and (2) we will establish a new bilateral assistance program to help countries provide accessible, affordable, and decent basic education as a viable alternative to child labor. If there is no accessible school, or it costs too much, or the quality of education is so poor that opportunities are not expanded, parents may see no choice other than to send their kids to work. Our work through IPEC makes clear that access to education is a necessary component of every strategy to eliminate child labor. We must expand the resources available for the educational component of child labor strategies. These funds could be leveraged by private sector donations to an international trust fund established for the same purpose and greater investment by the International Financial Institutions in education and other strategies to eliminate child labor. Furthermore, the President seeks to double (from \$5 million to \$10 million) U.S. Customs Service resources to enforce the ban on the importation of goods made with forced or indentured child labor. Finally, he proposes to provide \$5 million to the U.S. Department of Agriculture for a new program to teach farm safety to children who work on farms.



**Background on President Clinton's
Agenda for the Nation
State of the Union Address
January 19, 1999**



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21st Century Schools

- Accountability for Results
- Accountability for Results: End Social Promotion
- Accountability for Results: Turn Around Low Performing Schools
- Accountability for Results: Put Qualified Teachers in the Classroom
- Accountability for Results: Issue School Report Cards
- Accountability for Results: Adopt Discipline Policies
- A National Effort to Reduce Class Size in the Early Grades
- Modern School Buildings to Improve Student Learning
- Recruiting Outstanding New Teachers for Our Nation's Public Schools

21st Century Support for American Families

Labor

- Minimum Wage Increase
- Ensuring Equal Pay

Child Care

- Expanding the Child Care Block Grant
- Expanding After-School Opportunities
- Giving Greater Tax Relief for Child Care to Three Million Working Families
- Providing Tax Relief to Parents Who Stay at Home
- FMLA Expansion
- Prohibiting Discrimination Against Parents

Health Care

- Addressing Growing Long-Term Care Needs
- The Potential of New Biomedical Research
- Protecting Patients through a Strong, Enforceable Patients Bill of Rights
- Protecting Privacy of Medical Records
- Encouraging Small Businesses to Purchase Health Insurance
- Providing New Options for Americans Ages 55 to 65 to Obtain Health Insurance
- Improving Economic Opportunities for Americans With Disabilities
- Improving Health Care Access for Uninsured Workers
- Providing Critical Mental Health Prevention and Treatment Services
- Protecting Our Children From Tobacco
- Largest Increase in Family Planning Grants in 15 Years

21st Century Economy

- Re-employment Initiative
- Helping Adults Who Lack Basic Skills
- Welfare Rolls Decline as More Recipients go to Work
- Additional Welfare-to-Work Assistance
- New Markets Investments Initiative
- Empowerment Zones
- Community Development Financial Institutions Fund (CDFI)
- Crop Insurance Program
- Information Technology Research
- Y2K

- Financial Architecture
- A Firm Commitment to Free and Fair Trade
- Traditional Trade Negotiating Authority
- Caribbean Basin Trade Enhancement
- African Growth and Opportunity Act
- New WTO Round of Global Trade Negotiations
- International Labor Rights
- Child Labor
- U. S. Manufacturing Exports

A Strong America in a New World

- Bringing Hope to Northern Ireland
- Securing Peace in the Balkans
- Promoting Peace in the Middle East
- Defending Against New Threats to America's Security
- Cooperative Threat Reduction Initiative
- Containing and Opposing Saddam Hussein
- Comprehensive Test Ban Treaty
- Strengthening America's Military
- Strengthening Alliances and Promoting Freedom
- Payment of United Nations Arrears
- Hurricane Mitch Response
- U.S. - Africa Partnership for Economic Growth and Opportunity

21st Century Communities

Crime/Drugs

- 21st Century Policing Initiative
- Zero Tolerance Drug Supervision
- Making the Brady Waiting Period Permanent
- Preventing Violent Juveniles from Buying Guns
- Child Safety Locks for Handguns
- Helping Make All Schools Safe, Disciplined, and Drug-Free

Environment

- Climate Change
- Livability Agenda: Easing Traffic Congestion and Community Planning and Collaboration
- Livability Agenda: Better America Bonds
- Lands Legacy Initiative
- Clean Air Partnership Fund

