

THE WHITE HOUSE

WASHINGTON

January 14, 2001

MEMORANDUM FOR RECORDS MANAGEMENT

FROM: LISEL LOY
STAFF SECRETARY

SUBJECT: Contents of box

This box sent to Records Management on 1/14/01 includes the following files

- Executive Secretariat Procedures Manual, January 1994
- CRS Info Pack, An Introduction to the Spending and Budget Process in Congress
- Technology for Economic Growth: President's Progress Report, November 1993
- Southern Regional Economic Conference, The Book of the President and the Vice President of the United States, Briefing Materials March 29, 1995
- Pacific Rim Economic Conference Briefing Materials, June 27, 1995, Portland, OR

Pres Rec.

Enclosures filed in
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CLINTON ADMINISTRATION ISSUE BRIEFS



CLINTON ADMINISTRATION ISSUE BRIEFS

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Domestic Policy

Divider Title: _____

ISSUE BRIEFS



AFFIRMATIVE ACTION

AFFIRMATIVE ACTION

Opportunity for Americans -- Building a Stronger Nation

- Increasing opportunity for all Americans makes citizens more productive, building stronger communities and a stronger nation. This country has not yet achieved equality of opportunity or stamped out discrimination. We must help people develop their capacities so they can fully participate in our society.
- This Administration is **against quotas** and guaranteed results. But we do need to guarantee a genuine equality of opportunity for all Americans.
- There are affirmative action programs which have made a great deal of difference to the lives of Americans who have been disadvantaged and who, in turn, have made our country stronger.
- The best example is the United States military, where an intense effort is made to develop peoples' capacities to fully participate and contribute as much as possible. Everyone has been given a chance to rise as high as their abilities can take them. In education, training, leadership, development, the military is a model -- it looks like America and it works.

Reviewing Affirmative Action Programs

- The President has directed that the Administration undertake a review of all Federal affirmative action programs and ask: Does it work? Is it fair? Is it necessary? Does it achieve the desired objective or is there an alternative way to achieve the objective without giving a preference by race or gender?

Protecting All Citizens Against Discrimination

- Improperly designed or implemented affirmative action plans weaken our national community. We want to support the programs that are working, but we want to get rid of ones that are not.

ISSUE BRIEFS



AIDS

AIDS

"AIDS inflicts tragedy on too many families. But ultimately, it is a disease; one we can defeat just as we have defeated polio, many forms of cancer, and other scourges in the history of our nation. How can we do it? With commitment and courage and constancy, and with vocal and responsible leadership from our nation's government."

President Clinton

June 25, 1993

HIV/AIDS remains the number one public health emergency in the country. Every day, the disease affects more people in more communities. Efforts at research, prevention and treatment are making progress. The Administration remains committed to the fight and will resist any effort to reduce the resources devoted to AIDS.

Background

HIV/AIDS: A Public Health Crisis

- Since 1981, nearly 250,000 Americans have died of AIDS and 450,000 have been diagnosed with the disease.
- In 1994, 81,000 Americans were diagnosed with AIDS -- an average of 220 every day. 40,000 Americans died of AIDS last year -- an average of 109 a day. One American dies of AIDS every 13 minutes.
- An estimated one million Americans -- 1 in 250 -- are infected with HIV, the virus that causes AIDS.
- AIDS is the leading cause of death among Americans between the ages of 25 and 44.

HIV is Spreading Rapidly Among Women and Children

- An estimated 40,000 Americans are infected with HIV each year.
- One in four new HIV infections occurs among Americans under the age of 20. One in two infections occurs among people under 25.
- In 1994 alone, 14,000 women were diagnosed with AIDS -- that's one-quarter of AIDS cases among women reported since 1981.
- 80,000 American children will have been orphaned by AIDS by the end of the decade.

AIDS Affects All Americans

- AIDS cases have been reported in all 50 states, the District of Columbia, Puerto Rico, and the American territories.
- AIDS disproportionately affects rural communities that often don't have the public health infrastructure to provide AIDS prevention and treatment services.
- In 1994, 35 percent of new AIDS cases were reported in Southern states.
- African-Americans and Hispanic-Americans comprise 40 percent of new AIDS cases in the U.S. AIDS is the cause of one-quarter of all deaths among African-Americans between the ages of 25 and 44.

Addressing the Problem: A War on AIDS

President Clinton has pledged a "loud, clear, and consistent war on AIDS." He has reenergized the Federal response and urged all Americans to do their part in caring for people with AIDS and responding in their local communities.

Accomplishments

- Increased Funding In the three budgets he has proposed, the President has increased Federal funding devoted to AIDS research, prevention, and treatment by 40 percent.
- Expanding Ryan White In his first three budgets, the President has increased funding for the Ryan White CARE Act, which provides services to people living with AIDS, by 108 percent, bringing it to full funding.
- Revised Social Security Definitions Revised eligibility rules for Social Security disability benefits to make it easier for people with HIV/AIDS to qualify for support.
- Simplified Drug Development The President created the National Task Force on AIDS Drug Development to identify and eliminate barriers to AIDS drug development.
- Expanded Housing Assistance Direct housing assistance to people with AIDS has been increased by 46 percent since the President took office.
- Leadership from the White House The President created the Office of National AIDS Policy at the White House to coordinate and direct Federal AIDS policy.
- Strengthened Research The President signed legislation strengthening the Office of AIDS Research at the National Institutes of Health, providing a stronger focus for research planning and coordination. NIH and FDA have taken steps to increase the participation of women in AIDS drug trials.
- AIDS Education for Federal Workers All Federal employees are offered comprehensive HIV/AIDS education courses in the workplace.

Update

The Republicans have targeted AIDS programs for major reductions as part of their effort to fund the tax cuts for the wealthy promised in the Contract with America. Initial proposals to cut Ryan White and CDC research funds have been withdrawn, but the Housing Opportunities for People with AIDS (HOPWA) program remains on the cutting block. HOPWA funds housing and support services for persons with AIDS and HIV who might otherwise have to remain in hospitals for up to ten times the cost, or might become homeless.

Latest Update: March 16, 1995

ISSUE BRIEFS



CHILD CARE AND HEAD START

CHILD CARE AND HEAD START

"The hardest and the most important part of welfare reform is moving people from welfare to work. You have to educate and train people. You've got to make sure that their kids aren't punished once they go to work by losing their health care or their child care."

President Clinton
National Association of Counties
March 7, 1995

Quality child care is critical to the millions of working families struggling to make ends meet. The Administration has been committed to expanding child care assistance through Head Start and other successful child care programs - and to improving the quality of child care.

Background

The need for assistance with child care is large and growing. Proposals to block grant and cap child care assistance threaten to eliminate the child care which enables poor families to work.

- Almost one million children of working poor families receive assistance through the At-Risk and Child Care and Development Block Grant Programs. If child care funds are capped, these hard working American families could be cut off and put at-risk for welfare dependency.
- Low-income families who pay for child care spend more than a quarter of their income on these expenses, and millions more are in need of child care assistance. In California, 225,000 children are on a waiting list for child care.
- More than 400,000 children each month receive child care assistance through AFDC and Transitional Child Care programs. Assistance for these children and their families is in jeopardy if child care funds are capped. Studies indicate that when child care arrangements break down, parents are more likely to drop out of school or leave work and go back on welfare.

The quality of child care is far from adequate. Poor quality care threatens children's development. The recent study conducted by economists and child development experts confirms that quality care is related to child outcomes. The vast majority of care in the country was found to be mediocre, with 40% of infant care considered poor.

The Clinton Record

Accomplishments

- Increased Funding for Child Care Every budget submitted by President Clinton has included increases in child care. The FY96 budget increases funding \$100 million.
- A Central Element of Welfare Reform The Work and Responsibility Act introduced last year continued the guarantee for families moving toward self sufficiency and expanded child care assistance for working families - part of the effort to "make work pay." The President's plan included a \$1.5 billion increase in child care funding over five years for working poor families "at-risk" of welfare dependency.
- Improving Coordination The Administration has worked to make programs more consistent and coordinated, proposing new regulations to reduce red tape, improve quality, give states more flexibility, and streamline child care operations into a single Child Care Bureau.
- Technical Assistance The Clinton Administration revamped and strengthened technical assistance to the states, territories and tribes to ensure they have access to the best available information on quality issues, particularly health and safety. In addition, the Administration has launched a National Child Care Information Center for policymakers and the general public.
- Head Start President Clinton's FY96 budget proposes an additional \$400 million increase for this program which provides comprehensive services for disadvantaged children, ages three to five, and their families. With bipartisan support, the President appointed the Head Start Advisory Commission to examine and recommend improvements to the program after 25 years of service.

Update

Under the Republican proposal, more than \$2 billion dollars in child care assistance would be cut over five years and more than 300,000 children would lose assistance in the year 2000.

Latest Update: March 13, 1995

ISSUE BRIEFS



CHILD NUTRITION

CHILD NUTRITION

"There are certain fundamental national needs that should be addressed in every state, north and south, east and west -- school lunches in all our schools, nutrition for pregnant women and infants ... All these things are in the national interest."

President Clinton

1995 State of the Union

Background. Hunger in America is hidden and yet devastating for the one in eight children who go to bed hungry in the U.S.

- More than five million children are hungry each month in the U.S. -- one in eight children under age 12 goes to bed hungry.
- Hunger in America does not resemble the bloated stomach image of developing nations. Domestic hunger is chronic and leads to low birth-weight babies, impaired physical and cognitive development, lack of preparedness to learn, and alarming rates of infant mortality.

The Clinton Record: A Commitment to Children

This Administration is Standing up for America's Children by Supporting and Improving Child Nutrition Programs

"The school meals program isn't broke, it's done a world of good for millions and millions of children of all races and backgrounds all across our country and I think it would be a terrible mistake to put an end to it, to gut it, to undermine it. And I hope that my party will stand against this. It seems to me this is one of the things that we hired on to do, to stick up for the interests of children."

President Clinton

February 22, 1995

Increased Funding for Nutrition The President's FY96 budget requests more than \$42 billion for nutrition assistance, up from \$40.2 billion allotted in FY95.

Expanding WIC The Clinton Administration has expanded funding for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) dramatically -- \$610 million in the first two years, and a further proposed increase of \$350 million in FY96 to serve an additional 400,000 women, infants and children. This program works: Every \$1 invested in WIC has proven to save up to \$4.25 in preventive health-care costs.

Reforming the School Lunch Program The Administration has developed a School Meals Initiative for Healthy Children to update and improve school meals. The Initiative provides nutrition education for children, offers school food service directors nutrition training and technical assistance, streamlines administrative burdens, and invites public and private sector participation in local school meal decisions.

Responding to Republican Attacks

Welfare Reform Block Grants As part of welfare reform, the Republicans have proposed two block grants for all child nutrition and school based programs. While the President generally supports state flexibility, he is opposed to nutrition block grants jeopardizing children's health. The block grants would:

- Cut funding for child nutrition by \$7 billion over 5 years (\$1.3 billion from school based programs, \$5.3 billion from family nutrition programs;)
- Repeal federal nutritional standards for school meals and WIC food packages;
- End the entitlement status of these programs; and
- Restrict legal immigrants' access.

Block grants will not enable food programs to respond to economic downturns and will end the guarantee that every child in this country will receive nutrition support through WIC and school meal programs.

The Republicans' proposal also enables 20% of the money targeted for child nutrition to be transferred into programs that do not feed hungry children. It also penalizes states for serving more subsidized meals than the national average.

Food Stamps The House Agriculture Committee has proposed severe reductions in the Food Stamp Program - capping spending and cutting at least \$16 billion over five years. The proposal reduces benefits, restricts benefits to single adults during unemployment, and denies benefits to legal immigrants. Food stamps also could be block granted to states participating in Electronic Benefits Transfer (EBT) systems.

Rescissions The Republicans also have proposed a package of rescissions from the FY 95 budget, designed to pay for their proposed tax cuts targeted to the wealthy. As the President stated on February 24th, *"Look at their rescission package. What they want to do is make war on the kids of this country to pay for a capital gains tax cut."*

- Of the \$17.1 billion in rescissions that House Appropriations subcommittees approved, 63 percent comes from programs for low-income Americans.
- Republicans are calling for \$25 million in WIC rescissions, enough to fund nutrition support for 100,000 families for the six months remaining in the fiscal year.

Latest Update:

March 10, 1995

ISSUE BRIEFS



CHILD WELFARE

CHILD WELFARE

"We have a national interest in the welfare of our children. Let's reform welfare. Let's cut the deficit. But let's not mix up the two and pretend that one is the other. Let's put our children first."

President Clinton
National Association of Counties
March 9, 1995

Background

- Children become part of the child welfare system because they have been abused or neglected or because they are in danger of being abused or neglected.
- Nearly 3 million children - 4% of America's children - were the subjects of abuse and neglect reports in 1993, a 25% increase from 1988.
- Foster care caseloads increased from 340,000 to 440,000 children between 1988 and 1993. Nearly 25% of children entering foster care are under age one, and many were exposed to drugs prenatally.
- More than one thousand children die each year from mistreatment.
- The Child Protection Block grant will not protect children or promote the improvement of the child welfare system. The amount of the block grant is set at \$4.4 billion in FY96. Over 5 years, the proposal would provide \$2.8 billion less for the block grant, a 10% cut.

More on the Republican Proposal

The welfare reform legislation being considered by the House:

- Repeals the Adoption Opportunities program and eliminates the Adoption Assistance program, leaving up to the states whether they can afford the subsidies that enable many children with special needs to find permanent homes.
- Repeals the Abandoned Infants programs, which was established to respond to the continuing crises of AIDS and crack cocaine. These crises have disproportionate effects on families and child welfare systems in selected urban areas.
- Eliminates all direct federal support for non-profit agencies, community-based organizations and public-private partnerships, such as Children's Trust Funds, as well as all earmarked support for prevention of child abuse and neglect.

- Caps foster care and adoption assistance payments and eliminates a critical safety valve for states.

The Clinton Position

The Clinton Administration is committed to improving the child welfare system to ensure the safety of children and strengthen the capacity of parents to nurture healthy children. Given the critical nature of these services, the Administration supports an approach that provides states and communities with the flexibility to develop services that are responsive to the needs of their citizens.

Accomplishments

- **Family Preservation and Support Act.** This legislation, passed in 1993, provided almost \$1 billion over five years for the development of preventive and supportive services.
- **Waivers and Demonstration Projects.** The President signed legislation authorizing development and implementation of 10 state waiver / demonstration projects in the child welfare arena.
- **Multi-Ethnic Placement Act.** Legislation passed in 1994 will help increase the number of adoptions, by allowing certain factors such as race to be considered in the adoption process but prohibiting discrimination based on race or ethnicity.
- **Increased Funding.** The Administration has increased adoption and foster care funds have increased by almost \$600 million from 1994 - 1995.

Update

The House Ways and Means Committee has passed the child welfare block grant proposal. The bill is on the House floor for consideration in late March. The Senate has begun hearings on welfare reform and will begin mark-up in April or May.

Latest Update: March 14, 1995

ISSUE BRIEFS



COMMUNITY EMPOWERMENT

COMMUNITY EMPOWERMENT

For a long time the government really thought that if we just had a solution designed here in Washington that was properly funded, we could solve the problems of every community in the country. Well, we learned that that wasn't true. But we've also learned ... that neglect is not a very good policy either. [There] needs to be a new partnership between Washington and the communities and the individuals of this country, and there needs to be a way of doing business in which we try to create the conditions in which people can seize opportunities for themselves.

President Clinton

January 17, 1994

REBUILDING DISTRESSED COMMUNITIES -- BARRIERS TO REVITALIZATION

- While America's great cities and distressed rural communities fell into disrepair in the 1980s, Washington ignored their fate.
- Private enterprise has abandoned these distressed areas, leaving young people with few job prospects and declining hopes. Yet we know that the federal government alone cannot solve these problems.

The Clinton Administration's Community Empowerment Strategy Focuses on Helping People Help Themselves. Within two years of assuming office, the President won passage of legislation to create Empowerment Zones and Enterprise Communities, a network of Community Development Banks and Financial Institutions (CDBFIs), and proposed final Community Reinvestment Act (CRA) regulations. The Clinton Administration has launched initiatives that promote economic opportunity and job growth in distressed communities.

EMPOWERMENT ZONES (EZ) AND ENTERPRISE COMMUNITIES (EC) Thirteen years after the first federal enterprise zone legislation was introduced, President Clinton's Empowerment Zones/Enterprise Community initiative became law.

- The President's initiative includes \$2.5 billion in tax incentives and \$1.3 billion in flexible grants to spur local communities to address barriers to economic growth.
- Over 500 communities across America took up the "EZ" challenge, submitting strategic plans for revitalizing their communities. Last December, President Clinton and Vice President Gore announced 105 winners -- nine urban and rural EZs, two supplemental zones, and 95 ECs, four of which received enhanced awards.
- The private/public partnerships that have developed as a result of the EZ/EC application process will be a force for change far into the future. In Detroit, for example, more than \$2 billion in private-sector commitments have been pledged. And Baltimore's plan leverages \$8 in outside resources for every \$1 of federal funds.

COMMUNITY DEVELOPMENT BANKS AND FINANCIAL INSTITUTIONS The CDBFI Act fulfills the President's campaign promise to create a network of community development banks and financial institutions. Their primary mission is to lend, invest, and provide basic banking services in low- and moderate-income communities. This initiative will encourage the private sector to work in places it has not gone before.

- With \$125 million already appropriated for 1995, and \$500 million requested in the President's Budget over four years, the CDBFI Act will provide matching capital and other assistance to create and expand new and existing Community Development Banks and Financial Institutions (CDBFI).
- When fully leveraged with private capital, the CDBFI program will create nearly **\$5 billion in new investments in low and moderate income communities**.
- The initiative will provide as many as 40,000 loans to entrepreneurs, expanding businesses, homeowners, and others who might not otherwise be able to obtain credit.

COMMUNITY REINVESTMENT ACT After hearing from banks and communities, the President issued a directive to reform CRA, the 1977 law to prevent bank redlining.

- **Performance, Not Paperwork.** Under the new regulations, banks will be **judged on performance** -- actual lending, investments, and basic banking services -- rather than paperwork. Reform will unleash billions in new credit to low- and moderate income communities.
- **Streamlined Process.** To reduce unnecessary regulatory burdens, a streamlined examination process applies to about 80% of all banks and S&Ls.

OTHER EMPOWERMENT INITIATIVES Clinton Administration initiatives are moving millions in new private capital into underserved communities.

- The Administration permanently extended the **Low-Income Housing Tax Credit** and the **Mortgage Revenue Bond program** to encourage private investors to build affordable housing and to help first-time homebuyers.
- Up to 15 new **SBA One-Stop Capital Shops** will distribute \$3 billion in loans and investment for small and minority business over the next five years.
- **Capital Gains Rollover and Exclusion** -- To encourage capital investment in small and minority-owned business, the President signed legislation to provide capital gains tax relief for investments in certain venture capital companies.

Latest Update:

March 15, 1995

ISSUE BRIEFS



CRIME

CRIME

"I made a commitment, a promise to put 100,000 more police on our streets, because there is simply no better crime fighting tool to be found. And I intend to keep that promise. Anyone on Capitol Hill who wants to play partisan politics with police officers for America should listen carefully: I will veto any effort to repeal or undermine the 100,000 police commitment, period."

