TALKING POINTS ON THE ELECTIONS
WEDNESDAY, NOVEMBER 8, 1994

Congratulations to Those who Won on a Hard-fought Campaign. We are ready to work together to serve all the American people in a nonpartisan manner.

We Have Made a Good Start. The American people sent us here to rebuild the American Dream, to change the way Washington does business and to make our country work for ordinary citizens again. We've made a good start by **cutting the deficit**, by **reducing the size of the federal government**, by **reinventing much of our government to do more with less.** We have **increased our investment in education** and **expanded trade**, and our economy has **created more than five million jobs.** We've also made a **serious start in the fight against the terrible plague of crime and violence** in this country.

But We Have Not Done Enough. In the course of this work, there has been too much politics as usual; too much partisan conflict; too little reform of Congress and the political process. We have made progress, but not enough people have felt more prosperous and more secure.

We Accept Responsibility for the Losses. With the Democrats in control of both the White House and the Congress, we were held accountable yesterday. And we accept our share of responsibility for the result of the elections.

We Ask the GOP to Join Us in the Center. When the Republican Party assumes leadership in Congress, it assumes responsibility for acting in the best interest of the American people. We ask them to join us in this center of the public debate to begin to solve the problems facing America.

Putting the National Interest Above Politics by Passing GATT This Year. Democrats and Republicans have often joined together when it was clearly in the national interest. We urge them to do so again by passing the GATT agreement this year. Our prosperity depends upon it. There can be no compromise when the national interest and the livelihood of American households are at stake.

Restoring the American People's Faith in Our Political Institutions. We must take more steps to restore the people's faith in our political institutions. We must give our people a government that is smaller, more effective, and that reflects our interests and our values.

We Will Not Turn Back the Economic Recovery. But to those who would use this election to turn us back, we will do all we can to keep anyone from jeopardizing this economic recovery by taking us back to the policies that failed us before. We will work for those things that make America strong -- strong families, better education, safer streets, more high-paying jobs, a more prosperous and peaceful world.

CABINET BRIEFING 5:00 PM, NOVEMBER 10, 1994
ATTENDANCE LIST

State	Deputy Secretary Strobe Talbott
Treasury	Secretary Lloyd Bentsen
Defense	Secretary William Perry
Justice	Attorney General Janet Reno
Interior	Chief of Staff Tom Collier
Agriculture	Deputy Secretary Richard Rominger
Commerce	Deputy Secretary David Barram
Labor	Secretary Robert Reich
HHS	Deputy Secretary Walter Broadnax
HUD	Secretary Henry Cisneros
DOT	Secretary Federico Pena
Energy	Under Secretary Charles Curtis
Education	Secretary Richard Riley
VA	Secretary Jesse Brown
CEA	Dr. Laura Tyson
EPA	Administrator Carol Browner
UN	Chief of Staff Elaine Shocas
SBA	Administrator Phil Lader
OMB	Director Alice Rivlin
USTR	Chief of Staff Tom Nides
ONDCP	Deputy Chief of Staff Ricia McMahon
	Chief of Staff Leon Panetta
	Counselor Mack McLarty

WHITE HOUSE STAFF

Veronica Biggins
Erskine Bowles
Mark Gearan
Marcia Hale
Alexis Herman
Tony Lake
Bruce Lindsey
Mack McLarty
Abner Mikva
Dee Dee Myers
John Podesta
Jack Quinn
Carol Rasco
George Stephanopoulos
Steve Silverman
Phil Caplan
Dana Hyde
Jennifer O'Connor

Agenda for Cabinet Briefing
10 November 1994

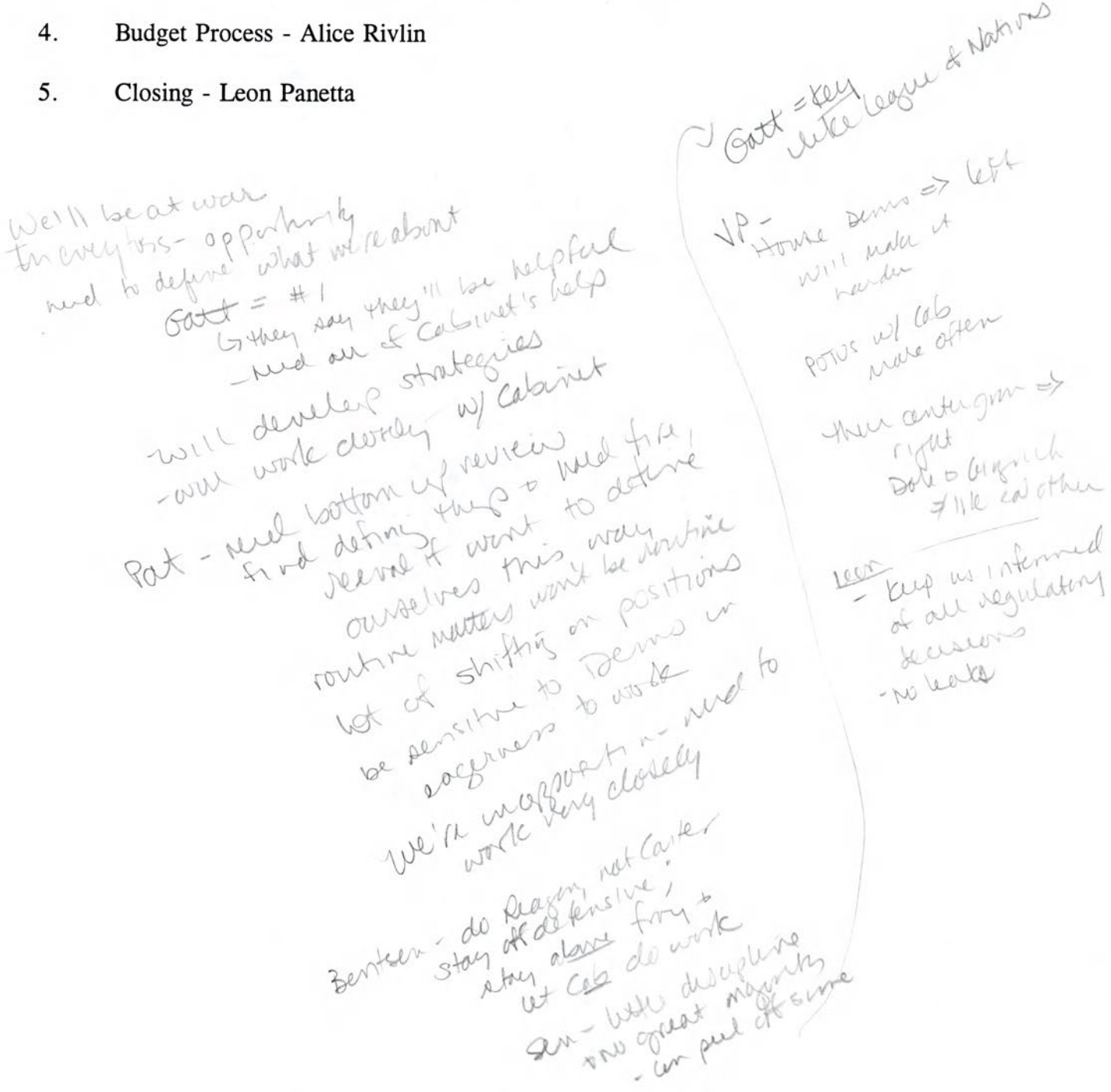
1. Election overview - Leon Panetta

2. Legislative Strategy - Leon Panetta
   Pat Griffin

3. Economic Strategy: Budget/Welfare/Health - Bob Rubin

4. Budget Process - Alice Rivlin

5. Closing - Leon Panetta



Rubin

Process –
1. Health Care
Card + Bob

2. Budget

3. welfare reform

Alice
Discretionary
$9 bil over caps

Exon-Grassley amd
54?
54? outlay in senate
= 60 vote maj

Old here bad-budget amdt

Budget to bed by x mas

Proposed planned regulations
"phone book" out Monday

Down to vets, medicaid, medicare, ag progs –
cut to bone

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Dana, Phil, Jen, Shana: With all that's happening I thought it might makes sense to put all the Cabinet coordinated activity down on paper so we're all working off the same sheet. We can turn this into an external (WH) document if that's useful. It may even be good to share this in some version with the Chiefs of Staff, so they have a sense of all that's going on. This is rough. We should fill it in.

Build Up to Summit

The Cabinet is engaged in a number of coordinated activities leading up to the Summit of the Americas. Each of the activities focuses on one or more of the following: Gatt passage, NAFTA anniversary, and Summit preparation.

November 14-21

GATT: Editorial Boards (Jake): Brown, Bentsen, Kantor, Tyson, Rubin
Regional Radio (Strauss): Brown, Kantor, Tyson, Rubin
Calls to Hill (Brophy/Lemond): Bentsen, Brown, Kantor, Tyson, Rubin

Media includes discussion of Summit as appropriate.

SUMMIT:

November 21-28

GATT: Editorial Boards (Jake): Brown, Bentsen, Kantor, Tyson, Rubin
Regional Radio (Strauss): Brown, Kantor, Tyson, Rubin
Calls to Hill (Brophy/Lemond):

Media includes discussion of Summit as appropriate.

SUMMIT: Outreach to key constituents in local markets (Caplan/O'Connor/Valdez): Pena (San Antonio 11/26); Cisneros ( ); (___) (L.A.); R. Brown (New York -- Lee Brown Atlanta).

November 24: **THANKSGIVING**

November 28-December 5

GATT

November 28: Presidential Event with former State, Treasury et. al. 10:30am
GATT Cabinet invited.

	Bentsen/ Christopher host luncheon at Treasury.
November 29:	GATT House Vote Breakfast/Lunches with Cabinet and CEOs (Silverman/Wilcox) Gore, Bentsen, Deutsch, R. Brown, Pena Rubin,
November 30:	Cabinet meeting?
December 1:	GATT Senate Vote
December 2:	Brown-outreach in New York?

December 5-December 12

December 5:	Customs Event in Miami (Hyde/Carrier): Pena Potus in Hungary
December 6:	Brown in New York (outreach?)
December 7:	Cabinet NAFTA Fly Around Christopher, Bensten, R. Brown, Reich, Pena, Browner, Kantor, Tyson
December 8:	GATT signing? President to Miami
December 9:	Cabinet Flys to Miami.

TALKING POINTS
ON CABINET POLITICAL TRAVEL

- **The Cabinet has played an important role in promoting Democratic Candidates throughout the country**. Cabinet efforts have made a positive contribution to some very tight races, as the Administration's message is continually reinforced.

- **Cabinet Members have energized the base voters, helped promote the Administration's message and accomplishments, and raised funds.**

- **Since September 1994,** Cabinet Members have participated in over 300 political events for 222 Members of Congress or Democratic candidates in 37 different states.

- **Political support by Cabinet Members has been distributed throughout the country**, with 44 events in the Midwest, 43 in the Southeast, 46 in the Southwest, 50 in the West and 121 in the Northeast.

- **For Example**, Cabinet Members participated in 8 events for Senator Kennedy, 7 for Senator Wofford, 7 for Senator Feinstein, 11 for Governor Cuomo, and 9 for Senator Robb during the last three months of the campaign.

- **Since 1993,** Cabinet Members have participated in approximately 1000 events with over 300 Members of Congress. These include political, White House and Agency initiative visits.

- **Cabinet participation included:** Secretary Bentsen, Secretary Babbitt, Secretary Ron Brown, Secretary Reich, Secretary Shalala, Secretary Cisneros, Secretary Peña, Secretary Riley, Secretary Jesse Brown, Administrator Browner, Ambassador Kantor, Chair Tyson and Chief of Staff Panetta.

DRAFT

January 17, 1995

Dear Editor:

January 20, 1995 will be the two year anniversary of President Clinton's inauguration and the mid-point of the President's first term. In response to press inquiries to the White House about the progress of the Administration in meeting policies proposed during the campaign, we have prepared materials that we hope will be helpful in analyzing the Administrations record over its first two years. As there could be differences over what the proper set of campaign policies are, we have analyzed two existing written documents: 1) the 162 campaign promises listed by the Washington Post on January 20, 1993, and 2) the 61 major policies proposed in the June 22, 1992 campaign pamphlet Putting People First.

Of the 162 promises from the Washington Post list, action was taken on 98% of the promises, while 77% of the policy pledges were either substantially or partially accomplished. Of the 58 major policies mentioned in Putting People First, action was taken on 57 (98%) of the promises, while there has been substantial or partial accomplishment on 45 (78%) of the policies.

In response to press inquiries, the first materials attached are short summaries of the major domestic and foreign policy accomplishments, as well as the top legislative victories of the President's first two years. Following that are summary tables and charts of the progress the Administration has made in accomplishing the promises listed in both the Washington Post list and Putting People First.

We believe that the progress report described here documents a strong record of accomplishment with substantial positive benefits for tens of millions of American families. We hope you will give this serious attention.

Sincerely,

Leon Panetta
Chief of Staff

January 1995

CLINTON ADMINISTRATION ACCOMPLISHMENTS

ECONOMY:

- Signed the **Economic Package**, August 10, 1993.
- The economy created **5.6 million new jobs** in the first 23 months of this Administration.
- Passed the largest **deficit-cutting** plan in history -- resulting in nearly $700 billion over five years.
- On track for three consecutive years of **deficit reduction** -- for the first time since Harry Truman.
- **Cut federal spending** by $255 billion.
- Made **new tax cuts** available to over 90% of small businesses.
- Lowest **unemployment** in over 4 years.
- Lowest **"misery index"** in 20 years.

EDUCATION:

- Signed the **Student Loan Reform Act**, August 10, 1993.
- Signed the **National Service Act**, September 21, 1993.
- Signed the **Goals 2000**: Educate America Act.
- Signed the **School-to-Work Act** on May 4, 1994.
- Signed the **Elementary and Secondary Schools Act.**
- Increased **Head Start** funding by $760 million.
- Introduced the **Reemployment Act.**

CRIME:

- Signed a tough $30 billion **Crime Bill**, September 7, 1994
- Signed the **Brady Bill**, November 30, 1993.
- Signed the **Assault Weapons Ban.**
- On the way to putting **100,000 new police** on the street.
- Signed the **Police Hiring Supplement**, which awards $200 million for **community policing.**
- Signed the **Violence Against Women Act** as part of the Crime Bill.
- Expanded funding for the **SAFE Schools** Initiative.
- Introduced **Operation Safe Home.**
- Developed a **clean sweep** policy to keep crime out of federally-funded public housing.

REINVENTING GOVERNMENT:

- Conducted a **National Performance Review** of the Federal Government.
- Already cut the **Federal Workforce by 100,000** -- on the way to lowest level in 30 years.
- Signed the **Government Performance and Results Act** of 1993.
- Appointed the most **diverse** Cabinet and Administration in history.
- Signed the **Federal Workforce Restructuring Act** of 1994.
- Eliminated 284 federal **advisory committees.**
- Initiated thorough review of **human radiation experiments.**
- Reformed **Pension Benefit Gurantee Corporation** to protect 8.5 million pensions.

FREE TRADE:

- Signed **NAFTA** into law, December 8, 1993.
- Signed **GATT** into law, December 8, 1994.
- Secured free-trade commitments from **Asia-Pacific Economic Cooperation** (APEC) leaders.
- Hosted **Summit of the Americas** and agreed to negotiate a Free Trade Area of the Americas by 2005
- Developed **National Export Strategy**, eliminating export controls on $35 billion in exports.
- Reinstituted **Super 301** in order to eliminate major trade barriers around the world.
- Opened Japan's **cellular telephone, construction and apple markets.**

ENVIRONMENT:

- Introduced a **Climate Change Action Plan.**
- Passed the **California Desert Protection Act.**
- Developed a **Forest Management Plan** for the Pacific Northwest.
- Signed **environmental executive orders** to ensure a "green" federal government.
- Signed the **Biodiversity Convention.**
- Issued an Executive Order on **environmental justice.**
- Introduced comprehensive **Safe Drinking Water** and **Clean Water Act** reforms.
- Developed a plan to **restore Florida's Everglades.**
- Developed a plan to allow logging and preserve **old-growth forests** in the Northwest.
- Developed a consensus plan for the allocation of **California water.**

HEALTH CARE:

- Introduced the **Health Care Security Act**, November 20, 1993.
- Signed the **Family and Medical Leave Act,** February 5, 1993.
- Signed a comprehensive **Child Immunization Plan.**
- Revoked the Reagan/Bush restrictions on **abortion** counseling (**"the gag rule"**), abortions in military hospitals, "Mexico City" policy and RU-486 imports.
- Increased **Ryan White CARE Act** funding for outpatient **AIDS care** by $231 million.
- Put the **Women, Infants and Children** Program (WIC) on a full-funding path.

COMMUNITY & ECONOMIC DEVELOPMENT:

- Created nine Economic **Empowerment Zones** and 95 **Enterprise Communities.**
- Signed the **Community Development Banking Bill**, September 23, 1994.
- Signed the **Interstate Banking Bill.**
- Introduced the **Housing and Community Development Act** of 1993.
- Instituted the **Defense Reinvestment and Conversion Initiative.**
- Delivered over $9.5 billion in Federal aid for California **earthquake relief.**

FAMILIES AND CHILDREN:

- Expanded the **Earned Income Tax Credit** by $21 billion over five years.
- Introduced the **Work and Responsibility Act** - comprehensive welfare reform.
- Passed the **Family Support and Preservation** Program.
- Issued the **Federal Plan to End Homelessness.**
- Passed major funding increases for **homeless programs** in both Houses.
- Approved **24 waivers** to states permitting comprehensive **welfare reform** demonstrations.
- Signed the **Social Security Independent Agency Act.**

POLITICAL REFORM:

- Signed the National Voter Registration Act (**Motor-Voter**), May 20, 1993.
- Eliminated the tax deduction for **lobbying** expenses.
- Imposed strictest Administration **ethics guidelines** in history.
- Fought for passage of **Campaign Finance Reform.**
- Fought for passage of **Lobbying Disclosure Bill.**

CLINTON ADMINISTRATION LEGISLATIVE ACCOMPLISHMENTS

MAJOR LEGISLATIVE VICTORIES:

Below is a list of some of the most important legislation the Clinton Administration has passed:

- **Family and Medical Leave Act, February 5, 1993.**
  This is an historic effort to allow working Americans unpaid time off work to care for a sick relative or a new child. Over 42 million workers are covered by the new law and it is estimated that as many as 2.5 million workers will take advantage of it annually.

- **Economic Package, August 10, 1993.**
  Evenly balanced between spending cuts and revenue increases, the President's five-year deficit reduction plan is largely responsible for reducing the deficit by $708.4 billion -- $500 billion from policy changes and the rest from strengthening the economy and technical improvements. The greater economic security has caused interest rates to drop, stimulating the economic recovery. *One of the largest deficit reduction plans ever, the Clinton deficit reduction will halve the deficit as a percentage of GDP by 1995.*

- **Student Loan Reform Act, August 10, 1993.**
  The new direct student loan program will enable 20 million borrowers to consolidate their guaranteed loans into direct loans. Borrowers will benefit from lower fees and the option of income contingent repayment -- taxpayers will save at least $4.3 billion over five years.

- **Empowerment Zones and Enterprise Communities, August 10, 1993.**
  After a decade of failed attempts, President Clinton championed the passage of this legislation, which uses tax incentives and flexible grants to promote economic empowerment and private-sector job creation in 104 distressed communities across America. Over 500 communities took up the "EZ" challenge, developing comprehensive strategies and forging unprecedented partnerships for community renewal that made all applicants winners.

- **National Service Act, September 21, 1993.**
  In 1994, 20,000 AmeriCorps members (more than served during the largest year of the Peace Corps) tutored students, immunized children, reclaimed parks and patrolled streets -- and in return received education awards that make college or job training more affordable. AmeriCorps is scheduled to increase to 33,000 members in FY1995, with a total over the first three years of 100,000 Americans serving our country.

- **The Brady Act, November 30, 1993.**
  After stalling for several years in Congress, the Brady Bill became law under the leadership of President Clinton. The Act requires a five-day waiting period during which all potential handgun purchasers are required to submit to a background check. $100 million has been appropriated for implementation in FY1995 and another $50 million is authorized for the next fiscal year.

- **NAFTA, December 8, 1993.**
  The Administration forged a bipartisan coalition to pass NAFTA, after concluding tough negotiations on side agreements covering workers' rights, the environment and import surges. Exports to Mexico rose 23% in the first 11 months of 1994.

Data updated through January 16, 1995.

- **Federal Workforce Restructuring Act, March 30, 1994.**
  As a component of the National Performance Review, this act is part of a process that will help streamline the federal government and improve the quality of federal government services. When the President and Vice President's plan to reinvent government is fully implemented, the federal workforce will have been reduced by over 272,000 workers and will be at its lowest level since the Kennedy Administration.

- **Goals 2000: Educate America Act, March 31, 1994.**
  The Goals 2000 bill codifies the National Education Goals and offers grants to states that commit themselves to specific plans for systemic reform of K-12 education. Already 41 states and territories have received federal grants. Funding for Goals 2000 in FY1995 will be $403 million.

- **School-to-Work Act, May 4, 1994.**
  A crucial element of the Administration's lifelong learning agenda, this landmark legislation will provide venture capital to spark a nationwide system for moving America's young people smoothly from the classroom to a job with a future. This year, all states, plus the District of Columbia and Puerto Rico, have received funds for planning their school-to-work programs and eight states and 15 localities will receive grants to implement their programs.

- **The Crime Bill, September 13, 1994.**
  The $30 billion Crime Bill attacks crime by adding 100,000 police officers, funding comprehensive prevention programs and building more prisons. The legislation also includes strong punishment for criminals by expanding the number of offenses eligible for the death penalty and implementing "three-strikes-and-your-out" for repeat violent offenders.

- **Assault Weapons Ban, September 13, 1994.**
  President Clinton successfully challenged gun interests to ban 19 specific types of deadly assault weapons while simultaneously protecting hunters rights by exempting over 650 hunting rifles.

- **Community Development Banking and Financial Institutions Act, September 23, 1994.**
  The legislation creates a national network of non-traditional grassroots community lending institutions and will inject $4.8 billion of capital into economically distressed urban and rural areas.

- **Interstate Banking Act, September 29, 1994.**
  This legislation, which had been languishing in Congress for more than a decade before the Clinton Administration made it a priority, will eliminate most of the remaining barriers to efficient nationwide banking. By allowing banks to locate branches across state boundaries, it will make banking more efficient and increase the convenience of banking for private consumers.