Service

- AmeriCorps

Political and Government Reform

- Enact Bipartisan Campaign Finance Reform
- Reinventing Government

One America

- English Literacy/Civics Initiative
- Civil Rights Enforcement
- The Employment Non-Discrimination Act ("ENDA")
- The Hate Crimes Prevention Act

Peroration: the Millennium

- Millennium Communities Program
- Save America's Treasures Program

21ST CENTURY SCHOOLS

Accountability for Results

In his State of the Union Address, President Clinton will announce a package of accountability measures designed to hold students, teachers, and schools to high standards, and to ensure that school districts and states provide students with a high quality education. These proposals will help to lift student achievement in every public school and close the achievement gap by giving special attention to disadvantaged students in low-performing schools.

The President's plan marks a sea change in national education policy -- for the first time holding states and school districts accountable for progress and rewarding them for results. While insisting that states and local governments retain primary responsibility for education, President Clinton will call on Congress to make sure federal dollars support what works and not what doesn't. His proposal emphasizes reforms that a growing number of states, cities, and schools across the nation are implementing and that are producing clear results.

Specifically, the President will announce that he will send Congress legislation to reauthorize the Elementary and Secondary Education Act (ESEA) to ensure that schools end social promotion; teachers are qualified to teach the subjects they are assigned; states turn around their lowest-performing schools; parents get annual report cards on school performance; and schools institute effective discipline policies.

Accountability for Results: End Social Promotion

The President's ESEA proposal will require states and school districts to end social promotion -- the practice of promoting students from grade to grade regardless of whether they have mastered the appropriate material and are academically prepared to do the work at the next level. Students who are promoted without regard to their achievement fall even further behind their classmates, and are more likely to lack basic skills upon graduating from high school.

To ensure that this requirement helps more students succeed, rather than simply increasing the number held back, states and school districts would have to show how they will help students meet promotion standards on time by (1) strengthening learning opportunities in the classroom with clear standards, small classes with well-prepared teachers, high quality professional development, and use of proven instructional practices; (2) identifying students who need help at the earliest possible moment; (3) providing extended learning time, including after-school and summer school for students who need extra help; and (4) developing an effective remedial plan, with intensive intervention, for students who still do not meet the standards, so they can get back on track in their schooling.

In 1996 President Clinton challenged every state and school district to adopt policies to end social promotion and require students to pass high school graduation exams. Twenty six states now have high school exit exams, and last year four states adopted policies to stop promoting unprepared students from grade to grade. A growing number of urban school districts, including Boston, Philadelphia, New York City, and Washington D.C. are adopting similar policies. In Chicago, which three years ago ended the practice of social promotion in a way that gives students who need it substantial extended learning time, citywide math and reading scores have gone up every year, with the largest gains among the most disadvantaged students. President Clinton's FY 2000 budget proposes to triple federal funding for after-school and summer school programs (from \$200 million to \$600 million) to help schools ending social promotion give students the extra help they need to succeed.

Accountability for Results: Turn Around Low Performing Schools

The President's ESEA proposal will require states to identify the schools with the lowest achievement levels and least improvement and take corrective action to turn them around. These corrective actions, based on a careful assessment of each school's needs, would include steps such as intensive teacher training, support to improve school discipline, and the implementation of proven approaches to school reform. If these actions do not result in improved student achievement within two years, the proposal would require states to take additional corrective actions, such as permitting students to attend other public schools; reconstituting the school, by fairly evaluating the staff and making staff changes as appropriate; or closing the school and reopening it as a charter school or with an entirely new staff. Nineteen states currently take similar actions to help improve low-performing schools, and experience demonstrates that when these interventions are carefully implemented and accompanied by the resources to support change, schools improve and student achievement increases. The President's FY 2000 budget contains \$200 million to help states begin taking these steps immediately.