President Clinton
Radio Address
February 11, 1995

The Toughest, Smartest Crime Bill in History

- **Breaking Gridlock.** In 1994, after more than 6 years of gridlock, a bipartisan majority in Congress passed the smartest, toughest crime bill in the nation's history -- The Violent Crime Control and Law Enforcement Act of 1994.
- **Unprecedented Support.** The Crime Bill passed with the strong support of every major law enforcement organization in the country, as well as prosecutors, mayors, county executives and other state and local officials of both parties.
- **Cut and Invest.** The Crime Bill was paid for by cutting the federal bureaucracy by more than 250,000 people over five years. By using the savings to give states and localities the tools and resources they need to fight crime, the Crime Bill signaled the dawn of a new day in Washington.
- **Under Budget and Ahead of Schedule.** And by cutting the red tape and implementing the new law in as simple, non-bureaucratic and non-political a manner as possible, support for the Crime Bill has become even more broad-based and bipartisan.

Crime Bill's Four Point Plan

More Police and Community Policing

- Law enforcement experts agree that the single most important thing we can do to reduce crime is to put more police on the street. The President's plan to put 100,000 more police on the street in community policing represents the federal government's biggest commitment ever to local law enforcement -- \$8.8 billion -- or an almost 20% increase in the nation's police force levels.
- This plan is working. Half the nation's law enforcement agencies -- from jurisdictions of all sizes throughout the country -- have received grants to hire nearly 17,000 new police officers.

Tougher Penalties and More Prison Space

- The Crime Bill includes tough new punishments and more prison cells to help keep criminals behind bars. It includes:
 - a targeted "three strikes and you're out" provision to keep career violent offenders behind bars for life;
 - the death penalty for the murder of a federal law enforcement officer and other heinous crimes
 - increased penalties for sex offenders and a registration requirement for sexually violent offenders;
 - \$7.9 billion for 100,000 more prison cells to help states make sure that violent offenders serve their full sentences; and
 - \$1.9 billion to help states pay for the costs of incarcerating criminal aliens.

Tough, Smart Strategy on Youth Crime

- Youth crime and violence is at the heart of America's current crime crisis. While overall crime rates have been dropping, kids today are increasingly the perpetrators -- and the victims -- of some of society's most violent crimes.
- **Be Firm.** The Crime Bill sends a strong no gangs, guns and drugs message to the 6% of young criminals who commit a majority of serious crimes. It bans handguns for juveniles; creates stiff penalties for crime-committing gang members; establishes Boot Camps and Drug Courts to discipline first-time, non-violent and drug offenders; and provides for hardened young criminals -- as young as 13-years-old -- to be tried as adults.
- **Be Smart.** But the Crime Bill also reinforces the difference between right and wrong by giving at-risk kids positive alternatives to say "yes" to. It invests billions of dollars for after-school, weekend and summer programs for at risk youth; prevention block grants; and other efforts that provide kids with safe havens and teach them the dangers of drugs, gangs and guns.

Keep Guns Out of the Hands of Criminals

- In 1993, Congress passed the Brady Bill to provide for a 5-day waiting period and background check of prospective handgun buyers. On the books for 1-year now, the Brady Law has stopped tens of thousands of fugitives, felons and other prohibited buyers from purchasing handguns. The Crime Bill provides funds to help states update their criminal history records.
- The Crime Bill also includes a ban on the 19 deadliest assault weapons and their copies, but specifically protects more than 650 legitimate sporting weapons. Cop-killing assault weapons, like the Uzi and the TEC-10, are the weapons of choice for drug dealers, gangs and terrorists -- not hunters and sportsmen.

Move Forward, Not Backward

- Unfortunately, the new majority in Congress wants to undo last year's Crime Bill. They want to scrap the President's 100,000 more police plan, delete every single prevention program and repeal the hard-fought ban on assault weapons. Nothing could be more offensive to law enforcement professionals, state and local officials and ordinary Americans than turning back the clock on crime -- and reverting back to the days of more political rhetoric.
- Certainly there's much more we can do to reduce crime and violence -- and we must. Crime continues to be the number one concern for millions of working families. But we need to put new ideas on the table and work to do more -- not less -- for the American people.

Latest Update:

March 10, 1995

ISSUE BRIEFS



DISABILITY POLICY

DISABILITY POLICY

"We must move from exclusion to inclusion, from dependence to independence, from paternalism to empowerment....millions of Americans with disabilities could be working and contributing if this society opened it to them."

President Clinton

4th Anniversary of the Americans with Disabilities Act

July 27, 1994

The Administration is committed to supporting the 49 million Americans with disabilities in their efforts to exercise their full rights and responsibilities, to live as independently as possible, and to be productive throughout their lives. To that end, the Administration has launched a full-scale review of disability programs and policies (headed by Carol Rasco, the President's Domestic Policy Advisor, and Alice Rivlin, Director of Management and Budget) to ensure that Federal policies are guided by these goals. In addition, the President has appointed an unprecedented number of people with disabilities to important policy-making jobs within the Administration.

Working to End Discrimination against Americans with Disabilities

The Clinton Administration has demonstrated its commitment to enforce the Americans with Disabilities Act in schools, workplaces, and public areas across America.

- Under President Clinton's leadership, the Department of Justice has launched a national public education campaign to inform Americans about the ADA, including public service announcements on television and radio, a toll-free information line, and an "ADA Information File" provided to 15,000 libraries across the country.
- The Administration has increased enforcement activities, investigating thousands of complaints relating to employment, government services, public accommodations and transportation.
- The Administration's emphasis on public education and enforcement has substantially increased voluntary compliance with the ADA.

Encouraging Self-Sufficiency for People with Disabilities

This Administration is working to foster full participation for Americans with disabilities in the nation's mainstream, including efforts to make health care affordable to all Americans:

- Federal grant programs in six states are demonstrating the positive return on the investment of hiring individuals with disabilities. These pilot projects encourage the employment of young adults with disabilities through teaching accommodations strategies and how to make adjustments in human resource practices.

- The Department of Veterans Affairs has trained its vocational rehabilitation and counseling field staff to work closely with employers to help them understand their responsibilities under the ADA and the advantages of employing qualified applicants with disabilities.

Responsive Services for Families

Current disability policies recognize that families who are raising children with disabilities require additional supports.

- The Department of Health and Human Services supports numerous service and research programs aimed at enhancing the independence and quality of life of people with disabilities and their families. Programs include income support, Medicaid, and Maternal and Child Health Programs providing case management and other special supports for children with disabilities.
- Each state has established a toll-free 800 number linking families to a central directory of state and local resources and services.
- Parent training and information centers exist in almost every state to help families locate services, information, and informal parent networks and support groups.
- The President protected all American families when he signed the Family and Medical Leave Act and the Childhood Immunization Initiative.

Insuring Future Success

The Clinton Administration has started a revolution in learning for all Americans, including Americans with disabilities. The National Service Act will allow students to contribute to their communities through public service. The Goals 2000 Act will set encourage education reform for all children. In addition:

- The Department of Education is currently developing legislation to reauthorize the Individuals with Disabilities Education Act (IDEA), with a strong focus on improving outcomes for students with disabilities.
- In May 1994, President Clinton signed the School-to-Work Act with the goal of empowering all individuals, including those with disabilities, to have the skills and experience they need to compete.

Update

As part of their welfare reform proposals, the House Ways and Means Committee has approved a plan to cut off assistance to 225,000 disabled children, because of anecdotal news reports of children faking disabilities in order to qualify for SSI benefits. The Administration is advocating a more reasoned approach that would draw on the work of the congressionally-appointed Childhood Disability Commission to design any reforms to the children's SSI program. The Commission is expected to complete its work in June or July.

The House passed a welfare reform bill on March 24. The Senate has begun to hold hearings and will mark-up legislation in April or May.

Latest Update: March 10, 1995

ISSUE BRIEFS



DRUGS

DRUGS

"I'm going to do everything I can to implement the 1995 National Drug Control Strategy...We propose to work more closely with foreign governments to cut drugs off at the source. We propose to boost community efforts to educate young people about the dangers and penalties of drug use...We will work to break the cycle of crime and drugs providing treatment to hardcore drug users, who consume most of the drugs and cause much of the crime and health problems. And we will punish people who break the law more severely."

President Clinton
Drug Strategy Announcement
February 8, 1995

Background: Illegal Drugs are Still a Problem

- **Widespread Use.** 1 in 3 Americans have used an illicit drug; 1 in 9 have tried cocaine. Half of high school seniors have tried drugs, and 1 in 5 use them regularly.
- **Alarming New Trends.** Kids: After years of decline, in 1991, we started to see signs of increasing drug use among adolescents. And surveys show that fewer 8th, 10th and 12th graders have a clear understanding of the risks associated with drug use -- and are using more drugs. Drug Availability: Illegal drugs remain readily available to anyone who wants to buy them. Cocaine and heroine street prices are low and purity is high. And marijuana -- 10 times as potent as in previous years -- threatens to entice a new generation of drug users.
- **The Costs of Drug Use.** Drugs cost society an estimated \$67 billion -- 70% of which covers crime costs; 30% of which covers health-related costs. That's why, despite shrinking government and reducing the deficit, the Administration's Drug Strategy/Budget is the largest ever -- \$14.6 billion.

The Clinton Administration Response: A Four Part Drug Strategy

Crack Down on Hard-Core Drug Use

- Heavy drug users consume a majority of the nation's illegal drug supply. Although hardcore users account for only about 20% of all cocaine users, they consume about two-thirds of the available cocaine. And hardcore drug use is linked to a disproportionate amount of crime and violence. On any given day, more than half the arrestees in our cities test positive for drug use. Treating these drug users can save us money -- as much as \$7 per treatment dollar -- and reduce crime. That's why our Strategy includes:

- \$919.8 million for the Substance Abuse Performance Partnership, including a \$60 million set-aside for the heaviest drug users;
- \$150 million for Drug Courts and \$40.2 million for treatment in prisons, so we can use courts, jails and prisons to turn crime-committing addicts around.

Send a Strong "No Use" Message to Our Kids

- Recent surveys show that adolescent drug -- and the feeling that drugs are "cool" and not dangerous -- is on the rise. Studies also show an alarming level of violence in our schools, much of which is tied to drug use. Our kids need to get a strong "no use" message on drugs -- as well as on guns and gangs. Our Strategy proposes:
 - \$500 million for the Department of Education's Safe and Drug-Free Schools program, to give states the money to fund drug prevention programs like DARE (Drug Abuse Resistance Education), train parents on the warning signs of drug use and to pay for more police and metal detectors; and
 - Implementation and funding of the Crime Bill's prevention programs, to help keep kids in school, off drugs and out of trouble.

Reduce Drug-Related Crime and Violence

- **Implement the 1994 Crime Bill.** The nation took a major step forward when Congress passed the President's Crime Bill. It includes key tools and resource to help communities reduce drug use and trafficking, such as:
 - 100,000 more police in community policing, to do everything from helping break-up open-air drug markets to teaching kids about the dangers of drugs;
 - multijurisdictional drug enforcement task forces; and
 - increased resources for the FBI, Drug Enforcement Administration (DEA), and the Bureau of Alcohol, Tobacco and Firearms (BATF); and
 - drug courts.

Tough Federal Drug Enforcement. The Strategy calls for increased coordination of federal anti-drug enforcement efforts, including:

- a new comprehensive initiative to reduce marijuana cultivation;
- targeted investigative resources on major drug traffickers;
- expanded border control drug enforcement; and
- increased coordination with private sector to crack down on money laundering.

Cut Drugs at the Source

- Last year, the President signed a Presidential Decision Directive outlining a 4-pronged strategy to reduce the flow of cocaine from the Andean countries. It includes (1) strengthening the law enforcement and judicial institutions in source countries; (2) destroying narcotrafficking organizations; (3) working to interdict drugs at their source as well as en route to the United States and (4) increasing international cooperation on the drug issue.

Latest Update: March 10, 1995

ISSUE BRIEFS



EDUCATION

EDUCATION

"Let's give our children a future. Let us take away their guns and give them books. Let us overcome their despair and replace it with hope. Let us, by our example, teach them to obey the law, respect our neighbors, and cherish our values. Let us weave these sturdy threads into a new American community that can once more stand strong against the forces of despair and evil because everyone has a chance to walk into a better tomorrow."

President Clinton
1995 State of the Union

The Clinton Administration has made an unprecedented commitment to reforming the federal role in education and training and to expanding the opportunities available to American children and adults to improve their skills and maximize their potential.

THE CLINTON RECORD: A LIFELONG LEARNING AGENDA

The President announced at the beginning of his Presidency his commitment to a Lifelong Learning Agenda - from expansion and improvement of early childhood education to reform of adult education and training programs. Much of that agenda has been enacted over the past two years:

HEAD START

- * In his first two budgets, the President increased Head Start spending by \$760 million, and now proposes an additional \$400 million in FY96 for this program which provides comprehensive services for disadvantaged children, ages three to five, and their families.
- * The President appointed the Head Start Advisory Commission to examine the program after 25 years of operation and to recommend ways to improve its operation. The Commission's recommendation formed the basis of the 1994 reauthorization, passed with bipartisan support.

GOALS 2000 Goals 2000 affirms the President's belief in the critical role of education in building America's future and the federal government's central role as a partner in that effort.

- * Legislation passed in 1994 to support meaningful state and community school improvement efforts, based on raising academic and occupational standards, improving teaching and expanding the use of technology.
- * The President's FY96 budget proposal requests a \$347 million increase in funding for states and communities to proceed with their education reform agenda. More than 40 states have already chosen to participate in Goals 2000 and with the leadership of local communities, parents, teachers and school administrators have developed their own strategic plans for educational reform.

NATIONAL SERVICE With passage of the National Service legislation, Americorps has 20,000 volunteers working in schools, hospitals, neighborhoods and parks. Reiterating his belief that National Service can change the way government works by enabling participants to further their education while helping to change communities, President Clinton is asking for \$812.5 million in 1996 to expand the program to 47,000 participants.

DIRECT LENDING With the passage of the Student Loan Reform Act, 104 schools and over 300,000 students are already participating in the program. This year more than 1,400 schools - representing 40% of the total number of loans and the maximum allowed under this year's authorization - have committed to enrolling. This program cuts bureaucracy and saves taxpayers and students billions of dollars, while allowing more borrowers flexible repayment arrangements -- including pay-as-you-earn plans through Individual Education Accounts.

ELEMENTARY AND SECONDARY EDUCATION ACT Designed primarily to help disadvantaged children, this law focuses on improvements in teaching in more than 50,000 schools and has a direct impact on five million children in high poverty areas. By increasing school flexibility to use federal aid and supporting effective innovations, this law is a significant step in helping all students meet high academic standards.

SCHOOL TO WORK ACT Broadens educational, career and economic opportunities for students not immediately bound for four-year colleges through local partnerships among businesses, schools, community organizations and state and local governments. By equipping students with the knowledge and skills necessary to pursue work or post-secondary training, this law helps ensure that America will be capable of performing and prospering in a competitive global economy.

TECHNOLOGY AND LEARNING To ensure that our nation's classrooms are not left behind in the technological and information revolution that is taking place, the Clinton Administration has initiated a "Technology Learning Challenge," which will challenge learning communities -- teachers, students, local businesses, telecommunications companies, curriculum and learning specialists -- to develop and deploy interactive learning curriculum content that will allow students to learn both at school and at home.

REPUBLICAN PROPOSALS

The Republicans are threatening the federal commitment to education in a number of ways that the Clinton Administration will oppose:

- * **The Department of Education.** Republicans call for abolishing the Department of Education. The President believes strongly in the Department and the need for a strong federal role in education.
- * **Goals 2000.** Republicans are calling for a 40% cut in a program that encourages high standards for all students.
- * **Direct Lending.** Republicans want to eliminate the very program that cuts bureaucracy and saves taxpayers and students billions.
- * **Student Loans.** Republican proposals to pay for the Contract includes \$9.6 billion from eliminating the in-school interest subsidy, which relieves students with subsidized loans from responsibility for interest on their loans while in school and for six months following graduation.
- * **National Service.** Republicans want to dismantle Americorps, the President's signature service program, which expands opportunities for young people willing to give something back to their country.
- * **Safe and Drug-Free Schools.** Republicans want to gut a program - present in 94% of our schools - that teaches students the dangers of drug and alcohol abuse and alternatives to violence.

Middle Class Bill of Rights

President Clinton is committed to helping the Middle Class through education, training and reemployment. By improving and streamlining existing adult education and literacy programs and expanding choices for employment and training, President Clinton has proposed a plan to provide every American who is willing to learn and work with the tools to build a better future. The Middle Class Bill of Rights closes the circle and ensures that EVERY American - young and old - has the opportunity to do their jobs better AND to get better jobs.

Specifically, the President's proposal:

Supports New Tax Deduction for Education and Training: The President proposes making tuition for college, community college, technical school, graduate school and job-training fully deductible up to \$10,000. The deduction will be available to families earning up to \$100,000, and phased out at \$120,000.

Supports Skill Grants: By consolidating some 70 federal programs for education and job training, the President proposes to put the power to learn in workers' hands by offering low-income and unemployed workers Skill Grants - up to \$2,620 per year - to enable individuals to take responsibility, acquire skills and find rewarding work.

Opposes Wasteful Tax Cuts that Do Not Primarily Benefit Working Families: While some Republicans have expressed interest in considering the President's education deduction proposal, over 54% of the costs of the House Republican Contract goes to families making more than \$100,000 with their Capital Gains tax cut.

Latest Update:

March 21, 1995

ISSUE BRIEFS



HEALTH CARE REFORM

HEALTH CARE REFORM

"Our families will never be secure, our businesses will never be strong, and our government will never again be fully solvent until we tackle the health care crisis."

President Clinton
Joint Session of Congress
February 17, 1993

The Clinton Administration Continues to Fight for Real Health Care Reform.

- As you know, last year the Clinton Administration fought hard for health care reform. While we could not reach agreement on legislation, there can be little disagreement that the problems remain. Nearly forty million Americans have no health insurance and millions more are just one pink slip or illness away from losing it. Eighty-four percent of the uninsured in 1993 were in working families, and more than 55 percent lived in families headed by full-time workers. And while health care costs have begun to slow down, they are continuing to rise at three times the rate of inflation.
- As the President said in his State of the Union address and in his December letter to the Congressional Leadership, we remain firmly committed to guaranteeing health security to all Americans and to containing health care costs for families, businesses and Federal, state and local governments.
- The President believes that we should take a step-by-step approach. This year, we can take the first steps. The Congress can and should:
 - Reform the insurance market -- so that people don't lose their insurance when they lose their job or change jobs or a family member falls ill, and so that small businesses can afford to buy insurance for their workers.
 - Make coverage affordable for and available to children.
 - Help workers who lose their jobs keep their health insurance.
 - Level the playing field for the self-employed by giving them the same tax treatment as other businesses.
 - Help families provide long-term care for a sick parent or a disabled child.
- Because their constituents are demanding action, some Republicans have begun to respond to the President's challenge by coming forward with proposals and bills. We look forward to working with them to take the first steps this year.

The Clinton Administration is Fighting Back to Protect Health Care for Mothers, Children, the Disabled and Aged Americans.