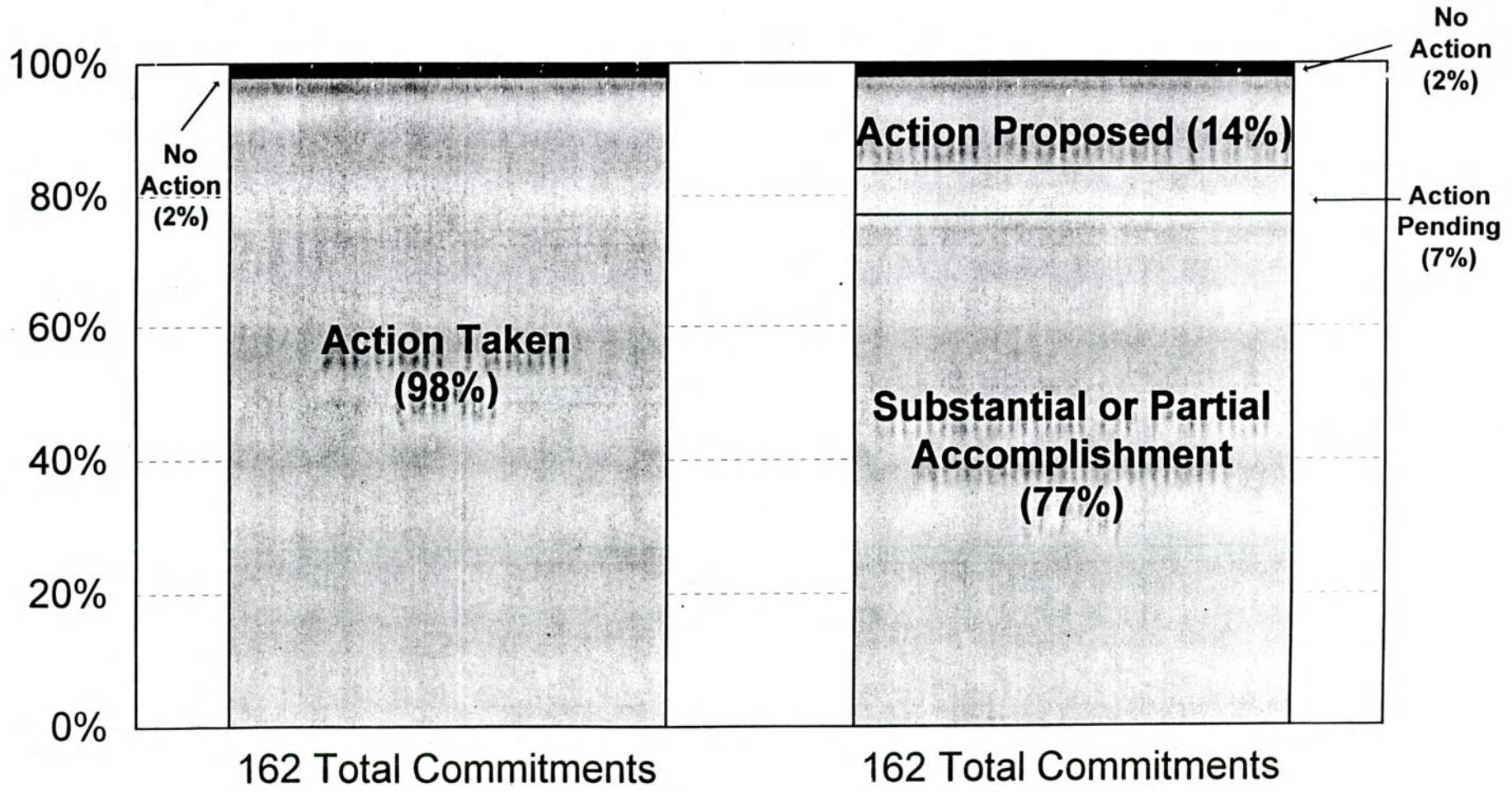
- **The Uruguay Round of GATT, December 8, 1994.**
  President Clinton forged a bi-partisan coalition to pass this agreement, which lowers tariffs worldwide by $744 billion over ten years -- the largest international tax cut in history. It also cuts foreign tariffs on manufactured products by more than one-third overall and eliminates tariffs in major markets in a number of sectors in which the U.S. is particularly competitive. When fully implemented in 2004, the Uruguay Round agreement will add $100 to $200 billion per year to the U.S. GDP.

Data updated through January 16, 1995.

INSERT NSC ACCOMPLISHMENTS PAGE

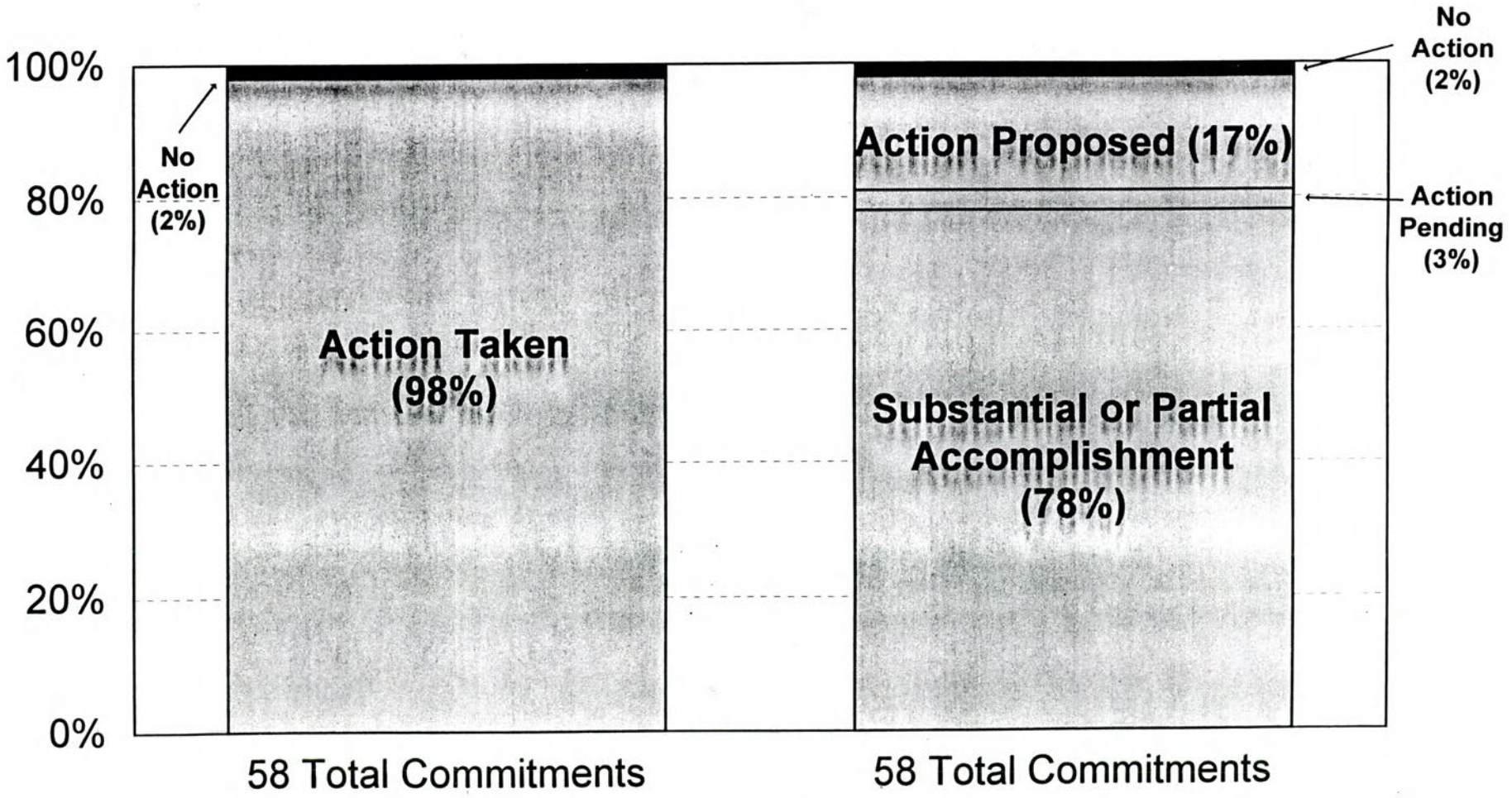
Promises from *The Washington Post*

Progress Report



Promises from *Putting People First*

Progress Report



Progress Report: Clinton Campaign Promises from The Washington Post

	Total Commit-ments	Action Taken	Substantial or Partial Accomp.	Action Pending	Action Proposed	No Action
Commitments from *The Washington Post*	162	**158** **98%**	124 77%	12 7%	22 14%	4 2%
Categories Specified by *The Washington Post*						
Abortion	6	**6** **100%**	4 67%	0 0%	2 33%	0 0%
Agriculture	2	**2** **100%**	2 100%	0 0%	0 0%	0 0%
AIDS	6	**5** **83%**	5 83%	0 0%	0 0%	1 17%
Arms Control	6	**6** **100%**	6 100%	0 0%	0 0%	0 0%
Arts	1	**1** **100%**	1 100%	0 0%	0 0%	0 0%
Budget	2	**2** **100%**	1 50%	1 50%	0 0%	0 0%
Cities	5	**5** **100%**	4 80%	1 20%	0 0%	0 0%
Civil Rights	3	**3** **100%**	1 33%	1 33%	1 33%	0 0%
Crime and Drugs	9	**9** **100%**	9 100%	0 0%	0 0%	0 0%
Defense	10	**10** **100%**	9 90%	1 10%	0 0%	0 0%
Economy and Jobs	11	**10** **91%**	9 82%	1 9%	0 0%	1 9%
Education	13	**12** **92%**	11 85%	0 0%	1 8%	1 8%

Progress Report: Clinton Campaign Promises from The Washington Post

	Total Commit-ments	Action Taken	Substantial or Partial Accomp.	Action Pending	Action Proposed	No Action
Election and Government	12	**12** **100%**	7 58%	0 0%	5 42%	0 0%
Energy and Environment	16	**15** **94%**	13 81%	1 6%	1 6%	1 6%
Family Planning	1	**1** **100%**	1 100%	0 0%	0 0%	0 0%
Families	3	**3** **100%**	2 67%	1 33%	0 0%	0 0%
Health Care	10	**10** **100%**	2 20%	0 0%	8 80%	0 0%
Housing	8	**8** **100%**	7 88%	0 0%	1 13%	0 0%
Immigration	4	**4** **100%**	3 75%	1 25%	0 0%	0 0%
International Relations	10	**10** **100%**	9 90%	1 10%	0 0%	0 0%
Poverty and Welfare	2	**2** **100%**	0 0%	0 0%	2 100%	0 0%
Social Security	3	**3** **100%**	1 33%	2 67%	0 0%	0 0%
Space	6	**6** **100%**	6 100%	0 0%	0 0%	0 0%
Taxes	6	**6** **100%**	5 83%	0 0%	1 17%	0 0%
Trade	4	**4** **100%**	4 100%	0 0%	0 0%	0 0%
Veterans	3	**3** **100%**	2 67%	1 33%	0 0%	0 0%

Progress Report: Clinton Campaign Promises from Putting People First

	Total Commit-ments	Action Taken	Substantial or Partial Accomp.	Action Pending	Action Proposed	No Action
Commitments from *Putting People First*	58	**57** **98%**	45 78%	2 3%	10 17%	1 2%
Excluding Health Care	51	**50** **98%**	44 86%	2 4%	4 8%	1 2%
Categories Specified by *Putting People First*						
National Economic Strategy	1	**1** **100%**	1 100%	0 0%	0 0%	0 0%
Putting Americans to Work	24	**24** **100%**	23 96%	1 4%	0 0%	0 0%
Rewarding Work and Family	5	**5** **100%**	3 60%	0 0%	2 40%	0 0%
Lifelong Learning	11	**10** **91%**	10 91%	0 0%	0 0%	1 9%
Health Care	7	**7** **100%**	1 14%	0 0%	6 86%	0 0%
A Revolution in Government	10	**10** **100%**	7 70%	1 10%	2 20%	0 0%

THE FEDERAL PAGE

CLINTON'S PLEDGES

What a candidate would promise as much as President-elect Clinton did last year might be surprising after one broken campaign pledge—"Read my lips: no new taxes" —caused his predecessor so many problems.

But as Democratic rival Paul E. Tsongas showed with his 85-page policy manifesto during the early primaries, voters wanted detailed answers to their questions. "Specificity is the character issue of 1992," George Stephanopoulos, Clinton's communications director, said before last year's New Hampshire primary.

This year's character question for Clinton may be keeping his word. Even before the inauguration, his administration-in-waiting took hits for waffling on pledges to oppose gasoline taxes, reduce the federal budget deficit, protect Haitian refugees, cut White House staff and cut taxes for the middle class.

What follows are some of the main proposals candidate Clinton advanced during last year's campaign.

—Mark Stencel

ABORTION

- Pass the Freedom of Choice Act that protects abortion rights but allows some state restrictions, such as parental notification.
- Overturn laws prohibiting federal abortion funding.
- Repeal Bush administration rules restricting abortion counseling in clinics that receive federal funds.
- Protect women seeking abortions and health care workers from antiabortion protesters.
- Reauthorize federal family planning programs.
- Allow testing of RU-486 abortion pill.

AGRICULTURE

- Open new markets for U.S. products, particularly in Eastern Europe and the former Soviet republics.
- Expand international food aid programs.

AIDS

- Increase funding for research, treatment and prevention.
- Appoint a policy coordinator to enact recommendations of the National Commission on AIDS.
- Speed up federal drug approval process.
- Fully fund the Ryan White CARE Act.
- Launch frank education and prevention program and support local efforts to distribute condoms in schools.
- End AIDS-related immigration and travel restrictions.

ARMS CONTROL

- Ratify START I and START II treaties.
- Use sanctions to seek stronger export controls from countries with technologies for nuclear and other arms.
- Prevent foreign governments from using agricultural and other non-military aid on weapons.
- Enable the International Atomic Energy Agency to conduct more inspections to stop nuclear proliferation.
- Press countries to join the Missile Technology Control Regime.
- Seek Comprehensive Test Ban Treaty and an international agreement banning chemical weapons.

THE ARTS

- Oppose restrictions on grants from the National Endowment for the Arts based on content.

THE BUDGET

- Halve the annual federal budget deficit in four years, from the $323 billion gap first projected by the Congressional Budget Office for 1993 to $141 billion in 1996.*
- Seek a line-item veto to cut wasteful spending.

CITIES

- Offer tax and regulatory incentives to businesses that create jobs in urban enterprise zones.
- Provide funding and block grants to improve infrastructure.
- Create a network of 100 community development banks to aid low-income entrepreneurs and homeowners.
- Revise local reinvestment requirements for commercial banks.
- Allow cities to spend 15 percent of their federal aid on local priorities.

CIVIL RIGHTS

- Oppose racial quotas.
- Support and seek passage of an Equal Rights Amendment and federal civil rights laws for homosexuals that exempts religious organizations.
- Raise caps on damages in workplace discrimination cases.

CRIME AND DRUGS

- Put 100,000 new police officers to work and expand community policing.
- Create a National Police Corps to put military personnel and unemployed veterans to work in law enforcement.
- Have first-time, nonviolent offenders serve out their sentences in community boot camps.
- Enact tough penalties for assaults against women and children to deter domestic violence.
- Increase federal funding for school-based and community drug education programs and treatment clinics.
- Provide federal matching funds for crime prevention in hard-hit communities.
- Impose a five-day waiting period on handgun purchases, ban assault weapons with no legitimate hunting purpose, and limit access to multiple-round clips.
- Seek jail terms for serious white-collar criminals in "real prisons, not high-tech summer camps."
- Crack down on hate crimes.

DEFENSE

- Save $100 billion in defense spending over 5 years, or $60 billion more than the Bush administration proposed.
- Cut military personnel by offering voluntary early retirement and pro-rated pensions for those who have served 15 to 20 years.
- Pay retiring personnel for a year of retraining.

- Build fleet of C-17 cargo planes to expand sea- and airlift capabilities and enhance rapid-deployment forces.
- Reduce U.S. forces in Europe to 75,000-100,000 troops but maintain commitment to NATO.
- Maintain U.S. military presence in Korea.
- Maintain 10 carrier battle groups instead of 12.

- Develop short- and medium-range missile defenses and continue research on limited long-range missile defenses.
- Cut spending on large, space-based missile defenses.
- Reverse ban on homosexuals in the military.

THE ECONOMY AND JOBS

- Create a National Economic Council.
- End tax incentives that encourage companies to export plants and jobs.
- Provide investment tax credits to companies that invest in U.S.-based plants and American-made equipment.
- Make foreign companies with businesses in the United States pay the same taxes as U.S. companies.
- Offer a 50 percent tax exclusion to those who make long-term investments in new businesses.
- Create a $20 billion-a-year fund for spending on transportation and roads, communications and information networks, and environmental technology.
- Make business tax credits for research and development permanent.
- Develop new commercial technologies through a new civilian research and development agency.
- Raise the minimum wage to keep pace with inflation.
- Limit deductions for executive pay.
- Allow businesses to deduct bonus and severance packages for executives only if other employees are offered similar packages.

EDUCATION

- Create a national service program that allows college students to repay federal loans with community work.
- Fully fund Head Start and other programs recommended by the National Commission on Children.
- Enact national standards for public schools to be measured with examinations on core subjects.
- Help students not going to college develop job skills through a national apprenticeship program.
- Require employers to spend 1.5 percent of payroll costs on education and training for all workers.
- Encourage competition in education by giving parents public school choice.
- Increase Chapter One funding to "level the playing field" for disadvantaged students.
- Give school systems flexibility to use federal funds to reduce class sizes or as they see fit.
- Develop programs that help disadvantaged parents work with their children on school assignments.
- Provide funds for security and metal detectors at schools that need them.
- Require large federal contractors to sponsor jobs and after-school employment for disadvantaged youths.
- Promote bilingual education programs in which students learn core subjects in their native languages while also studying English.

ELECTIONS AND GOVERNMENT

- Support District of Columbia statehood.
- Voluntarily cap spending in congressional races and reduce contributions from Political Action Committees from $5,000 to the $1,000 limit on individuals.
- End unlimited "soft money" contributions to parties.
- Restrict prices on TV ad time for candidates.
- Sign the "Motor Voter Act."
- Require lobbyists to disclose contributions to members of a congressional committee before they can testify.
- End tax breaks for lobbying expenses.
- Make top appointees pledge not to lobby agencies within their jurisdiction for five years after leaving office.
- Reduce the White House staff by 25 percent and cut 100,000 federal jobs through attrition.
- Cut 3 percent in agency administrative costs.
- Appoint more women and minorities to government jobs.

ENERGY AND THE ENVIRONMENT

- Oppose increasing federal excise gas taxes or increased reliance on nuclear power.
- Raise Corporate Average Fuel Economy standards for auto makers from 27.5 miles per gallon to between 40 and 45.
- Convert federal vehicle fleet to natural gas.
- Encourage renewable and alternative energy projects with tax incentives.
- Use highway spending to encourage car pooling and mass transit.
- Change regulations, and building standards, to make energy efficiency profitable for utilities and consumers.
- Curb industrial and toxic emissions and expand markets for recycled products with tax incentives.
- Enforce environmental laws with jail terms for corporate polluters when necessary.
- Push utilities to consider social and economic costs of fuel sources with incentives to adopt least-cost planning.
- Protect expanded Arctic National Wildlife Refuge in Alaska from drilling.
- Require companies to recover some of the waste they generate or buy "credits" from companies that do.
- Pass Clean Water Act that includes incentives to reduce "non-point-source" pollution from household chemicals, pesticides and other substances.
- Allow citizens to sue federal agencies for ignoring environmental laws and regulations.
- Stick to "no net loss" wetlands policy.
- Limit carbon dioxide emissions to 1990 levels by 2000.
- Push major banks to reduce debt burdens on developing nations in exchange for land conservation efforts.
- Allow U.S. funds to support international family planning and population control efforts.

FAMILIES

- Pass a Family and Medical Leave Act giving workers 12 weeks of unpaid time off a year to care for newborn children or sick relatives.
- Crack down on parents who avoid child support.
- Create a child care network like the network of public schools and enforce new standards on child care facilities.

HEALTH CARE

- Provide coverage to all Americans with cost controls and by requiring employers to buy private insurance or pay into a public system.
- Allow people to choose services from competing local networks of insurers, hospitals, clinics and doctors, who will be paid a fixed rate.
- Provide a core benefits package that includes ambulatory physician and inpatient hospital care, prescription drugs, basic mental health coverage, and expanded access to preventative treatments and routine screenings.
- Create a board of consumers, providers and representatives from government, business and labor to establish a core package of benefits and annual health budget targets.
- Require insurers to cover individuals with any pre-existing conditions, charge all businesses in a community the same rate, and streamline billing practices to cut administrative costs.
- Phase in requirements for small employers until costs are reduced.
- Allow small employers to pool to receive more favorable rates from insurers.
- Eliminate tax breaks for prescription drug manufacturers whose prices increase faster than incomes.
- Expand Medicare benefits for the elderly and disabled to include more options for long-term care.

HOUSING

- Hold a Housing and Homelessness Summit with urban leaders to develop poverty and housing programs.
- Transfer 10 percent of all federal housing to churches and other non-profit community groups for the homeless.
- Use housing at closed military bases for the homeless.
- Provide federal support to programs that restore old housing to sell to low-income home buyers.
- Attract investment with a permanent Low Income Housing Tax Credit.
- Provide increased federal funding for maintenance of existing public housing.
- Raise the ceiling on Federal Housing Authority mortgage insurance to 95 percent of the price of a home in average metropolitan areas.
- Expand local authority to make more low-income rental units available through the HOME Program.

IMMIGRATION

- Give temporary asylum to political refugees from Haiti until that country's elected government is restored.
- Cut the two-year waiting period for people seeking visas to the United States who are separated from immediate family members and reduce the backlog of extended family members in similar situations.
- Close "sweat shops" and "abusive farm labor contractors" that rely on illegal immigration.
- Use trade agreements with Latin American neighbors to raise wages in that region, discourage immigration and protect U.S. jobs.

INTERNATIONAL RELATIONS

- Link most-favored-nation trading status for China with progress on human rights and nuclear proliferation.
- Seek U.N. authorization for air strikes against forces that disrupt relief efforts in Bosnia while using U.S. and European naval forces to tighten economic sanctions against Serbia and Montenegro.
- End reported atrocities in Serbian detention camps with international military force if necessary, and punish those responsible for atrocities in Bosnia under international law.
- Get full accounting of POWs and MIAs before normalizing relations with Vietnam.
- Increase political and economic pressure on Haiti's current leadership to restore that country's democratically elected government.
- Encourage more private investment in the former Soviet Union.
- Guarantee loans for Israel to help settle Soviet Jews.
- Recognize Jerusalem as the capital of Israel and oppose the creation of an independent Palestinian state.
- Modify foreign aid programs to promote democracy.
- Establish Radio Free Asia.

POVERTY AND WELFARE

- Require welfare recipients who can work to find jobs or repay services with work in the community after two years of expanded assistance and training.
- Create optional Individual Development Accounts for low-income Americans to encourage savings with federal matching funds.

SOCIAL SECURITY

- Raise earning limitations so recipients can collect more income along with their benefits.
- Consider higher taxes on benefits for wealthier recipients.
- Ensure system's solvency.

SPACE

- Launch more ventures with Europe, Japan and Russia.
- Maintain NASA's fleet of space shuttles and continue building Space Station Freedom.
- Develop new, less costly launch systems.
- Increase environmental research through NASA's "Mission to Planet Earth."
- Continue to use unmanned probes and robots to explore other planets.
- Back away from Bush plans for exploration of the moon and Mars by U.S. astronauts, but continue scientific studies for internationally financed missions.

TAXES (Personal)

- Raise tax rates on joint-filers whose adjusted gross incomes are more than $200,000 or individuals whose AGIs are more than $150,000.
- Increase the Alternative Minimum Tax rate from 24 to 26 or 27 percent.
- Require millionaires to pay a 10 percent surtax.
- Offer middle-class families $60 billion in tax cuts over four years in the form of a $300 tax cut per couple or a $300 per child tax credit.
- Increase the Earned Income Tax Credit for the working poor.

TRADE

- Continue international talks to renew the General Agreement on Tariffs and Trade while strengthening U.S. "Super 301" laws to punish nations with unfair trading practices unilaterally.
- Support the North American Free Trade Agreement as long as other accords can be reached on the environment and labor standards.
- Ban U.S. trade negotiators and all senior administration officials from working as lobbyists for foreign governments or businesses.

VETERANS

- Oppose opening VA hospitals to non-veterans.
- Decrease waiting periods for outpatient care.
- Notify disabled veterans of benefit changes in advance.

* [illegible] Bush administration budget projections [illegible] 1996 deficit at $264 billion, or $73 billion more than the [illegible] Clinton [illegible] during the campaign.