Accountability for Results: Put Qualified Teachers in the Classroom

According to the National Commission on Teaching and America's Future, one of the most important factors in improving student achievement is the knowledge and skills teachers bring to the classroom. Yet every year, approximately 50,000 individuals teach on "emergency" certificates, which means they do not meet the standards the state has set for certification. In addition, numerous teachers teach subjects for which they lack adequate preparation, with fully one quarter of secondary school teachers lacking even a minor in their main teaching field. Students in schools with the highest concentrations of poverty -- those who often need the most help from the best teachers -- are most likely to be in classrooms with teachers who are not fully qualified: for example, in schools with the highest minority enrollment, students have a less than 50 percent chance of having a math or science teacher with a license and degree in the field.

The President's ESEA proposal will require states to adopt performance examinations for all new teachers, requiring them to demonstrate both subject-matter knowledge and teaching expertise. The proposal also will require states and school districts to phase out, over five years, the use of teachers with emergency certificates and the practice of assigning teachers to subjects for which they lack adequate preparation. To support these new teacher quality standards, the proposal will provide resources to help states strengthen teacher certification standards, test new teachers, provide training to current teachers, and give incentives to recruit more highly qualified teachers.

Accountability for Results: Issue School Report Cards

The President's ESEA proposal will require states to distribute to all parents annual report cards for each school and school district, as well as the state as a whole. The report cards will include information on student achievement, teacher professional qualifications, class size, school safety, and other factors that will help parents to judge the performance of the schools. Where appropriate, the report cards also will show the academic achievement of ethnic and racial subgroups, to ensure accountability for helping all students achieve. Thirty-six states currently publish or require local school districts to publish school report cards, and five additional states will begin the practice in the next two years. A recent report by Public Agenda, however, shows that only 31 percent of parents had seen these report cards. The President's ESEA proposal will help ensure that all parents in all states have access to the information they need to evaluate the quality of their schools and identify the areas in which improvement is needed.

Accountability for Results: Adopt Discipline Policies

Schools must be a place of learning. President Clinton already has challenged states, communities, and

schools to take a number of steps to restore order and safety, such as adopting school uniforms, enforcing truancy laws, and imposing curfews. But in some schools, the breakdown of classroom discipline remains one of the biggest obstacles to learning and one of the greatest concerns for teachers, students, and parents alike. The President's proposal will require states and school districts to adopt discipline policies to make sure students have the chance to learn and teachers have the chance to teach.

A National Effort to Reduce Class Size in the Early Grades

In his 1998 State of the Union address, President Clinton proposed to help local school schools hire 100,000 well-prepared teachers in order to reduce class size in grades 1-3 to a national average of 18, and make sure that every child gets a solid foundation in the basics. Studies show that smaller classes help teachers provide more personal attention to students and spend less time on discipline; this helps students to learn more and get a stronger foundation in the basic skills. In these studies, minority and disadvantaged students showed the largest achievement gains. Last year, Congress provided a down payment on the President's seven year, \$12.4 billion proposal by appropriating \$1.2 billion to help local communities hire about 30,000 teachers. Now Congress must finish the job by providing the next installment of funds for local schools to continue progress toward hiring 100,000 new teachers over seven years.

Modern School Buildings to Improve Student Learning

For students to learn, schools must be well-equipped and be able to accommodate smaller class sizes. In 1998, the American Society of Civil Engineers said that school buildings represent the nation's most pressing infrastructure need. To address this critical need, President Clinton is proposing federal tax credits as incentives to help states and school districts to build and renovate public schools. Half of the bond authority will be allocated to the 100 school districts with the largest number of low-income children, and the other half will be allocated to the states.

Recruiting Outstanding New Teachers for Our Nation's Public Schools

With more than 2 million teachers to be hired in the next ten years to accommodate record student enrollments and an aging teaching force, the nation must not only recruit an adequate *number* of teachers, but ensure a *quality* teaching force through effective teacher recruitment and preparation. The President's budget will contain a series of new initiatives and funding increases to help recruit well prepared individuals to teach where they are needed the most, in high poverty urban and rural communities. In particular, the President's FY 2000 budget will increase funding for his teacher recruitment effort enacted in last year's Higher Education Act — to \$35 million from \$7.5 million — to recruit 7,000 outstanding new teachers into high need public schools by giving them scholarships in exchange for a commitment to teach. The President will announce other initiatives to improve teacher quality at an event later in the week.