- Unfortunately, for too many Republicans in Congress, "health reform" has turned into the code word for slashing Medicare and Medicaid to pay for tax cuts for the wealthy. Republicans in the House and the Senate have talked about cutting both Medicare and Medicaid by hundreds of billions of dollars.
 - Republicans have signaled their intention to cut Medicare by about \$300 billion between now and 2002.
 - Republicans have suggested cutting Federal Medicaid spending by at least \$180 to \$190 billion between now and 2002.
- It's not hard to figure out what that means for the doctors and hospitals who treat patients receiving benefits under these programs, and for the patients themselves.
 - It means shifting a staggering financial burden to elderly and disabled Medicare beneficiaries. Or to small businesses and families who will pay higher premiums and fees if these programs are slashed without overall reform.
 - It means dropping coverage or shrinking benefits for mothers and children on Medicaid. Or it means asking States to pick up the tab to preserve the Medicaid program, and in doing so, forcing them to raise taxes or slash spending for services like education and public safety.
 - It means significant cuts in payments to hospitals, physicians and other providers.
- The President presented a responsible budget to Congress -- a budget that made tough choices to get our rising deficit under control, but a budget that protected hard-working Americans and investments in our children. Now it is Congress' turn to act. To detail where they will get the cuts they need to pay for their tax cuts for the wealthy. To step forward with their plan for deficit reduction.
- The President has consistently said that we cannot get a hold of the deficit without passing meaningful health reform. Over the next five years alone, almost 40 percent of the growth in total Federal spending will come from rising costs in Federal health care programs. We must contain costs in these programs. But we must do it as we reform our health care system as a whole -- not by arbitrarily cutting programs that serve the most vulnerable Americans.

Latest Update: April 6, 1995

ISSUE BRIEFS



HOMELESSNESS

HOMELESSNESS

"It is imperative that we not turn our backs on the Nation's homeless. The number of homeless families and young people suffering from abuse and neglect continues to rise..."

President Clinton
December, 1994

Background

- As many as 600,000 people are homeless on any given night, and about 7 million Americans experienced homelessness at least once in the latter half of the 1980's.
- Homelessness results from crisis poverty and unforeseen economic crises and chronic disabling conditions such as severe mental illness, substance abuse, TB or AIDS.

The Clinton Record

The Clinton Administration has laid out a comprehensive plan for addressing homelessness at the federal level, devoted record levels of funding and resources to the problem, and proposed a creative reinvention of federal homeless assistance that cuts red tape and empowers communities to address the roots of the problem.

- **A Coordinated Federal Strategy.** The 17 federal agencies of the Interagency Council on the Homeless are implementing recommendations from the Council's widely praised May 1994 report, *Priority: Home! The Federal Plan to Break the Cycle of Homelessness*, which laid out a single, coordinated Federal plan for breaking the cycle of homelessness and for preventing future homelessness. The Plan called for:
 - **Focussing on Personal Responsibility:** Moving people to independence, not punishing them for being poor. Homeless assistance programs alone won't solve the homeless problem. Breaking the cycle requires restoring values of work, family and personal and community responsibility.
 - **Restructuring the relationship between the Federal, state and local governments and not-for-profit providers:** giving localities the ability to assess community needs and coordinate a continuum of public and private services from emergency shelters to transitional and rehabilitative services and housing arrangements.
 - **Increasing the emphasis on linkages between job training, employment, education and economic development.**

- **Record Resources.** The President's 1996 budget calls for \$1.6 billion in targeted and performance-partnership funding across 6 federal agencies that will assist local communities in developing local, coordinated solutions to break the cycle of homelessness.
- **Reinventing Homeless Assistance.** The Clinton Administration is pushing to streamline the existing maze of homeless assistance programs while increasing local control. The Administration has been fighting to replace the current patchwork of fragmented homeless assistance programs within HUD with a single, performance-based grant - allowing localities to shape their own solutions free of the red tape that comes with multiple funding requirements and regulations.
- By making the Interagency Council on the Homeless a working group of the White House Domestic Policy Council, the President has ensured that senior Administration officials will continue to consider the special needs of the homeless as they work with the Congress to reform welfare, health care, job training, and other programs benefitting homeless and low-income persons.

Update: Proposed Rescissions Will Reverse Progress

- Proposals by the House Committee on Appropriations to cut over \$550 million in targeted homeless programs and programs targeted at low-income and at-risk families (e.g. general HUD Section 8 vouchers and HHS assisted housing programs) will impede efforts to curb homelessness and place families and children at risk of becoming homeless.

Latest Update: March 13, 1995

ISSUE BRIEFS



HOUSING

HOUSING

"Over the past few years, I have emphasized three basic ideas - - community, opportunity and responsibility - - that I believe are at the heart of a more dynamic and prosperous America . The priorities of the Department of Housing and Urban Development, from making sure that hardworking Americans realize the dream of homeownership, to addressing the tragedy of homelessness, are outstanding examples of how our government can empower people and institutions."

President Clinton

October 1993

The Clinton Administration Is Increasing Housing Opportunity for All Americans.

During the first two years of the Clinton Administration, HUD provided housing and homeownership opportunities for Americans.

- Provided rental assistance to 102,000 low-income households.
- Insured more than 1.3 million loans for homeowners, 450,000 for first-time homeowners.
- Funded 7,665 units of elderly housing and 2,559 units of disabled housing.
- Began an innovative partnership with pension funds to help build 2,500 units of housing.
- Provided 100,000 new units of housing through the HOME program in FY 1994.

The Clinton Administration is Creating Stronger Neighborhoods and Cities. America's economic health and social stability are inextricably linked with the health and stability of its cities. We have taken bold steps to foster the economic health and development of the nation's cities through the following initiatives.

- The Empowerment Zones and Enterprise Communities initiative which gives communities across America critical resources for economic and social development. The initiative will foster job development in neighborhoods and move people into the economic mainstream.
- The Section 108 program which in the past two years has successfully infused \$579 million into economic development projects.
- The Economic Development Initiative which leveraged more than \$250 million in additional investment to create jobs for low income people.

The Clinton Administration is Fostering Fair Housing for All Americans. Housing opportunity must be made a reality for all Americans. The availability of homeownership opportunities and rental housing free from discriminatory impediments are essential to strengthening America's communities. The Clinton Administration is taking steps to ensure that housing markets are open to all qualified homeseekers, and that fair housing and civil rights laws are vigorously enforced.

- HUD is taking steps to reduce barriers to homeownership caused by unlawful discrimination.
- HUD signed best practice agreements with the Mortgage Bankers Association and individual lenders and will work to eliminate lending discrimination and expand opportunities for fair housing.
- HUD took over the public housing authority in Vidor, Texas because it had failed to protect the civil rights of minorities.

Reinventing HUD to Meet America's Housing and Community Development Needs. The Clinton Administration and Secretary Cisneros have proposed a dramatic restructuring of HUD to respond more fully to local needs and local efforts to help people improve their own lives.

- **Giving maximum flexibility to decisionmakers at the neighborhood, local and state levels** The Administration proposes to consolidate HUD's 60 programs into 3 flexible performance-based funds, giving mayors and governors the flexibility to develop local demand and supply-side housing and community investment strategies.
- **Supporting initiatives that help lower-income families to become self-sufficient** The Administration proposes mobile housing vouchers that give residents of public housing the freedom to choose where they want to live. Putting choice in the hands of families frees them from being locked into public housing and HUD-assisted housing.
- **Creating an entrepreneurial FHA Corporation** Under our proposal, the FHA is transformed into a government-owned corporation and homeownership and affordable rental housing opportunities are expanded for millions of Americans.

Latest Update:

March 13, 1995

ISSUE BRIEFS



IMMIGRATION

IMMIGRATION

"We are a nation of immigrants. But we are also a nation of laws. It is wrong and ultimately self-defeating for a nation of immigrants to permit the kind of abuse of our immigration laws we have seen in recent years, and we must do more to stop it."

President Clinton

1995 State of the Union

Illegal Immigration - An Inherited Problem

- This Administration inherited a serious illegal immigration problem as a result of a decade of failed immigration policies.

The Administration Has a Four Point Plan to Deal With Illegal Immigration. The Clinton Administration has made the strongest commitment to fighting illegal immigration in history. In the 1996 budget, the President called for a \$1 billion increase to combat illegal immigration through border control, worksite enforcement, removal of criminal aliens, assistance to States, and other key initiatives.

Strengthening Border Control -- The Clinton Administration is doing more at the border to deter illegal immigration than any Administration in history.

- **Border Personnel** -- By the end of 1996, increasing the overall Border personnel by **51%** since 1993, and **60%** at the Southwest border.
- **Anti-smuggling** -- Will substantially increase resources to combat alien smuggling and seek to negotiate arrangements to ensure assistance of foreign governments on international immigration issues.

Protecting American Jobs -- **Worksite Enforcement and Verification.** The Clinton Administration is the first to take strong steps for effective enforcement of employer sanctions and minimum labor standards to address illegal immigration.

- The Administration is vigorously enforcing the labor and employer sanctions laws against employers who hire illegal aliens for business advantage, and deporting illegal immigrants, including visa overstayers, who take jobs away from American workers.
- The Administration is committed to establishing an effective, nondiscriminatory means of verifying the employment authorization of all new employees.
- The Administration **fully supports the Commission on Immigration Reform recommendation** to test various techniques for improving workplace verification, including using a new worker's social security number to confirm work authorization.

Deporting Criminal and Deportable Aliens -- The Clinton Administration is the first Administration to develop a National Detention and Removal Program which will:

- Triple the number of criminal and other deportable aliens deported since 1993.

- Increase detention capacity by 46 percent.
- Reform asylum procedures to deport greater numbers of fraudulent asylum seekers.

Assistance to the States

- The Federal government and some States shoulder most of the inherited costs because of failed immigration policies of the past.
- Deterring illegal immigration (by border control, worksite enforcement, and removal of deportable aliens) is the best longterm solution to keep costs from growing far beyond that which the Federal government and a few States face today.
- This is the first Administration to address its responsibility to control illegal immigration squarely and thereby curtail the cause of increased burdens on States.
- This Administration has a vision of shared responsibility for the costs of illegal immigration. It is the first to obtain funding from Congress to reimburse States for a share of the costs of incarcerating criminal aliens, in addition to assisting with education and medical care costs.

Denying Public Benefits -- The Clinton Administration believes that:

- Illegal aliens should not be eligible for public services or welfare benefits. The only exceptions include matters of general public health and safety, such as emergency medical services, immunizations and temporary disaster assistance, and every child's right to a public education.
- The Clinton Administration is reviewing ways to improve benefit eligibility verification to crack down on welfare fraud by illegal aliens.

Legal Immigrants Strengthen Our Country

- Our country welcomes those who fear persecution in their homeland and those who come here to work hard and play by the rules. The Clinton Administration is working to help legal immigrants become citizens and to participate and contribute fully as members of our national community. We are increasing public education about applying for citizenship, improving customer service to ease the application process and reforming procedures to reduce backlogs.
- Discrimination can deny legal immigrants the opportunity to fully participate and contribute in our communities. This Administration is serious about fighting discrimination that denies these opportunities to legal immigrants.

Latest Update:

March 13, 1995

ISSUE BRIEFS



LEGAL REFORM

NOT YET SUBMITTED

(As of April 17, 1995)

ISSUE BRIEFS



LINE-ITEM VETO

LINE ITEM VETO

"To eliminate pork-barrel projects and cut government waste, we will ask Congress to give the President the line item veto"

Governor Bill Clinton

Senator Al Gore

Putting People First

"The line item veto authority will help us cut unnecessary spending and reduce the budget deficit. It is a powerful tool for fighting special interests, who too often are able to win approval of wasteful projects through manipulation of the congressional process, and bury them in massive bills where they are protected from Presidential vetoes. It will increase the accountability of government. I want a strong version of the line item veto, one that enables the President to take direct steps to curb wasteful spending."

President Bill Clinton

January 5, 1995

New Government. Fighting for a Strong Line Item Veto.

As part of his ongoing effort to cut wasteful government spending, President Clinton continues to press Congress to pass the strongest line item veto possible. The House and the Senate passed different versions of the line item veto in March and February respectively. The two bills must now be reconciled in conference.

The President Has Made a Good Start Has Made A Good Start Cutting Spending Wasteful Spending:

- Have cut 102,000 positions from the federal bureaucracy;
- Bringing the deficit down by more than \$600 billion;
- Our new budget calls for another \$81 billion in deficit reduction.

But There is Still Too Much Waste in the Budget:

- **Too Many Pet Projects.** This year, the President proposed eliminating 131 programs altogether and consolidating 270 others. Many of these cuts were proposed last year and the year before, but Congress kept funding their pet projects, e.g.:
 - \$16 million for a tree-planting program;
 - \$12 million for a cattle tick eradication program.

We Need the Line Item Veto to Force Budget Discipline:

- **Making Cuts Stick.** If Congress passes the line item veto, President Clinton can make his proposed cuts stick. The veto allows the President to bring discipline to the budget process.
- **Veto Should Apply to Tax Breaks Too.** The President will also ask the senate to apply the line-item veto to the revenue **and** spending side of the budget. To enforce budget discipline, the President should be able to curb wasteful tax **and** spending provisions.
- **Ending Business As Usual.** The line item veto can help Congress and the President close the door on business as usual in Washington. With the veto, the President can change the way Washington works, ending breaks for special interests and cutting pet spending projects that sneak into the budget year after year.
- **Make it Effective Now.** There are some in Congress who, for some political reason, would delay the effective date of the line item veto. The President today will call on Congress to make the veto effective now. If it's a good idea, it's a good idea now, and Congress should pass it immediately.

Latest Update: April 5, 1995

ISSUE BRIEFS



NATIVE AMERICANS

NATIVE AMERICANS

"Together we can open up the greatest era of cooperation, understanding, and respect among our people ever...And when we do the judgement of history will be this. That the President of the United States and the leaders of sovereign Indian Nations met and kept faith, with each other and with our common heritage, and together lifted America again into a new and better place."

President Clinton

April 29, 1994

On April 29, 1994 President Clinton became the first President to invite the leaders of all Federally Recognized Tribes the White House. On this historic occasion, President Clinton pledged that his Administration would work with Tribal Leaders to focus on four major areas of Native American affairs:

Strengthening the Government-to-Government Relationship Between the Federal Government and Tribal Nations

- **Presidential Memorandum on Government-to-Government Relations with Tribal Governments:** On April 29, 1994, the President signed a Memorandum to the Heads of Executive Departments and Agencies to consult with Federally recognized Tribal governments on a government-to-government basis in formulating policies and programs that affect Native Americans.
- **The Domestic Policy Council Working Group on Indian Affairs:** Secretary Babbitt chairs this Working Group, comprised of Assistant and Deputy Secretaries from all Cabinet agencies, providing interagency coordination on Indian issues cutting across agency lines.
- **National American Indian Listening Conference:** In May of 1994, Attorney General Reno and Secretary Babbitt hosted the first-ever National American Indian Listening Conference in Albuquerque, New Mexico. The leaders of all Federally recognized Tribes were invited to attend this conference, which focused on Native American issues and concerns that cut across the Departments of Justice and Interior.
- **OMB Consultation with Tribal Leaders:** Alice Rivlin became the first OMB Director to invite Tribal Leaders to the White House. She held the first in a planned series of meetings to gain input from Tribal Leaders on the FY 1996 Budget process. OMB will for the first time perform a budget "crosscut" of Indian programs across all agencies to inform and assist the Administration during the FY 96 Budget process.

- **Agency-Specific Changes:** All agencies have pledged to raise Native American issues and concerns to prominent levels in their agencies. Several agencies have taken significant steps, including HUD, which has established a Departmental Native American Policy governing activities between HUD and Tribal governments, and the Environmental Protection Agency, which has established a new national Office of Indian Affairs to facilitate and coordinate EPA's tribal environmental policy and program delivery for all major EPA programs.

Protection of Native American Religious Freedom

- **Presidential Memorandum on the Distribution of Eagle Feathers for Native American Religious Purposes.** On April 29, 1994, the President signed a Memorandum to the Heads of Executive Departments and Agencies to ensure the priority of distribution of available Eagle feathers and Eagle parts to Native Americans for traditional Native American religious purposes.
- **American Indian Religious Freedom Act Amendments of 1994.** The Administration worked with Congress to pass these important amendments that protect traditional religious practices for members of traditional Native American religions.

Promoting Tribal Self-Determination

- **Self-Governance/Self Determination Act Amendments of 1994:** These amendments, passed with administration support in 1994, will eventually open up the BIA's Self Governance program to all Tribal governments who wish to participate, giving these governments full control of where and how certain Federal resources are spent on their reservations.

Providing Economic Development Opportunities

- **White House Dialogue on Indian Economic Development:** The White House Office of Intergovernmental Affairs, in cooperation with the Domestic Policy Council, the Office of Management and Budget, and the Department of Treasury held a series of meetings with tribes from across the country to discuss the tax incentives provided for Tribal Nations under the 1993 Omnibus Budget Reconciliation Act.
- **Community Development Banking and Regulatory Improvement Act of 1994:** The Act mandates federal-tribal consultation to assess a Community Development Financial Institution's performance in Tribal reservation areas.

- **Community Enterprise Board Subcommittee on Indian Economic Development:** Created by the President In March of 1994, this subcommittee, co-chaired by Interior Assistant Secretary Ada Deer and Undersecretary of Agriculture for Rural Development Mike Dunn, will coordinate and integrate federal Indian economic development policies and programs and facilitate access to those programs by tribes and their members.

Latest Update:

March 13, 1995

ISSUE BRIEFS



REGULATORY REFORM

REGULATORY REFORM

"I believe very strongly in the cause of regulatory reform. And ... I believe we can bring back common sense and reduce hassle without stripping away safeguards for our children, our workers, our families. . . .

We all want the benefits of regulation. We all want clean air and clean water and safe food and toys that our children can play with. But let's face it, we all know the regulatory system needs repair. Too often the rule writers here in Washington have such detailed lists of dos and don'ts that the dos and don'ts undermine the very objectives they seek to achieve, when clear goals and operation for cooperation would work better. Too often, especially small businesses, face a profusion of overlapping and sometimes conflicting rules. . . .

Some would use the need for reform as a pretext to gut vital consumer, worker, environmental protections; even things that protect business itself. They don't want reform; they really want rigor mortis. . . . Reform, yes -- bring it on. Roll back, no."

President Clinton
February 21, 1995

Background

The Clinton Administration is strongly committed to reforming our regulatory system so that it is more flexible, costs less, and imposes fewer rigid rules on the American economy.

Significant steps over the past two years include:

- Enacting interstate banking deregulation and intrastate trucking deregulation
- Expanding use of cost-benefit analysis and risk analysis in the development of regulations
- EPA's "Common Sense" initiative streamlined environmental regulation
- Shrinking the SBA loan form from an inch thick to one page
- Dramatically simplifying bank regulations issued by the Comptroller of the Currency, and radically reducing the regulatory burden placed on exporters.

Reinventing Regulation Initiative

The President has stepped up this effort, ordering his top regulatory officials on February 21 to undertake a Regulatory Reinvention Initiative that will:

- **Cut Obsolete Regulations** Each agency is to conduct a page-by-page review of all existing regulations and eliminate those that are outdated or in need of reform. A list of these regulations is to be sent to the White House by June 1.

- **Reward results, not red tape** Agencies are directed to change their measurement of front-line regulators' performance to focus on results not on process or punishment.
- **Get out of Washington and create grassroots partnerships** Regulators are to convene groups of front-line regulators and affected citizens -- at sites around the country, not in Washington.
- **Change Rulemaking Procedures** Regulators are ordered to submit to OMB a list of formal rulemaking proceedings that can be converted into consensual negotiations.

In addition, the President directed Vice-President Gore to complete a comprehensive set of reform proposals in specific areas -- including the environment, food safety, health, workplace safety, financial services -- for executive or legislative action.

Reform, yes; rollback, no

President Clinton is committed to working with Congress to craft balanced regulatory reform legislation. The administration has supported regulatory reform measures including:

- Legislation that would seek to end the practice of "unfunded mandates" to the states
- Proposals to cut paperwork, and
- Increased regulatory flexibility for small business.

However, some proposals currently being considered by Congress are extreme and would undercut the protection of consumers, workers, and the environment. Any efforts to improve regulation must take account of the benefits of regulation: cleaner air and water, safer products and food, safer workplaces, sound financial institutions.