[illegible]

[illegible] The Washington Post

DRAFT

CLINTON POLICY PROMISES
From *The Washington Post*

January 1995

1/16/95 8pm

PROMISE	STATUS	LATEST POLICY/RESULT
ABORTION: Pass the Freedom of Choice Act that protects abortion rights but allows some state restrictions, such as parental notification.	PROPOSED	Freedom of Choice Act did not pass in Congress.
ABORTION: Overturn laws prohibiting federal abortion funding.	PARTIAL ACCOMPLISHMENT	Federal law requires Medicaid to pay for abortions for poor women in cases of rape or incest. Congress added rape and incest authorization to life of the woman abortion funding.
ABORTION: Repeal Bush administration rules restricting abortion counseling in clinics that receive federal funds.	SUBSTANTIAL ACCOMPLISHMENT	Repealed by Presidential Memorandum January 22, 1993.
ABORTION: Protect women seeking abortions and health care workers from antiabortion protesters.	SUBSTANTIAL ACCOMPLISHMENT	Signed and enforcing Clinic Access Law.
ABORTION: Reauthorize federal family planning programs.	PROPOSED	Reauthorization is up for consideration in 1995.
ABORTION: Allow testing of RU-486 abortion pill.	SUBSTANTIAL ACCOMPLISHMENT	Clinical testing of RU-486 is now in progress in the U.S.
AGRICULTURE: Open new markets for U.S. products, particularly in Eastern Europe and the former Soviet republics.	SUBSTANTIAL ACCOMPLISHMENT	• Enacted Freedom Support Act which authorized expanded Food for Peace program in the Former Soviet Union. • Opened up Japanese and Korean rice markets. Opened apple markets in Japan and China to US producers. • Passed and signed NAFTA which will increase annual exports by $2.5 billion when fully implemented. • Passed and signed GATT which will increase annual exports by $8.7 billion when fully implemented.
AGRICULTURE: Expand international food aid programs.	SUBSTANTIAL ACCOMPLISHMENT	• Announced $800 million Food for Progress program expanding U.S. agricultural exports to Russia. • Food aid extended to countries including Angola, Ethiopia, Congo, Croatia, Macedonia and Mozambique.
AIDS: Increase funding for research, treatment and prevention.	SUBSTANTIAL ACCOMPLISHMENT	• Increased Ryan White CARE Act funding for outpatient AIDS care by $231 million to $579 million for FY94 • Proposed a 20% increase in NIH spending for AIDS research. Received $633 million for FY95, an 83% percent increase.
AIDS: Appoint a policy coordinator to enact recommendations of the National Commission on AIDS.	SUBSTANTIAL ACCOMPLISHMENT	• Appointed first ever AIDS czar to focus on consolidating federal resources and funds to find a cure and address issues surrounding AIDS.
AIDS: Speed up federal drug approval process.	PARTIAL ACCOMPLISHMENT	• Set up the National Task Force on AIDS Drug Development to Create a public-private sector partnership to speed AIDS drugs to market. • The FDA has approved or provided new labeling indications for six products for HIV and related condition.

PROMISE	STATUS	LATEST POLICY/RESULT
AIDS: Fully fund the Ryan White CARE Act.	SUBSTANTIAL ACCOMPLISHMENT	• Increased Ryan White CARE Act funding for outpatient AIDS care by $231 million to $579 million for FY94. • Proposed a 20% increase in NIH spending for AIDS research. Received $633 million for FY95, an 83% percent increase.
AIDS: Launch education and prevention program and support local awareness and prevention efforts to distribute condoms in schools.	PARTIAL ACCOMPLISHMENT	• Instituted community prevention planning for greater local control over HIV education efforts. • Began Prevention Marketing Initiative aimed at young adults to change HIV risk behaviors, including ads promoting both abstinence and consistent use of latex condoms. • Issued memorandum to heads of executive departments and agencies instructing them to implement ongoing HIV/AIDS education and prevention programs and to develop nondiscriminatory workplace policies for employees with HIV/AIDS. • Began National AIDS Awareness Advertising Campaign in January 1994.
AIDS: End AIDS-related immigration and travel restrictions.	NO ACTION	Congress has mandated continuation of this policy.
ARMS CONTROL: Ratify START I and START II treaties.	*PARTIAL ACCOMPLISHMENT*	• *START I is in force.* • *START II hearings will begin in February.*
ARMS CONTROL: Use sanctions to seek stronger export controls from countries with technologies for nuclear and other arms.	*SUBSTANTIAL ACCOMPLISHMENT*	• *Sanctioned China and Pakistan for missile sales and Thailand for chemical weapons-related exports to Libya. Sanctioning Russia for Arms sales to Iran.* • *Provided export-control assistance to numerous countries, including Russia and the NIS and Central European States.*
ARMS CONTROL: Prevent foreign governments from using agricultural and other non-military aid on weapons.	*SUBSTANTIAL ACCOMPLISHMENT*	*Vigorously enforced prohibition on using non-military aid for military purposes.*
ARMS CONTROL: Enable the International Atomic Energy Agency to conduct more inspections to stop nuclear proliferation.	*SUBSTANTIAL ACCOMPLISHMENT*	• *Increased IAEA funding .* • *Reached an Agreed Framework with North Korea that halts and will eventually eliminate its nuclear weapons program and that eases full IAEA access to nuclear sites.*
ARMS CONTROL: Press countries to join the Missile Technology Control Regime.	*SUBSTANTIAL ACCOMPLISHMENT*	*Concluded agreements with Russia, Ukraine, and China to abide by MTCR guidelines. Hungary and Argentina have joined the MTCR and Brazil has committed itself publicly to adhere to the MTCR guidelines.*
ARMS CONTROL: Seek Comprehensive Test Ban Treaty and an international agreement banning chemical weapons.	*PARTIAL ACCOMPLISHMENT*	*Suspended nuclear testing and began work with other governments to achieve a Comprehensive Test Ban Treaty by 1996. Obtained Senate approval for Open Skies Treaty and sent to Senate the Chemical Weapons Convention, which would ban an entire class of weapons of mass destruction.*
ARTS: Oppose restrictions on grants from the National Endowment for the Arts based on content.	SUBSTANTIAL ACCOMPLISHMENT	No content restrictions on NEA grants have been imposed.
BUDGET: Halve the annual federal budget deficit in four years, from the $323 billion gap first projected by the Congressional Budget Office for 1993 to $ 141 billion in 1996.*	SUBSTANTIAL ACCOMPLISHMENT	President Clinton signed into law the largest deficit reduction plan in history August 10, 1993. Under the plan: • the deficit, as a percentage of GDP, will be cut by more than one-half from 4.9% in 1992 to 2.4% in 1995; • the deficit will drop by more than $700 billion dollars over 5 years; and • the deficit will drop 3 years in a row for the first time since Harry Truman was President.
BUDGET: Seek a line-item veto to cut wasteful spending.	PROPOSED	• In the 104th Congress, President Clinton is supporting the strongest version of the line item veto, with the broadest scope and effective immediately. • In the 103rd Congress, President Clinton supported expedited rescission authority, which was adopted in the House but never reached the full Senate for consideration.

PROMISE	STATUS	LATEST POLICY/RESULT
CITIES: Offer tax and regulatory incentives to businesses that create jobs in urban enterprise zones.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton proposed and signed into law legislation for empowerment zones in August 1993 that will award $3.5 billion to 104 empowerment zones and enterprise communities. President Clinton announced in December 1994 which communities will be designated Empowerment Zones in 1995: (1) 6 urban communities will each receive $100 million in block grants and business tax breaks; and (2) 3 rural communities will receive $40 million in assistance and block grants.
CITIES: Provide funding and block grants to improve infrastructure.	SUBSTANTIAL ACCOMPLISHMENT	• $300 million has been appropriated for the new Economic Development Initiative (EDI) of the FY 95 budget which will provide grants to assist financing of economic development projects. • FY 96 budget calls for reinventing HUD, which will involve creating new flexible block grants for community economic development and consolidating a number of current formula-based and competitive programs.
CITIES: Create a network of 100 community development banks to aid low-income entrepreneurs and homeowners.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton proposed and signed into law the Community Development and Regulatory Improvement Act in August 1994 which authorizes $500 million to encourage a network of new and existing Community Development Banks and Financial Institutions (CDFIs) across the country. The Treasury Department projects that the act will: • lead to approximately $5 billion in new credit for economically distressed communities; • provide financial and technical support for as many as 75 new insured community development banks; and • support as many as 916 new well-capitalized community development corporations and over 4,000 community development loan funds.
CITIES: Revise local reinvestment requirements for commercial banks.	PENDING	The federal banking regulatory agencies, at the request of the Clinton Administration, are in the process of approving final regulations which will: • provide clearer and more objective evaluation standards; • eliminate unnecessary documentation requirements; and • improve the consistency of the Community Reinvestment Act examinations and enforcement efforts.
CITIES: Allow cities to spend 15 percent of their federal aid on local priorities.	PENDING	The Reinventing Government plan would give local governments more flexibility in how they spend federal aid.
CIVIL RIGHTS: Oppose racial quotas	SUBSTANTIAL ACCOMPLISHMENT	Continue to oppose racial quotas.
CIVIL RIGHTS: Support and seek passage of an Equal Rights Amendment and federal civil rights laws for homosexuals that exempts religious organizations.	PROPOSED	Testified on behalf of Senate legislation in the 103rd Congress.
CIVIL RIGHTS: Raise caps on damages in workplace discrimination cases.	PROPOSED	Endorsed House and Senate bills in the 103rd Congress.
CRIME AND DRUGS: Put 100,000 new police officers to work and expand community policing.	SUBSTANTIAL ACCOMPLISHMENT	The President proposed and signed the Crime Bill, which will: • Put 100,000 new police officers on the street. More than 1,200 communities have already received grants to hire nearly 10,000 cops. • Promote community policing. $1.5 billion was appropriated for cities in FY95 to hire new police, if cities agree to establish a community policing plan. As much as 15% of the funds can be used to promote community policing in other ways, such as, redeploying other officers, developing new technologies, and offering specialized training to officers.
CRIME AND DRUGS: Create a National Police Corps to put military personnel and unemployed veterans to work in law enforcement.	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill created a police corps to give young people money for college and train them in community policing. A total of $100 million has been authorized for the Police Corps program and $100 million has been authorized for in-service law enforcement scholarships.

PROMISE	STATUS	LATEST POLICY/RESULT
CRIME AND DRUGS: Have first-time, nonviolent offenders serve out their sentences in community boot camps.	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill includes a grant program for state corrections agencies to build and operate correctional facilities, including boot camps to insure that additional space will be available to put - and keep - violent offenders incarcerated.
CRIME AND DRUGS: Enact tough penalties for assaults against women and children to deter domestic violence.	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill includes formula and competitive grant programs which will: • Support police and prosecutor efforts to strengthen enforcement and provide services to victims in such cases; • Authorize $325 million for battered women's shelters and other domestic violence prevention activities; • Establish a National Domestic Violence Hotline. The Crime Bill also provides for: • Prohibiting firearms sales to and possession by persons subject to family violence restraining orders; • Enhancing penalties for interstate domestic violence.
CRIME AND DRUGS: Increase federal funding for school-based and community drug education programs and treatment clinics.	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill authorizes funding for: • Education prevention and treatment programs for at-risk juveniles; • Drug Courts program ; • Enhancing the education, providing substance abuse treatment and funding job programs to prevent crimes.
CRIME AND DRUGS: Provide federal matching funds for crime prevention in hard-hit communities.	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill authorizes funding for: • The President's Prevention Council; • Rural anti-crime and drug efforts; • Local Crime Prevention Block Grant program to be distributed to local governments; • Model crime prevention programs targeted at high-crime neighborhoods; up to 15 cities will be selected.
CRIME AND DRUGS: Impose a five-day waiting period on handgun purchases, ban assault weapons with no legitimate hunting purpose, and limit access to multiple-round clips.	SUBSTANTIAL ACCOMPLISHMENT	Signed the Brady Bill into law on November 30, 1993. The Crime Bill also provides for the following: • Banning the manufacture of 19 military-style assault weapons, assault weapons with specific combat features, "copy-cat" models, and certain high-capacity ammunition magazines of more than ten rounds; • Banning imports of foreign assault pistols, such as the Uzi; • Strengthening Federal licensing standards for firearms dealers; • Increasing penalties for interstate firearms trafficking; firearms theft and smuggling and use of semi-automatic weapons; • Prohibiting the sale or transfer of a firearm to or possession of certain firearms by juveniles.
CRIME AND DRUGS: Seek jail terms for serious white-collar criminals in "real prisons, not high-tech summer camps."	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill prohibits favoritism for white-collar criminals when making prison assignments.
CRIME AND DRUGS: Crack down on hate crimes.	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill includes an increase of tough penalties for federal hate crimes.
DEFENSE: Save $ 100 billion in defense spending over 5 years, or $ 60 billion more than the Bush administration proposed.	*SUBSTANTIAL ACCOMPLISHMENT*	*The $1.241 trillion military spending plan for FY94-98 matches this pledge, as measured against the revised $1.365 trillion Bush defense budget for the same years.*
DEFENSE: Cut military personnel by offering voluntary early retirement and pro-rated pensions for those who have served 15 to 20 years.	*SUBSTANTIAL ACCOMPLISHMENT*	*Offered such benefits to certain personnel classes.*
DEFENSE: Pay retiring personnel for a year of retraining.	*PARTIAL ACCOMPLISHMENT*	*Several retraining programs have been implemented since January 1993.*

PROMISE	STATUS	LATEST POLICY/RESULT
DEFENSE: Build fleet of C-17 cargo planes to expand sea- and air-lift capabilities and enhance rapid-deployment forces.	*PARTIAL ACCOMPLISHMENT*	*Worked to ensure that C-17 manufacturers address all outstanding business issues and performance specifications; requested funds for 6 aircraft in FY95.*
DEFENSE: Reduce U.S. forces in Europe to 75,000-100,000 troops but maintain commitment to NATO.	*SUBSTANTIAL ACCOMPLISHMENT*	• *On target to cut 100,000 troops in Europe by 1997.* • *Proposed and won approval by NATO and the East European nations of a "Partnership for Peace" to adapt the alliance to our new European security requirements by offering former Soviet republics and Central/East European nations closer ties to NATO.*
DEFENSE: Maintain U.S. military presence in Korea.	*SUBSTANTIAL ACCOMPLISHMENT*	*Roughly 40,000 American troops remain in Korean theatre.*
DEFENSE: Maintain 10 carrier battle groups instead of 12.	*PARTIAL ACCOMPLISHMENT*	*The 1994 defense budget funds 11.5 carriers.*
DEFENSE: Develop short- and medium-range missile defenses and continue research on limited long-range missile defenses.	*PARTIAL ACCOMPLISHMENT*	*Requesting over $2 billion in FY95 funds to continue research.* *Begun testing on Theater High Area Air Defense/Theater Missile Defense program.*
DEFENSE: Cut spending on large, space-based missile defenses.	*SUBSTANTIAL ACCOMPLISHMENT*	*Eliminated SDI and created Ballistic Missile Defense Organizations in its place.*
DEFENSE: Reverse ban on homosexuals in the military.	*PARTIAL ACCOMPLISHMENT*	*New policy took effect February 28, 1994.*
ECONOMY AND JOBS : Create a National Economic Council.	*SUBSTANTIAL ACCOMPLISHMENT*	*Executive Order 12835 established the NEC on January 25, 1993.*
ECONOMY AND JOBS: End tax incentives that encourage companies to export plants and jobs.	SUBSTANTIAL ACCOMPLISHMENT	Two Clinton Administration initiatives have advanced this pledge: • President Clinton's Economic Plan 1993 added a provision in the Internal Revenue Code that imposes a current tax on U.S. shareholders of controlled foreign corporations that invest their earnings in an excessive amount of passive assets abroad. By reducing the opportunities for unlimited deferral, the incentive to shift plants overseas is significantly reduced; and • transfer pricing initiatives have reduced the opportunity to shift income to foreign tax havens.
ECONOMY AND JOBS: Provide investment tax credits to companies that invest in U.S.-based plants and American-made equipment.	PARTIAL ACCOMPLISHMENT	• Proposed incremental investment tax credit in 1993, but did not pass in Congress. • The President's Economic Plan increased the small business expensing limit to $17,500 from $10,000 (an increase to $25,000 was proposed). The change allows small business owners to expense 75% more of their purchases of depreciable assets, a measure that small business had sought unsuccessfully for years. The Treasury Department estimates that 1.3 million small businesses will benefit from the provision this year.
ECONOMY AND JOBS: Make foreign companies with businesses in the United States pay the same taxes as U.S. companies.	PARTIAL ACCOMPLISHMENT	July 1994 the Treasury issued final regulations governing transfer pricing. These rules, backed by severe penalties, are expected to ensure that an accurate amount of multinational company profits are subject to tax in the United States. In addition: • President Clinton's Economic Plan 1993 included a provision that will make it more difficult for multinational companies to strip earnings out of the U.S. through deductible payments such as interest; and • the Clinton Administration has budgeted significant resources to the enforcement of these rules governing transfer pricing.
ECONOMY AND JOBS: Offer a 50 percent tax exclusion to those who make long-term investments in new businesses.	SUBSTANTIAL ACCOMPLISHMENT	The Administration enacted, as part of its Economic Plan 1993, a 50% capital gains tax exclusion targeted at investments in small businesses. The provision allows investors who buy newly issued stock in small businesses and hold that stock for more than 5 years to receive a 50 percent cut in the capital gains tax on the profit from the sale of the stock.

PROMISE	STATUS	LATEST POLICY/RESULT
ECONOMY AND JOBS: Create a $20 billion-a-year fund for spending on transportation and roads, communications and information networks, and environmental technology.	PARTIAL ACCOMPLISHMENT	• President Clinton announced a five-year $20 billion Defense Reinvestment initiative in March 1993 that is centered on four major areas of new investment: (1) worker training and adjustment; (2) community reinvestment; (3) "dual-use" technologies with both commercial and military applications; and (4) new civilian technology investments that provide diversification opportunities • EPA's enacted budget for environmental technology doubled over the FY1993-FY1995 period, to $139 million. Other new funding for private sector technology partnerships are 1) U.S. Climate Change Action Program – $232 million FY1995 enacted – and 2) Partnership for a New Generation of Vehicles (Clean Car) – $269 million FY1995 enacted. • The President's FY 1996 budget will propose establishing a network of State Infrastructure Banks that will allow states to leverage federal funding, thereby achieving a greater level of investment from a given level of federal resources.
ECONOMY AND JOBS: Make business tax credits for research and development permanent.	PARTIAL ACCOMPLISHMENT	The Administration secured a three-year extension of the Research & Development tax credit, retroactive to June 30, 1992 and effective through June 30, 1995.
ECONOMY AND JOBS: Develop new commercial technologies through a new civilian research and development agency.	SUBSTANTIAL ACCOMPLISHMENT	The President has refocused defense R&D on "dual-use" technologies: • Removed the word *Defense* from DARPA's name (Defense Advanced Research Projects Agency) to reflect a new commercial focus. • Launched the Technology Reinvestment Project, the largest multi-agency technology program ever, to stimulate dual-use technology. • Increased budgetary support of civilian R&D. Funding for the Advanced Technology Program has increased from $68 million in FY93 to $450 million in FY95. • Created the National Science and Technology Council to help define and achieve science and technology goals. • Government-industry partnerships have been launched in critical technologies such as flat-panel displays, the "Clean Car", semiconductors, and environmental technologies necessary for sustainable economic development.
ECONOMY AND JOBS: Raise the minimum wage to keep pace with inflation.	PENDING	The National Economic Council is in the process of making a recommendation to the President.
ECONOMY AND JOBS: Limit deductions for executive pay.	SUBSTANTIAL ACCOMPLISHMENT	As part of his Economic Plan, President Clinton signed legislation that denies a deduction to any publicly held corporation for compensation exceeding $1 million paid to CEOs or certain other high-ranked officers. Some forms of compensation, such as qualified retirement plan contributions and performance-based awards approved by shareholders, is exempt from the cap.
ECONOMY AND JOBS: Allow businesses to deduct bonus and severance packages for executives only if other employees are offered similar packages.	NO ACTION	
EDUCATION: Create a national service program that allows college students to repay federal loans with community work.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton proposed and signed the National and Community Service Trust Act creating AmeriCorps September 21, 1993. AmeriCorps is already: • giving young people the chance to spend a year or more helping those within our communities grow safer, smarter, and healthier – while earning an award of nearly $5,000 to pay for college or job training; • engaging 20,000 Americans as AmeriCorps Members in its first year – more than the Peace Corps at its height; and • consolidating existing Federal agencies and supporting local efforts to meet community needs.
EDUCATION: Fully fund Head Start and other programs recommended by the National Commission on Children.	PARTIAL ACCOMPLISHMENT	Increased funding for Head Start by $760 million over 2 years.

PROMISE	STATUS	LATEST POLICY/RESULT
EDUCATION: Enact national standards for public schools to be measured with examinations on core subjects.	SUBSTANTIAL ACCOMPLISHMENT	Proposed and signed the GOALS 2000: Educate America Act which codifies national education goals, supports state reform efforts, including state standards. 41 states are now participating, and more will follow soon.
EDUCATION: Help students not going to college develop job skills through a national apprenticeship program.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton signed the School-to-Work Opportunities Act on May 4, 1994 that provides $250 million in 1995 for all 50 states to establish their own diverse school-to-work initiatives.
EDUCATION: Help communities open youth centers for teenagers who drop out of school.	SUBSTANTIAL ACCOMPLISHMENT	The Crime Bill includes several provisions that fulfill this promise: • the Community Schools Youth Services and Supervision effort will support academic and extracurricular programs after-school, on weekends, and in the summer for children and adolescents (For 1995, $25.9 million will be available and $567 million is authorized for 1996-2000); and • the Family and Community Endeavor Schools initiative will improve opportunities for at-risk children ($11 million is available for 1995 and $243 million is authorized for 1996-2000).
EDUCATION: Require employers to spend 1.5 percent of payroll costs on education and training for all workers.	NO ACTION	President Clinton has pursued providing training for all workers in a number of different ways: • increasing funding for reemployment services by 150 percent, enabling 400,000 more workers to participate in 1995 than in 1993; • offering individual skills assessments and help with business start-ups to those applying for unemployment services; and • helping states to plan or assemble networks of one-stop career centers to offer efficient, customer-driven access to counseling, labor-market information, job listings, training and education, and other reemployment services (about one-half of the states are doing so already).
EDUCATION: Encourage competition in education by giving parents public school choice.	SUBSTANTIAL ACCOMPLISHMENT	Passed Charter School legislation which encourages state and local decisionmaking to set up public school choice.
EDUCATION: Increase Chapter One funding to "level the playing field" for disadvantaged students.	SUBSTANTIAL ACCOMPLISHMENT	Requested an additional $500 million for FY95 bringing the total budget to $7.2 billion.
EDUCATION: Give school systems flexibility to use federal funds to reduce class sizes or as they see fit.	SUBSTANTIAL ACCOMPLISHMENT	Enacted Goals 2000 and reauthorized the Elementary and Secondary Schools Act which provide flexibility, including waivers, coupled with accountability for results.
EDUCATION: Develop programs that help disadvantaged parents work with their children on school assignments.	SUBSTANTIAL ACCOMPLISHMENT	• Signed the Elementary and Secondary Education Act reauthorization which promotes partnerships between schools and families. • Signed Head Start and Goals 2000 legislation which expand and enhance the role of parents in schools and pre-school programs. • Signed the Family Support and Family Preservation Act which authorizes $1 billion to support programs that help teach their children.
EDUCATION: Provide funds for security and metal detectors at schools that need them.	SUBSTANTIAL ACCOMPLISHMENT	Proposed and signed the Passed Safe and Drug Free Schools and Community Act and Safe Schools Act, which provide $480 million in FY95 to help schools fight violence and drug abuse. Schools can use funds for activities such as conflict resolution, after school programs, and drug prevention programs. Schools can use up to 25% of their funds to purchase metal detectors, develop safe zones, and hire school security personnel.
EDUCATION: Require large federal contractors to sponsor jobs and after-school employment for disadvantaged youths.	NO ACTION	

PROMISE	STATUS	LATEST POLICY/RESULT
EDUCATION: Promote bilingual education programs in which students learn core subjects in their native languages while also studying English.	SUBSTANTIAL ACCOMPLISHMENT	Discretionary grant program included in ESEA encourages students to learn challenging academic content while also developing English skills.
ELECTIONS AND GOVERNMENT: Support District of Columbia statehood.	PROPOSED	Supported legislation to make the District of Columbia a state.
ELECTIONS AND GOVERNMENT Voluntarily cap spending in congressional races and reduce contributions from Political Action Committees from $ 5,000 to the $1,000 limit on individuals.	PROPOSED	• Included in campaign finance reform bills supported in the 103rd Congress. • The President sent a letter to leaders of the 104th Congress urging them to pass legislation on campaign finance reform.
ELECTIONS AND GOVERNMENT: End unlimited "soft money" contributions to parties.	PROPOSED	• Included in campaign finance reform bill supported by President Clinton. Versions of the bill passed both houses. • On the first day of the current Congressional session, President Clinton called on the Congressional leadership to enact campaign finance reform measures.
ELECTIONS AND GOVERNMENT: Restrict prices on TV ad time for candidates.	PROPOSED	• Included in campaign finance reform bill supported by President Clinton. Versions of the bill passed both houses. • On the first day of the current Congressional session, President Clinton called on the Congressional leadership to enact campaign finance reform measures.
ELECTIONS AND GOVERNMENT: Sign the "Motor Voter Act."	SUBSTANTIAL ACCOMPLISHMENT	Proposed and signed the National Voter Registration Act on May 20, 1993. The Motor-Voter law makes it easier for 70 million unregistered Americans to vote by allowing them to register when they get their drivers licenses.
ELECTIONS AND GOVERNMENT: Require lobbyists to disclose contributions to members of a congressional committee before they can testify.	PROPOSED	• Proposed legislation barring lobbyists from contributing for one year to the lawmakers they contact. • The President sent a letter to leaders of the 104th Congress urging them to pass legislation on lobbying disclosure and ban gifts from lobbyists.
ELECTIONS AND GOVERNMENT: End tax breaks for lobbying expenses.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton's Economic Plan 1993 repealed the tax provision, dating back to 1962, that allowed businesses to deduct the cost of their lobbying expenses.
ELECTIONS AND GOVERNMENT: Make top appointees pledge not to lobby agencies within their jurisdiction for five years after leaving office	SUBSTANTIAL ACCOMPLISHMENT	Signed Executive Order 12834 entitlesd "Ethics Commitments by Executive Branch Appointees" on January 20, 1993 which restricts all senior appointees in executive agencies from lobbying agencies within their jurisdiction for five years after leaving office.
ELECTIONS AND GOVERNMENT: Reduce the White House staff by 25 percent and cut 100,000 federal jobs through attrition.	SUBSTANTIAL ACCOMPLISHMENT	• By September 1994, 350 White House jobs had been cut from a staff of 1,394 during the Bush Administration – a 25% reduction. • There are already 100,000 fewer federal jobs than in January 1993. Under the recommendations of the National Performance Review, the federal payroll will be cut by 272,000.
ELECTIONS AND GOVERNMENT: Cut 3 percent in agency administrative costs.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton signed Executive Order 12837 in February 1993 which requires that federal government reduce its administrative expenses 14% by FY 1997. Already, administrative costs are down by more than 3 percent.
ELECTIONS AND GOVERNMENT: Reform defense procurement and foreign aid	SUBSTANTIAL ACCOMPLISHMENT	• Signed Presidential Memorandum on Electronic Commerce to automate the procurement system. • Defense Secretary William Perry has ordered dramatic procurement reforms. • Signed the Federal Acquisition Streamlining Act of 1994. • Undertook extensive review and restructuring of foreign aid programs.
ELECTIONS AND GOVERNMENT: Appoint more women and minorities to government jobs.	SUBSTANTIAL ACCOMPLISHMENT	The President has appointed the most diverse cabinet and administration in history: • There are 6 women, 4 African-Americans & 2 Hispanics in the cabinet. • Nearly half of all appointees are women.