- **Moratorium.** President Clinton has said that the regulatory moratorium legislation that passed the House of Representatives would freeze good regulations as well as bad ones, and would undercut protection of the public health and safety. Cabinet officials including the Attorney General, the Secretary of HHS, the Secretary of Labor, the Secretary of Transportation, and the Administrator of EPA have stated that they would recommend a veto of the House moratorium bill.
- **Risk.** While the administration supports the use of risk analysis in regulation, the President said that the legislation that passed the House would paralyze the government by process, resulting in more delay, more lawsuits and more cost to taxpayers.
- **Takings.** Finally, while the administration supports private property rights, it has strongly objected to proposals that would automatically pay landowners when the value of their property is diminished by federal regulation. The administration hopes to work with members of the Senate to improve these measures so that they accomplish the goal of reforming regulation without hurting the middle class.

Latest Update:

March 13, 1995

ISSUE BRIEFS



REINVENTING GOVERNMENT

REINVENTING GOVERNMENT

"We can no longer afford to pay more for -- and get less from our government. The answer for every problem cannot always be another program or more money. It is time to radically change the way government operates -- to shift from top-down bureaucracy to entrepreneurial government that empowers citizens and communities to change our country from the bottom up. We must reward the people and ideas that work and get rid of those that don't."

Bill Clinton/Al Gore
Putting People First

A Government that was Too Big And Cost Too Much

- When Bill Clinton entered office in January of 1993, his Administration inherited a government that was bloated and costly. The federal deficit was over \$300 billion and the bureaucracy had grown to over 2 million employees

President Clinton has put Reinventing Government into Practice

- Within the first months of his Administration, the President signed Executive Orders to reduce administrative overhead by 14% by Fiscal Year 1997 and to cut the Federal bureaucracy by 100,000 employees, directed agencies to cut advisory commissions by one-third, and established the National Performance Review, under the direction of the Vice President, to reinvent government to make government work better and cost less.

Four Main Principles. The Vice President's National Performance Review developed four main principles to guide its effort to reinvent government.

Cut Government. Back to basics -- cut the Federal workforce and overhead, eliminate obsolete and duplicative programs and functions, and reengineer what's left.

- The Clinton Administration has cut over **100,000 Federal jobs** already. In less than five years, the Federal government civilian workforce will drop by at least **272,900** -- the smallest it's been since the Kennedy Administration.
- The President's Crime Bill ordered reductions in the federal bureaucracy of over a quarter million, and returned the savings to states and communities to put 100,000 more police on the street, provide prison space to keep 100,000 violent offenders off the streets and do more at the local level to prevent youth violence.
- Reinventing government has saved the American taxpayer **\$63 billion** already.
- An additional **\$72 billion** will be saved by eliminating obsolete Federal programs, letting states or private businesses take over programs they can operate better, and by not increasing current spending levels.

- A prime example: the closure of **1,200** Agriculture Department field offices.

Put Customers First. Changing government's culture by focusing on what matters to the people it serves.

- For the first time, Federal agencies have asked customers what they want and set customer service standards.
- The Social Security Administration will cut its response time to disability benefit claims from 155 days to **60 days**.
- Before President Clinton took office, millions of people did not receive their Social Security cards within **five days**. Now they do.
- Before President took office, the Customs Service often took hours, even days, to move fresh flowers and fruit and other perishable cargo through its port in Miami. Today, the U.S. Customs Service processes international air passengers within **five minutes**.

Cut Red Tape. Eliminate unnecessary paperwork, procedures and requirements for the Federal government, its state and local partners and its customers.

- The Small Business Administration shrank a 2 inch loan application to **2 pages**.
- President Clinton has given **25 states** the right to slash through Federal regulations to reform their welfare system.

Empower Employees. To get results -- remove layers of oversight, give front-line employees not only responsibility, but also accountability, for results.

- In 1994, the President signed into law the **Procurement bill**, reinventing the Federal government's procurement system.
- Under the new procurement system, the procurement process will be cut from **three weeks to five days** -- cutting costs and presenting a host of opportunities for small business to solicit work from the government.
- In a move to save **billions of dollars**, the Defense Department will allow contractors to make greater use of commercial items in the equipment they sell the government. Freed from the burdensome "mil specs," more contractors will seek defense work and competition means better quality and prices.

Latest Update:

March 13, 1995

ISSUE BRIEFS



REPRODUCTIVE RIGHTS

REPRODUCTIVE RIGHTS

"[C]ertain choices are too personal for politics."

President Clinton/Vice President Gore

Putting People First

The President is committed to making abortion safe, legal and rare. That is why the President has consistently protected the right of American women to make their own reproductive choices. And that is why, at the same time, he has worked to reduce the number of unwanted pregnancies.

Making Abortion Rare

- **Fighting Teen Pregnancy.** Teen pregnancy is a national epidemic. This year, more than 1 million women aged 19 and younger -- 10% of all teenaged girls -- will become pregnant. To confront this problem, the President has called for a National Campaign Against Teen Pregnancy, asking leaders in all areas of national life to join in promoting individual responsibility and economic opportunity for America's young people. The President's welfare reform plan, introduced last year, provided funding for community-based initiatives to end teen pregnancy, as well as a National Clearinghouse to provide communities with information on successful strategies..
- **Funding Family Planning.** The ten percent of women of childbearing age who use no contraception account for more than half of the unintended pregnancies in this country. Most of the remaining unintended pregnancies are caused by inconsistent or incorrect use of contraceptives. To help prevent unwanted pregnancies, the President has requested budget increases for the federal Family Planning Program for each year he has been in office. Among other reproductive health and education services, this program makes family planning information and contraception available to millions of women who might not otherwise get reproductive health care.
- **Facilitating Adoption.** In addition, the President signed legislation to improve the adoption process by preventing discrimination against interracial adoptions and reducing the time that children have to wait in foster care.

Keeping Abortion Safe and Legal

- **Ending the Gag Rule.** Women faced with unwanted pregnancies must make difficult decisions, but they shouldn't have to make them alone. President Bush instituted a "Gag Rule" that prevented women who go to federally funded clinics -- primarily poor women -- from getting the information they needed to make informed choices. President Clinton put an end to the "Gag Rule" in his first week as President so that women can get appropriate information and counselling.

- **Ensuring Clinic Safety.** Since 1992, five people have been murdered and seven others have been shot and wounded at family planning clinics where abortions are performed. The President signed the Freedom of Access to Clinic Entrances Act to fight violence and intimidation targeted by anti-choice extremists against women and their doctors.
- **Ending the RU-486 Import Ban.** RU-486 is a drug that terminates pregnancy without surgery. If available to American women, RU-486 would expand their choices -- giving them options already available in France, the United Kingdom and Sweden -- and make it more difficult to target abortion clinics for violence and harassment. The President revoked the import ban imposed on RU-486 by the Bush Administration. Now RU-486 is being tested at several family planning facilities around the country.
- **Serving Military Families.** Women in the military and in military families deserve the finest health care available. The President assured that comprehensive family planning services are available to these women by reversing the ban on abortion services at military hospitals.
- **Repealing the Mexico City Policy.** The President reversed 12 years of attacks on reproductive choice for women around the world when he repealed the Mexico City policy that banned funding to international organizations that promoted comprehensive family planning. And at the International Conference on Population and Development in Cairo, the United States forged a partnership with more than 150 nations around a platform of action to promote gender equality and reproductive health. The platform also recognizes the importance of addressing the threat posed to women's health by unsafe abortions.
- **Implementing the Hyde Amendment.** The Department of Health and Human Services implemented a Congressionally ordered change to the Medicaid program to include abortion services for poor women whose pregnancies result from rape or incest as well as to save the life of the women.

Update

Republicans have begun a steady assault on the progress we have made. Republicans in the House of Representatives voted an amendment out of the Appropriations committee that would allow states to refuse to fund abortions in cases of rape and incest -- causing additional suffering for victims of sexual violence. Although that amendment was withdrawn before the bill to which it was attached reached the House floor, the Republican leadership has promised that Republicans who oppose a woman's right to choose will receive full floor consideration of their agenda later this year. And Republicans have attacked Dr. Henry Foster, the President's highly qualified nominee for Surgeon General, because he has performed the legal medical procedure of abortion as an Ob/Gyn. Dr. Foster is a dedicated physician who has delivered thousands of healthy babies and has dedicated his career to preventing unwanted pregnancies and making sure young people don't have to face the choice of abortion.

Latest Update:

March 28, 1995

ISSUE BRIEFS



SCHOOL PRAYER

SCHOOL PRAYER FREEDOM OF RELIGION

"No government should order people to pray or should say exactly what prayer they should give. . . . That's the first amendment. That's what we were founded on."

President Clinton

March 19, 1994

Our Constitutional Heritage

- The Constitution protects every American against an establishment of religion and guarantees every American the free exercise of religion. The President believes that we must vigorously defend both.
- We must welcome the participation of individual believers and of faith communities in our public life. As the President has said, "In America, freedom **of** religion does not mean freedom **from** religion."

Protecting Our Constitutional Heritage

- Every amendment so far proposed to the religion clauses of the Constitution would expose individuals to coercion against the dictates of conscience and faith. The President opposes them all. As he has said, "There are ways the President can [help] revive religious faith . . . other than trying to pass constitutional amendments on prayer in school."
- The President believes that the crucial distinction is between coercion and voluntary acts of conscience. He does not believe that it would be wrong to have a prayer at an outdoor sporting event or at a graduation event because "I don't believe that is coercive to people who don't participate in it."
- The President was proud to endorse, work for, and sign the Religious Freedom Restoration Act, which creates new protections for religion against government intrusion. And he has directed every department and agency in his administration to faithfully enforce the Act.
- The President fully supports the Equal Access Act, which guarantees the freedom to engage in religious study and voluntary prayer in a wide range of circumstances in our public schools.
- The President believes that appropriately crafted moment of silence legislation "where people can pray on their own if that's what they want to do" can pass constitutional muster.

Latest Update:

March 13, 1995

SUPERFUND

"Do we need more common sense and fairness in our regulations? You bet we do. But we can have common sense and still provide for safe drinking water. We can have fairness and still clean up toxic waste dumps. And we ought to do it."

President Clinton
State of the Union Address
January 24, 1995

The Need For Reform is Clear.

- **More Money to Cleanups, Less to Lawyers Cleaning Up.** Fifteen years after Love Canal, one in four Americans still lives within four miles of a toxic dump site. Contaminated, neglected land costs communities jobs, development and their tax base. In the past, too much money that should have gone to clean up toxic dumps was spent on lawyers instead.

Clinton Administration's Reforms.

- **Fix Superfund Law.** Last year, President Clinton proposed a major reform of Superfund, the bill that cleans up toxic dumps. President Clinton put together a historic coalition, gaining support from everyone from the Chemical Manufacturers to the Sierra Club, small businesses and private citizens. The President will work with Congress again this year to pass the coalition bill and strengthen our Superfund law to help communities clean up toxic sites faster, more fairly and more efficiently.
- **Principles for Reform.**
 - Cleanups must be faster, fairer and more efficient.
 - The polluter should pay.
 - Less money should go to lawyers and more money should go to cleanups.
 - We must promote economic redevelopment in our communities.

- **Not Waiting for Congressional Action.** In the meantime, we are reforming the Superfund program administratively, to make it work better and cost less. Key actions include the "**Brownfields**" **Economic Redevelopment Initiative** to make it easier to develop contaminated sites in inner city industrial areas. When contaminated land sits neglected, communities lose business development, they lose jobs, they lose their tax base and they lose hope. We can clean up these abandoned contaminated areas and open up that land for productive community use. The first "Brownfields" pilot, in Cleveland, has already leveraged \$1.7 million in private investment, obtained a quarter of a million dollars in private donations, created 100-200 jobs, and generated more than \$600,000 in new tax revenue for the city. In addition, with the Brownfields agenda, EPA removed 25,000 low priority sites from the Superfund site data base, a move that helps cleanup and redevelopment move forward quickly.

Update. On March 10th & 16th, 1995, EPA Administrator Carol Browner testified before Congress on the reform principles outlined above. Work on reforming the statute will begin after the first 100 days.

Latest Update:

March 17, 1995

ISSUE BRIEFS



SENIORS

SENIORS

"Our senior citizens have made us what we are."

President Clinton
1995 State of the Union

"My position is, I haven't and don't support cuts in Social Security, and I would support savings in the Medicare program only if they're used to advance the cause of health care."

President Clinton
October 23, 1994

Promoting Economic Security. People who work hard and play by the rules should be rewarded. The Clinton Administration is committed to promoting economic security and opportunity across generations.

- **A Stable Social Security System.** The Administration is committed to preserving Social Security benefits and ensuring long-term integrity of the Trust Fund. Social Security benefits should not be used to balance the budget or pay for tax cuts for the wealthy.
- **Bolstering Public Confidence.** By strengthening and streamlining the program, we're bolstering public confidence in Social Security. We worked with Congress to make SSA an independent agency. Now SSA is working hard to improve customer service and satisfaction -- through an 800 number, by reducing the number of pending disability claims and by mailing Personal Earnings and Benefit Estimate Statements (PEBES) so Americans know the retirement benefits they can expect.
- **A Reliable Pension System.** People deserve a pension system they can rely on -- so the President signed the Retirement Protection Act in December 1994. Now, workers and retirees can count on receiving the pensions they have earned.
- **Enhanced IRAs.** The President's Middle Class Bill of Rights allows people to set up an Individual Retirement Account and withdraw it tax-free for the cost of education, to buy a first home, to meet the costs of caring for a parents or for major medical expenses.

The Clinton Administration Continues the Fight for Real Health Care Reform. We remain firmly committed to guaranteeing health security to all Americans and to containing health care costs for families, businesses and federal, state and local governments.

- **First Steps.** In a December letter to the Congressional leadership, the President stated that this year, we can take the first steps. The Congress can, and should, reform the insurance market, make coverage affordable for, and available to, children; help workers who lose their jobs keep their health insurance; level the playing field for the self-employed; and **help families provide long-term care** for a sick parent or a disabled child.
- **Long Term Care.** We know that long-term care is of critical importance to the elderly. That's why we're proposing tax clarifications for private long-term care insurance and consumer standards for long-term care so that insurance policies are worth the paper they're written on.
- **Fighting Republican Cuts.** We're fighting to protect health care for mothers, children, the disabled and aged Americans. Republicans want to cut Medicare by about \$300 billion and federal Medicaid spending by at least \$180 billion to \$190 billion between now and 2002. These cuts would shift a staggering financial burden to elderly and disabled Medicare beneficiaries; dropping coverage or shrinking benefits for mothers and children on Medicaid; and significant cuts in payments to hospitals, physicians and other providers.
- **Making Medicare and Medicaid Responsive to Beneficiary Needs.** We're proposing more managed care options to increase choices for beneficiaries not as a smokescreen for deep and arbitrary cuts. And, we're streamlining regulations and cutting paperwork.
- **Health Reform Critical to Deficit Reduction.** The President has consistently said that we cannot get a hold of the deficit without passing meaningful health reform. Over the next five years alone, almost 40 percent of the growth in total federal spending will come from rising costs in federal health care programs. We must contain costs in these programs. But we must do it as we reform our health care system as a whole - - not by arbitrarily cutting programs that serve the most vulnerable Americans.

A Better Quality of Life. The Administration is committed to fighting for a better quality of life - - safe streets, high-quality and affordable education for everyone, and making services available where they're needed most - - at the community level.

- **Fighting Crime.** The Administration passed the smartest, toughest, and most comprehensive Anti-Crime bill in this country's history... a bill that provides police, prisons, punishment and prevention... so that our streets are safer.

- **Education.** President Clinton has signed the Student Loan Reform Act, Goals 2000, School-to-Work and expanded Head Start. His "Middle Class Bill of Rights" calls for tax cuts for parents trying to put their kids through school... and a \$500 tax cut for families with children under 13.
- **Promoting Community Service.** 20,000 young people are devoting their time to community service through the Administration's Americorps; some work with seniors in their community. And, Senior Corps programs like Foster Grandparent and the Retired and Senior Volunteer Program boast 526,000 participants.
- **Reinventing Government.** The Administration has eliminated 102,000 jobs and continues to cut obsolete regulations; reward results, not red tape; taking power away from federal bureaucracies and giving it back to communities.

Latest Update:

March 13, 1995

ISSUE BRIEFS



TEEN PREGNANCY

TEEN PREGNANCY

"We've got to ask our community leaders and all kinds of organizations to help us stop our most serious social problem: the epidemic of teen pregnancies and births where there is no marriage...Tonight, I call on parents and leaders all across this country to join together in a national campaign against teen pregnancy -- to make a difference."

President Clinton

1995 State of the Union

Teen Pregnancy Is Our Most Serious Social Problem

- **Twelve Percent of all Teenage Girls Got Pregnant in 1990** -- more than 1 million women between the ages of 15 and 19 -- 12% of all teenage girls.
- **The Rates are Rising.** From the 1950s through the early 1980s, the rate of births to teens declined steadily, however, between 1986 and 1991, the teen birth rate rose 24%. The U.S. rate of births to teens is now twice as high as in the United Kingdom and six times as high as in France, Italy, and Denmark.
- **And Teen Births are Mostly Outside Marriage.** In 1960, only 15% of teenage mothers were unmarried. By 1992, that percentage had increased to 71%.
- **In all Communities.** Out-of-wedlock childbearing has increased greatly among both black and white teens. The rate of births outside marriage among black teenagers rose from 64% in 1970 to 93% in 1992. For white teens, the percentage of births out of wedlock more than tripled over the same period, from 18% to 61%.

The Impacts

- **Children in Poverty.** 80% of children of unwed teen mothers who have not completed high school live in poverty. In contrast, of children born to married parents at least 20 years old with a high school degree, only 8% live in poverty.
- **Mothers on Welfare.** More than three-fourths of all unmarried teen mothers will be on AFDC at some point during the 5 years following the birth of their child.
- **Other Social Ills.** Children of teenage parents are more likely to die in their first years, have lower cognitive achievement, repeat a grade in school, be victims of abuse and neglect, and become teen parents than children of older parents.
- **Society Pays.** In 1991, taxpayers spent about \$34 billion to assist families begun by teenagers. 42% of families receiving AFDC were started by teen mothers, age 15-19.

A National Campaign Against Teen Pregnancy

"We clearly need a national campaign against teen pregnancy that sends a clear message: It is wrong to have a child outside marriage. Nobody should get pregnant or father a child who isn't prepared to raise the child, love the child, and take responsibility for the child's future."

President Clinton

March 7, 1995

President Clinton has urged the American people to join together to stem the epidemic of children having children. He has outlined a plan of action which requires leadership from both the private sector and government.

Private Sector Leadership. Recognizing that "government can only do so much" in addressing the complex issue of teen pregnancy, the President is inviting leaders of all fields -- business, sports, entertainment, education, churches, foundations -- to contribute their energy and resources to addressing the problem. A private sector campaign waged from boardrooms, t.v. stations, pulpits, and community centers across the country would promote individual responsibility, as well as hope and opportunity, for America's youth.

In Partnership with Government. In 1992, Bill Clinton made the groundbreaking commitment to "end welfare as we know it." The President's reform plan included several measures to motivate young people to make responsible life choices:

- Teen mothers on welfare will be required to live at home with their parents, stay in school, identify the father, and work after a limited period of time.
- Tough new child support laws will be strictly enforced, so that prospective teen fathers will know they had to provide child support for the next 18 years.
- States will have the flexibility to try innovative ways to encourage responsible behavior, such as rewarding teen recipients who make progress in school and sanctioning those who drop out.
- School-based teen pregnancy prevention programs in high-risk areas
- A national teen pregnancy clearinghouse to disseminate information on model programs.

Update

The House passed a welfare reform bill in late March, and the Senate will take up welfare reform in April or May. The National Campaign is in the development stages, as people outside the administration talk to leaders in a wide range of fields about taking up the President's challenge.

Latest Update: March 13, 1995

ISSUE BRIEFS



UNFUNDED MANDATES

UNFUNDED MANDATES

"This bill (The Unfunded Mandates Reform Act) is another acknowledgement that Washington doesn't necessarily have all the answers, that we have to continue to push decision-making down to the local level, and we shouldn't make the work of governing at the local level any harder than the circumstances of the time already ensure that it will be."

President Bill Clinton

March 22, 1995

Mandates on States, Local, and Tribal Government Exploded in the 1980s.

- Before 1964, the number of explicit mandates from Congress placed on State, local governments was zero. On the day President Clinton took office, 172 pieces of legislation imposed requirements on State and local governments.
- According to the Congressional Budget Office, between 1983 and 1990, the cost to states and localities of all the regulations imposed from the Federal government reached \$8.9 billion.

President Clinton Has Led the Fight Against Unfunded Mandates.

- Since his days as Governor of Arkansas, President Clinton has spoken out on the need to address the burgeoning growth of federal unfunded mandates. Too often in the past, the Federal Government placed unfunded requirements on state, local, and tribal governments, taking important decision-making responsibilities out of the hands of local elected officials and their communities and giving it to bureaucrats in Washington. Since the beginning of his Administration, **the President has worked hard to restore balance to the intergovernmental partnership between the Federal government and State, local and tribal governments**, to empower communities and promote bottom-up solutions to our nation's problems, and to curtail the imposition of unfunded mandates.

Actions to Restrict the Growth of Unfunded Mandates.

- **Executive Order 12875** -- In his first term in office, the President took action to control the growth of unfunded mandates within the Executive Branch by issuing Executive Order 12875, "Enhancing the Intergovernmental Partnership." On October 26, 1993. This Executive Order prevents the issuing of any new, non-statutory unfunded regulations except in cases where the agency submits to OMB, prior to promulgation, a justification supporting the need for the regulation and includes a description of the extent of the agency's prior consultation with state, local, and tribal governments. The Executive Order also sets a deadline of 120 days for the approval or notification of waiver requests. State and local governments praised the signing of this Executive Order.

- **The Unfunded Mandate Reform Act** -- On March 22, 1995, the President signed legislation restricting Congress from passing on new mandates to state and local governments without paying for the. This law honors the President's commitment to reinvent government, to create a government that works better and costs less. The bill requires Congress to show how much mandates over \$50 million per will cost State and local governments, to require Congress to identify a specific funding source for these mandates, and if it does not meet these criteria, Congress must explicitly waive the requirement that there be no unfunded mandate.

ISSUE BRIEFS



VETERANS

VETERANS

"To honor our veterans...gratitude and ceremonies are not enough. We must protect the benefits you have earned, address fully the dangers imposed by modern warfare, and preserve what you fought for: the American Dream at home and our leadership around the world."

President Clinton
VFW Conference
March 6, 1995

A Moral Obligation to Protect and Strengthen Veterans Benefits. This Administration believes that veterans benefits are a moral obligation.

- The soldiers of tomorrow will only be as good as our commitment to the veterans of today.
- When President Clinton took office, he vowed to fight for the interests of America's veterans. This Administration has kept that pledge and will continue to fight to protect and strengthen the benefits veterans have earned through service to our nation.

The Clinton Record

- **Increased benefits, better health care.** The President's 1996 budget calls for a \$1.3 billion increase in veterans benefits, including an additional \$1 billion for health care. This will enable VA to provide medical treatment to an additional 43,000 veterans, construct two new hospitals and three nursing homes, and make a number of facility improvements.
- **Expanding and Improving Service.** The Clinton Administration has expanded long-term care programs and established comprehensive centers for women veterans. We process claims faster, and are getting veterans the benefits they're owed.
- **A Commitment to Veterans Benefits.** The President fought to preserve veterans' preferences for federal jobs; to ensure that military retirees received their full Cost of Living Adjustments; and reached out to veterans around America to tell them about opportunities to refinance homes bought under the GI bill and about qualifying for compensation for disabilities possibly related to Agent Orange.

Keeping an Open Door to Veterans. The Administration credits much of the tremendous progress made in serving the nation's veterans to veterans themselves. From the outset, veterans service organizations have been brought into the decision making process. This partnership has led to more responsive policy, particularly in claims and appeals processing.

Breaking the Cycle of Homelessness Among Veterans. The Administration has a coordinated federal strategy to address homelessness.

- The President's budget calls for \$1.6 billion in targeted and performance-partnership funding across 6 federal agencies that will assist local communities in developing local, coordinated solutions to break the cycle of homelessness. VA funding of programs for homeless veterans has increased by more than 30 percent in the last three years, to the current level of \$76 million.
- VA awarded the first-ever grants to public and private nonprofit groups to develop veterans assistance programs, and initiated the first National Summit on Homelessness Among Veterans.

Supporting Persian Gulf Veterans. The Administration has taken aggressive action to be responsive and sensitive to veterans of the Persian Gulf suffering from unexplained illnesses.

- The President just announced he will establish a Presidential Advisory Committee to review and make recommendations aimed at finding the causes of this illness and improving the care available to Persian Gulf veterans.
- **Benefits for Disabled Veterans.** The President has signed legislation paying compensation to chronically disabled veterans with undiagnosed illness; he recently presented one of the first checks to a disabled Persian Gulf veteran.
- **New Money for Research.** The Departments of Veterans Affairs, Defense, and Health and Human Services will spend up to \$13 million on new research, bolstering the already strong efforts underway at VA's special research centers.
- **Strong Medical Care.** The VA offers thorough medical examinations to all Persian Gulf veterans, provides priority medical care to those who need it. VA also established a toll free information line: 1-800-PGW-VETS.

A More Customer-Responsive VA. VA will continue to restructure, streamline and improve operations to provide even better and more efficient service to veterans.

- VA is working at the grass roots level to reduce customer waiting times, staffing and red tape while reducing costs.

Latest Update:

March 13, 1995

ISSUE BRIEFS



WELFARE REFORM

WELFARE REFORM

"I believe we must end welfare as we know it, because the current welfare system is a bad deal for taxpayers who pay the bills and for the families who are trapped on it. The American people deserve a government that honors their values and spends their money judiciously, and a country that rewards people who work hard and play by the rules."

President Clinton
December 8, 1994

The President wants welfare reform that reinforces basic American values -- work, responsibility, and family -- not punishes children for their parents' mistakes.

The President is optimistic that Democrats and Republicans working together can produce meaningful welfare reform. Now that the House has completed its work, the President hopes to work with the Senate to develop a proposal that truly ends welfare by requiring and promoting work and parental responsibility, while helping not hurting children.

Work

- Welfare reform should be about work. Welfare should provide people the *opportunity* to move from welfare to work as quickly as possible.
- In return, people must take *responsibility* for supporting themselves and their families. All those who can work must go to work to support their families.
- Welfare should be a second chance, not a way of life. No one who can work should be able to stay on welfare forever.
- We must reward work over welfare. No one who works full time should have to raise a child in poverty. That's why we increased the Earned Income Tax Credit for 15 million working Americans, why our welfare plan included an increase in child care, and why we proposed expanding health care coverage.

Responsibility

- We must hold BOTH parents responsible for their children.
- That's why we proposed the toughest child support enforcement measures ever - suspending drivers' licenses, tracking delinquent parents across state lines, and letting states make them work off what they owe.
- We also want to reduce teen pregnancy - young people must understand the responsibilities involved before they get pregnant or father a child. That's why the President has called for a National Campaign Against Teen Pregnancy.

Flexibility

- The President is firmly committed to giving states the flexibility to fix the welfare system at the local level.
- That's why we have granted half the states waivers to proceed with welfare reform.
- And that's why the administration wants to eliminate the need for waivers, letting states work within broad federal rules to decide how best to meet their needs.

The Proposals House Republicans Have Pursued Are Weak on Work and Cruel to Kids.

- House Republicans have used welfare reform as a cover for their real priority -- finding ways to pay for tax breaks for the wealthy.
- These proposals include block granting successful nutrition programs such as school lunch and WIC and reducing food stamp benefits by \$16 billion over five years.
- The Republicans propose cutting off benefits to mothers and their children until the mothers are 18. We propose requiring these young mothers to live at home, stay in school, and take the steps necessary to get their lives on track.

The administration is pushing for:

- Tougher work requirements that give states the means to move people from welfare to work
- The toughest possible child support enforcement, including tough penalties that threaten delinquent parents with losing drivers and professional licenses if they refuse to pay their child support
- Tougher, smarter ways to demand responsible behavior and reduce teen pregnancy, not just punish people because they're poor, young and unmarried; and (4) real flexibility for the states, not new mandates and less money.

The President Has a Lengthy History of Commitment to Welfare Reform

- As Chairman of the National Governors Association, the President helped guide the 1988 Family Support Act to passage, working with a Democratic Congress and a Republican President.
- As Governor of Arkansas, Clinton made the state a leader in both welfare reform and child support enforcement.
- The President has given 25 states the flexibility to reform welfare at the local level and has signed an executive order making it easier to force federal employees to sign the child support they owe.

Update

The administration introduced the Work and Responsibility Act (WRA) last year - the most comprehensive welfare reform legislation a President has ever proposed. President Clinton hosted a bipartisan working session at the White House in January with leaders from all levels of government, and the administration will continue to pursue a bipartisan approach.

The House passed welfare reform legislation on March 24th, on a vote that was almost strictly along party lines. The President commended the House for moving forward on the issue and for including all of the child support provisions from the WRA last year, but he was critical of other aspects of the bill, and the Administration's line on the bill generally was: not tough enough on work, too harsh on children. The Senate has just held its first hearings, but no action on specific legislation is expected until April at the earliest.

Latest Update: March 31, 1995

ISSUE BRIEFS



WOMENS ISSUES

WOMEN'S ISSUES

"Never before have American women had so many options -- or been asked to make such difficult choices. It's time not only to make women full partners in government, but to make government work for women."

President Clinton/Vice President Gore
Putting People First

EXPANDING OPPORTUNITIES The President strongly believes that the role of government is to give people the tools they need to reach their potential. The President has acted on this belief by expanding economic, professional and educational opportunities for women.

- The President's economic plan is helping women in low-wage jobs provide for their families and stay off welfare through the increased Earned Income Tax Credit. For working mothers with minimum wage jobs, the increased EITC is the equivalent of up to a 40% pay raise.
- The Clinton Administration has also been a friend to entrepreneurial women. The Small Business Administration has established a women's mentoring program and made more business loans to women.
- In addition, the Administration dramatically expanded opportunities for women interested in military careers. Now 259,000 previously male-only positions are open to women soldiers.
- Many of the most rewarding jobs of the future will be in the scientific and health professions, yet few women have obtained degrees in math and science. The Administration is working to reverse that trend by promoting educational policies that will increase the number of women who complete degrees in math, science and engineering. And the President's School-to-Work Opportunities Act is assisting women and girls in developing the skills they need to compete for high-wage, high-skill jobs in fields traditionally dominated by men.

SUPPORTING WOMEN AND THEIR FAMILIES The President and his Administration are supporting families in times of crisis and encouraging values that make families strong.

- As we all know, family crises can strike any family at any time. President Clinton signed the Family and Medical Leave Act, allowing workers to take up to 12 weeks of unpaid leave to care for an infant or ailing loved one without losing their jobs. Now American workers are no longer forced to choose between their jobs and their families at times of crisis.

- Other families -- usually headed by women -- are plunged into economic crisis and poverty when the absent parent fails to pay child support. The President is working to get single mothers and their children the support they need. On February 27, 1995, the President signed an executive order to make the federal government a model employer in the area of child support enforcement. And the President's child support plan, introduced as part of last year's welfare reform legislation, would double federal child support collections by the year 2000.

Fighting Violence Against Women. In a typical year, 2.5 million American women ages 12 years and older are raped, robbed or assaulted or are the victim of a threatened or attempted violent crime. Two-thirds of these attacks are committed by someone the victim knows. Enacted thanks to President Clinton's leadership, the Brady Handgun Violence Prevention Act and the Violent Crime Control and Law Enforcement Act of 1994 will make American women safer.

- The Brady Law is working to keep handguns out of the reach of those who would use them criminally -- including men under restraining orders for stalking, harassment or other forms of domestic threats or intimidation.
- The President's "Crime Bill" includes the Violence Against Women Act. The Act takes a comprehensive approach to combating domestic violence and other violence against women. It will improve the responses of police, prosecutors and judges to these crimes, enhance lighting at bus stops and other dark public places, force sex offenders to pay restitution to their victims and triple funding for battered women's shelters. And under the Act, the authority of a "stay away" order obtained against an abuser will no longer stop at the state line.
- On March 21, 1995, the President announced the appointment of Bonnie Campbell as Director of a special Violence Against Women Office at the Department of Justice. The President also announced \$26 million in STOP Grants to states to bolster their law enforcement, prosecution and victims services to better address violence against women.

IMPROVING WOMEN'S HEALTH. The Clinton Administration has made an unprecedented commitment to improving the health of American women and ending inequities in medical research and treatment.

- Breast cancer is a growing threat to American women -- the lifetime risk of developing breast cancer has risen from 1 in 20 to 1 in 8 in just twenty years. The President has made the fight against breast cancer a national priority and brought us closer to eliminating this threat.
- The President has dramatically increased funding for breast cancer research -- by 65% at NIH alone.

- Right now, early detection through mammography is the best weapon we have against breast cancer. To make sure that mammograms are reliable, the FDA has put in place quality standards for mammography facilities. And the First Lady has joined with the Department of Health and Human Services to increase the rate of mammography use among older women.
- In the past, clinical researchers studying killer diseases like heart disease and cancer concentrated mainly on men. This Administration is ending this inequity -- to help America's women lead healthier lives and be treated more effectively when they do get sick.
 - The largest clinical study ever conducted -- an NIH study of diseases affecting in older women -- is now underway.
 - And the President is making sure that women will no longer be left out of other important medical research. He signed legislation requiring that women and minorities be included in all clinical research supported by NIH.
- Women are also at risk from another deadly disease -- AIDS -- which is increasing at a faster rate among women than men. The Administration is combatting AIDS in women by increasing the number of women participating in AIDS research. And Administration scientists are beginning to explore women-controlled barrier methods that will help women protect themselves from getting infected.

Latest Update:

April 4, 1995

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: **Economy** _____

ISSUE BRIEFS



ACCOMPLISHMENTS: THE ECONOMY UNDER CLINTON

THE ECONOMY UNDER PRESIDENT CLINTON

Outside Experts Validate the Economic Benefits of President Clinton's Deficit Reduction Plan

Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System: "The actions taken last year to reduce the federal budget deficit have been instrumental in creating the basis for declining inflation expectations and easing pressures on long-term interest rates. Although we may not all agree on the specifics of the deficit reduction measures, the financial markets are apparently inferring that, on balance, the federal government will be competing less vigorously for private saving in the years ahead. Partly because of these structural adjustments, the foundations of the economic expansion are looking increasingly well-entrenched." (1/31/94)

Paul Volcker, Chairman, Board of Governors of the Federal Reserve System (1979-1987): "The deficit has come down, and I have to give the Clinton Administration and President Clinton himself a lot of credit for that... (W)hat's important is that he acknowledged that it was a big problem and did something about it, fast. And I think we're seeing some benefits." (quoted in Audacity, Fall 1994)

Fortune Magazine: "[President Clinton's] economic plan helped bring interest rates down, spurring the recovery." (10/3/94)

USA Today: "One thing Clinton did to help keep the economy going, most experts agree, is commit right after taking office to reducing the federal budget deficit. **As it dawned on financial markets that he might be serious about that effort, long-term interest rates fell to 25-year lows.** Investors cheered because if the federal government borrows less and spends more wisely, the economy should be better off." ("Economists Give Clinton Passing Grade", 1/23/95)

DEFICIT REDUCTION -- DEFICIT DROPPING 3 YEARS IN A ROW FOR THE FIRST TIME SINCE TRUMAN:

- o The deficit is projected to decline for three years in a row for the first time since Harry Truman was President.
- o The deficit will be \$616 billion less over five years because of the Clinton deficit plan. It will also drop in half as a percentage of national income -- from 4.9% to 2.4%.
- o The economic plan reduces the federal workforce and bureaucracy by 272,900 (bringing it down to the lowest level since the Kennedy Administration) and includes \$255 billion in spending cuts, one of the largest spending cut packages in history.
- o Because of the deficit reduction plan, the 1994 deficit as a percentage of GDP was tied for lowest among the G-7 countries. (Source: OECD)

UNEMPLOYMENT -- DOWN TO 5.4%, THE LOWEST RATE IN 4 ½ YEARS:

- o The unemployment rate is at 5.4%, down from over 7% at the start of the Administration. There are now 1.9 million fewer people unemployed than at the start of the Administration -- a 21% drop in the number unemployed.

JOBS -- 6.1 MILLION ADDED IN JUST 25 MONTHS:

- o 6.12 million jobs have been created during Clinton Administration -- two-and-a-half times as many new jobs as during the previous Administration -- in about half the time.
- o The economy created 3.5 million jobs in 1994 -- the best year of job growth in a decade and more jobs than in the entire previous administration.
- o More than four times more private sector jobs created in 2 years than were created under all four years of the previous administration: (5.33 Million vs. 1.31 Million).
- o Over eight times more private sector jobs per month than during the previous administration (222,000 vs. 27,000).
- o 93% of all new jobs during the Clinton Administration have been created by the private sector -- that's higher than the average during any other administration since Warren Harding was President (1921-23).
- o Since the President was inaugurated, the private sector has created 228,000 private sector jobs per month, over 8 times more jobs per month than were created under the previous administration (27,300).
- o Since the President was inaugurated, the economy has added 245,000 jobs per month -- that's nearly 50% more than the 167,000 jobs per month that were added during the Reagan Administration.

JOB QUALITY -- HIGH QUALITY JOBS BEING CREATED:

- o In the last year, more jobs were created in high-wage industries than in the previous five years combined.
- o The majority of job growth has been in higher-wage occupations.
- o Managerial and professional jobs make up 60% of the new jobs created since January 1994.
- o After losing more than 2 million manufacturing jobs over the 12 years prior to the Clinton Administration, the economy has added 351,000 manufacturing jobs since the Clinton budget plan was passed. Manufacturing jobs are now up 14 months in a row and 1994 was the first year that manufacturing jobs increased every month since 1978.

- o Auto jobs have increased by 77,000 during the Clinton Administration -- after declining by 44,000 during the previous 4 years. In 1995, auto jobs have hit their highest level since 1979.
- o Construction jobs are up 540,000 jobs since January 1993. 1994 alone saw more new construction jobs than during the previous 9 years combined.

TAXES:

- o H&R Block and CBO confirm that the income tax rate increases will fall on only the top 1.2%, while 98.8% of American taxpayers paid the same or less taxes.
- o Over 15 million families who work and make less than \$27,000 received a tax cut to reward work.
- o The plan made over 90% of small businesses eligible for a tax cut by increasing the equipment expensing provision and establishing the targeted capital gains tax preference.

INFLATION -- LOWEST CORE INFLATION SINCE 1965:

- o Inflation remains stable. The overall CPI rose just 2.7% in 1994, meaning that, next to the oil collapse of 1986, inflation under the Clinton Administration is the lowest since 1965.
- o Core CPI (excluding food and energy prices), rose just 2.6% in 1994 -- this is the lowest year of core inflation since 1965.