PROMISE	STATUS	LATEST POLICY/RESULT
ENERGY AND THE ENVIRONMENT: Oppose increasing federal excise gas taxes or increased reliance on nuclear power.	PARTIAL ACCOMPLISHMENT	• No increased reliance on nuclear power. No new nuclear power plants. • Opposed large gas tax increase, but did sign a $0.043 per gallon tax increase on transportation fuels.
ENERGY AND THE ENVIRONMENT: Raise Corporate Average Fuel Economy standards for auto makers from 27.5 miles per gallon to between 40 and 45.	PENDING	Under the Climate Action Plan, the White House convened at FACA on climate change and personal cars - "Car Talk." This is a public process aimed at developing policies designed to reduce the contribution of cars to climate change.
ENERGY AND THE ENVIRONMENT: Convert federal vehicle fleet to natural gas.	SUBSTANTIAL ACCOMPLISHMENT	• Issued an Executive Order increasing the numbers of federal vehicles that should use alternative fuels to 11,000 in 1994. • The Clean Cities program ensures the Executive Order levels will be exceeded.
ENERGY AND THE ENVIRONMENT: Encourage renewable and alternative energy projects with tax incentives.	SUBSTANTIAL ACCOMPLISHMENT	Federal partnerships launched to cost-share renewable energy deployment; 20% increase in renewable enrgy budget; and 10% investment tax credit was made permanent.
ENERGY AND THE ENVIRONMENT: Use highway spending to encourage car pooling and mass transit.	SUBSTANTIAL ACCOMPLISHMENT	Budget includes 21% increase for mass transit and light rial systems. EPA has worked with business, state and local governments on programs to encourage experimentation in transportation demanded management and trip reduction to improve air quality in the nation's most polluted areas.
ENERGY AND THE ENVIRONMENT: Change regulations, and building standards, to make energy efficiency profitable for utilities and consumers.	SUBSTANTIAL ACCOMPLISHMENT	• The administration is reaching out to American business with programs that increase energy efficiency, decrease energy use and help our international competitiveness. • Improved efficiency standards on appliances implemented, and program launched to assist states in upgrading building efficiency codes. • Dramatic increases in budget for building efficiency programs.
ENERGY AND THE ENVIRONMENT: Curb industrial and toxic emissions and expand markets for recycled products with tax incentives.	PARTIAL ACCOMPLISHMENT	• President Clinton signed an Executive Order requiring reduction of toxic emissions from federal facilities by 50 percent by 1999. • The President issued a second Executive Order requiring that all federal purchases of recycled products such as printing and writing that contains 20 percent post consumer material by the end of 1990 to expand markets for recycled products.
ENERGY AND THE ENVIRONMENT: Enforce environmental laws with jail terms for corporate polluters when necessary.	SUBSTANTIAL ACCOMPLISHMENT	• Over 200 criminal environmental cases were referred by the EPA to the Department of Justice in FY94. • Criminal charges were brought against 250 individuals and corporate defendants and 99 years of jail sentences and $36.8 million in criminal fines were assessed in FY94.
ENERGY AND THE ENVIRONMENT: Push utilities to consider social and economic costs of fuel sources with incentives to adopt least-cost planning.	SUBSTANTIAL ACCOMPLISHMENT	• President's Climate Change Action plan launched program to advocate integrated resource planning and expanded technical and financial assistance to utilities and state regulators to implement reforms. • Over 800 electric utilities comprising 80% of electricity generated in the US are signing agreements with the Department of Energy to voluntarily reduce consumers' energy use.
ENERGY AND THE ENVIRONMENT: Protect expanded Arctic National Wildlife Refuge in Alaska from drilling.	SUBSTANTIAL ACCOMPLISHMENT	There has been no further drilling in these areas.
ENERGY AND THE ENVIRONMENT: Require companies to recover some of the waste they generate or buy "credits" from companies that do.	NO ACTION	

PROMISE	STATUS	LATEST POLICY/RESULT
ENERGY AND THE ENVIRONMENT: Pass Clean Water Act that includes incentives to reduce "non-point-source" pollution from household chemicals, pesticides and other substances.	PROPOSED	Proposed to Congress a comprehensive set of Clean Water Act reforms. Congress failed to act.
ENERGY AND THE ENVIRONMENT: Allow citizens to sue federal agencies for ignoring environmental laws and regulations.	PARTIAL ACCOMPLISHMENT	• The Clean Water Act reauthorization proposal supported the right of citizens to sue the Federal Government. • In addition, the Administration has aggressively implemented the Federal Facilities Compliance Act which provides citizens with the right to sue the Federal government for violation of the nation's solid and hazardous waste laws. • Supported broadening Clean Water Act so that citizen suit authority would extend to radioactivity discharges.
ENERGY AND THE ENVIRONMENT: Stick to "no net loss" wetlands policy.	SUBSTANTIAL ACCOMPLISHMENT	Introduced Wetlands Plan to preserve wetlands.
ENERGY AND THE ENVIRONMENT: Limit carbon dioxide emissions to 1990 levels by 2000.	SUBSTANTIAL ACCOMPLISHMENT	Announced plan to limit carbon dioxide emissions to 1990 levels in the year 2000.
ENERGY AND THE ENVIRONMENT: Push major banks to reduce debt burdens on developing nations in exchange for land conservation efforts.	PENDING	Draft administration proposal under consideration.
FAMILY PLANNING: Allow U.S. funds to support international family planning and population control efforts.	SUBSTANTIAL ACCOMPLISHMENT	• Mexico City Policy revoked by Presidential Memorandum, 1/22/93, repealed ban on funding to worldwide family planning groups. • Roughly $40 million, the first funding since 1985, is in the budget.
FAMILIES: Pass a Family and Medical Leave Act giving workers 12 weeks of unpaid time off a year to care for newborn children or sick relatives.	SUBSTANTIAL ACCOMPLISHMENT	Though President Bush vetoed Family and Medical Leave legislation twice, President Clinton signed this legislation into law February 5, 1993, which offers employees 12 weeks of unpaid, job-guaranteed leave for childbirth, adoption, or personal or family illness. More than 40 million American workers will be covered under the legislation.
FAMILIES: Crack down on parents who avoid child support.	PARTIAL ACCOMPLISHMENT	• Child support enforcement has been increased and more cases will be filed by the Department of Justice. • President Clinton's Work and Responsibility Act, introduced in June 1994, includes the toughest child support provisions ever. These provisions would double child support collections to $20 billion by 2000 and place more emphasis on the responsibility of fathers, regular award updates, and the withholding of wages of those who do not regularly pay their child support.
FAMILIES: Create a child care network like the network of public schools and enforce new standards on child care facilities.	PARTIAL ACCOMPLISHMENT	• Launching nationwide effort to improve health and safety in childcare through public-private partnerships and technical assistance. • Launched 1st ever National Childcare Information Center to help share promising practices across state lines.
HEALTH CARE: Provide coverage to all Americans with cost controls and by requiring employers to buy private insurance or pay into a public system.	PROPOSED	Included in the Health Care Security Act.

PROMISE	STATUS	LATEST POLICY/RESULT
HEALTH CARE: Allow people to choose services from competing local networks of insurers, hospitals, clinics and doctors, who will be paid a fixed rate.	PROPOSED	Included in the Health Care Security Act.
HEALTH CARE: Provide a core benefits package that includes ambulatory physician and inpatient hospital care, prescription drugs, basic mental health coverage, and expanded access to preventative treatments and routine screenings.	PROPOSED	Included in the Health Care Security Act.
HEALTH CARE: Create a board of consumers, providers and representatives from government, business and labor to establish a core package of benefits and annual health budget targets.	PROPOSED	Included in the Health Care Security Act.
HEALTH CARE: Require insurers to cover individuals with any pre-existing conditions, charge all businesses in a community the same rate, and streamline billing practices to cut administrative costs.	PROPOSED	Included in the Health Care Security Act.
HEALTH CARE: Phase in requirements for small employers until costs are reduced.	PROPOSED	Included in the Health Care Security Act.
HEALTH CARE: Allow small employers to pool to receive more favorable rates from insurers.	PROPOSED	Included in the Health Care Security Act.
HEALTH CARE: Eliminate tax breaks for prescription drug manufacturers whose prices increase faster than incomes.	PARTIAL ACCOMPLISHMENT	• President Clinton proposed and signed legislation, as part of his Economic Plan 1993, that will eliminate drug price gouging. Subsequently, 17 pharmaceutical industry executives, representing two-thirds of the U.S. pharmaceutical market, agreed to hold price increases at or below the general inflation rate. • Also included in the Health Care Security Act.
HEALTH CARE: Expand Medicare benefits for the elderly and disabled to include more options for long-term care.	PROPOSED	Included in the Health Care Security Act.
HEALTH CARE: Fully fund the Women, Infants, and Children (WIC) Program	SUBSTANTIAL ACCOMPLISHMENT	President Clinton and Congress placed WIC on a full-funding path. Funding is projected to increase by $610 million from 1993 to 1995 – a 21% gain. As a result, an additional one million people will have the opportunity to get the nutrition and care they need to stay healthy.
HOUSING: Hold a Housing and Homelessness Summit with urban leaders to develop poverty and housing programs.	SUBSTANTIAL ACCOMPLISHMENT	HUD Secretary Cisneros held 18 interactive homeless forums in 18 cities and a National Housing and Community Development Conference with the Vice President attended by over 2,000 people.
HOUSING: Transfer 10 percent of all federal housing to churches and other non-profit community groups for the homeless.	SUBSTANTIAL ACCOMPLISHMENT	Support McKinney program which has continued to provide opportunity to nonprofit homeless organizations to have first bid at all surplus federal property.

PROMISE	STATUS	LATEST POLICY/RESULT
HOUSING: Use housing at closed military bases for the homeless.	SUBSTANTIAL ACCOMPLISHMENT	Backing new process that will allow for reasonable process for balancing needs for the homeless and community for closed military bases. In place at Lowry AFB, Long Beach, Ca and elsewhere.
HOUSING: Provide federal support to programs that restore old housing to sell to low-income home buyers.	SUBSTANTIAL ACCOMPLISHMENT	Included in Housing and Community Development Act, 1993
HOUSING: Attract investment with a permanent Low Income Housing Tax Credit.	SUBSTANTIAL ACCOMPLISHMENT	Permanent extension of Low Income Tax Credit and Mortgage Revenue Bonds included in OBRA '93.
HOUSING: Provide increased federal funding for maintenance of existing public housing.	SUBSTANTIAL ACCOMPLISHMENT	Increased budget from $3.2 billion in FY94 to $3.7 billion in FY95.
HOUSING: Raise the ceiling on Federal Housing Authority mortgage insurance to 95 percent of the price of a home in average metropolitan areas.	PENDING	Introduced legislation to raise ceiling in 103rd Congress. Passed House but failed in Senate.
HOUSING: Expand local authority to make more low-income rental units available through the HOME Program.	SUBSTANTIAL ACCOMPLISHMENT	HOME is funded at $2 billion for FY95.
IMMIGRATION: Give temporary asylum to political refugees from Haiti until that country's elected government is restored.	SUBSTANTIAL ACCOMPLISHMENT	Provided a safe haven at Guantanamo Naval Base for Haitians fleeing their country and restored democratic government to Haiti. Haitian refugees are now returning.
IMMIGRATION: Cut the two-year waiting period for people seeking visas to the United States who are separated from immediate family members and reduce the backlog of extended family members in similar situations.	*PENDING (check w/ State)*	
IMMIGRATION: Close "sweat shops" and "abusive farm labor contractors" that rely on illegal immigration.	SUBSTANTIAL ACCOMPLISHMENT	Enforcement in low wage industries, in which many illegal workers work, has been increased and will continue to be increased.
IMMIGRATION: Use trade agreements with Latin American neighbors to raise wages in that region, discourage immigration and protect U.S. jobs.	SUBSTANTIAL ACCOMPLISHMENT	• Passed NAFTA. • Concluded and passed a successful GATT agreement. • Agreed to negotiate a Free Trade Area of the Americas by 2005. • Held successful Summit of the Americas to strengthen and safeguard democracy and promote open-markets.
INTERNATIONAL RELATIONS: Link most-favored-nation trading status for China with progress on human rights and nuclear proliferation.	***SUBSTANTIAL ACCOMPLISHMENT? or Partial ?***	*MFN was linked to China's human rights record for a year. It was then delinked to permit additional human rights strategies including increased dialogue and rule of law programs; continued "Tienanmen Square" sanctions, a ban on munitions imports from China, and vigorous enforcement of US laws on prison labor exports.*
INTERNATIONAL RELATIONS: Seek U.N. authorization for air strikes against forces that disrupt relief efforts in Bosnia while using U.S. and European naval forces to tighten economic sanctions against Serbia and Montenegro.	*PARTIAL ACCOMPLISHMENT*	• *Obtained UN authorization for NATO air-strikes in order to prevent the strangulation of Sarajevo and enforce the no-fly zone.* • *Maintained most sanctions against Serbia and Montenegro.*

PROMISE	STATUS	LATEST POLICY/RESULT
INTERNATIONAL RELATIONS: End reported atrocities in Serbian detention camps with international military force if necessary, and punish those responsible for atrocities in Bosnia under international law.	*PARTIAL ACCOMPLISHMENT*	*Established a war crimes tribunal to punish those responsible for atrocities in the former Yugoslavia.*
INTERNATIONAL RELATIONS: Get full accounting of POWs and MIAs.	*PARTIAL ACCOMPLISHMENT*	*Working closely with the governments of Vietnam and Laos to assure fullest possible accounting.*
INTERNATIONAL RELATIONS: Increase political and economic pressure on Haiti's current leadership to restore that country's democratically elected government.	*SUBSTANTIAL ACCOMPLISHMENT*	*Restored Democratically-elected government to Haiti by leading UN-mandated international action.*
INTERNATIONAL RELATIONS: Encourage more private investment in the former Soviet Union.	*PARTIAL ACCOMPLISHMENT*	• *Considerable expansion of US-Russia business ties, particularly aerospace and high-technology.* • *Increased emphasis on trade and investment through more than $800 million in OPIC loan guarantees and risk-insurance, and other programs.* • *Established innovative investment funds to sponsor private enterprise development.*
INTERNATIONAL RELATIONS: Guarantee loans for Israel to help settle Soviet Jews.	*SUBSTANTIAL ACCOMPLISHMENT*	*Loan guarantees remain in place.*
INTERNATIONAL RELATIONS: Recognize Jerusalem as the capital of Israel and oppose the creation of an independent Palestinian state.	*PENDING*	*As a sponsor of the peace process, the President understands that the issue of Jerusalem will be subject to the final status of negotiations. The US has strongly supported the Middle East peace process, including agreement between the PLO and Israel and the peace treaty between Israel and Jordan.*
INTERNATIONAL RELATIONS: Modify foreign aid programs to promote democracy.	*SUBSTANTIAL ACCOMPLISHMENT*	*Undertook extensive review and restructuring of foreign aid programs and policies.*
INTERNATIONAL RELATIONS: Establish Radio Free Asia.	*PARTIAL ACCOMPLISHMENT*	*Funds appropriated and bipartisan commission established to oversee Radio Free Asia's operation.*
POVERTY AND WELFARE: Require welfare recipients who can work to find jobs or repay services with work in the community after two years of expanded assistance and training.	PROPOSED	To reform welfare, President Clinton introduced the Work and Responsibility Act in June 1994 that includes several critical components. The act: • limits welfare for those able to work; • expands funding for training programs and child care to help people get off welfare as quickly as possible in order to work; and • contains the toughest child support enforcement measures ever proposed.
POVERTY AND WELFARE: Create optional Individual Development Accounts for low-income Americans to encourage savings with federal matching funds.	PROPOSED	Included in Work and Responsibility Act proposed in Congress.
SOCIAL SECURITY: Raise earning limitations so recipients can collect more income along with their benefits.	PENDING	Continue to support a reasonable increase in Social Security earning disregard. Testified on behalf of increase in the 104th Congress.
SOCIAL SECURITY: Consider higher taxes on benefits for wealthier recipients.	SUBSTANTIAL ACCOMPLISHMENT	Included in budget FY94.
SOCIAL SECURITY: Ensure system's solvency.	PENDING	Social Security Advisory Council is examining questions surrounding system's solvency and will report in 1995.

PROMISE	STATUS	LATEST POLICY/RESULT
SPACE: Launch more ventures with Europe, Japan and Russia.	SUBSTANTIAL ACCOMPLISHMENT	Congress approved funding for the international space station.
SPACE: Maintain NASA's fleet of space shuttles.	SUBSTANTIAL ACCOMPLISHMENT	Reduced operational costs of shuttle fleet while continuing safe flight program.
SPACE: Develop new, less costly launch systems.	SUBSTANTIAL ACCOMPLISHMENT	Presidential Directive (NSTC - PDD4) signed establishing new launch policy to develop systems to lower costs.
SPACE: Increase environmental research through NASA's "Mission to Planet Earth."	SUBSTANTIAL ACCOMPLISHMENT	Restructured the Landsat program through Presidential Directive (NSTC - PDD2).
SPACE: Continue to use unmanned probes and robots to explore other planets.	SUBSTANTIAL ACCOMPLISHMENT	Supported reforms at NASA for faster, better, cheaper space science missions.
SPACE: Back away from Bush plans for exploration of the moon and Mars by U.S. astronauts, but continue scientific studies for internationally financed missions.	SUBSTANTIAL ACCOMPLISHMENT	Refocus NASA resources on affordable programs in space flight, aeronautics, earth sciences, and space science.
TAXES (Personal): Raise tax rates on joint-filers whose adjusted gross incomes are more than $ 200,000 or individuals whose AGIs are more than $ 150,000.	SUBSTANTIAL ACCOMPLISHMENT	• Income tax rates were raised on the top 1.2% of tax payers. • Joint tax-filers making over $180,000 in adjusted gross income -- saw their income taxes increase. • Objective sources -- including H&R Block, the Wall Street Journal and the Congressional Budget Office -- confirm that only the top 1.2% saw their income tax rates increase.
TAXES (Personal): Increase the Alternative Minimum Tax rate from 24 to 26 or 27 percent.	SUBSTANTIAL ACCOMPLISHMENT	Increased alternative minimum tax rate from 24 to 26 percent (and to 28 percent for high-income individuals.)
TAXES (Personal): Require millionaires to pay a 10 percent surtax.	SUBSTANTIAL ACCOMPLISHMENT	An additional 10 percent surcharge was imposed on taxpayers with taxable income in excess of $250,000.
TAXES (Personal): Offer middle-class families $ 60 billion in tax cuts over four years in the form of a $300 tax cut per couple or a $ 300 per child tax credit.	PENDING	President Clinton has proposed a Middle-Class Bill of Rights that includes a $60 billion tax break for middle-class families that would provide: • a tax credit of up to $500 per child for families making less than $75,000; • a tax deduction for post-high school education expenses of up to $10,000 per year for families making under $100,000; • an expanded IRA that allows people to withdraw money tax-free and without penalty for education, medical expenses, or the purchase of a first home; and • a new re-employment program that makes individuals eligible for skill grants of up to $3,000 and income contingent loans -- while consolidating the web of 50-60 federal training programs.
TAXES (Personal): Increase the Earned Income Tax Credit for the working poor.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton included in his Economic Plan 1993 an historic expansion of the Earned Income Tax Credit (EITC) that will: • expand the EITC by $21 billion over 5 years to reward work over welfare; and • provide more than 15 million households with incomes of $27,000 or less with either a new or increased EITC when the program is fully implemented.
TAXES: Encourage private investment by providing a targeted investment tax credit.	PARTIAL ACCOMPLISHMENT	After originally proposing an increase in the small business expensing limit to $25,000, President Clinton signed into law an increase to $17,500 as part of his Economic Plan 1993. The change allows small business owners to expense 75% more of their purchases of depreciable assets, a measure that small businesses had sought unsuccessfully for years. The Treasury Department estimates that 1.3 million small businesses will benefit from the provision this year, and millions more in years to come. The Administration also has supported private investment by securing a three-year extension of the Research & Development tax credit.

PROMISE	STATUS	LATEST POLICY/RESULT
TRADE: Continue international talks to renew the General Agreement on Tariffs and Trade while strengthening U.S. "Super 301" laws to punish nations with unfair trading practices unilaterally.	SUBSTANTIAL ACCOMPLISHMENT	• Reached GATT agreement and signed GATT into law December 8, 1994. The WTO took effect on January 1, 1995. • President Clinton reinstituted Super 301 through an Executive Order and has used it to bring our trading partners to the table. The United States and Japan reached Framework agreements on government procurement (telecommunications, medical technologies) and insurance October 1, 1994 and on flat glass December 12, 1994. President Clinton has also demonstrated his determination to act under Super 301 by instituting investigations of the practices governing Japan's auto parts industry and China's piracy of intellectual property.
TRADE: Support the North American Free Trade Agreement as long as other accords can be reached on the environment and labor standards.	SUBSTANTIAL ACCOMPLISHMENT	• Signed NAFTA into law December 8, 1993. • On January 1, 1994, the US opened a National Administrative Office to handle NAFTA-related labor issues.
TRADE: Urge trading partners to abandon unfair trade subsidies in shipbuilding and aerospace.	SUBSTANTIAL ACCOMPLISHMENT	President Clinton restarted talks on ship building that resulted in an agreement reached in July 1994 to eliminate foreign subsidies and other unfair trade practices by 1996. An aerospace agreement is pending.
TRADE: Ban U.S. trade negotiators and all senior administration officials from working as lobbyists for foreign governments or businesses.	SUBSTANTIAL ACCOMPLISHMENT	Signed Executive Order 12834 on January 20, 1993, prohibiting all senior appointees from working as lobbyists for foreign governments or businesses within five years of their employment termination.
VETERANS: Oppose opening VA hospitals to non-veterans.	SUBSTANTIAL ACCOMPLISHMENT	VA hospitals remain closed to non veterans.
VETERANS: Decrease waiting periods for outpatient care.	PENDING	Implemented policies to reduce waiting periods at VA hospitals.
VETERANS: Notify disabled veterans of benefit changes in advance.	SUBSTANTIAL ACCOMPLISHMENT	Initiated aggressive effort keep disabled vets informed of benefits changes.