PROJECTED NATIONWIDE GROWTH:

- o According to Fortune, for the first time since 1984, all 50 states are expected to expand in 1995. (Fortune, August 8, 1994).
- o American growth is being generated solely by the private sector. Real GDP has risen at an annual rate of 3.6% during the Clinton Administration, even though government spending has been down. In fact, federal government purchases are down 6.3% during the Administration and overall government purchases are also down in the same time period. In a previous comment on this trend, the New York Times stated:

"The private sector is the only engine of growth in this recovery, unlike every other recovery in the last four decades, in which government spending accounted for at least part of the expansion."(New York Times, May 17, 1994)

CAR MANUFACTURING -- U.S. RETAKES WORLD LEAD:

- o The United States overtook Japan as the world's number one auto producer in 1994 for the first time since before Ronald Reagan was President. U.S. production totalled 12.4 million vehicles, 17% more than the Japanese total of 10.6 million vehicles. (source: Japan Automobile Manufacturers Association)

PRODUCTIVITY GROWTH -- TWICE AS HIGH AS PREVIOUS FOUR YEARS:

- o Annual productivity growth was 2.2% in 1994, more than twice as high as the 1.1% annual average from 1989 to 1992.

HOME SALES -- SECOND HIGHEST LEVEL EVER:

- o Existing-home sales for 1994 totaled 3.97 million. That's the largest total since 3.98 million in 1978 and the second largest total ever. (source: National Association of Realtors)

HOUSING STARTS -- UP 13%:

- o Housing starts are up 13% since President Clinton took office. During the four years of the previous administration, housing starts declined by about 28%.

CONSUMER CONFIDENCE -- INDEX JUMPS 70%:

- o Consumer confidence on the Conference Board Index is up 70% since the passage of the economic growth plan in August, 1993, reaching a four-year high. (source: The Conference Board)

BUSINESS INVESTMENT -- AT A POST-WAR HIGH:

- o Investment in producer's durable equipment -- shown to be closely associated with productivity gains -- has soared at an 18.2% annual rate since the Administration took office. Annual growth in this category has been in double digits for each quarter during the Clinton Administration -- the first time this has happened for eight consecutive quarters since 1979. This investment is currently at a postwar high relative to GDP. By comparison, business investment growth averaged only 2.1% over the four years prior to the Administration.

MISERY INDEX -- AT LOWEST LEVEL IN OVER 20 YEARS:

- o In 1994, the Misery Index was at its lowest level since 1968. (The Misery Index is the sum of unemployment and inflation -- lower numbers indicate better performing economies.)
- o The level of the Misery Index thus far in the Clinton Administration is lower than the average during any Presidency since Lyndon B. Johnson.

COMPETITIVENESS -- U.S. DECLARED WORLD LEADER

- o The World Economic Forum has declared the U.S. to have the world's most competitive economy. This is the first time in 9 years that the U.S. has been selected for this honor.

BUSINESS FAILURES -- DOWN 17% IN 1994

- o Business failures dropped by 17% during 1994 as the benefits of the Clinton economic plan spread throughout the country. Corporate economist Dr. Joseph W. Duncan of Dun & Bradstreet stated: "The relatively low level of business failures during 1994 reflects strong business balance sheets in almost all regions. ...The past two years have been notable in that every sector in nearly all geographic regions has shown sharp declines in the number of business failures." (Source: Dun & Bradstreet)

Latest Update:

March 30, 1995

ISSUE BRIEFS



AUTOMOBILES

AUTOMOBILES

"What we're trying to do is to assist one of our largest industries in the areas in which public interest lines up with private interest. And if we can help Detroit both in terms of their short-term needs as well as their long-term objective of moving on beyond the internal combustion engine, something that can finally resolve the Clean Air Act, the CAFE, all these other regulatory standards, then to that extent we have this alignment of public and private interest."

President Clinton
February 23, 1993

The Challenge: The auto industry is one of the nation's largest, with vehicle and parts production alone accounting for about 5% of GDP, and about 5% of the manufacturing work force. The President has worked hard to bolster this industry's competitiveness, particularly by promoting American auto exports.

Promoting Auto Exports:

- Implementation of the NAFTA has resulted in extraordinary increases in exports of US cars and car parts to Mexico. (Exports were up over 500% for 1994 over 1993. Recent events will erode these gains temporarily, but the structure is in place for continuing increases in exports.)
- As a result of the Uruguay Round, Japan will eliminate tariffs on the vast majority of its motor vehicles and parts; the European Union will cut its automotive parts tariffs by 43%.
- The United States has initiated a section 301 investigation concerning Japanese practices in the auto parts replacement market ("after market").
- We are working to eliminate obstacles to US firms' access to Japan's original equipment market for auto parts and to the sale of US-made automobiles in Japan.
- Although progress on the broader talks with Japan aimed at improving access of US companies to the Japanese market have been stalled, US sales of cars, trucks and auto parts in Japan all increased during 1994.

Our Strategy: The Administration has worked with the auto industry in three primary areas: technology, regulation and tariffs and trade. Although the results have not been uniform, the Administration has succeeded in ending years of suspicion and forging new partnerships and working relationships.

Position: The new partnership is the focus of the Administration's work with the industry and those interested in the opportunities and challenges it presents.

Promoting New Technology: In September 1993, the Administration, GM, Ford, Chrysler and the UAW launched the Partnership for a New Generation of Vehicles, a historic new research and development partnership designed to:

- Improve the productivity of the US manufacturing base by significantly upgrading US manufacturing technology;
- Pursue advances in vehicles that can lead to improvements in the fuel efficiency and emissions of standard vehicle designs; and
- **Within a decade, achieve automotive fuel efficiency improvements up to three times that of the average 1994 family sedan with equivalent performance and customer purchase price of today's cars.**

Streamlining Regulation:

- The Administration has established a broad-based Advisory Committee to develop recommendations on reducing growing greenhouse gas emissions from cars and light trucks. They will report back to the President in September 1995. The Advisory Committee consists of representatives of the auto industry, fuels industries, suppliers, labor, state and local governments, and the public, including those interested in environmental, safety and consumer issues. The Committee is committed to looking for solutions that include, but reach beyond, improved vehicle fuel efficiency.
- When 14 northeast states petitioned EPA under the Clean Air Act Amendments to impose California-level emissions standards EPA responded by working with the states, the industry and other interested parties to develop broader, more cost-effective solutions. In December EPA granted the states' petition. However, negotiations continue to find a superior solution to the difficult problem of ozone transport.
- Other agencies have, in accord with general Administration policy, engaged in broader consultative processes -- with many interested parties -- in connection with development of automobile regulations, such as those involving on-board diagnostic equipment and safety of off-the-road vehicles. The Administration has edged up light truck Corporate Average Fuel Economy (CAFE) standards, but is awaiting the results of the Advisory Committee process before deciding what action, if any, to take concerning automobile CAFE.
- The Administration has established an interagency working group that meets monthly to keep all parts of the Administration informed about activities that affect the automobile industry. This group has also served as a forum for discussions with the industry (Big Three and other US manufacturers), labor, analysts, and academics.

Latest Update:

March 22, 1995

ISSUE BRIEFS



BASE CLOSURE AND REUSE

BASE CLOSURE AND REUSE

"The vision for the future is up to you (base closure communities). Our job is to give you the tools to build that future.

President Clinton in Alameda, California
August 13, 1993

Background

The Department of Defense has over 400 major bases in the United States. Unless infrastructure is downsized along with force structure and budget, defense funds will be spent on buildings instead of our fighting forces. **Base realignment and closure (BRAC) is painful, but necessary to keep our fighting forces ready, modern, and strong.** Outside the U.S., we have reduced our presence dramatically, withdrawing from over half our facilities.

As a result of the three previous BRAC rounds, 70 major U.S. bases and several hundred smaller facilities are being closed. On February 27, Secretary Perry announced his 1995 BRAC recommendations, the final base closure round under current law. **The 1995 DoD list recommends closing or realigning 146 military installations, and would close 33 major military installations.**

The **independent BRAC Commission**, chaired by former Senator Alan Dixon, will now review these recommendations and hold public hearings before making its **recommendations to the President by July 1.** Both the President and Congress must either accept or reject the list in its entirety.

The 1995 BRAC list is about 80% as large as the 1993 list, but it will generate savings more quickly than BRAC 1993. Once implemented, recurring savings from the 1995 round are expected to be \$1.8 billion per year. **All four rounds together, when implemented, will save about \$6.0 billion per year.**

Our Effort to Help Affected Communities

The Problem President Clinton faced:

- When President Clinton came into office, he ordered a review of policies affecting economic redevelopment in base closure communities, in part due to his frustration with a base closing as Governor of Arkansas.
- **In the past, base closings forced communities to cope with a jarring economic upheaval without tools or resources.** Many bases were heavily polluted, and cleanup seemed to take forever. Red tape and bureaucracy frustrated local officials when they sought help.

A Bold Program to Revitalize Base Closure Communities. The Clinton Administration is working aggressively to help citizens, cities and regions previously dependent on military base activities prosper. The President's approach is designed to help communities use their valuable assets as engines of economic growth.

Making Government More Responsive. On July 2, 1993, President Clinton announced his "Five-Part Plan to Revitalize Base Closure Communities" a plan, based on the understanding that local communities know best the direction economic redevelopment should take after closure, but often lack the tools to pursue their vision. President Clinton's program contains five initiatives to get the government to respond more rapidly and spend money more wisely:

Jobs-Centered Property Disposal that puts local economic redevelopment first. The Administration **changed the way base property is disposed to emphasize uses most likely to create new jobs** for the communities affected by base closings. Federal law has been changed to permit discounted land transfers -- economic development conveyances -- for viable job-creating activities.

Fast-Track Cleanup that removes needless delays while protecting human health and the environment. The Administration's approach promotes rapid reuse by sending joint cleanup teams into action at each site, quickly identifying clean parcels for early use, leasing some parcels where cleanup is underway, and hastening cleanup.

Easy Access to Transition and Redevelopment Assistance for workers and communities. The Administration providing **easier access to other federal programs offering transition and redevelopment help** for workers and communities. As part of this effort, Secretary Reich sent "job SWAT teams" to bases slated for closure to let workers know about opportunities available to them -- training; job guidance and counseling; and other help they need as they consider new employment.

Transition Coordinators at major bases slated for closure. The Administration established for the first time a **single federal coordinator** to be a champion for each community so that all the resources and opportunities that can help in redevelopment can be made available as quickly as possible.

Larger Economic Adjustment Planning Grants to base closure communities. The Administration is providing an **average grant of a million dollars** to each community affected by a major base closing to **plan** for the reuse of facilities -- \$3.5 million for the most hard-hit communities.

In summary, we are responding more quickly, cutting red tape more aggressively, and mobilizing resources more assertively to help these communities, so that when they lose their bases they do not lose their future. As the 1995 BRAC round proceeds toward presidential action in July, the Administration is reviewing implementation of the Five-Part Plan to identify additional areas for improvement.

Latest Update: March 12, 1995

ISSUE BRIEFS



THE BUDGET

THE BUDGET

President Clinton Has a Strong and Proven Record on Deficit Reduction. He signed the largest deficit reduction package in history, cutting the deficit by **\$616 billion**. His new budget pays for every penny of a targeted middle class tax cut while **adding \$81 billion** in deficit reduction. His first budget included \$255 billion in spending cuts -- cutting over 300 domestic programs; this budget cuts \$144 billion in overall savings and terminates or consolidates over 400 programs. The President is now **cutting the deficit in half** as a percentage of national income--from 4.9 to 2.4 percent of GDP--to the lowest level since 1979. The President looks forward to **cutting the deficit even further--in the context of serious health care reform.**

We are Still Waiting for the Republicans to Produce a Specific Budget that Makes the Hard Choices the President has Made. In 1993, the President took 27 days to present to the nation a line-by-line, deficit reduction plan and Congress passed the budget resolution before the April 15 legal deadline. The Republicans have criticized the President's tough deficit-cutting for two years; they have controlled the Congress for over **60 days**, but they still have not introduced a **budget plan**. We have not seen a penny of net deficit reduction. The Republicans need to pass their budget resolution by the April 15 statutory deadline.

For Republicans, 100 Days Has Become 100 Excuses. Republicans have majorities in both Houses, but they say they can't act without a constitutional amendment or a summit. The President didn't need these to cut the deficit--without a single Republican vote.

Though Republicans Still haven't Produced their Budget, They have Proven Their Approach to Budgeting: **Cut Investments for Children to Pay for Tax Cuts for the Wealthy.** House Republicans still say their budget will include unjustifiable "Contract with America" tax cuts that give nearly half their benefits to those making over \$100,000 and cost **\$700 billion over 10 years.**

The Rescissions Make "War on Children" to Pay for a Fraction of the Contract Tax Cuts for Those Making Over \$200,000. The following are the type of cuts for children the Republicans are calling for to pay for only a fraction of the capital gains tax cut going to those making over \$200,000 for a single year.

- o 15,000 young people will be denied chances to participate in AmeriCorps.
- o 100,000 women, infants, and children will be denied food from WIC.
- o 615,000 disadvantaged youths will be denied jobs in the summer jobs program (\$1.7 billion)
- o 94% of all school districts will lose funding to keep drugs out of their schools.

House Block Grants Promise More Big Pain for Poor Children to Provide Tax Breaks to the Wealthy. Block grants proposals cut off help for thousands more children. For example, if enacted in 1989, the school nutrition grant would have cut off school lunches for one million children in 1994.

Latest Update:

March 13, 1995

ISSUE BRIEFS



BUSINESS TAX INCENTIVES

ISSUE BRIEFS



DEFENSE REINVESTMENT/TRP

ISSUE BRIEFS



THE ECONOMY: THEN AND NOW

ISSUE BRIEFS



EXPORTS

PROMOTING AMERICAN EXPORTS

"We are at the beginning of a new era of fierce commercial competition in the global marketplace, and I am determined that we as a nation fulfill our enormous potential."

President Clinton

National Export Strategy

October 1994

The United States' future depends on its ability to compete successfully in the international marketplace. Between 1988 and 1992, almost 60% of real growth in the U.S. economy came from export expansion. Right now, U.S. firms export \$700 billion each year, supporting 10 million U.S. jobs -- jobs that pay about 13% more than the average wage.

In September 1993, the 19-agency Trade Promotion Coordinating Committee (TPCC) published its National Export Strategy, which set forth over 60 concrete actions and specific recommendations to improve Federal export promotion programs and clear away unnecessary obstacles to U.S. exports.

In that regard, the Administration liberalized controls on the export of over \$32 billion of computers. In addition, it eliminated controls on nearly all civilian telecommunications exports to civilian users in the rapidly-growing markets of Central and Eastern Europe, the former Soviet Union and China.

To facilitate the promotion of exports, particularly by small and medium-sized businesses, the Administration has established four "one-stop shops", designed to provide information and assistance on all Federal export promotion and trade finance programs. These shops also will seek to integrate Federal programs with local, state and private sector services. We expect to open an additional eleven such facilities in 1995.

High-ranking Administration officials, including the President, have played an important role in securing major export sales for U.S. firms. In 1994, through a coordinated advocacy strategy, the Administration has helped secure more than 70 contracts worth more than \$17 billion.

Finally, the Administration has sought to expand trade finance programs, including through the creation of a "tied aid" fund, to help U.S. firms compete for major contracts by countering or eliminating the use of foreign tied aid. In 1994, through the use of our tied aid fund, the U.S. supported projects worth over \$500 million in U.S. exports.

Latest Update:

March 12, 1995

ISSUE BRIEFS



LOWERING TRADE BARRIERS

OPENING MARKETS, EXPANDING TRADE AND CREATING JOBS: PRESIDENT CLINTON'S ACCOMPLISHMENTS IN TRADE

"The truth of our age is this -- and must be this: Open and competitive commerce will enrich us as a nation...And so I say to you, in the face of all the pressures to do the reverse, we must compete, not retreat."

President Clinton
American University
February 26, 1993

President Clinton understands that future prosperity in the United States depends on our ability to compete and win in the global economy. He has steadfastly and consistently worked to open foreign markets and expand trade -- to create jobs here at home.

Twenty-seven percent of our economy is now dependent on trade. Over 11 million workers in this country owe their jobs to exports. These jobs pay higher wages, on average, than jobs not related to trade. Expanding trade is critical to our effort to create good, high-wage jobs.

NAFTA

January 1, 1994 marked the launch of a historic trade agreement between the United States, Canada, and Mexico. The North American Free Trade Agreement will reduce barriers to U.S. exports in our first and third largest export markets and expand opportunities for U.S. businesses and workers. It forges a partnership with our neighbors that fosters prosperity for all three nations.

GATT

The Uruguay Round to the General Agreement on Tariffs and Trade is the largest, most comprehensive trade agreement in history. It will cut foreign tariffs on manufactured products by over one-third overall -- a \$744 billion global tax cut -- and eliminate tariffs in major markets in a number of sectors in which the United States is particularly competitive. It will extend world trade rules to services, such as engineering and construction, greatly expand export opportunities for U.S. agricultural products, and level the playing field by binding all nations to the same trade rules.

Japan

Japan is our second largest trading partner and the second largest economy in the world. Yet sixty percent of the entire U.S. trade deficit is with Japan. Clearly that deficit is the result of barriers to U.S. and other foreign goods in the Japanese market. Determined to open the Japanese market, President Clinton set our negotiations with Japan on a new course under the Framework Agreement in July 1993. Since then, we have reached 14 agreements with Japan which have expanded opportunities for U.S. businesses and firms and fostered job growth. Improving our trade relationship with Japan and leveling the playing field has been -- and will continue to be -- one of our highest priorities.

China

China is increasingly important as a market for U.S. goods and services and as a major exporter. Sweeping economic reforms have contributed to an explosive growth of income and trade. Yet China remains a closed market to U.S. exports and our trade deficit with China has grown, reaching \$29 billion in 1994. We are committed to opening China's market and to ensuring that they follow international trading rules. In February 1995, we concluded an agreement which will provide protection in China of intellectual property rights for U.S. companies. Bringing China into the international trading system will foster growth in both countries and assist China in becoming a more open, democratic country.

Asia Pacific Economic Cooperation

The Asia Pacific region has the fastest growth in the world -- three times the rate of the established industrial countries. By the year 2000, the East Asian economies will form the largest market in the world, surpassing Western Europe and North America. This growth has led to an explosion of trade with the United States. East Asia is the number one export market for U.S. products. Our exports to Asia account for over 2 million jobs in the United States. President Clinton has pressed to expand trade with this vibrant region. In November 1994, leaders of the APEC nations agreed in Bogor, Indonesia to eliminate barriers to open trade in the Asia Pacific region by 2020.

Free Trade Area of the Americas (FTAA)

Latin America is the second fastest growing economic region in the world. U.S. exports to Latin America jumped from \$30 billion in the mid-1980s to over \$90 billion in 1994, creating over 600,000 new U.S. jobs. U.S. exports to Latin America now approximate our exports to the European Union, and, if trends continue, may reach \$232 billion by 2010, greater than our *combined* exports to the E.U. and Japan. Recognizing these opportunities, President Clinton hosted the Summit of the Americas last December in Miami, the first time in 30 years that the nations of this hemisphere have gathered together. The 34 democratically elected leaders agreed to construct "The Free Trade Area of the Americas," or FTAA, by the year 2005.

Export Promotion

Forging trade agreements to open foreign markets is just one part of the effort. We must also make it easier for companies to export. Through the National Export Strategy, the Clinton Administration has liberalized controls on the export of over \$32 billion of computers; facilitated the promotion of exports through "one-stop shops," which provide information on all Federal export promotion programs; coordinated a strategy to secure more than 70 contracts worth more than \$17 billion for U.S. firms; and sought to expand trade finance programs.

Latest Update: April 6, 1995

ISSUE BRIEFS



MIDDLE CLASS BILL OF RIGHTS

THE MIDDLE CLASS BILL OF RIGHTS
The President's Comprehensive Plan
to Raise Middle Class Standards of Living

A Successful Economic Plan: The President's economic plan is already cutting the deficit by \$616 billion -- nearly \$10,000 per family. It's also increasing investment in technology, education, and training. The President fought for NAFTA and GATT, bringing two of the best years for opening markets in history. Over 15 million working families received a tax break through his EITC, and 90 percent of small businesses are now eligible for tax relief.

The Economy Has Responded with the Best Combination of Growth, Job Creation and Low Inflation in 30 Years: The President's economic plan helped solidify the recovery, create over 6 million jobs, and hold inflation down.

Still, the 15-Year Pattern of Stagnant Wages Continues for Too Many Middle-Class Families: Only the top 20 percent of households have seen their incomes rise since 1978.

THE NEXT STEP: THE MIDDLE CLASS BILL OF RIGHTS

To ensure that all Americans share in the recovery and to help families invest in the future, the President is calling for a **Middle Class Bill of Rights**. It's based on **three principles**:

Targeted to the Middle Class: Unlike the Republican plan, which mostly benefits families earning over \$100,000, the President targets benefits to middle-class families.

Rewards Investment in the Future: The President's plan rewards families who invest in the future -- especially education and skills for themselves and their children.

Paid For By Specific Spending Cuts: The plan pays for tax cuts with specific spending cuts--adding \$81 billion in deficit reduction to our \$616 billion savings.

THE MIDDLE CLASS BILL OF RIGHTS

A Tax Credit to Help Working Families Raise Their Children: Families earning up to \$60,000 will receive a \$500 tax credit for each child under 13.

Education and Job Training Tax Deduction to Help Americans Get the Skills They Need: Tuition will be fully deductible up to \$10,000 for families earning up to \$100,000.

Expanded IRA to Help Working Americans Save: Families can save up to \$2,000 a year tax-free per earner to pay for education, a first home, or medical expenses, or retirement.

A New G.I. Bill to Empower American Workers: We will collapse 70 federal education and training programs and offer low-skill or laid-off workers a Skill Grant of up to \$2,620 per year to choose the training that works for them.

\$500 CHILD TAX CREDIT

Give Tax Relief to Middle-Class Families

President Clinton wants to give a \$500 tax credit to families for each child under age 13. The credit will be fully available to families earning up to \$60,000 and phased out at \$75,000.

Help Restore the American Dream

Middle class families who work hard and play by the rules aren't getting ahead; they're getting squeezed. The median family earned less in 1992 than in 1978.

The Costs of Raising Children Continue to Rise

For middle-class families, the costs of health care and education are rising faster than inflation. In 1990, the average middle-income family with children in day care or after-school care spent \$3,000 on day care alone.

Restore Families' Eroded Personal Exemption

In 1950, the personal exemption was worth \$3,800 in 1995 dollars. Today, it's just \$2,500--a 34 percent decline. President Clinton wants to restore the value of the personal exemption for the people who need it most--families with young children.

Focus Relief on the Middle Class, not the Wealthy

President Clinton gives tax relief to families with incomes below \$75,000--the middle class that's been hurt the last 15 years. In contrast, the Republican Contract with America offers a child tax credit to families with incomes up to \$250,000--including some of the wealthiest 1 percent of Americans.

Target Relief Where Working Families Need It Most

The tax credit goes to the families with the greatest needs, those with children under 13 who may require child care or after-school care. For families with older children, President Clinton has proposed a tax deduction for education expenses up to \$10,000. And for families earning less than \$27,000, he has already expanded the Earned Income Tax Credit--offering an average tax cut of \$1,000 to 15 million families.

Helping Middle-Class Families: An Example

A family of four with two working parents, two children under 12, and a combined income of \$50,000 would receive a tax credit worth \$1,000-- a tax cut of about 20 percent.

EDUCATION AND JOB TRAINING TAX DEDUCTION

Help Middle-Class Americans Get the Skills They Need

The President proposes making tuition for college, community college, technical school, graduate school and job-training fully deductible up to \$10,000. The deduction will be fully available to families earning up to \$100,000, and phased out at \$120,000.

Broaden Our Middle Class and Narrow the Gaps Between Us

Each year of college or job training beyond high school increases average future earnings by 6 to 12 percent. And while workers with the right skills have seen their incomes rise over the last 15 years, paychecks for everyone else have declined.

Stop Rising Tuition from Crushing Middle-Class Families

Wealthy students can afford higher education and lower-income students receive financial aid. The middle-class gets squeezed as college costs rise. Between 1981 and 1991, average college tuition rose more than 130 percent--compared to about 50 percent inflation.

Offer An Incentive for Education Similar to Business Investment

The tax code already encourages business investments. It's time to create the same incentive for families to make the best investment they can make: education.

Millions of Working Families Would Get Tax Relief

Twelve million students would benefit from the deduction, over 80 percent of them with incomes less than \$75,000.

Families Don't Need to Itemize to Get the Deduction

The deduction will be "above the line"--allowed in determining adjusted gross income--so middle-class families that don't itemize will still get the tax break.

Tax Breaks Won't Trigger Tuition Increases

Little evidence links higher federal aid with higher tuitions: in the 1980s, education aid virtually froze while tuitions jumped; in the last two years, President Clinton expanded student aid and tuition increases slowed. With 7,500 schools competing for students today, schools that try to cash in by raising tuition will lose students--and money.

Part of the President's Commitment to Expand Choice and Access

The President is already implementing Individual Education Accounts to make more affordable student loans available to every American and save taxpayers billions of dollars. Convenient "pay-as-you-can" options enable individuals to repay the investment as their earnings permit. In addition, the President is proposing to raise Pell Grants to \$2600 and extend Skill Grants to laid-off and low-wage workers who usually can't take full advantage of the education and training tax deduction.

Helping Middle-Class Families: An Example

For a family with a \$50,000 income spending \$10,000 to send a child to college and improve skills for a spouse, the tax deduction would be worth \$1,500--a 31% tax cut.

EXPANDED IRA

Help Working Americans Save for Their Future

The President's proposal would enable more middle-class families to save in two ways:

- First, he would **double the income thresholds for tax deductible IRAs**: eligibility would now be phased out for couples with incomes between \$80,000 and \$100,000.
- Second, President Clinton would **allow Americans to withdraw money from IRAs without penalty to pay for education and training, a first home, or medical expenses**.

Expanding IRAs Will Increase Private Savings

Private savings are key to creating good jobs and raising incomes in the long-run. Yet our private savings rate has declined from 8.1 percent of GDP in the 1970s to 5.1 percent in the 1990s. Several empirical studies have shown that expanded IRAs can increase private savings; the President's proposal will do so in three ways:

- **Dramatically increase the number of families eligible for tax-free IRAs**, enabling middle-income families now putting away less than they'd like to save more, tax-free.
- **Giving families more incentives to save** by allowing them to use savings for purposes other than retirement, like paying for education or buying a home.
- **Increasing awareness of IRAs**, because as more people are eligible for IRAs, banks will promote them more, and more people will decide to save.

Another Way to Help Americans Pay for College or Job Training

Middle-class Americans will be able to use IRAs to pay for education without penalty. Together with the education tax break and the G.I. Bill for Workers, it's another way that President Clinton is helping Americans to invest in their future.

Help A Family Buy a Home

Families will now be able to save tax-free in an IRA and then use the money without penalty to buy a first home--or help a child buy one.

More Choices for Middle-Class Families

The President's plan allows families to take the tax breaks from IRAs either when they deposit money or when they withdraw it. In contrast, the Republican plan requires the deductions at the time of withdrawal. And President Clinton allows withdrawals without penalty for more reasons--such as care of an elderly parent or unemployment.

Tax Relief Targeted At the Middle Class, not the Wealthiest

President Clinton's proposal is targeted at those who have seen their incomes stagnate over the last 15 years--middle-class families with incomes under \$100,000. The Republicans' "Contract" offers them fewer options but offers a costly tax break to people earning as much as \$250,000.

Helping Middle-Class Families: An Example

A two-earner couple has a \$55,000 income and is expecting a child. If they want to begin saving for the child's education, each working parent can put \$2,000 in the IRA --and save \$1,120 in taxes, a 15% cut.

A NEW G.I. BILL FOR AMERICA'S WORKERS

From Feeding Bureaucrats to Empowering Individuals

- **Collapse some 70 Federal programs for education and job training.**
- **Put the power to learn in workers' hands--** offering low-income and unemployed workers Skill Grants for education and training up to \$2,620 per year, and Individual Education Accounts to get low-cost loans and repay them on a flexible schedule.

Empowering Workers Directly

Instead of just shifting money from a federal bureaucracy to a state bureaucracy, the President consolidates programs and empowers workers directly with Skill Grants--so they can choose the quality training and education they want, where and when they want it.

Leaner Government

The current maze of job training programs wastes money and doesn't get the job done. The President will replace some 70 separate programs with one integrated system.

State Flexibility

The President's proposal enables states to work with communities, schools, and the private sector to tailor information systems, job search assistance, and on-the-job training to meet local goals. Most federal rules dictating procedures will be wiped out.

Good Information to Guide Good Choices

The proposal encourages States and the private sector to develop a system of One-Stop Career Centers or other information networks where workers get access to real job search help and reliable information on jobs and the records of training institutions.

Accountability

For the first time, training programs will have to pass the same test as the private sector: meet your customers' needs or lose business. Choice, competition, and good information will empower individuals to pick providers who deliver. And performance standards for training providers will cut off the frauds and the incompetents.

Private Sector Partnership

The President's proposal isn't about government. It's about jobs, so the private sector has a central role. Business and labor will be full partners in designing new systems so that workers and education providers know what skills employers will pay for. New awards will recognize excellence in creating workplaces that reward worker skills.

Paths From School to Work for Young People

This initiative will fold federal training programs for young people into the school-to-work movement underway at the state and local level. Young people can look forward to clearer paths to new skills and better jobs.

Helping Working Americans: An Example

When a worker is laid off, he becomes eligible for a Skill Grant. He can go to a One-Stop Career Center to learn about the community college and job training programs nearby and study their success records. Then he can choose the program with the best placement record in a field that interests him, and use the Skill Grant to pay for it. The worker will learn a new trade, and at the end of the program, receive job search assistance with area employers.

Latest Update:

March 21, 1995

ISSUE BRIEFS



MINIMUM WAGE

**REWARDING WORK:
THE CASE FOR INCREASING THE MINIMUM WAGE**

"The most important thing is, you can't make a living on \$4.25 an hour. Especially if you have children, even with the working families tax cut we passed last year. In the past, the minimum wage has been a bipartisan issue, and I think it should be again. So I want to challenge you to have honest hearings on this; to get together; to find a way to make the minimum wage a living wage."

President Clinton
State of the Union Address
January 24, 1995

The President's Proposal: The President's proposal would increase the minimum wage from \$4.25 to \$5.15 over two years, through two 45 cent increases. The last increase, passed by a bipartisan vote in 1989, was also a 90 cent increase in two 45 cent stages. *For a full-time, year-round worker at the minimum wage, a 90 cent increase would raise yearly income by \$1,800 -- as much as the average family spends on groceries in over 7 months.*

Maintaining the Historic Value of Work: If the minimum wage were to stay at its current level (\$4.25), it would fall to its lowest real level in forty years. Indeed, the value of the minimum wage is now 27% lower than it was in 1979, and has fallen 45 cents in real value since its last increase in April of 1991. The first half of the President's 90 cent proposal simply restores the minimum wage to its value from the last increase.

Raising the Minimum wage Primarily Helps Adult Workers -- Most of Whom Rely on their Minimum Wage Jobs to Support Their Families: Nearly two-thirds of minimum wage workers are adults (64%); over one third of all minimum wage workers (38%) are the sole breadwinners in their families; the average minimum wage worker brings home half of his or her family's earnings. Thus, a wage increase significantly boosts the standard of living for millions of households.

Rewards Work Over Welfare: The minimum wage increase provides another crucial measure to reward work and an additional incentive to choose work over welfare.

Between 11 Million and 13 Million Workers Would Benefit from the President's Proposal to Increase the Minimum Wage: An estimated 11 million workers, paid by the hour, earn between \$4.25 and \$5.14. Research indicates that an increase in the minimum wage to \$5.15 could have a "ripple" effect on another 2.5 million workers who earn within 60 cents of the new minimum wage.

Empirical Evidence Shows the President's Proposal Can Increase Wages Without Costing Jobs: Over a dozen empirical studies have found that moderate increases in the minimum wage do not have a significant impact on employment. As Nobel Laureate Robert Solow stated: "[T]he evidence of job loss is weak. And the fact that the evidence is weak suggests that the impact on jobs is small."

A 90 Cent Increase in the Minimum Wage Will Lift a Family of Four Out of Poverty:

The dramatic extension of the Earned Income Tax Credit helped lift hundreds of thousands of working families out of poverty. Yet, by 1996, even the EITC is not enough to lift above the poverty line a family of four making the minimum wage. With the 90 cent minimum wage increase, food stamps, and the EITC, a family of four with a year-round minimum wage worker would be lifted above the poverty line.

The Last Minimum Wage -- Also 90 Cents -- Garnered Strong Bipartisan Support.

In 1989, the minimum wage was passed by votes of 382-37 (135 Republicans) in the House, and 89-8 in the Senate (36 Republicans) and was supported by Senator Dole and Rep. Gingrich.

Latest Update:

March 13, 1995

ISSUE BRIEFS



PENSION REFORM

PENSION REFORM

"The Retirement Protection Act says that people deserve a pension system that they rely on. They deserve employers who take actions to be worthy of their own trust and the labor that they give them, year-in and year-out. They deserve a Government that will protect them and stand by them, a Government that is their partner. . . . In stabilizing the Federal insurance system, we used the power of Government to avert a potential crisis, protecting millions of retirees, corporate pension plans, and the taxpayers from huge potential losses."

President Clinton
January 19, 1995

The Challenge: Defined benefit pension plans -- where an employer promises a certain benefit based on earnings and years of service -- were in trouble when the Administration came into office. Underfunding had grown from \$27 billion in 1987 to \$53 billion in 1992, much of it in older industries (such as steel, autos, tires and airlines) with companies in trouble. This put workers at risk of not getting the pensions they had been promised. The deficit of the Pension Benefit Guaranty Corporation, the government agency that guarantees most -- but not in all cases the full amount -- of such pensions was also growing, potentially putting taxpayers at risk.

Our Response: In March 1993, as one of the Administration's first actions, the Labor Department established an interagency task force to develop legislation to respond to both the underfunding and PBGC deficit problems. On September 30, 1993, the Administration submitted to Congress the Retirement Protection Act. The RPA, which passed as part of the GATT legislation in December 1994:

- **Strengthens underfunded pension plans**
 - It accelerates funding for plans that are less than 90% funded, with the fastest funding required for plans less than 60% funded;
 - It reforms actuarial assumptions that had weakened plan funding and solvency; and
 - It requires severely underfunded plans to have enough cash and marketable securities to make current benefits payments.
- **Increases premiums for pension plans that pose the greatest risk**
 - It requires the most underfunded pension plans to pay premiums that reflect the level of their underfunding -- under a formula that encourages them to increase funding.
- **Strengthens enforcement of pension laws by the PBGC**
 - It requires reporting on pension and corporation information by companies with severely underfunded plans; and
 - It enhances the PBGC's authority to assure that annual pension contributions are made.

- **Improves information for workers and retirees in underfunded plans and protections in fully funded plans**
 - It requires most employers whose plans are less than 90% funded to provide a notice to participants, in simple language, about plan funding and the limits of PBGC's guarantees; and
 - It establishes the PBGC as a clearinghouse for the benefits of participants in terminated plans who cannot initially be found when the plan is terminated.

Position/Plan: The Administration's philosophy in this area, as elsewhere, is that people who work hard and play by the rules should be rewarded. In the pension area it means that workers who are promised pension benefits and work the number of years required to get them should be assured the benefits will be there when they retire. With the passage of the RPA, the Administration has the tools to meet this goal. In the coming years we will:

- Vigorously enforce the RPA;
- Continue to monitor plan funding to ensure that the RPA reforms in fact accomplish their goal of moving toward fully funded plans within a reasonable period of time;
- Continue to stand up for plan beneficiaries -- both retirees and workers -- when companies get in trouble, and work to prevent companies from disadvantaging plan beneficiaries when restructuring;
- Work to simplify pension laws and regulations so that more employers will establish and maintain pension plans, whether defined benefit or defined contribution, for their employees.

Latest Update:

March 6, 1995

ISSUE BRIEFS



RECISSIONS

HOUSE REPUBLICAN RESCISSIONS

Republican Rescissions Reflect a Strategy to Cut Investments For the Middle Class and Poor Children to Fund Lucrative Tax Cuts For Those Making Over \$200,000.

Republican Savings are Going to Pay for Unjustified Tax Cuts For the Wealthy.

- The Republican "Contract with America" includes a \$700 billion tax cut over 10 years - with half the benefits going to families making over \$100,000.
- A capital gains tax break that will cost \$183 billion over 10 years--with nearly half the benefits going to families making over \$200,000. **The cost of one year of the capital gains cut would be larger than all rescissions approved through Friday, February 24.**
- A boondoggle "neutral cost recovery" tax break that the Wall Street Journal says "is a very sweet deal for the nation's capital intensive companies... [and] could allow some big and profitable companies to escape taxes altogether." (12/5/95) Cost: \$120 billion over 10 years.

The Republican Budget Makes Dramatic Cuts for Children Simply to Pay for the Portion to Pay for the Portion of the Tax Cuts Going to Households Making Over \$200,000. The following cuts all go to paying for only a portion of the capital gains tax cut going to households making over \$200,000:

- 15,000 young people will be denied opportunities to engage in national service;
- 100,000 women, infants, and children will be denied proper nutrition by cuts in WIC;
- 615,000 disadvantaged youths will be denied summer jobs this summer because of the elimination of funding for the summer jobs programs. (\$1.7 billion)
- 4,000 school will be denied funds for higher standards and better teaching through cuts in GOALS 2000 (\$164 million)
- 34,000 youth in 17 communities around the country will training opportunities through elimination of the Youth Fair Chance.
- 94% of all schools will lose funding for keeping drugs out of their schools through elimination of funding for the Safe and Drug Free Schools and Communities Program.

All of the above cuts would pay for only a portion of the average capital gains tax cut that goes to households making over \$200,000.

Politics as Over Political Reform: The Republicans Talk About Change, But it's Just More Pork and Politics as Usual -- While the Middle Class and Poor Get Cut.

- **600,000 Summer Jobs vs. \$600,000 Increase for the Speaker's Office:** Behind the rhetoric about revolution, you'll find the same, old porkbarrel politics. While the Republican leadership is calling for eliminating over 600,000 summer jobs for young people, Newt Gingrich is giving his own office \$600,000 more for its own needs.
- **Paying for a Pork Visitor Center for a Republican Official Is More Important than Weatherizing Homes for Low-Income Families:** As the New York Times stated: "One trade-off speaks volumes about Republicans priorities; they decided it was more important to pay for a visitor's center in Oregon, the home state of a GOP Committee member, than to help weatherize homes of low income families." (2/24/95)

Extreme Cuts Vs. Bold, Sensible Reform: President Clinton is Creating a Leaner, Smarter Government that Helps Middle Class Americans Help Themselves. The Republicans are Taking an Extreme "Cut-and-Gut" Approach That Hurts Working Families.