DRAFT

CLINTON CAMPAIGN PROMISES
From *Putting People First*

1/16/94 -- 7:45 pm

PROMISE	STATUS	LATEST POLICY/RESULT
NATIONAL ECONOMIC STRATEGY: Cut the deficit in half within four years.	Substantial Accomplishment	President Clinton signed into law the largest deficit reduction plan in history August 10, 1993. Under the plan: • the deficit, as a percentage of GDP, will be cut by more than one-half from 4.9% in 1992 to 2.4% in 1995; • the deficit will drop by more than $700 billion dollars over 5 years; and • the deficit will drop 3 years in a row for the first time since Harry Truman was President.
PUTTING AMERICA TO WORK: Ask the very wealthy to pay their fair share of taxes.	Substantial Accomplishment	Income tax rates were raised on only the top 1.2% of tax payers -- joint tax-filers making over $180,000 in adjusted gross income -- saw their income taxes increase. Objective sources -- including H&R Block, the Wall Street Journal and the Congressional Budget Office -- confirm that only the top 1.2% saw their income tax rates increase.
PUTTING AMERICA TO WORK: End tax breaks for American companies that move plants overseas.	Partial Accomplishment	Two Clinton Administration initiatives have advanced this pledge: • President Clinton's Economic Plan 1993 added a provision in the Internal Revenue Code that imposes a current tax on U.S. shareholders of controlled foreign corporations that invest their earnings in an excessive amount of passive assets abroad. By reducing the opportunities for unlimited deferral, the incentive to shift plants overseas is significantly reduced; and • transfer pricing initiatives have reduced the opportunity to shift income to foreign tax havens.
PUTTING AMERICA TO WORK: Eliminate deductions for outrageous executive pay.	Substantial Accomplishment	As part of his Economic Plan 1993, President Clinton signed legislation that denies a deduction to any publicly held corporation for compensation exceeding $1 million paid to CEOs or certain other high-ranked officers. Some forms of compensation, such as qualified retirement plan contributions and performance–based awards approved by shareholders, is exempt from the cap.
PUTTING AMERICA TO WORK: Crack down on foreign companies that manipulate U.S. tax laws.	Partial Accomplishment	July 1994 the Treasury issued final regulations governing transfer pricing. These rules, backed by severe penalties, are expected to ensure that an accurate amount of multinational company profits are subject to tax in the United States. In addition: • President Clinton's Economic Plan 1993 included a provision that will make it more difficult for multinational companies to strip earnings out of the U.S. through deductible payments such as interest; and • the Clinton Administration has budgeted significant resources to the enforcement of these rules governing transfer pricing.
PUTTING AMERICA TO WORK: Create a Rebuild America fund that focuses on transportation, a national information network, environmental technology, and defense reinvestment.	Partial Accomplishment	• President Clinton announced a five-year $20 billion Defense Reinvestment initiative in March 1993 that is centered on four major areas of <u>new</u> investmnt: (1) worker training and adjustment; (2) community reinvestment; (3) "dual-use" technologies with both commercial and military applications; and (4) new civilian technology investments that provide diversification opportunities • EPA's enacted budget for environmental technology doubled over the FY1993-FY1995 period, to $139 million. Other new funding for private sector technology partnerships are 1) U.S. Climate Change Action Program -- $232 million FY1995 enacted -- and 2) Partnership for a New Generation of Vehicles (Clean Car) -- $269 million FY1995 enacted. • The President's FY 1996 budget will propose establishing a network of State Infrastructure Banks that will allow states to leverage federal funding, thereby achieving a greater amount of investment from a given level of federal resources.

PROMISE	STATUS	LATEST POLICY/RESULT
PUTTING AMERICA TO WORK: Target funding to rebuild America's urban infrastructure.	Partial Accomplishment	President Clinton's first attempt to fulfill this promise was stymied by Congress. However, several other Administration initiatives target federal funds for urban infrastructure: • $300 million has been appropriated for the new Economic Development Initiative (EDI) program in FY1995 that will provide grants to assist with the financing of economic development projects; and • President Clinton's FY1996 budget proposal calls for reinventing the Department of Housing and Urban Development (HUD), which will involve creating new flexible block grants for community economic development and consolidating a number of current formula-based and competitive programs.
PUTTING AMERICA TO WORK: Create a nationwide network of community development banks.	Substantial Accomplishment	President Clinton proposed and signed into law the Community Development and Regulatory Improvement Act in August 1994 which authorizes $500 million to encourage a network of new and existing Community Development Banks and Financial Institutions (CDFIs) across the country. The Treasury Department projects that the act will: • lead to approximately $5 billion in new credit for economically distressed communities; • provide financial and technical support for as many as 75 new insured community development banks; and • support as many as 916 new well-capitalized community development corporations and over 4,000 community development loan funds.
PUTTING AMERICA TO WORK: Put 100,000 new police officers on the streets.	Substantial Accomplishment	President Clinton's Crime Bill, which he signed into law on September 7, 1994, will put 100,000 new police on the street. More than 1,200 communities have already received grants to hire nearly 10,000 cops.
PUTTING AMERICA TO WORK: Establish a national police corps.	Substantial Accomplishment	The Crime Bill created a police corps to give young people money for college and train them in community policing. A total of $100 million has been authorized for the Police Corps program and $100 million has been authorized for in-service law enforcement scholarships.
PUTTING AMERICA TO WORK: Expand community policing	Substantial Accomplishment	A total of $1.5 billion was appropriated in FY1995 for cities to hire new police if they agree to establish a community policing plan. As much as 15% of the funds can be used to promote community policing in other ways, such as, redeploying existing officers (i.e., through overtime and new equipment), developing new technologies, and offering specialized training to officers.
PUTTING AMERICA TO WORK: Fund drug treatment.	Substantial Accomplishment	President Clinton is expanding treatment availability through 3 initiatives: • a $1 billion Drug Courts program in the Crime Bill, for which Congress appropriated $29 million in FY1995; • $383 million authorized by the Crime Bill to treat offenders in prison, including $270 million in formula-based grants for states (these funds will be available in FY1996); and • a $42 million increase in the Substance Abuse and Mental Health Services Block Grant.
PUTTING AMERICA TO WORK: Expand boot camps.	Substantial Accomplishment	The Crime Bill includes a grant program for state corrections agencies to build and operate correctional facilities, including boot camps, to ensure that additional space will be available so that violent offenders can be and will be incarcerated for an adequate amount of time.
PUTTING AMERICA TO WORK: Create urban empowerment zones.	Substantial Accomplishment	President Clinton proposed and signed into law legislation for empowerment zones in August 1993 that will award $3.5 billion to 104 empowerment zones and enterprise communities. President Clinton announced in December 1994 which communities will be designated Empowerment Zones in 1995: (1) 6 urban communities will each receive $100 million in block grants and business tax breaks; and (2) 3 rural communities will receive $40 million in assistance and block grants.

PROMISE	STATUS	LATEST POLICY/RESULT
PUTTING AMERICA TO WORK: Improve the Community Reinvestment Act (CRA).	Pending	The federal banking regulatory agencies, at the request of the Clinton Administration, are in the process of approving final regulations which will: • provide clearer and more objective evaluation standards; • eliminate unnecessary documentation requirements; and • improve the consistency of the Community Reinvestment Act examinations and enforcement efforts.
PUTTING AMERICA TO WORK: Encourage private investment by providing a targeted investment tax credit.	Partial Accomplishment	After originally proposing an increase in the small business expensing limit to $25,000, President Clinton signed into law an increase to $17,500 as part of his Economic Plan 1993. The change allows small business owners to expense 75% more of their purchases of depreciable assets, a measure that small businesses had sought unsuccessfully for years. The Treasury Department estimates that 1.3 million small businesses will benefit from the provision this year, and millions more in years to come. The Administration also has supported private investment by securing a three-year extension of the Research & Development tax credit.
PUTTING AMERICA TO WORK: Help small businesses and entrepreneurs by offering a 50 percent tax exclusion.	Substantial Accomplishment	The Administration enacted, as part of its Economic Plan 1993, a 50% capital gains tax exclusion targeted at investments in small businesses. The provision allows investors who buy newly issued stock in small businesses and hold that stock for more than 5 years to receive a 50 percent cut in the capital gains tax on the profit from the sale of the stock.
PUTTING AMERICA TO WORK: Make permanent the Research & Development tax credit.	Partial Accomplishment	The Administration secured a three-year extension of the Research & Development tax credit, retroactive to June 30, 1992 (when it had expired) and effective through June 30, 1995.
PUTTING AMERICA TO WORK: Create a Civilian Research and Development Agency.	Substantial Accomplishment	President Clinton has focused defense-related Research & Development on "dual-use" technologies by: • removing the word "Defense" from the Defense Advanced Research Project Agency (DARPA) name to reflect a new commercial focus; • working along with the ARPA to launch the Technology Reinvestment Project, the largest multi-agency technology program ever, to stimulate dual-use development; and • increasing budgetary support of civilian-related research & development. For example, funding targets for the Advanced Technology Program, which takes economic growth as its sole goal, have increased from $68 million in 1993 to $450 million in 1995.
PUTTING AMERICA TO WORK: Open up foreign markets to quality American goods and services.	Substantial Accomplishment	The Administration has led the following set of successful initiatives to increase trade: • signed GATT/WTO into law December 8, 1994 (WTO took effect January 1, 1995); • signed NAFTA December 8, 1993, making North America the world's largest free-trade zone; and • has won commitments to open APEC markets to free trade by 2020 and all of the Americas to free trade by 2005.
PUTTING AMERICA TO WORK: Urge our trading partners to abandon unfair trade subsidies in key sectors like shipbuilding and aerospace.	Substantial Accomplishment	President Clinton restarted talks on ship building that resulted in an agreement reached in July 1994 to eliminate foreign subsidies and other unfair trade practices by 1996. An aerospace agreement is pending.

PROMISE	STATUS	LATEST POLICY/RESULT
PUTTING AMERICA TO WORK: Pass a stronger, sharper "Super 301" trade bill.	Partial Accomplishment	President Clinton reinstituted Super 301 through an Executive Order and has used it to bring our trading partners to the table. The United States and Japan reached Framework agreements on government procurement (telecommunications, medical technologies) and insurance October 1, 1994 and on flat glass December 12, 1994. President Clinton has also demonstrated his determination to act under Super 301 by instituting investigations of the practices governing Japan's auto parts industry and China's piracy of intellectual property.
PUTTING AMERICA TO WORK: Support a free trade agreement with Mexico.	Substantial Accomplishment	The Administration secured Congressional approval for the largest free trade area in the world after negotiating labor and environmental side agreements for the North American Free Trade Agreement (NAFTA).
PUTTING AMERICA TO WORK: Create an Economic Security Council.	Substantial Accomplishment	President Clinton issued an Executive Order establishing the National Economic Council (NEC) to help coordinate both domestic and international economic policy January 25, 1993.
PUTTING AMERICA TO WORK: Reform the Office of the U.S. Trade Representative, banning trade negotiators from cashing in on their positions.	Substantial Accomplishment	President Clinton signed Executive Order 12834 prohibiting all senior appointees from working as lobbyists for foreign governments or businesses within five years of their employment termination January 20, 1993.
REWARDING WORK AND FAMILIES: Expand the Earned Income Tax Credit.	Substantial Accomplishment	President Clinton included in his Economic Plan 1993 an historic expansion of the Earned Income Tax Credit (EITC) that will: • expand the EITC by $21 billion over 5 years to reward work over welfare; and • provide more than 15 million households with incomes of $27,000 or less with either a new or increased EITC when the program is fully implemented.
REWARDING WORK AND FAMILIES: Lower the tax burden on middle-class Americans.	Proposed	President Clinton has proposed a Middle-Class Bill of Rights that includes a $60 billion tax break for middle-class families that would provide: • a tax credit of up to $500 per child for families making less than $75,000; • a tax deduction for post-high school education expenses of up to $10,000 per year for families making under $100,000; • an expanded IRA that allows people to withdraw money tax-free and without penalty for education, medical expenses, or the purchase of a first home; and • a new re-employment program that makes individuals eligible for skill grants of up to $3,000 and income contingent loans -- while consolidating the web of 50-60 federal training programs.
REWARDING WORK AND FAMILIES: Empower people on welfare with the education, training, and child care they need for up to two years so they can break the cycle of dependency.	Proposed	To reform welfare, President Clinton introduced the Work and Responsibility Act in June 1994 that includes several critical components. The act: • limits welfare for those able to work; • expands funding for training programs and child care to help people get off welfare as quickly as possible in order to work; and • contains the toughest child support enforcement measures ever proposed.
REWARDING WORK AND FAMILIES: Pass and sign into law the Family and Medical Leave Act.	Substantial Accomplishment	Though President Bush vetoed Family and Medical Leave legislation twice, President Clinton signed this legislation into law February 5, 1993, which offers employees 12 weeks of unpaid, job-guaranteed leave for childbirth, adoption, or personal or family illness. More than 40 million American workers will be covered under the legislation.

PROMISE	STATUS	LATEST POLICY/RESULT
REWARDING WORK AND FAMILIES: Strengthen child support enforcement.	Partial Accomplishment	Child support enforcement has been increased and more cases will be filed by the Department of Justice. President Clinton's Work and Responsibility Act, introduced in June 1994, includes the toughest child support provisions ever. These provisions would double child support collections to $20 billion by 2000 and place more emphasis on the responsibility of fathers, regular award updates, and the withholding of wages of those who do not regularly pay their child support.
LIFELONG LEARNING: Improve the way parents prepare their children for school.	Substantial Accomplishment	President Clinton has pursued a comprehensive strategy to helping parents in their effort to become more actively involved in their children's education. Accomplishments to date: • signed the Elementary and Secondary Education Act Reauthorization which promotes partnerships between schools and families that recognize that each is mutually responsible for promoting student learning; • signed Head Start reform and Goals 2000 legislation that expand and enhance the role of parents in pre-school programs and schools; and • Secretary of Education Richard Riley, at President Clinton's request, is leading a national campaign to promote parental participation in their children's education, which includes gaining the support of religious, community, and business leaders.
LIFELONG LEARNING: Fully fund Head Start.	Partial Accomplishment	Increased funding for Head Start by $760 million over 2 years that will help improve program quality and make it possible for 28,000 additional children to participate in the program.
LIFELONG LEARNING: Fully fund the Women, Infants, and Children (WIC) Program.	Substantial Accomplishment	President Clinton and Congress placed WIC on a full-funding path. Funding is projected to increase by $610 million from 1993 to 1995 -- a 21% gain. As a result, an additional one million people will have the opportunity to get the nutrition and care they need to stay healthy.
LIFELONG LEARNING: Dramatically improve K-12 education.	Substantial Accomplishment	President Clinton has signed three acts that will help transform K-12 education: (1) the Goals 2000: Educate America Act; (2) the Improving America's Schools Act, reauthorizing the Elementary and Secondary Education Act; and (3) the Safe Schools Act. Together, these acts authorize more than $13 billion in new support for reform and will: • codify the national education goals; • encourage states and schools to develop high standards for all students and schools; • develop comprehensive, bottom-up reform programs, including technology development, teacher training, and curriculum reform; • cut through tangled bureaucracies in order to get the education system to focus on enabling students to achieve high standards; and, • enable schools to become safer, with violence prevention efforts and new security measures. Some 41 states are planning their reforms right now--and more will follow soon.
LIFELONG LEARNING: Provide funds for violence-ridden schools to hire security personnel and purchase metal detectors.	Substantial Accomplishment	Passed the Safe and Drug Free Schools and Community Act and the Safe Schools Act, which provide over $480 million in FY1995 to help schools fight violence and drug abuse. Schools can use funds for activities such as conflict resolution, after school programs, and drug prevention programs. Schools can use up to 25% of their funds to purchase metal detectors, develop safe zones, and hire school security personnel.
LIFELONG LEARNING: Help communities open youth centers for teenagers who drop out of school.	Substantial Accomplishment	The Crime Bill includes several provisions that fulfill this promise: • the Community Schools Youth Services and Supervision effort will support academic and extracurricular programs after-school, on weekends, and in the summer for children and adolescents (For 1995, $25.9 million will be available and $567 million is authorized for 1996-2000); and • the Family and Community Endeavor Schools initiative will improve opportunities for at-risk children ($11 million is available for 1995 and $243 million is authorized for 1996-2000).

PROMISE	STATUS	LATEST POLICY/RESULT
LIFELONG LEARNING: Develop a national apprenticeship-style system that offers non-college-bound students training valuable skills.	Substantial Accomplishment	President Clinton signed the School-to-Work Opportunities Act on May 4, 1994 that provides $250 million in 1995 for all 50 states to establish their own diverse school-to-work initiatives.
LIFELONG LEARNING: Create a national service program that allows young people to earn money for college.	Substantial Accomplishment	President Clinton proposed and signed the National and Community Service Trust Act creating AmeriCorps September 21, 1993. AmeriCorps, within its first year, is already: • giving young people the chance to spend a year or more helping those within our communities grow safer, smarter, and healthier -- while earning an award of nearly $5,000 to pay for college or job training; • engaging 20,000 Americans as AmeriCorps Members in its first year -- more than the Peace Corps at its height; and • consolidating existing Federal agencies and supporting local efforts to meet community needs.
LIFELONG LEARNING: Offer every American the opportunity to pay college loans back as a small percentage of income over time.	Substantial Accomplishment	President Clinton incorporated student loan reform in his Economic Plan signed in August 1993, which included creating Individual Education Accounts. Individual Education Accounts will: • enable any student to get loans to pay for college or job training and to repay them in one of four ways, including "pay-as-you-go" repayment as a small percentage of income over time; • reduce borrowing fees; • cut red tape dramatically since more and more students will be given the option to borrow directly from one lender; and • save taxpayers more than $4.3 billion. 105 schools are already participating in the new direct lending program. Some 20 million Americans will be able to benefit nationwide when the program is fully implemented.
LIFELONG LEARNING: Require every employer to spend 1.5 percent of payroll for continuing education and training, and provide training for all workers.	No Action	President Clinton has pursued providing training for all workers in a number of different ways: • increasing funding for reemployment services by 150 percent, enabling 400,000 more workers to participate in 1995 than in 1993; • offering individual skills assessments and help with business start-ups to those applying for unemployment services; and • helping states to plan or assemble networks of one-stop career centers to offer efficient, customer-driven access to counseling, labor-market information, job listings, training and education, and other reemployment services (about one-half of the states are doing so already).
LIFELONG LEARNING: Streamline the confusing array of publicly funded training programs.	Partial Accomplishment	A substantial number of the states are in the process of streamlining federal education and training programs and labor market information systems through state design and development of convenient one-stop career centers. The Administration's education and training agenda for the next two years includes the following objectives: • consolidate over 50 separate training programs into a set of customer-centered financing options that put workers in control of their own learning; • boost workers purchasing power through Skill Grants that are big enough to cover tuition and fees at a community college for up to two years; • provide for common points of access at community colleges so all workers can get easy access to reemployment services, performance data on training providers, skills training, and labor-market information; and • help states extend unemployment benefits to those dislocated workers who need retraining.
HEALTH CARE: Establish annual health care budget targets.	Proposed	President Clinton submitted his Health Security Act (HSA) to Congress September 1993. HSA called for caps on health insurance premiums.

PROMISE	STATUS	LATEST POLICY/RESULT
HEALTH CARE: Ensure access to local health care alliances, comprised of insurers, hospitals, clinics and doctors.	Proposed	The Health Security Act included provisions that: • create regional health care alliances that will be required to incorporate into the organization any state-certified health insurer that is willing to enroll all eligible individuals; • ensure that each health care alliance offers recipients the opportunity to choose their health plan and means of payment; and • encourage regional alliances to use prospective budgeting in establishing their fee schedule.
HEALTH CARE: Eliminate tax breaks for drug companies that raise their prices faster than Americans' incomes rise.	Partial Accomplishment	President Clinton proposed and signed legislation, as part of his Economic Plan 1993, that will eliminate drug price gouging. Subsequently, 17 pharmaceutical industry executives, representing two-thirds of the U.S. pharmaceutical market, agreed to hold price increases at or below the general inflation rate. The Health Security Act included provisions which require that manufacturers of drug products rebate part of their Medicare sales to the Secretary of Health and Human Services, to provide an incentive for manufacturers to keep prices at reasonable levels.
HEALTH CARE: Reduce the administrative costs of health insurance companies.	Proposed	The Health Security Act included provisions which require that: • the National Health Board develop standardized forms for insurance companies, including a single claims form; • health insurers accept all those eligible and seeking enrollment, ban underwriting practices that help seek out the best risks, and prohibit insurers from denying coverage for those with pre-existing conditions; and • health insurers charge everyone in a region a community rate that can only differ by family type.
HEALTH CARE: Streamline the billing systems of health insurance companies to control costs and reduce billing fraud.	Proposed	The Health Security Act included provisions that: • provide for the simplification of claim forms; • require that Health Security Cards or "smart cards" containing essential health information are distributed to everyone; and • toughen penalties for fraud and abuse.
HEALTH CARE: Ensure that every American is guaranteed a basic health care benefits package.	Proposed	The Health Security Act called for establishing a National Health Board that would be responsible for ensuring universal health care coverage through ..... • require that every health insurer provide for all enrollees a basic health care package that includes specific services; • ensure that each health care alliance offers recipients the opportunity to choose their health plan; • amend the Medicaid statute to specify that all Medicaid enrollees are eligible to receive long term care covered under their state's medicaid plan; and • require that all eligible individuals enroll in a private health insurance plan and pay a share of their health insurance premium; and • require that each employer pay 80 percent of the health insurance premium for each employee.
HEALTH CARE: Protect small businesses from excessively high health care costs.	Proposed	The Health Security Act requires that health insurers charge those within a particular region a community rate that can only differ by family type.
A REVOLUTION IN GOVERNMENT: Reduce the White House staff by 25% and challenge congress to do the same.	Substantial Accomplishment	President Clinton had fulfilled this promise by September 1994: 350 jobs were cut from a staff of 1,394 during the Bush Administration. However, the new Congress has only accepted President Clinton's challenge in part. House leaders have promised to reduce committee staffs by one-third, with no cuts in personal staffs. The Senate has committed to no cuts.