Through the National Performance Review, President Clinton has already cut more than 100,000 federal jobs and saved \$63 billion and is making bold, but sensible reforms that make government work better for working families. By contrast, the Republicans have an extreme ideological agenda, and they are cutting programs whether they work or not.

Example: The Administration is making a bold, sensible reform of the Agriculture Department while Republicans are calling for slashing successful nutrition programs for children. The Administration has closed 1,100 unneeded agriculture field offices while expanding WIC. That makes sense. GAO says WIC saves \$3.50 for every \$1 spent while improving birthweights and reducing infant mortality and child anemia. Republicans are drastically slashing this and other successful programs.

Example: The Administration has called for dramatic reform of the Department of Housing and Urban Development -- consolidating 60 programs and eliminating 4,400 positions, while Republican rescissions threaten housing for the neediest. Republicans are simply calling for slashing housing assistance for 63,000 families, most with poor children, including 12,000 homeless families, 2,000 disabled individuals and 3,000 people with HIV-AIDS who are homeless or in danger of becoming so. (\$2.7 billion)

Latest Update:

March 13, 1995

ISSUE BRIEFS



SMALL BUSINESS

NOT YET SUBMITTED

(As of April 17, 1995)

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Environment

Divider Title: _____

ISSUE BRIEFS



ACCOMPLISHMENTS: THE ENVIRONMENT & PUBLIC HEALTH

ACCOMPLISHMENTS THE ENVIRONMENT & PUBLIC HEALTH

"Preserving the environment is at the core of everything we have to do in our own country. Building businesses, creating jobs, fighting crime and drugs and violence, raising our children to know the difference between right and wrong, and restoring the fabric of our society."

President Clinton
Earth Day Address
April 21, 1994

President Bill Clinton is making common sense reforms in environmental programs to make them work better and cost less. He is working hard to protect our families' health and to provide lasting economic opportunities for generations to come -- and standing up to those who would roll back the clock and eliminate public health and environmental standards. Following are a few of his major accomplishments:

- **Reinventing Environmental Regulation.** On March 16, 1995, the President announced a comprehensive set of 25 actions to make environmental protection work better and cost less. The President is cutting red tape associated with complying with environmental standards by 25 percent and giving a 6 month enforcement grace period for small businesses who act in good faith.
- **Northwest Forest Plan.** The President's plan is putting Northwest communities back to work again, while conserving ancient forests for future generations.
- **Common Sense Initiative.** As part of the President's drive to make government work for people, the Environmental Protection Agency launched this initiative to make health protection cleaner, cheaper and smarter by focusing on results rather than one-size-fits-all regulations.
- **Community-Right-to-Know.** The President expanded the program that requires companies to disclose information about toxic releases in their area, putting power back into the hands of the people.
- **California Bay-Delta Water Agreement.** After decades of conflict, the Clinton Administration negotiated a consensus plan that will protect the most valuable economic and environmental resource of the state of California. The San Francisco Bay and Delta estuary supplies drinking water to two-thirds of the state's people, provides irrigation for 45% of America's fruits and vegetables, and supports 300 aquatic species.
- **Recycling.** President Clinton signed an executive order to promote recycling, cut solid waste and create jobs.

- **Protection for the California Desert.** President Clinton fought for, and then signed, the California Desert Protection Act, the largest single designation of parks and wilderness areas ever in the lower 48 states.
- **Environmental Technology.** The President's environmental technology initiatives are creating jobs for American workers and encouraging innovative new solutions to tough environmental problems.
- **Air Pollution.** The Clinton Administration is acting on the principle that people should have clean air to breathe. These actions include an unprecedented measure to reduce by 90 percent the toxic air pollutants emitted from chemical plants by 1997.
- **Restoration of the Everglades.** The Clinton Administration formed a partnership with the State of Florida that broke a six-year legal logjam and allows the country to get on with the task of restoring the unique Everglades.
- **Wetlands Reform.** The President reformed the wetlands program to cut red tape, increase fairness and flexibility for landowners, and protect and enhance the nation's wetlands. On March 6, 1995, the Administration announced a new policy that will allow a couple to build or expand a home without a wetlands permit.

Latest Update:

March 31, 1995

ISSUE BRIEFS



ENDANGERED SPECIES

ENDANGERED SPECIES REFORMS

"All across this country, there is a deep understanding rooted in our religious heritage and renewed in the spirit of this time that the bounty of nature is not ours to waste. It is a gift from God that we hold in trust for future generations. Preserving our heritage, enhancing it, and passing it along is a great purpose worthy of a great people."

President Clinton
Earth Day Address
April 21, 1993

Background

- **Successful.** Since the passage of the Endangered Species Act (ESA), the bald eagle, grizzly bear, American alligator, peregrine falcon and gray whale have all made recoveries.
- **But Inflexible.** Far too often, however, the ESA has been used in a way that hurts small landowners. Far too often, it has been ignored until a problem reaches a crisis stage. After years of ignoring resource conservation until it was too late, the Bush Administration agreed to drastic measures -- to be taken by the Clinton Administration. One month before President Clinton took office, the Bush Administration agreed to a court settlement requiring the government to list 100 new species each year.

Clinton Administration Reforms. We are working to minimize impacts on landowners, grant greater authority to states and local governments, make implementation of the law simpler and more efficient and improve the recovery rate of species.

- **Exemptions for Small Landowners.** On March 10, 1995 the Administration announced unprecedented exemptions for small landowners. The Administration will propose new regulations that would grant general exemptions from ESA enforcement to most activities on single home residential tracts and for other activities that affect less than five acres.
- **Increased Role for States.** The Administration took action to require the use of state expertise and information in ESA decisions and proposed \$27 m in its 1996 budget for cooperative partnerships with states.
- **Sound and Objective Science.** The Administration now seeks independent peer review of all proposals to list species and draft plans to recover species and established more rigorous standards for the scientific information used in ESA decisions.

- **Partnerships.** The initiatives announced March 10 build on the Administration's efforts to involve private landowners in cooperative conservation programs. In the ten years prior before President Clinton took office, 15 such partnerships (called habitat conservation plans) were in effect. In two years, that number has reached 45, and 150 more are in planning.

Update

- March 10 reforms for small landowners, described above.

Latest Update: March 17, 1995

ISSUE BRIEFS



THE ENVIRONMENT — AN OVERVIEW

ENVIRONMENT

"Do we need more common sense and fairness in our regulations? You bet we do. But we can have common sense and still provide for safe drinking water. We can have fairness and still clean up toxic waste dumps. And we ought to do it."

President Clinton
State of the Union Address
January 24, 1995

25 Years of Progress, but the System has Reached Its Limits.

- **We've Come a Long Way.** This year marks the silver anniversary of modern environmental laws. The results are a great American success story, envied and copied across the world. Rivers no longer catch on fire, lead levels in our children's blood have dropped 70 percent, and the bald eagle -- once on the road to extinction -- soars again.
- **But the System Has Reached its Limits.** Too often, we pay too much for too little environmental protection.

The Clinton Administration Agenda

- **President Clinton Is Making Common Sense Reforms** to environmental programs to make them work better and cost less. He is working hard to protect our families' health and to provide lasting economic opportunities for generations to come -- and standing up to those who would roll back the clock and eliminate public health and environmental standards.

Reinventing Environmental Regulation. As part of the second phase of the successful reinventing government effort, the Vice President is leading an effort to create a new environmental protection system that's cleaner, cheaper and smarter. It includes:

- **Cutting Red Tape** -- including a 25 percent reduction in paperwork.
- **Performance and Market-based Standards** -- giving businesses flexibility in meeting environmental goals, but demanding accountability that they be met.
- **More Responsibility to States, Tribes and Communities.**
- **Better Accountability, Compliance and Enforcement** -- to focus on how many companies comply, not on how many citations an agency can write.
- **Risk-based Priorities** -- to focus resources where they can best protect public health.

Standing up to Roll Backs of Health & Environmental Standards

- As the President has said, "There are some people who would use the need for reform as an excuse to gut vital consumer, worker and environmental protections. That's not what the country needs or wants. Those proposals that would freeze or gut our ability to protect the public are simply unacceptable." (Release accompanying 2/21 event)
- **The Contract with America** contains several provisions which recently passed by the House that would roll back health, safety and environmental laws. They include:
 - **Regulatory Moratorium.** This would stop good regulations, bad regulations, all regulations -- whether or not they are cost-effective and whether or not they are supported by the public. It would stop new protections for drinking water, safer meat and poultry and for safer cars. (See reg reform issue brief.)
 - **Risk Assessment and Cost/Benefit Analysis.** The Clinton Administration supports better use of these tools, and would support legislation that is fair, effective and affordable. Unfortunately, many current proposals fail that test. They are extreme measures that would make the problems they purport to address even worse. They layer overly broad, prescriptive and costly new bureaucratic requirements on to the existing system. And under the guise of procedural reform they would supersede the standards set in decades of health, safety and environmental laws. (See risk issue brief.)
 - **Takings (Private Property).** If the government takes someone's property, the government should pay. That's what the Constitution says and that's what the President demands of his agencies. But current proposals hurtling through Congress would hurt homeowner's property values and cost taxpayers billions of dollars. They would create a windfall for wealthy corporate developers. They would create even more government bureaucracy and red-tape. And they would severely compromise or even shut down our ability to protect health, safety and the environment. (See takings issue brief.)

Congressional Priorities

- **Superfund.** Last year, President Clinton proposed a major reform of Superfund, the bill that cleans up toxic dumps. He put together a historic coalition for his Superfund reform, gaining support from everyone from the Chemical Manufacturers to the Sierra Club, small businesses and private citizens. The President will work again this year with Congress to strengthen our Superfund law to help communities clean up toxic sites faster, more fairly and more efficiently. (See issue brief.)

- **Safe Drinking Water Act.** Safe, clean water is the first line of defense for protecting public health. One year after hundreds of thousands of people got sick and 100 died after drinking contaminated tap water in Milwaukee, President Clinton proposed to reform the safe drinking water law to help local water systems protect their citizens' health and give people tap water they can trust. The President wants to ensure that the law that governs our drinking water supply is as affordable as it is effective for our communities. The President will work with Congress to improve the Safe Drinking Water Act, so we can provide resources to communities so they can do the job of keeping their water supply pure and clean. (See issue brief.)
- **National Parks.** Today, the world's greatest national park system is in a state of disrepair, after years of putting off maintenance. Roads and trails are dilapidated, many historic buildings are near collapse, and park rangers are stuck with substandard housing. To get the parks out of the red and make them the best that they can be, the President is urging Congress to change concessions practices and revise fee policies -- two steps that would bring more money directly into the parks for years to come without burdening taxpayers.

Update.

- The Contract provisions for risk, regulatory moratorium and takings passed the House and several related bills are pending in Senate, with floor action coming as soon as later this month.

Latest Update:

March 17, 1995

ISSUE BRIEFS



NORTHWEST FOREST PLAN

NORTHWEST FOREST PLAN

"It is time to break the gridlock that has blocked action and bring all sides together to craft a balanced approach to the economic and environmental challenges we face."

President Bill Clinton
Forest Conference
March 10, 1993

Putting an End to the Gridlock -- Putting People Back to Work.

- **Years of Mismanagement.** For years, mismanagement and conflict over timber cutting in public forests threatened the livelihood of people in the Pacific Northwest. To put an end to the gridlock and put people back to work, President Clinton convened the Forest Conference in Portland, Oregon, shortly after taking office.
- **A Sensible Solution.** For the first time, he called environmentalists, timber companies and citizens as well as states, tribes and local governments together around one table to hammer out a solution. The President's Northwest Forest Plan is forcing government agencies to work together to restore the economic health of the region's communities and the vitality of the region's ancient forests.

Forest Plan Results.

- **The President Is Committed to Four Principles:** Support the region's communities through this period of transition; provide a strong, sustainable timber economy; protect and enhance the environment; make federal agencies work together.
- **Economic Assistance.** Last year, the Administration awarded more than \$126 million in grants and loans to more than 100 communities throughout the region, creating new jobs, job training programs, investing in community infrastructure and giving assistance to small businesses. The Administration will award \$1.2 billion over five years.
- **Environmental Restoration.** The Administration supported more than 600 watershed restoration projects, putting people to work repairing streams and waterways.

Update

- **Upheld by the Courts.** The President's plan was upheld by the judge who earlier had blocked all cutting. That means that for the first time since 1991, forest management is out of the courtroom and back into the communities where it belongs.

Latest Update:

March 22, 1995

ISSUE BRIEFS



RISK ASSESSMENT

NOT YET SUBMITTED

(As of April 17, 1995)

ISSUE BRIEFS



SAFE DRINKING WATER

SAFE DRINKING WATER

"Do we need more common sense and fairness in our regulations? You bet we do. But we can have common sense and still provide for safe drinking water And we ought to do it."

President Clinton
State of the Union Address
January 24, 1995

The Need for Reform is Clear.

- **Public Health.** Although the United States has some of the safest drinking water in the world, Americans are not free from contamination risks. In the last two years, millions of residents of major U.S. cities -- such as Milwaukee, New York and Washington, DC -- have been ordered to boil their water. In Milwaukee 400,000 people became sick and more than 100 died from drinking contaminated drinking water in 1993.
- **Flexibility.** Of the 200,000 water systems in the U.S., thousands are short on compliance with the Act -- and long on complaints about non-sensical federal regulations. Under current law, EPA must regulate 25 new contaminants every three years -- whether or not they are needed.

The Administration's Reforms

- **Better Standards.** EPA is in the midst of a three step process that will better protect public health and help prevent another incident like Milwaukee. The standards are the result of a negotiated process between industry, state and local governments, and citizen representatives. However, the **regulatory moratorium** would stop the next important step in this direction -- even though there is general agreement in the regulated industry about the need to move forward.
- **A New Safe Drinking Water Act.** Last year, President Clinton proposed to reform the safe drinking water law to help local water systems protect their citizens' health and give people tap water they can trust. The President wants to ensure that the law that governs our drinking water supply is as affordable as it is effective for our communities. His reform was supported by industry and environmentalists alike.
- The President will work with Congress again this year to ensure that the law that governs our drinking water supply is as affordable as it is effective for our communities.

Update. The regulatory moratorium passed the House and the Senate.

Latest Update: March 22, 1995

ISSUE BRIEFS



SUPERFUND

NOT YET SUBMITTED

(As of April 17, 1995)

ISSUE BRIEFS



TAKINGS

TAKINGS

"The Contract, literally read, would override every single health and safety law on the books, distort the process by giving industry-paid scientists undue influence over rules that govern their employers, and in the name of private property, could literally bust the budget by requiring the government to pay polluters every time an environmental law puts limits on profits. These are extreme measures."

President Clinton
February 21, 1995

Background.

- The House of Representatives recently passed HR 925 "The Private Property Protection Act of 1995." The bill would require taxpayers to compensate a property owner whenever certain actions by a federal agency limits the use of any portion of their property -- however small -- so as to reduce that portion's value by 20 percent or more. Several takings bills have been introduced in the Senate.

The Clinton Administration's Position

- **Support for Private Property.** The Clinton Administration strongly supports private property rights. The right to own, use and enjoy private property is vital to our nation's economic strength and to our Constitutional heritage. If the government takes someone's property, the government should pay. That's what the Constitution says. That's what the President demands of his government.
- **Takings Bills Hurt Homeowners and Cost Billions.** In everything we do, we're working for middle-class Americans. However, recently proposed takings legislation - including the Contract with America bill that passed the House -- would harm homeowners and their property values. Takings legislation could cost taxpayers billions of dollars. Takings legislation could create a budget-busting bureaucratic maze. And takings legislation could deprive people of necessary protection for public health, safety, civil rights and the environment.
- **Working for Reform.** At the same time, we recognize that certain programs have imposed unnecessary burdens on landowners. That's why we're taking action to reform these programs to make them more fair and flexible. Further, we will work with Congress to identify reasonable initiatives that would advance these objectives, including legislation where necessary.

Negative Effects of Takings Legislation.

- **Bad for Homeowners.** Although these bills purport to protect property rights, they would undermine safeguards for the vast majority of property owners -- middle-class homeowners. Many of the programs targeted in the legislation are the very programs that increase property values for millions of people throughout the country. The value of a home depends largely on the strength of the surrounding community, which in turn depends on laws to protect public health, civil rights, air and water quality and open space. In fact, a recent survey in a financial magazine found that clean water and air ranked second and third in importance out of 43 factors people rely on when choosing a place to live -- ahead of good schools, low taxes and health care.
- **A Nightmare for Taxpayers.** This compensation legislation creates a new entitlement program that will cost taxpayers dearly -- and taxpayers just can't afford it. Many of these bills are so broad that the potential budgetary impacts are almost unlimited. The payments would go primarily to large corporations and wealthy landlords. These bills would generate a flood of requests for compensation from corporations who never had any intention of development, who seek an unjustified windfall at the expense of hardworking taxpayers. Compensable claims could far exceed any actual loss to the property owner. These bills could codify the unreasonable notion that the American people should compensate polluters not to pollute, and that taxpayers must pay people to refrain from using their property in a way that harms others or violates the law.
- **More Big Government, Red-Tape and Bureaucracy.** A new class of federal bureaucrats would have to be created in every regulatory agency to evaluate compensation claims under many of these bills. Whether or not the claim is frivolous, taxpayers would have to hire bureaucrats, lawyers and accountants to evaluate each and every filing. Meanwhile, the real missions of the agencies -- civil rights, public health, worker safety or clean water -- would suffer. People want a government that works better and costs less. People don't want a government that spends more of their money in order to get less done. But that's exactly what these bills would create.
- **States Oppose Takings Legislation.** 40 states have considered and rejected takings legislation. Arizona voters in November defeated a takings ballot proposition by 60 to 40 percent. 32 state Attorneys General wrote Congress opposing takings legislation that goes beyond what the Constitution requires. The National Conference of State Legislatures, the National League of Cities and the Western State Land Commissioners Association have opposed such legislation as well. In addition, civil rights, religious, health care, consumer, labor, planning, environmental, sportsmen, and other groups are clearly on record opposing such legislation.

Update.

- Pending in the Senate Judiciary Committee.

Latest Update: March 17, 1995

ISSUE BRIEFS



WETLANDS

WETLANDS REFORM

"All across this country, there is a deep understanding rooted in our religious heritage and renewed in the spirit of this time that the bounty of nature is not ours to waste. It is a gift from God that we hold in trust for future generations. Preserving our heritage, enhancing it, and passing it along is a great purpose worthy of a great people."

President Clinton
Earth Day, April 21, 1993

Overview

- **A Vital Resource.** Wetlands filter and cleanse water, buffer against flooding, and are the most prolific ecosystems in the world. They are essential to maintaining healthy fisheries and healthy fishing communities.
- **A Need for Reform.** Although more than 99 percent of all wetlands permits are granted, the wetlands programs are a source of justifiable frustration for many. Too often, they are inflexible. Too often, they burden small landowners.

Help for Homeowners.

- **No Permit Needed for Homes.** On March 6, 1995, the Administration announced a major new initiative that will help homeowners. It includes a "nationwide general permit" that will, for example, allow a couple to build or expand a home on non-tidal wetlands property without applying for an individual wetlands permit under the Clean Water Act.

A History of Reform. This action is only the latest in a long series of wetlands reforms ushered in by the Clinton Administration.

- **Fair, Flexible and Effective.** After hearing from states, developers, farmers, homeowners, environmental groups, Congress and scientists, the Clinton Administration issued a 40-point wetlands reform package in August 1993, based on the following principles:
 - Streamlining wetlands permitting programs.
 - Better cooperation with private landowners.
 - Sound science and sound judgment.
 - Increasing participation by states, tribes, local governments and the public.

Update

- March 10, announced reforms to help homeowners, as described above.

Latest Update: March 22, 1995