PROMISE	STATUS	LATEST POLICY/RESULT
A REVOLUTION IN GOVERNMENT: Cut 100,000 federal government positions through attrition by FY 1995.	Substantial Accomplishment	President Clinton issued an Executive Order in February 1993 requiring federal agencies and departments to eliminate 100,000 positions by FY1995. Already there are 98,000 fewer federal government jobs than in January 1993. The Administration is now projecting that 272,900 positions will be eliminated from the federal workforce over five years, bringing it to its smallest level since the Johnson Administration. By 1999, the workforce will be the smallest it has been since the Kennedy Administration.
A REVOLUTION IN GOVERNMENT: Require federal managers and workers to achieve 3 percent across-the-board administrative savings in every agency.	Substantial Accomplishment	President Clinton signed Executive Order 12837 in February 1993 which requires that federal government reduce its administrative expenses 14% by FY 1997. Already, administrative costs are down by more than 3 percent.
A REVOLUTION IN GOVERNMENT: Eliminate taxpayer subsidies for narrow special interests.	Partial Accomplishment	President Clinton and Vice President Gore established the National Performance Review (NPR) unveiled in September 1993. At least 90 percent of NPR's recommendations are already in place, including the elimination of subsidies for such goods as honey and mohair.
A REVOLUTION IN GOVERNMENT: Reform defense procurement and foreign aid.	Substantial Accomplishment	Procurement reform has been a central goal of the Administration's reinventing government initiatives. President Clinton signed a Presidential Memorandum on Electronic Commerce to automate the procurement system in October 1993 and the Federal Acquisition Streamlining Act in August 1994. Defense Secretary William Perry has ordered dramatic procurement reforms as well.
A REVOLUTION IN GOVERNMENT: Ask Congress to give the president line item veto authority.	Pending	In the 104th Congress, President Clinton is supporting the strongest version of the line item veto, with the broadest scope and effective immediately. OMB Director Alice Rivlin has already testified in favor of the line item veto and Associate Attorney General Walter Dellinger is also scheduled to testify. In the 103rd Congress, President Clinton supported expedited rescission authority, which was adopted in the House but never reached the full Senate for consideration.
A REVOLUTION IN GOVERNMENT: Eliminate the tax deductions for special interest lobbying expenses.	Substantial Accomplishment	President Clinton's Economic Plan 1993 repealed the tax provision, dating back to 1962, that allowed businesses to deduct the cost of their lobbying expenses.
A REVOLUTION IN GOVERNMENT: Stop the revolving door for top appointees.	Substantial Accomplishment	President Clinton has required all top appointees to sign a pledge that they will refrain from lobbying government agencies within their responsibilities for five years after leaving office. He has also required senior officials to pledge never to become registered agents on behalf of any foreign government.
A REVOLUTION IN GOVERNMENT: Lobbying reform.	Proposed	President Clinton fought for Lobbying Disclosure Bill.
A REVOLUTION IN GOVERNMENT: Campaign finance reform.	Proposed	President Clinton fought for Campaign Finance Reform Bill, versions of which passed both houses. On the first day of the current Congressional session, President Clinton called on the Congressional leadership to quickly enact campaign finance reform measures.

THE WHITE HOUSE

WASHINGTON

January 16, 1995

MEMORANDUM TO **PHIL CAPLAN** ✓
EVELYN LIEBERMAN
LORRIE MC HUGH
STEVE SILVERMAN
ANNE WALLEY

FROM: **MEEGHAN PRUNTY** MEP

RE: **Attached Memo**

For your information, I have attached the draft memo that I gave to Mark Sunday night. I thought you would all find it helpful to know *exactly* what we were asking for during the State of the Union week. Mark may make changes in the morning, of course.

If all goes according to schedule, Mark will give the memo to Leon on Monday morning and encourage Leon to make decisions by his return that night. That way, Cabinet Affairs can communicate this at their breakfast Tuesday morning and the rest of us can get to work as well!

If you have any questions, I am at 6-5716.

THE WHITE HOUSE

WASHINGTON

January 16, 1995

MEMORANDUM TO LEON PANETTA

FROM: **MARK GEARAN**
MEEGHAN PRUNTY

RE: **State of the Union –**
Proposed Communications Plan

Please find below our proposed communications plan for the week in which the President will give the State of the Union Address [January 23 -- January 27]. Attached to this memorandum is a Decision Memo, addressing each of the individual components of the plan. The Cabinet Affairs department would like to ask for the Cabinet's participation at a meeting Tuesday morning [January 17]. Decisions that could be communicated at that time would be greatly appreciated.

CONTEXT

In the week leading up to the State of the Union, the Administration will have been mobilized in anticipation of the Two-Year Anniversary of the Inauguration. A communications plan -- involving extensive media outreach by the President, Vice President, and Cabinet -- has been developed to highlight the Administration's accomplishments. The State of the Union can then build on this foundation, focusing in greater detail on the President's vision for the *next* two years.

STRATEGY

After the State of the Union, there are three free days -- Wednesday, Thursday, and Friday -- before a Welfare Working Session with Governors on Saturday. Our efforts immediately following the speech will be focused on this critical time block.

The post-Speech strategy is to hit the ground running with a flurry of Presidential and Administration activity. As you recall, the reaction was very positive when the entire Cabinet fanned out around the country on the day after the first Joint Session Address. The success of this strategy was due, in large part, to the coordinated activity. Duplicating this will also address the anticipated GOP -- *"We know he gives a good speech. Where's the beef?"* -- post-State of the Union spin.

To this end, the Cabinet has been asked to scour their agencies for any Presidential Action that is already scheduled or could quickly be put together.

PRELIMINARY POTUS SCHEDULE FOR THE WEEK: *OVERVIEW*

Here is a brief overview of the proposed plan -- followed by a more detailed rationale.

MONDAY, January 23

- Speech Prep

TUESDAY, January 24

- State of the Union Address to Joint Session of Congress

WEDNESDAY, January 25

- *Theme:* Education
- *Events:*
  - -- POTUS: College Presidents Breakfast [DC]
  - -- POTUS: Rally at University [outside-DC]
  - -- Cabinet: Speeches at Community/State Colleges [outside-DC]

THURSDAY, January 26

- *Theme:* Reinventing Government
- *Events:*
  - -- POTUS: Visit to Successful REGO Site [around-DC]
  - -- POTUS / VP: Democratic and Republican Caucuses [DC]
  - -- Cabinet: Travel to Successful REGO Events Across Country

FRIDAY, January 27

- *Theme:* Welfare
- *Events:*
  - -- POTUS: Media Ramp-up to Welfare Summit
  - -- Shalala: Announcement of Welfare Waiver

SATURDAY, January 28 -- SUNDAY, January 29

- *Theme:* Welfare
- *Events:*
  - -- Welfare Working Session with Governors

PRELIMINARY POTUS SCHEDULE FOR THE WEEK: *RATIONALE*

MONDAY, January 23, 1995

- Haiti Suggestion: As it now stands, the day will be devoted to speech refinement and prep time. Some have suggested a Presidential trip to Haiti -- to highlight a foreign policy success story -- arriving back on Tuesday to give the State of the Union.

TUESDAY, January 24, 1995

- State of the Union Address to a Joint Session of Congress

WEDNESDAY, January 25, 1995

- *Education Day:* The day following the speech will be a high-energy affirmation of the popular support for the tenets of the Middle Class Bill of Rights. It will take the President and Cabinet out of Washington to bring the themes of the speech directly to the American people.

  Education is the ideal theme. An area of strong accomplishment for the President, it also allows him to discuss a popular new initiative on which he has defined the debate (which, unfortunately, can no longer be said for the Middle Class Tax Cut.) Perhaps most importantly, the education discussion provides a clear distinction between the massive cuts necessitated by the GOP Contact and the investment in education inherent in the Middle Class Bill of Rights.

Events:

- College Presidents Breakfast with POTUS: A large group of college presidents would meet at the White House to announce that they will not raise tuition, as has been alleged, if the tuition tax credit passes.

- POTUS Rally at University: The President would speak at a big energized crowd event with college students. A large university in a targeted state [Penn State, Ohio State, Wisconsin] would be ideal. The President's speech would be down-linked from satellite to hundreds of community colleges across the country.

- Cabinet Speeches at Community/State Colleges: Reminiscent of the first year post-Speech blitz, the Cabinet would travel to colleges in targeted states throughout the country for similar events.

THURSDAY, January 26, 1995

- *Reinventing Government:* This will again allow us to address an area of solid accomplishment -- while highlighting an important State of the Union theme.

Events:

- POTUS Visit to Successful REGO Site: The President will start the day with a visit to a site illustrating a reinventing government accomplishment of this Administration. The ideal location would be outside the Beltway, yet close enough to travel back for the afternoon.

- POTUS and VP to Democratic and Republican Caucuses: In the afternoon, the President and Vice President will go to Capitol Hill to discuss how the Administration and Congress can work together in a bipartisan fashion to achieve the goals set out in the State of the Union. A less expensive, more effective government is an area of some agreement and the Vice President can use the Republican caucus to address the Administration's record of cutting government and the ways we can work with Congress in the future to cut more.

- Cabinet Travel to Successful REGO Events Across Country: The Cabinet, again, would do an event similar to the President's -- hopefully outside DC -- at a facility within their agency which has cut costs while being more responsive to the needs of its customers.

FRIDAY, January 27, 1995

- *Welfare:* This day will set the stage for the weekend's Welfare Working Group with the Governors.

Events:

- POTUS Media Ramp-up to Welfare Summit: Friday could be spent doing interviews with columnists and network correspondents in preparation for the Welfare Summit. The President could outline what he hopes to get out of the working session -- decreasing expectations or raising the mark, as is appropriate. An appearance on MacNeil-Lehrer has been suggested as a forum to thoughtfully discuss this issue.

- Shalala Announcement of Welfare Waiver: If there is a waiver that will be ready, Secretary Shalala can make the announcement, while at the same time highlighting the Administration's record on state and local welfare flexibility. The site could be the HHS auditorium or the National Press Club.

LOOKING AHEAD TO THE WEEK AFTER THE STATE OF THE UNION

This strategy -- of travel and action by the President and Cabinet to highlight the themes of the State of the Union -- can be extended into the following week(s).

- Presidential Actions: There will be many more Presidential Actions than will be appropriate for the three themes that have been chosen. For example, Rahm has a list of 10 executive orders on crime that are ready to go.

- Family Town Meeting: As you know, many people wanted the President to do a Town Meeting in the days immediately after the speech. They feel it gives the President an opportunity to bring the messages of the State of the Union directly to the American people in a forum he excels at. Others felt it was a "huge risk" that first week -- "lowering" him from the elevated forum of a Joint Session Address.

  A Town Meeting around a Family theme the week following State of the Union week allows us to keep our message out there. This theme allows the President to discuss all of the provisions of the Middle Class Bill of Rights -- while highlighting a very strong record [crime, education, EITC, Family Leave.]. We would invite entire families -- moms and dads and kids and teenagers and college students and grandparents.

COMMUNICATIONS LOGISTICS SURROUNDING STATE OF UNION

Pre-Speech

- Weekend Talk Shows: Senior officials on the weekend shows.

- White House Press Corps Meetings: Thought is being given to replicating the strategy preceding the December 15 address in which the Chief of Staff sat down with selected White House reporters and network corespondents to background them in preparation for their stories.

In addition, a series of events will take place the week preceding the State of the Union, to celebrate the Two-Year Anniversary of the Inauguration. These include:

- Cabinet Radio: Cabinet members will have done radio for three days -- January 18th, 19th and 20th -- into targeted markets. They can do additional media on the Monday preceding the speech.

- Vice President Satellite Tour: The Vice President will have done satellite tours into targeted media markets across the country.

- Media Outreach: A series of Conference Calls to Specialty Press and Reporter Tongs with Senior Administration officials will have taken place.

- Presidential Interviews: The President will have given some interviews for the "first two years" pieces as well as set-up pieces for State of the Union.

- Record of Campaign Promises: Detailed reports on the status of the President's campaign promises -- and the unprecedented progress that has been made -- are being prepared to give to reporters and Administration officials during this period.

Follow-Up to Speech

- Ed Board Mailing: The speech should be mailed out to the top 200 papers, specialty press, radio ed boards, and college press throughout the country.

- Cabinet Radio: To follow-up, the cabinet can be sent into those targeted markets not reached the previous week.

- Vice President Satellite Tour: This tour would again target those markets not hit in the first round.

- Specialty Press Outreach: This would involve separate press releases as well as conference calls using political appointees.

Communications Paper

- Speeches for Cabinet: Two stump speeches will be developed for Cabinet members: 1) *The President's Commitment to Education*; and 2) *A Record of Reinventing Government*. Cabinet members can, of course, amend the speeches to reflect their area of emphasis.

- Talking Points for Cabinet: The Cabinet has already received talking points on the Middle Class Bill of Rights. In preparation for this week, they will also be given one-pagers describing: 1) the Administration's Education Accomplishments; 2) the Tuition Tax Credit; 3) Reinventing Government -- past and future.

THE WHITE HOUSE

WASHINGTON

January 16, 1995

MEMORANDUM TO LEON PANETTA

FROM: **MARK GEARAN**
MEEGHAN PRUNTY

RE: **Communications Plan for State of the Union –**
Decision Memo

The Communications plan for the week containing the State of the Union address focuses on the critical three-day block following the speech. The individual components of this strategy have been described in the previous memo. As mentioned earlier, decisions that could be communicated at a Cabinet Affairs breakfast tomorrow morning would be greatly appreciated.

Wednesday, January 25 *EDUCATION*

❑ YES ❑ NO POTUS Breakfast with College Presidents [DC]

❑ YES ❑ NO POTUS Rally at University [outside-DC]

❑ YES ❑ NO Cabinet Speeches at Colleges Across Country

Thursday, January 26 *REINVENTING GOVERNMENT*

❑ YES ❑ NO POTUS Visit to REGO Site [near-DC]

❑ YES ❑ NO POTUS/VP to Congressional Caucuses [DC]

❑ YES ❑ NO Cabinet Travel to REGO Events Across Country

Friday, January 27 *WELFARE*

❑ YES ❑ NO POTUS Media Ramp-up to Welfare Summit [DC]

❑ YES ❑ NO Shalala Announcement of Welfare Waiver [DC]

1-15-95

Jen -

Based on proposals we went through.

~~[redacted]~~ Walley World

CABINET IDEAS FOR FUTURE EVENTS

	Agriculture	Commerce	Council of Econ. Advisors	Dept. of Defense	Education	Energy	EPA	HHS	HUD
Anytime		•Manufacturing Town Hall - meet w/ Co. executives & workers @ Manufact. Exten. Ctr/linked via satellite to 40 (MEP) ctrs throughout country. •Worker oriented populist trade event @ a factory which has added workers since NAFTA/GATT			•Event @ the Ohio Auto Diesel Technical Institute in Cleveland highlighting student loan & retraining. •PTA mtgs				
1st Qtr Jan.-Mar. '95	•Event highlighting opening markets to Japan re: apples @ Yakima, WA or Port of Seattle.							•Event on SS Admin. becoming indep. agency	•Event talking about Homeownership strategy •EZ visit to either Atl, GA; Baltimore, Chicago, Detroit, NYC, Philly, Camden, NJ
2nd Qtr Apr.-June '95		•Speech at District Export Council Forum in St. Louis - group promotes the interests of US exporters						•WH Confer. on Aging	
3rd Qtr July-Sept. '95									
4th Qtr Oct.-Dec. '95									

CABINET IDEAS FOR FUTURE EVENTS

	Interior	Justice	Labor	Nat'l Drug Control Policy	SBA	State	DOT	Treasury	USTR	VA
Anytime		•COPS MORE: Reinventing policing event. Redeploying sworn officers from "desk jobs" to patrol assignments.			•One Stop Capital Shop Opening - Re: EZ & EC. E.g. of public/private partnership between St, Local, and Fed. gov't. Econ. Develop. •Def. Conversion kick-off in S. Calif.					
1st Qtr Jan.-Mar. '95		•Announcement of COPS FAST grant to 3-4,000 rural communities via teleconference.	•Conversations w/ America's Working Families - kickoff would be on the anniver. of the inauguration. •Host townhall mtg titled "Working for America's Workforce." The theme of the mtg re: restoring Amer. dream.					•Announce $140 mil. loan guarantee for tanker construction •Announce $130 mil. loan guarantee to build 4 heavy life vessels in Louisiana.		•VFW Annual Confer., DC •DAV Annual Winter Confer. DC •Amer. Legion Confer. DC
2nd Qtr Apr.-June '95					•Rose Garden ceremony re: Small Bus. Week					
3rd Qtr July-Sept. '95										
4th Qtr Oct.-Dec. '95										

1. Move 915
   → report 55
   - COS on calls

2. Down w/ H after 730
   COS

3. Daily 15 Min w/ Pol Dir → Search for marching orders

4. HI once a week until we have a boss

5.

6. Have pol dir / comm on the call 1x per week

Steve, Doug, Jen -

Edit as you see fit

JMT

DRAFT...DRAFT...DRAFT

December 16, 1994

MEMORANDUM FOR HAROLD ICKES

CC: ERSKINE BOWLES

FROM: OFFICE OF CABINET AFFAIRS

SUBJECT: Outreach to the Cabinet Agencies

In light of the meetings we have had with you, the Chiefs of Staff breakfast you attended, and our conversations with the Chiefs of Staff, there are a number of ways to reach out to the Agencies over the next 4-6 weeks:

Secretarial Level:

- **Full Cabinet Meeting:** There should be a full Cabinet meeting with the President before the State of the Union. It might make sense to do one before Christmas so as to convey "unity moving forward" after Thursday's speech and Friday's announcements. If before Christmas is not feasible, then just before the State of the Union would be appropriate.

Senior Staff/Presidential Appointments Level:

- **Outreach:** We have 25 Cabinet and non-Cabinet Agencies in our "jurisdiction." We recommend that you, Erskine, George and Mark travel to 15 Cabinet Agencies to meet with high-level political appointees:

State/UN	Transportation
Treasury	Energy
Interior	Education
Agriculture	Veterans
Commerce	EPA
Labor	USTR
HHS	SBA
HUD	

(This leaves out DOD, DOJ, ONDCP, OMB, CEA and our "observer nations" of OPM, USIA, FEMA, GSA which either are not appropriate for "political meetings" or are not in the Cabinet.)

We recommend that you, George, Erskine and Mark do four meetings at each Agency throughout ~~December~~ and January -- 1 hour each.

(b/c Xmas is here)

meeting w/ Cabinet left out of POTUS private meeting -> assumed

Maybe the CAV trip we had early last year - again w/ HI (or wait for bus)

We will set up the meetings, work with you to set the agenda, and work with the Chiefs of Staff to keep the attendance at the meetings to a manageable level (most meetings will have 20-30 senior staff attendees). We will also go with you to each meeting in order to follow-up if necessary.

- **Christmas Parties:** If you are able to work some invitations to Christmas parties, that will take care of some of this need. Nevertheless, we have been unsuccessful in getting 100-200 top political appointees into the parties, so we have reduced our request to the Chiefs of Staff.

- **Longer Chief of Staff meeting**: We think this is a good and necessary idea and should occur early to mid-January. The meeting will be a beginning of how to implement the themes, how to coordinate better given the new Congress, and how to function within the themes and lay the ground for reelection. We should do the meeting "off-campus" and set a very firm agenda and include other senior White House staff as appropriate (Congressional, Intergovernmental, DPC, NEC, etc.).

  We should wait until there is a new Cabinet Secretary before setting a date and planning the meeting.

Lower level political appointees:

As we have discussed, there is a great sense of unease and frustration among the Schedule C appointees. These are the people who we will ask to be the "foot soldiers" 16-18 months from now and they need to have a sense of where we might be headed and a sense of being included.

We recommend several options to accomplish this goal:

- **Helicopter arrivals:** The White House should make a point of inviting the Schedule C political appointees to upcoming helicopter departures/arrivals. We would be happy to work with the Personnel Office and the Social Office to coordinate this. We suggest, for example, inviting four agencies (approximately 400-500 people) to each event.

- **January event:** If the speech or helicopter idea is not feasible, we will work with Billy Webster to find a date and time in January for the President to address all of the Schedule C employees in a sort of "pep rally." From what we understand, Presidents Reagan and Bush did this periodically and it went a long way to boost morale and lay the groundwork for the campaign.

  (FYI -- All of the Schedule C appointees have were invited to a special holiday tour on Friday, December 9, between 2:00 pm and 8:00 pm. The President or First Lady were not present.)

General Planning:

One frustration we have picked up from the Agencies is the lack of information received by Assistant Secretaries, regional political appointees, and other lower level officials ("our people") about the President's agenda and plan to move forward -- not just in the wake of the election but generally. For example, we have gotten calls from regional appointees who make frequent Kiwanis Clubs/Rotary Clubs speeches each week and they struggle for "the message." We believe there is an opportunity for Cabinet Affairs to work with Communications to get the "message of the day/week/month" out to our people through broadcast faxes of talking points, favorable editorials, etc. The problem is that there is no information to disseminate, or, put another way, there is information to disseminate but no one to tell us what to send. We hope that we might be able to work with you and Communications to establish a process and dedicate staff to implement such a plan.

We should discuss all of these issues at our next meeting.

Thank you.

Pol Use of Cabinet

1. Motor voter - Ed. AG, HHS, DOJ
2. K on America
   - horror stories
3. Vets - lots o horror stories on Repub plans
4. OPM - Hill staffing practices
5. DoL - high profile empl. practices (Immig)
   empl sanctions
   enf actions
6. SBA - loan prog - lawdr etc - figure out how to ramp up
7. Justice - enf. actions
   cap stuff
   immig stuff
8. HHS - waivers
10. Lee Brown / Louis Freeh
    drug busts
11. HUD
    - mule approach
    Safe home - sweep
    - reinvent
    - grants
12. Fair lending

Steve - Just so you have it — this is the draft memo I gave Mark for Leon.

January 13, 1995

MEMORANDUM TO LEON PANETTA

FROM: **MARK GEARAN**
MEEGHAN PRUNTY

RE: **State of the Union –**
Draft Communications Plan

Attached please find a preliminary communications plan for the week in which the President gives the State of the Union. We would appreciate your thoughts on it.

CONTEXT

In the week leading up to the State of the Union, the entire Administration -- President, Vice President, Cabinet -- will have been mobilized in anticipation of the Two-Year Anniversary of the Inauguration. A communications plan -- involving cabinet radio calls, and extensive media outreach -- has been developed to highlight the Administration's impressive record of accomplishments. The State of the Union can then build on this foundation while focusing in greater detail on the President's vision for the *next* two years.

STRATEGY

After the State of the Union, as the schedule is now, there are three free days -- Wednesday, Thursday, and Friday -- before a Welfare Working Session with Governors on Saturday. Our efforts on immediately following the speech will be focused on this critical time block.

The post-Speech strategy is to hit the ground running with a flurry of Presidential and Administration activity. As you recall, the reaction was very positive when the entire Cabinet fanned out around the country on the day after the first Joint Session Address. This strategy was successful, in large part, because people were impressed by the coordinated activity. Duplicating this will also address the anticipated Republican -- *"We know he gives a good speech. But, now where's the beef?"* -- post-State of the Union spin.

To this end, the Cabinet has been asked to scour their agencies for any Presidential Action -- executive orders, federal waivers, grants, etc. -- that is scheduled to be released or could quickly be put together.

PRELIMINARY POTUS SCHEDULE FOR THE WEEK: OVERVIEW

Here is a brief overview of the proposal -- followed by a more detailed, rationale.

MONDAY – January 23, 1995

- Speech Prep
- Democratic Caucus at White House at night

TUESDAY – January 24, 1995

- Speech

WEDNESDAY – January 25, 1995

- *Theme:* Education
- *Events:*
  -- College Presidents Breakfast
  -- Rally at University

OPTION 1		*OPTION 2*
THURSDAY – January 26, 1995		**THURSDAY – January 26, 1995**
Theme: Reinventing Government	or	Family, Middle Class Bill of Rights
Event: Travel to successful REGO story	or	Family Town Meeting
FRIDAY – January 27, 1995		**FRIDAY – January 27, 1995**
Theme: Welfare	or	Reinventing Government
Event: Media Ramp-up to Welfare	or	Travel to successful REGO story

SATURDAY – January 28, 1995

Welfare Working Session with Governors

PRELIMINARY POTUS SCHEDULE FOR THE WEEK: RATIONALE

MONDAY -- January 23, 1995

- Although most of the day will be devoted to speech refinement and prep time, it has been suggested that the Democratic caucuses be brought into the White House for a briefing with senior staff and a drop-by with the President.

- Another suggested alternative is to have the President visit Haiti -- to highlight a foreign policy success story. He could arrive back the day of the State of the Union.

TUESDAY -- January 24, 1995

- Day: Speech Prep

- Evening: State of the Union

WEDNESDAY -- January 25, 1995

- Education Day: The first day following the speech should be a high-energy affirmation of the need for the Middle Class Bill of Rights.

  Education is the ideal theme. An area of strong accomplishment for the President, it also allows him to discuss a popular new initiative on which he has defined the debate (which can no longer be said for a middle class tax cut.) And most importantly, the education discussion provides an opportunity to draw clear distinctions between the cuts in education necessitated by the GOP Contact and the investment in education inherent in the Middle Class Bill of Rights.

Events:

- College Presidents Breakfast at White House: Bring a large group of college presidents into the White House to say that they will not raise tuition, as has been alleged, if the tuition tax credit passes.

- University Rally: The President would speak at a big energized crowd event with college students. A large university in a targeted state [Penn State, Ohio State, Wisconsin] would be ideal. Cabinet would all travel to universities or community colleges for similar events. The President's speech would be down-linked from satellite to hundreds of community colleges across the country.

There are two options for Thursday and Friday:

- Reinventing Government Day: There is a general agreement to do a government reform event on one of the two days [Thursday or Friday]. This will provide an opportunity to discuss the many ways in which our Administration has already cut government. One option is to go to a city -- such as Milwaukee -- which has dramatically reduced the size of its government, while being more responsive to the needs of its constituents. The cabinet, again, would do a similar event at a facility within their agency which has reinvented itself.

- *If Thursday is Reinventing Government Day* -- Friday could be spent doing media in preparation for the Welfare Summit. Interviews with columnists and the network correspondents has been suggested as well as an appearance on MacNeil-Lehrer.

- *If Friday is Reinventing Government Day* -- We could do a Town Hall Meeting on Thursday night. There is, as you know, a lively debate over whether a Town Hall is a good idea in this week. Some believe it allows the president to bring the messages of the State of the Union directly to Americans in a forum he excels at. Other feel it is a "huge risk" -- which "lowers" him from the elevated forum of a Joint Session Address.

  Were we to do a Town Hall Meeting, consensus formed around a Family theme. We would invite entire families -- moms and dads and kids and teenagers and college students and grandparents. This would let us discuss all of the provisions of the Middle Class Bill of Rights -- while highlighting a very strong record [crime, education, EITC, Family Leave.]

COMMUNICATIONS LOGISTICS SURROUNDING STATE OF UNION

Pre-Speech

- Weekend Talk Shows: Senior officials on the weekend shows.

- White House Press Corps Meetings: Thought might be given to replicating the strategy preceding the December 15 address in which Panetta sat down with selected White House reporters and network corespondents to background them in preparation for their stories.

In addition, a series of events will take place the week preceding the State of the Union, to celebrate the Two-Year Anniversary of the Inauguration. These include:

per Lorrie Mott

- Cabinet Radio: Cabinet members will have done radio for three days -- January 18th, 19th and 20th -- into targeted markets.

- Vice President Satellite Tour: The Vice President will have done satellite tours into targeted media markets across the country.

- Media Outreach: A series of Conference Calls to Specialty Press and Reporter Tongs with Senior Administration officials will have taken place.

- Presidential Interviews: The President will have given some interviews for the "first two years" pieces as well as set-up pieces for State of the Union.

Follow-Up to Speech

- Ed Board Mailing: The speech should be mailed out to the top 200 papers, specialty press, radio ed boards, and college press throughout the country.

per Lorrie

- Cabinet Radio: To follow-up, the cabinet can be sent into those targeted markets not reached the previous week.

- Vice President Satellite Tour: This tour would again target those markets not hit in the first round.

- Specialty Press Outreach: This would involve separate press releases as well as conference calls using political appointees.

JOC - Review

this includes from Walley packet and from Weekly Report

Jaser

FILE -- i:announce.113

January 14, 1995

MEMORANDUM FOR

FROM: CABINET AFFAIRS

SUBJECT: Upcoming Agency Announcements & Ideas For Presidential Events

COPS MORE Grant Applications Available January 13. COPS MORE grants can be used to move veteran officers from administrative and support functions back out to community policing positions. COPS Office Director Joseph Brunn will be sending a notice of the COPS MORE program to 70,000 jurisdictions by Friday, January 13. Good opportunity for an event.

DOJ Swearing-In Of New Cops: The President could participate in a swearing-in ceremony for 50 new police officers in Prince George's County, Maryland -- officers hired thanks to the President's Crime Bill. This event would focus attention on the President's successful and on -going efforts to add 100,00 cops to the beat, and a meaningful achievement of the first two years. This ceremony could easily be framed in the "New Covenant/Middle-class" theme: the right to protection from violence, gangs, and drugs -- the right for kids to go to school safely -- the right to feel safe in our homes, our schools, and our jobs..

COPS FAST Grant Awards: During the second week in February, the Justice Department will be ready to announce these grant awards to approximately 2-4,000 small and rural communities. The grants will enable these communities to hire several thousand new police officers. (The program is limited to jurisdictions under 50,000.)

After School Youth Crime Initiative: The President could participate in an event that demonstrates a common-sense approach to preventing youth crime: keeping school open after normal hours. The President, the Attorney General, and Secretary Riley could travel to a school and announce Crime Bill grants to help keep schools open in the afternoon.

HHS may approve several additional welfare demonstrations in the near future -- Ohio, Oklahoma, and Montana:

The Ohio demonstration would -- in two counties -- use monies designated for AFDC and Food Stamp benefits to supplement low-wage earning as an incentive for employees to hire welfare recipients, and to lift recipients out of poverty. In addition, it would and sanction AFDC recipients ages 6 to 18 who do not meet the school attendance requirement. In ten counties, the demonstration will provide additional budgeting for 12 months from month of employment and provide an additional 6 months of transitional child care.

The Oklahoma demonstrations would eliminate the 100-hour rule for employable two-parent households; require more work from JOBS participants; and provide case management for these two groups of recipients: teen custodial parents and long-term AFDC recipients.

The Montana demonstration would establish a Job Supplement Program with AFDC-related benefits to assist individuals at risk of becoming dependent upon welfare; a Family Investment Contract for beneficiaries, as well as time limited benefits, followed by participation in a Community Services Program for those who do not attain self-sufficiency.

Goals 2000: The State of Oregon submitted the first state improvement plan to be reviewed under the pre-existing plan provisions of Goals 2000. The Secretary plans to announce this first plan approval and second-year grant award at in the next two weeks. The Secretary also plans to announce a first-year award to Iowa on January 17.

School to Work: The Secretary of Education plans to announce a second round of School-To-Work Implementation grants in early February.

Safe Schools Act: As early as January 20, the Secretary of Education plans to announce 19 awards totalling $18 million under the Safe Schools Act for local districts to develop violence prevention programs.

Treasury's Office of Economic Policy has updated its **State Infrastructure Bank** draft proposal incorporating comments from members of the Interagency Financing Working Group. Treasury Forwarded the draft to the Department of Transportation, and expects comments shortly.

DOT Innovative Financing Announcement: at the request of the White House, DOT has delayed their announcement of Innovative Financing, which relaxes the rules on local entities using Federal funds so that they can increase their use of private capital. DOT will wait on White House advice on how to proceed.

Direct Student Loans. The President and the Secretary of Education could highlight the Direct Student Loan program on any participating college campus by gathering a group of student in a financial aid office and displaying on a computer how the loan is transferred into the student accounts. Good opportunity for roundtable discussion with students, or student town-hall event.

PTA Meeting: As simple as can be. The President attends a PTA meeting. Traditional values. Traditional family meetings.

Job Growth / American Pride: The President could visit a union factory in the Rust Belt which has added workers within the past year due to expanded exports and economic recovery. He could stand with those workers on the shop floor and declare: "This is what expanded trade means for America: real jobs for real hard working people."

THE WHITE HOUSE

WASHINGTON

January 13, 1995

MEMORANDUM FOR LEON PANETTA
HAROLD ICKES

FROM: MARK GEARAN
STEPHEN SILVERMAN

SUBJECT: Cabinet Strategy January 13 - January 30, 1995

Following up from your meeting on Friday, January 6, 1995 with the Chiefs of Staff and Public Affairs Directors from the Cabinet Agencies, and the subsequent Cabinet meeting with the President on Tuesday, January 10, 1994, the Offices of Strategic Planning and Cabinet Affairs have implemented an aggressive strategy for mobilizing the Cabinet around the President's Middle Class Bill of Rights message.

Cabinet activities will focus on the Middle Class Bill of Rights theme while touting Administration accomplishments and campaign promises kept during the first two years in office.

I. Media Interviews:

- The Cabinet has been asked to conduct 1-2 hours of media interviews each week. Each Cabinet Member has been assigned specific media markets and editorial boards in which to target their interviews. Sub-Cabinet officials have been asked to focus on secondary media markets.

- This week, Cabinet Members participated in more than 40 radio interviews, 6 editorial boards sessions, and 12 newspaper interviews. Attached [A] is a schedule of Cabinet interviews conducted this week and a tentative schedule of interviews for the next two weeks.

II. Testimony:

- All Cabinet Congressional testimony is being reviewed by OMB and senior White House political staff to ensure effective communication of the Middle Class Bill of Rights and the President's reform agenda.

- This week, the White House reviewed and advised on testimony for 13 hearings. Attached [B] is a schedule of Cabinet testimony for next week.

III. Appointees:

- This week, Deputy Chief of Staff Harold Ickes met with the political appointees at Commerce and Health and Human Services. These meetings proved to be useful for energizing the troops and explaining the message. In the coming weeks, Harold and other senior White House staff will travel to all of the Agencies and hold similar meetings.

- The Scheduling Office has accepted a proposal to hold a gathering of all political appointees with the Cabinet and the President. (The Reagan and Bush Administrations held similar pep-rallies on an annual basis.) The purpose of this event is threefold:

    1) for the President to explain the urgency of his middle-class message and the need for organization and coordination throughout the government;
    2) for the President to instill enthusiasm and determination in the minds of the foot-soldiers who will help carry out the President's agenda and form the backbone of his re-election effort;
    3) for the Cabinet Secretaries to thank their appointees for two years of hard work and discuss with them future plans (reorganization) for the Agencies.

  The offices of Cabinet Affairs, Presidential Personnel, and Strategic Planning recommend that this event occur shortly after the President's State of Union address.

- Cabinet Affairs has now established a new computer-fax network to send information to more than 250 political appointees -- including not only those appointees located here in DC, but also to the regional appointees around the country. This week, the President's remarks from Galesburg, IL and background briefings on the President's trips to Galesburg and Cleveland were sent via this network. A Cabinet stump speech developed by the Communications Office will go out today [Attachment D].

IV. Events and Speeches:

- Members of the Cabinet and Sub-Cabinet will participate in events that highlight the impact of the Middle Class Bill of Rights on ordinary Americans. During the three days following the State of the Union address, Members of the Cabinet will to travel to key media markets. Likewise, the Sub-Cabinet will promote the Middle Class Bill of Rights in speeches and events, particularly to key groups in smaller media markets.

V. Key Constituencies:

- Members of the Cabinet and Sub-Cabinet will, as appropriate, meet with key groups of supporters and leaders to talk with them about the importance of the Middle Class Bill of Rights.

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: **A. Media**

THE WHITE HOUSE

WASHINGTON

January 13, 1995

MEMORANDUM FOR LEON PANETTA

FROM: CABINET AFFAIRS

SUBJECT: Cabinet Media Interviews Leading Up To State Of Union
As of January 13, 1995

On Friday, January 6, 1995,you met with the Chiefs of Staff and Public Affairs Directors from each Cabinet Agency. At this meeting, Mark Gearan described a strategy for Cabinet media interviews leading up to the State of the Union speech.

This document outlines the initial implementation of that strategy. Each Secretary has devoted time to radio, newspaper, and editorial board interviews. This memo will be augmented as more interviews are booked.

Tuesday, January 10, 1995

WHO:	**Secretary Reich**
MEDIA MARKET:	National
WHAT:	Television Interview: Good Morning America
TOPIC(S):	Middle Class Bill of Rights, POTUS Trip

WHO:	**Secretary Riley**
CITY:	Davenport, IA
MEDIA MARKET:	Davenport, IA
WHAT:	Radio Interview: WOC
DETAILS:	15 minute radio interview.
TOPIC(S):	Middle Class Bill of Rights, POTUS Trip

WHO:	**Secretary Riley**
CITY:	Galesburg, IL
MEDIA MARKET:	Davenport, IA
WHAT:	Radio Interview: W-ALK
DETAILS:	15 minute radio interview.
TOPIC(S):	Middle Class Bill of Rights, POTUS Trip

WHO:	**Ambassador Kantor**
MEDIA MARKET:	Los Angeles, CA
WHAT:	Radio Interview: K-ABC
DETAILS:	15 minute radio interview; The Michael Jackson Show
TOPIC(S):	Middle Class Bill of Rights

WHO: **Ambassador Kantor**
MEDIA MARKET: San Francisco, CA
WHAT: Radio Interview: KGO
DETAILS: 10 minute radio interview The Duane Garrett Show
TOPIC(S): Middle Class Bill of Rights

WHO: **Ambassador Kantor**
MEDIA MARKET: National
WHAT: Television Interview: CNN
DETAILS: CNN Business News
TOPIC(S): Middle Class Bill of Rights

WHO: **Ambassador Kantor**
MEDIA MARKET: Rust Belt
WHAT: Roundtable with Rust Belt Reporters
Chicago Tribune
Chicago Sun Times
Knight Ridder (Detroit Free Press)
Newhouse News Service
Gannett
Detroit News
Cleveland Plain Dealer
Toledo Blade
Pittsburgh Post-Gazette
St. Louis Post-Dispatch
Boston Globe
Buffalo News
McLatchey News Service
Hearst Newspapers
TOPIC(S): Middle Class Bill of Rights

Wednesday, January 11, 1995

WHO: **Secretary Cisneros**
MEDIA MARKET: Washington D.C.
WHAT: Television Interview: FOX
DETAILS: FOX Morning News
TOPIC(S): Middle-Class Tax Cut

WHO: **Secretary Cisneros**
MEDIA MARKET: Washington, D.C.
WHAT: Print Interview: Washington Post
DETAILS: Washington Post Interview w/ Dan Balz
TOPIC(S): HUD Reinvention

WHO:	**Director Rivlin**
MEDIA MARKET:	Cincinnati, OH; Cleveland, OH; Columbus, OH; New York, NY
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Reich**
MEDIA MARKET:	Washington, D.C.
WHAT:	Television Interview: FOX Morning News
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Reich**
MEDIA MARKET:	Springfield, MA
WHAT:	Radio Interview: WNNZ
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Reich**
MEDIA MARKET:	Chicago, IL
WHAT:	Radio Interview: WLS
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Shalala**
MEDIA MARKET:	Philadelphia, PA
WHAT:	Radio Interview: WWDB
TOPIC(S):	Middle Class Bill of Rights / Government programs that work / Constitutionality of "means testing" / reinventing government / Administration Accomplishments

WHO:	**Secretary Shalala**
MEDIA MARKET:	Detroit, MI
WHAT:	Radio Interview: WJR
TOPIC(S):	Middle Class Bill of Rights / Welfare Reform / Government programs that work / Constitutionality of "means testing" / reinventing government / Administration Accomplishments

WHO:	**Secretary Shalala**
MEDIA MARKET:	Rochester, NY
WHAT:	Radio Interview: WHAM
TOPIC(S):	Middle Class Bill of Rights / Government programs that work / reinventing government / Administration Accomplishments

WHO:	**Secretary Shalala**
MEDIA MARKET:	Madison, WI
WHAT:	Radio Interview: WTDY
TOPIC(S):	Middle Class Bill of Rights / Government programs that work / reinventing government / Administration Accomplishments

WHO:	**Secretary Shalala**
MEDIA MARKET:	Milwaukee, WI
WHAT:	Radio Interview: WISN
TOPIC(S):	Welfare Reform / Middle Class Bill of Rights / Government programs that work / reinventing government / Administration Accomplishments

Thursday, January 12, 1995

WHO:	**Secretary Cisneros**
MEDIA MARKET:	National
WHAT:	Interview with Kevin Phillips, American Political Report
TOPIC(S):	Reinvention, Middle Class Bill of Rights

WHO:	**Administrator Lader**
MEDIA MARKET:	Chicago, IL
WHAT:	Print Interview: The Arlington Heights Herald
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Riley**
MEDIA MARKET:	Nashville, TN
WHAT:	Radio Interview: WLAC
TOPIC(S):	Middle Class Bill of Rights / Administration Accomplishments

WHO:	**Secretary Riley**
MEDIA MARKET:	Atlanta, GA
WHAT:	Print Interview: The Atlanta Journal Constitution
TOPIC(S):	Middle Class Bill of Rights / Department of Education

WHO:	**Secretary Riley**
MEDIA MARKET:	National
WHAT:	Television Interview: MacNeil Lehrer
TOPIC(S):	Future of Education Department / Middle Class Bill of Rights

WHO:	**Secretary Shalala**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Pena**
MEDIA MARKET:	Los Angeles
WHAT:	Editorial Board: The Los Angeles Times
TOPIC(S):	Middle Class Bill of Rights / Earthquake

WHO:	**Secretary Reich**
MEDIA MARKET:	Springfield, MA
WHAT:	Radio Interview: WHYN
TOPIC(S):	Middle Class Bill of Rights / Administration Accomplishments

WHO:	**Secretary Reich**
MEDIA MARKET:	Boston, MA
WHAT:	Radio Interview: WRKO
TOPIC(S):	Middle Class Bill of Rights / Administration Accomplishments

WHO:	**Secretary Reich**
MEDIA MARKET:	Chicago, IL
WHAT:	Editorial Board: Chicago Tribune
TOPIC(S):	Middle Class Bill of Rights / Administration Accomplishments

WHO:	**Secretary Reich**
MEDIA MARKET:	National
WHAT:	Print Interview: John McClain, Associated Press
TOPIC(S):	Middle Class Bill of Rights / Administration Accomplishments

WHO:	**Administrator Lader**
MEDIA MARKET:	Wilmington, DE
WHAT:	Radio Interview: WDEL
TOPIC(S):	Middle Class Bill of Rights / Administration Accomplishments

WHO:	**Administrator Lader**
MEDIA MARKET:	Arlington Heights, IL
WHAT:	Print Interview: The Arlington Heights Herald
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Jesse Brown**
MEDIA MARKET:	Honolulu, HI
WHAT:	Radio Interview: KSSK
TOPIC(S):	Middle Class Bill of Rights / Veterans Issues

WHO:	**Secretary Jesse Brown**
MEDIA MARKET:	Honolulu, HI
WHAT:	Radio Interview: KHPR
TOPIC(S):	Middle Class Bill of Rights / Veterans Issues

WHO:	**Administrator Browner**
MEDIA MARKET:	Cleveland, OH
WHAT:	Print Interview: The Cleveland Plain Dealer
TOPIC(S):	Middle Class Bill of Rights

Friday, January 13, 1995

WHO:	**Dr. Laura Tyson**
MEDIA MARKET:	CT; Los Angeles, CA; Bakersfield, CA; Fresno, CA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Reich**
MEDIA MARKET:	National
WHAT:	Print Interview: The Economist
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Reich**
MEDIA MARKET:	San Francisco, CA
WHAT:	Editorial Board: San Francisco Examiner
TOPIC(S):	Middle Class Bill of Rights / Administration Accomplishments

WHO:	**Secretary Riley**
MEDIA MARKET:	Nashville, TN
WHAT:	Radio Interview: WLAC
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Riley**
MEDIA MARKET:	Knoxville, TN
WHAT:	Radio Interview: WIVK
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Riley**
MEDIA MARKET:	Memphis, TN
WHAT:	Radio Interview: WMC
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Riley**
MEDIA MARKET:	Albany, GA
WHAT:	Radio Interview: WALG
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Cisneros**
MEDIA MARKET:	Washington, D.C.
WHAT:	Print Interview: Dan Balz, Washington Post
TOPIC(S):	Reinventing Government

WHO:	**Secretary Cisneros**
MEDIA MARKET:	Washington, D.C.
WHAT:	Print Interview: Business Week
TOPIC(S):	Future of Democratic Party / Middle Class Bill of Rights

Sunday, January 15, 1995

WHO:	**Labor Secretary Reich**
MEDIA MARKET:	National
WHAT:	Television Interview: NBC Meet The Press
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Treasury Secretary Bob Rubin**
MEDIA MARKET:	National
WHAT:	Television Interview: NBC Meet The Press
TOPIC(S):	Mexico / Middle Class Bill of Rights

Monday, January 16, 1995

WHO:	**Interior Secretary Babbitt**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Shalala**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Transportation Secretary Pena**
MEDIA MARKET:	Pittsburgh, PA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

Tuesday, January 17, 1995

WHO:	**Secretary Riley & Deputy Secretary Kunin**
MEDIA MARKET:	National
WHAT:	Satellite town meeting
TOPIC(S):	School to work programs / Middle Class Bill of Rights

WHO:	**Director Rivlin**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Administrator Browner**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Dr. Laura Tyson**
MEDIA MARKET:	CT; Los Angeles, CA; Bakersfield, CA; Fresno, CA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Interior Secretary Babbitt**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Shalala**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Jesse Brown**
MEDIA MARKET:	Bangor, ME
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Jesse Brown**
MEDIA MARKET:	Beckley, WV
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

Wednesday, January 18, 1995

WHO:	**Labor Secretary Reich**
MEDIA MARKET:	National
WHAT:	Radio Interview: NPR
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Administrator Browner**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Transportation Secretary Pena**
MEDIA MARKET:	Pittsburgh, PA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Dr. Laura Tyson**
MEDIA MARKET:	CT; Los Angeles, CA; Bakersfield, CA; Fresno, CA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Secretary Jesse Brown**
MEDIA MARKET:	Hawaii
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Interior Secretary Babbitt**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

Thursday, January 19, 1995

WHO:	**Transportation Secretary Pena**
MEDIA MARKET:	Pittsburgh, PA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Labor Secretary Reich**
MEDIA MARKET:	Chicago, IL
WHAT:	Print Interview: Chicago Tribune
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Administrator Browner**
MEDIA MARKET:	Orlando, FL
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Administrator Lader**
MEDIA MARKET:	Harrisburg, PA
WHAT:	Radio Interview: WHP Radio
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Interior Secretary Babbitt**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

Friday, January 20, 1995

WHO:	**Secretary Cisneros**
MEDIA MARKET:	Washington, D.C.
WHAT:	Knight Ridder Interview
DETAILS:	Knight-Ridder Washington Bureau "Newsmaker Luncheon" Interview with 20 reporters and editors
TOPIC(S):	Reinvention, Middle Class Bill of Rights

WHO:	**Administrator Browner**
MEDIA MARKET:	Miami, FL
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

WHO:	**Interior Secretary Babbitt**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights

Monday, January 23, 1995

WHO:	**Administrator Browner**
MEDIA MARKET:	TBA
WHAT:	Radio Interviews
TOPIC(S):	Middle Class Bill of Rights, State of Union Speech

WHO:	**Administrator Lader**
MEDIA MARKET:	DE
WHAT:	Print Interview: The Delaware State News
TOPIC(S):	Middle Class Bill of Rights

Tuesday, January 24, 1995

WHO:	**Secretary Cisneros**
MEDIA MARKET:	National
WHAT:	Interview with Kevin Phillips, American Political Report
TOPIC(S):	Reinvention, Middle Class Bill of Rights, State of Union Speech

WHO:	**Secretary Cisneros**
MEDIA MARKET:	National
WHAT:	Radio Interview: NPR "Talk of the Nation"
TOPIC(S):	Reinvention, Middle Class Bill of Rights, State of Union Speech

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Divider Title: **B. Testimony**

THE WHITE HOUSE

WASHINGTON

January 13, 1995

MEMORANDUM FOR LEON PANETTA
HAROLD ICKES
ERSKINE BOWLES
GEORGE STEPHANOPOULOS
PAT GRIFFIN
MARK GEARAN
DAVID DREYER

FROM: CABINET AFFAIRS

SUBJECT: SCHEDULE OF CABINET HILL TESTIMONY
As of 1/13/95

The following schedule outlines planned testimony by Cabinet Members and Agency staff for the month of January. This schedule is tentative and subject to change. We will issue updates and revisions to this schedule as such information is made available.

Friday, January 13

House Ways and Means Subcommittee on Human Resources: *Cost of Welfare and Role of Entitlements and Block Grants.*
HHS Assistant Secretary for Children and Families Mary Jo Bane, and HHS Assistant Secretary for Planning and Evaluation David Ellwood will testify.

Monday, January 16

Tuesday, January 17

Wednesday, January 18

House Appropriations Subcommittee on Interior and Related Agences: *Streamlining and Downsizing.*
Interior Secretary Bruce Babbitt will testify.

House Appropriations Subcommmittee on Labor, Health and Human Services, and Education: *FY 1995 Recission Bill.*
Labor Secretary Reich will testify.

House Appropriations Subcommmittee on Labor, Health and Human Services, and Education: *FY 1995 Recission Bill.*
Education Secretary Richard Riley will testify.

Senate Labor and Human Resources Committe: *Job Corps*
Department of Labor Assistant Secretary of the Employment and Training Administration will testify.

House Appropriations Committee on Interior and Related Agencies: *Reorganization of the USDA.*
USDA Forest Service Chief Jack Ward Thomas will testify.

House Transportation and Infrastructure Committee: *General Coast Guars Issues*
Vice Admiral Gene Henn, Vice Commandant of the Coast Guard will testify.

Thursday, January 19

Senate Appropriations Subcommitte for VA, HUD, and Independent Agencies: *HUD's Blueprint for Reinvention and HUD Management Issues.*
HUD Secretary Henry Cisneros and Susan Gaffney, the HUD Inspector General, will also testify at the hearing.

House International Relations Committee: *Foreign Policy Overview.*
Second in a series by HIRC. Former Secretary of State, Jeanne Kirkpatrick, Zbigniew Brezinski will testify.

Senate Indian Affairs Committee: *Oversight Hearing on Reorganization of Bureau of Indian Affairs.*
Either Interior Secretary Babbitt or Assistant Secretary for Indian Affairs Ada Deer will testify.

House Commerce Committee: *Contract With America -- Denying Low Income Home Energy Assistance Program and Weatherization Funding to Non-Citizens.*
Secretary of Energy Hazel O'Leary will testify

House Appropriations Committee: *Recissions for Department of Energy.*
DOE witness will testify.

House Appropriations Committee on Interior and Related Agencies: *Rescissions to the FY94/95 USDA Forest Service Budget.*
USDA Under Secretary for Natural Resources Environment Jim Lyons and Forest Service Chief Jack Ward Thomas will testify.

Friday, January 20

House Ways and Means Subcommittee on Human Resources: *Illegitimacy and wlefare as it realtes to the Personal Responsibility Act.*
HHS Assistant Secretary for Children and Families Mary Jo Bane is expected to testify.

House Ways and Means Committee: Trade Issues.
Trade Representative Mickey Kantor will testify.

Monday, January 23

House Ways and Means Subcommittee on Human Resources: *Welfare Dependency and Welfare-to Work programs as tehy relate to the Personal responsibility Act.*
HHS Assistant Secretary for Planning and Evaluation may testify.

Tuesday, January 24

Wednesday, January 25

House Committee On Small Business: *SBA 7(a) loan program.*
SBA Administrator Lader may testify.

January, Date TBD

The following hearings are also expected to be held in January. Dates for these hearings have yet to be determined.

Senate and House Judiciary Committees: *Balanced Budget Act.*
General Shalikashvili or Defense Secretary Perry will testify.

Senate Armed Services Committee: *North Korea Framework Agreement.*
General Shalikashvili and Defense Secretary Perry will testify.

Senate Armed Services Committee: *Unilateral arms lift in Bosnia.*
General Shalikashvili or General Clark will testify.

House Committee on Ways and Means: *Line Item Veto.*
The Secretary of Treasury, OMB Director Alice Rivlin, and Assistant Secretary for Tax Policy Les Samuels, are expected to testify.

House Committee on Ways and Means: *Capital Gains Tax Cut.*
The Secretary of Treasury and Assistant Secretary for Tax Policy Les Samuels are expected to testify.

House Committee on Ways and Means: *Small Business Incentives / Regulatory Relief.*
Assistant Secretary for Tax Policy Les Samuels is expected to testify.

House Committee on Ways and Means: *Individual Income Tax Reductions.*
The Secretary of Treasury and Assistant Secretary for Tax Policy Les Samuels are expected to testify.

House Committee on Ways and Means: *Balanced Budget Amendment/Budget Process Issues.*
The Secretary of Treasury, OMB Director Alice Rivlin, and Assistant Secretary for Tax Policy Les Samuels, are expected to testify.

House Committee on Ways and Means: *Welfare Reform.*
The Secretary of Treasury, Assistant Secretary for Economic Policy Alicia Munnell, and Assistant Secretary for Tax Policy Les Samuels, are expected to testify.

House Committee on Ways and Means: *Dynamic Scoring*
The Secretary of Treasury and Assistant Secretary for Tax Policy Les Samuels are expected to testify.

House Committee on Banking and Financial Services: *Glass-Steagall Reform.*
The Secretary of Treasury, Under Secretary for Domestic Finance, and the Comptroller of the Currency, are expected to testify.

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Divider Title: **C. Appointees**

THE WHITE HOUSE

WASHINGTON

January 13, 1995

MEMORANDUM FOR LEON PANETTA

FROM: Craig T. Smith, Office of Presidential Personnel
Steve Silverman, Cabinet Affairs

RE: Proposal for Appointees Seminar

In recent months, we have heard from many appointees who feel deeply disconnected from the President and the goals of this Administration. We suggest that we prepare a substantive briefing for all appointees attended by the President, the Vice-President, and all of the cabinet secretaries. The speakers could use this opportunity to emphasize the importance of the appointees' work and to tacitly enlist their support and participation in the re-elect. With this goal in mind, the event should be held at the end of February or the beginning of March. Past administrations have used Constitution Hall for similar gatherings.

The appointees can and should be used to carry the President's message for the next two years. With your directive, Presidential Personnel and Cabinet Affairs could handle all of the organization involved with this event.

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Divider Title: **D. Stump Speech**

CABINET STUMP SPEECH
January 13, 1995

We have a terrific opportunity over the next few months to make rapid progress on issues of great importance to America. Our challenge is to work together to give a fair shot at the American Dream to the next generation of Americans while helping to improve the lives of this generation of Americans.

Everything President Clinton has done, everything he proposes to do, is built around three principles to meet that challenge, the test of our times.

First, to meet the demands of the new economy, we are building a new economic strategy to enable the American people to compete and win in the 21st century. Our strategy requires government to act as a partner with the private sector, opening up opportunity. And that's what we've done: cutting the deficit by historic amounts and creating more trade opportunities than at any time in a generation. We're removing obstacles around the world -- passing NAFTA and GATT and opening big emerging markets in Asia and Latin America. We're removing obstacles here at home: cutting regulations on things like banking and trucking.

The result of this economic strategy is five and a half million new jobs since the President took office -- almost all of them in the private sector, and many that are high-wage. Unemployment is down to 5.4%, from over 7% in January, 1993. 1994 was the best year for job growth in a decade. It was the first year that manufacturing jobs increased every month since 1978.

Second, we are building what the President called a New Covenant during the 1992 election. It's about more than cutting taxes. It's about emphasizing rights and responsibilities. Real security comes when government creates opportunity for all Americans, and individuals and communities take the responsibility to make the most of it. That's what the Crime Bill is all about. That's what Empowerment Zones are all about. That's what the President's proposal to end welfare as we know it is all about.

And that's why our Administration, with bipartisan support, has pursued the most far-reaching education agenda in a generation. We have dramatically expanded Head Start. We have set challenging standards for our nation's schools. We have forged new partnerships to help students who don't go to college learn the skills they need to get high-wage jobs. We have made college loans more affordable. And our National Service program, Americorps, is the embodiment of this idea. We will help Americans go to college who take the responsibility to help their country.

Third, we are building a new kind of government -- -- smaller, more efficient, and better targeted to meet the demands of new times. We must take government out of the grip of the special interests and put the American people back in control. That's what our Reinventing Government program is all about -- cutting the bureaucracy to its smallest size in

thirty years. But at the same time we're making it work better for you. When floods racked Illinois, when the earthquake hit California, the Federal Emergency Management Administration, long a source of problems and ridicule, was on the scene and made a big difference.

But everything we've done is not enough. Because, for all the good statistics and all the progress we have made, the average American is simply not receiving enough benefit from this recovery. Millions and millions of Americans are working harder for less. From 1950 to 1978, the income of all Americans rose together. But from 1979 to 1993, the income of the top 20% grew significantly, while the income of the other 80% of America barely grew at all or dropped. Half of all Americans are living on less money than they did fifteen years ago.

Here's the problem: Rapid technology growth and expanding global competition have kept the income of Americans without a college education stagnant for about twenty years. A male college graduate today earns 83% more than a man with only a high-school degree. And Democrats and Republicans have to work together to change that.

That's why the President proposed the Middle Class Bill of Rights -- four new ideas to help middle class Americans build a future that lives up to their dreams. Fifty years ago, the G.I. Bill of Rights helped to transform a war-time economy into the most productive peacetime economy in history. The Middle Class Bill of Rights will help middle class Americans move into the next century with the same fair shot at the American Dream enjoyed by their parents and grandparents.

Anybody can say, "I want to give you a tax cut," and make people happy in the short run. The President is determined to cut taxes so people can invest in the education of their children and in their own training and skills. We want people to have the resources they need to fulfill their hopes and dreams over the long term.

First, if your family makes less than $120,000, the tuition you pay for college, community college, graduate school, professional school, vocational education, or worker training will be fully deductible up to $10,000 a year.

Second, if your family makes $75,000 a year or less, you'll receive a tax cut phased up to $500 for every child under 13.

Third, if your family makes less than $100,000 a year, you'll be able to put $2,000 a year, tax-free, into an individual retirement account. But you'll also be able to withdraw that money, tax-free, for education, health care, a first home, or the care of an elderly parent.

Finally, the Middle Class Bill of Rights will take the Billions of dollars that government spends on job training and make that money directly available to working Americans -- to spend as you decide when you need to learn new skills to get a new job or a better job.

And every single penny of the Middle Class Bill of Rights is paid for by dramatic cuts in government that I have proposed. We have led the way to the largest two-year deficit reduction in history. The President will absolutely not allow anyone to destroy our progress in reducing the deficit and to threaten the economic recovery.

The Middle Class Bill of Rights is based on the same three principles I talked about earlier. It will help people meet the challenges of the new economy -- because in this economy, what you earn depends upon what you learn. It reinforces the New Covenant by empowering people to help themselves -- providing opportunity but demanding responsibility. It's about creating a new government: cutting, consolidating, and streamlining. And the great thing about the Middle Class Bill of Rights is that it's open to everyone who needs it, as long as they're willing to work hard to get ahead.

The President has one simple test for every policy, every piece of legislation that comes before him: Does it advance the interests of average families? Does it promote their values? Does it build their future? If it passes that test, he will support it; if it does not, he will oppose it.

If we work together to do the job the American people hired us to do, 1995 will be a terrific year for everybody who works hard and plays by the rules. We've seen how people in Washington can obstruct progress for partisan gain. Now we have to prove that we can work together to keep moving forward, for America's gain.

JDC

January 12, 1995

Memorandum for Senior Staff

95 JAN 12 P2:22

From: **Mark Gearan**

Subject: Stump Speech for Cabinet

The attached speech will be distributed to the Cabinet for their use during the next two weeks -- prior to the State of the Union. It covers both the Administration' accomplishments (for the 2-year anniversary of the inaugural) and the Middle Class Bill of Rights. We will ask Cabinet members to modify the speech to reflect their own accomplishments and initiatives.

Please review the draft speech and forward comments to Jonathan Prince (65692) or Jake Siewert (65758) by **10:00 a.m. Friday, January 13, 1995.**

STUMP SPEECH FOR CABINET

We have a terrific opportunity over the next few months to make rapid progress on issues of great importance to America. Our challenge is to work together to give a fair shot at the American Dream to the next generation of Americans while helping to improve the lives of this generation of Americans.

Everything President Clinton has done, everything he proposes to do, is built around three principles to meet that challenge, the test of our times.

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of new times. We must take government out of the grip of the special interests and put the American people back in control. That's what our Reinventing Government program is all about -- cutting the bureaucracy to its smallest size in thirty years. But at the same time we're making it work better for you. When floods racked Illinois, when the earthquake hit California, the Federal Emergency Management Administration, long a source of problems and ridicule, was on the scene and made a big difference.

But everything we've done is not enough. Because, for all the good statistics and all the progress we have made, the average American is simply not receiving enough benefit from this recovery. Millions and millions of Americans are working harder for less. From 1950 to 1978, the income of all Americans rose together. But from 1979 to 1993, the income of the top 20% grew significantly, while the income of the other 80% of America barely grew at all or dropped. Half of all Americans are living on less money than they did fifteen years ago.

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Anybody can say, "I want to give you a tax cut," and make people happy in the short run. The President is determined to cut taxes so people can invest in the education of their children and in their own training and skills. We want people to have the resources they need to fulfill their hopes and dreams over the long term.

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money, tax-free, for education, health care, a first home, or the care of an elderly parent.

Finally, the Middle Class Bill of Rights will take the Billions of dollars that government spends on job training and make that money directly available to working Americans -- to spend as you decide when you need to learn new skills to get a new job or a better job.

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The Middle Class Bill of Rights is based on the same three principles I talked about earlier. It will help people meet the challenges of the new economy -- because in this economy, what you earn depends upon what you learn. It reinforces the New Covenant by empowering people to help themselves -- providing opportunity but demanding responsibility. It's about creating a new government: consolidating, streamlining, and eliminating. And the great thing about the Middle Class Bill of Rights is that it's open to everyone who needs it, as long as they're willing to work hard to get ahead.

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...MINED TO BE AN ...MINISTRATIVE
MARKING INITIALS: MM DATE: 3/27/24
B24-0267-S

CONFIDENTIAL

DRAFT

HIGHLIGHTS OF THE

PRESIDENT'S PLAN TO RESTRUCTURE

THREE CABINET DEPARTMENTS

AND

TWO MAJOR AGENCIES

Department of Housing and Urban Development

* The President will focus HUD's mission on economic development for communities and transitions to economic independence for needy families.

* His plan will:

    -- Enable governors and mayors to attack problems more comprehensively;

    -- Give the private sector an increased role;

    -- Stress job creation and moving families out of dependency; and

    -- Give "bonus" resources to communities based on their progress.

* Specifically, it will end public housing as we know it.

* It will consolidate some 60 programs into four:

    1. Housing Certificates for Families and Individuals -- the basic means of giving rental housing assistance to low-income tenants -- will consolidate HUD's subsidized rental assistance programs (eg. Section 8 Assistance and Vouchers) and its support for public housing;

    2. Community Opportunity Fund -- to give governors and mayors flexible resources for economic revitalization and the renewal of distressed communities -- will consolidate HUD's CDBG, Youthbuild, and other economic development programs;

    3. Affordable Housing Fund -- to give governors and mayors flexible funding to support the development, acquisition, and/or rehabilitation of affordable housing and homeownership for low-income families -- will consolidate HOME, Housing for the Elderly and Disabled, Housing Counseling, National Homeownership Fund, Homeless programs, Housing for People with AIDS, and other housing production assistance programs; and

    4. A new, entrepreneurial FHA will work with private enterprises and non-profits to expand homeownership opportunities to low- and moderate-income Americans, and provide decent, affordable housing to low-income renters.

Department of Transportation

* The President will increase flexibility for states and cities by consolidating over 30 separate, categorical grants into a new grant program.

* His plan will emphasize capital grant assistance (for construction and repair) for highways, transit systems, passenger rail, and airports, and will reduce operating subsidies (e.g., transit).

* It will encourage a more business-like operation of the national transportation system.

* It will retain a strong emphasis on transportation safety, and on developing new technologies for the future.

* Specifically, it will:

  -- Create a consolidated transportation infrastructure grant (of over $11 billion a year) for which highway, transit, passenger rail, and airport capital projects would be eligible, and allocate funds by formula to states and local jurisdictions;

  -- Finance block grant programs through user fees (highway fuel taxes and aviation ticket taxes), without raising the fees;

  -- Assure rehabilitation and repair of the 40,000 mile interstate system in a continuing federal program, along with R&D and including the Administration's Intelligent Transportation System;

  -- Capitalize a new network of "State Infrastructure Banks" (SIBs) to give jurisdictions flexibility to leverage resources for infrastructure priorities;

  -- Transfer Federal Aviation Administration air traffic control services to an "Air Traffic Corporation" to speed modernization and improve operating efficiency;

  -- Honor previous commitments for specific construction and restructuring efforts; and

  -- Organize DOT's safety programs into a new Transportation Safety Administration.

Department of Energy

* The President will aggressively realign the agency's management with a new plan that includes:

    -- Management restructuring;

    -- Contract reform;

    -- Consolidation of research facilities and programs; and

    -- Indirect cost reductions.

* Specifically, his plan will:

    -- Terminate the clean coal program, after completion of projects now underway;

    -- Privatize the Naval Petroleum Reserves in Elk Hills, Calif.;

    -- Sell uranium no longer needed for national defense purposes after rendering it suitable for commercial power reactors;

    -- Significantly reduce costs in DOE's applied research programs through requiring more cost-sharing and through cuts in lower priority programs; and

    -- Improve program effectiveness and efficiencies in environmental management (e.g., nuclear waste cleanup).

General Services Administration

* The President will transform GSA into an organization devoted exclusively to policy and oversight, thus:

    -- Increasing its accountability for results;

    -- Encouraging innovation and better government-wide planning; and

    -- Assuring responsible asset management.

* Under the President's plan, GSA will accelerate its reinvention efforts by asking about each of its functions, "Why can't the private sector provide this service or activity more effectively?"

* As a result, the plan will consider various forms of privatization, including the sale of business units to employees (ESOPs) or to private firms.

* It will transfer virtually all other service functions and associated employees to the agencies.

* It will, in turn, encourage agencies to franchise these activities to avoid duplication and to maximize efficiency.

* It will transfer GSA's buildings and other assets to the agencies, and give the agencies authority to acquire services and assets.

* It will involve employee unions in designing and implementing details of this reinvention.

get back
to
fresh
air

Office of Personnel Management

* The President will transform OPM into an agency that no longer directly provides training, investigations, and hiring services to agencies.

* Agencies may perform these functions on their own or procure them from the private sector.

* As a result, the plan envisions the possibility of privatizing entire OPM business units.

* The plan would eliminate regional and other field service operations.

* OPM will:

-- Continue to provide core personnel policy, oversight functions, and essential operations:

Pay,

Employee benefits,

Integrity of the merit system,

Hiring, and

Executive resources.

-- Continue its leadership role and oversight of the 100-year-old civil service system, and ensure that the government continues to operate with an open and competitive, merit-based, non-political civil service.

-- Remain the focal point for government-wide pay and benefits policy.

-- Continue to administer the Federal civilian retirement program.

-- Oversee private sector operation of the Federal Employee Health Benefits Program and the Federal Employees Group Life Insurance Program.

Draft Agenda for 1:00pm and 2:30 pm

I.	Introduction	Harold Ickes
II.	Changes at Agencies	Alice Rivlin/Bob Rubin
III.	Overall Message and Themes	George Stephanopoulos/Gene Sperling/Elaine Kamarck
IV.	Communications Strategy and Implementation (Specific for each Secretary, with markets, outlets)	Mark Gearan/ Evelyn Lieberman (at 2:30)
V.	Congressional Outreach	Pat Griffin
VI.	Public Outreach	Alexis Herman

1:00pm briefing is for Secretaries, plus 1.

2:30pm briefing is for Agency staff from HUD, DOT, Energy, GSA, OPM. We also hear from them their strategies on Congressional, Press, and Public outreach.

11:00 → with principals meet for pre-brief

Roosevelt Room

1:00 – 2:00 5 Cabs Secs Roosevelt Room
prin only
Alice, Robin, Gillen, Steph, Sperling, Ickes, Quinn (Kam) Cleared

Rose Room

2:30 – Gene, HF, Kam, Cleared, Chow, ~~Alexis~~
COS DeDe,

Alice
Cleared, Gene
Alexis

event
specialized press

Department of Housing and Urban Development

The Problem

* HUD has largely failed to fulfill its primary mission: economic opportunity for the neediest urban residents and economic development for the most troubled urban communities.

* Public housing, which should be a platform for economic independence, is often a ghetto of despair and hopelessness, violence and poverty.

* HUD's programs have failed to give communities the tools and resources they need to end homelessness and make affordable housing opportunities available to families, the elderly, and the disabled.

* Every generation of well-meaning leaders and civil servants responds to these problems by layering on another set of programs and another set of bureaucracies. The result: layer after layer of bureaucracy, and program after program in a disjointed and incoherent struggle.

The Solution

* The President plans to sharpen, clarify, and focus HUD's mission on economic development for communities and neighborhoods, and transitions to economic independence -- through housing assistance -- for needy families.

* Specifically, he will consolidate some 60 programs into four: (1) a community economic development block grant, (2) a housing opportunity block grant, (3) a tenant assistance program, coordinated with welfare reform and job training, to help families become independent, and (4) a reinvigorated FHA that will become a government-owned corporation, continuing to promote home ownership and affordable rental housing.

* Governors and mayors, who once dealt with dozens of programs and mounds of red tape, will have broad flexibility to formulate a plan and a strategy to fit their communities' needs.

* The programs will be results-oriented and will require public accountability; the people whom we are trying to help will be able to hold their leaders accountable for wise and effective use of resources.

* Overall, this proposal will enable governors and mayors to attack problems more comprehensively; give the private sector an increased role; emphasize job creation and moving families out of dependency; and give "bonus" resources to communities based on their progress.

Housing and Urban Development

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Program Detail: Three Funds plus FHA "Corporation"

* One of the funds would be a Family Housing Fund which would be the principal means of providing rental housing assistance for low-income tenants, especially working poor families. This would consolidate all HUD subsidized rental assistance programs (eg. Section 8 Assistance and Vouchers) as well as HUD's current support for Public Housing.

* A second grant -- Community Opportunity Fund -- will provide flexible resources for Mayors and Governors to address critical economic revitalization and renewal needs for distressed communities. This consolidates HUD's current CDBG, Youthbuild, and other economic development programs.

* A third, the Affordable Housing Fund will include HOME, Housing for the Elderly and Disabled, Housing Counseling, National Homeownership Fund, Homeless programs, Housing for People with AIDS, and other housing production assistance programs. This fund will provide Mayors and Governors with flexible funding to support the development, acquisition and/or rehabilitation of affordable housing and homeownership opportunities for low-income families. Mayors and Governors will have some flexibility to shift funds between this fund and their Community Opportunity Fund to meet local needs.

* This proposal will end Public Housing as we know it by ultimately decoupling Federal subsidies from individual Public Housing projects and requiring Public Housing agencies, as managers of low-income rental properties, to compete for tenants. Mayors and Governors will ultimately decide whether they want to invest in particular Public Housing projects. They will be required to use their Family Housing Fund resources to protect currently eligible tenants by offering portable housing vouchers.

* A new entrepreneurial FHA would work with private enterprises and non-profits to expand homeownership opportunities to low- and moderate-income Americans, and provide decent, affordable housing to low-income renters.

Public Reaction

* Mayors have already raised concerns about the failure to consult with them prior to this perceived dismemberment of HUD. Mayors and Governors, although gaining control and flexibility, will be particularly sensitive to assuming additional burdens (e.g., responsibility for Public Housing is currently perceived as a Federal responsibility)

especially if additional resources are tied up by too many specific earmarks.

* Public Housing Authorities and other intermediaries delivering housing services (e.g., non-profit sponsors of subsidized housing such as church groups) will strongly object to losing their direct Federal funding support.

* Homeless services providers will also object to having to compete for Federal assistance against all other housing assistance and community revitalization needs faced by Mayors and Governors.

* Some will question whether the new format's accountability for performance will assure that these programs' national purposes are met.

* There will be a major political fight over the formula allocation for these consolidated grants. On the Hill, preliminary briefings indicate more liberal members may oppose the dramatic restructuring, and fear potential reductions in HUD spending.

Cost Summary

* Estimates below assume administrative savings only, without program cuts beyond those in passback.

Budgetary Savings Estimates
(dollars in millions)

	FY 1996	5-Year Cumulative
Budget Authority	**0** [1/]	**-825**
Outlays	**0** [1/]	**-770**

[1/] No savings will be realized in FY 1996 because of termination costs associated with RIFs. Savings associated with eliminating the Department would be slightly greater; no estimates are available.

Plan-

weekend = tax cut

10 min / 9pm

Thompson = response

excerpts / TPs late this afternoon

! pos, soul, then give thumbnail overview

dollars - save detail 'til Mon.

Secs are griz Thurs

Key staffing

Key mtgs

See TPs on tax-late

Belle

ETR

constrd

Dec. DOE

prop

↑ $

/

Natural sp

- Leon press tonight
- excerpts this afternoon

- Fri - am - release of broad form cuts in depts

Sat radio address

Meet the Press
H+S Reps:
Brinkley - Brinkley
Face Nat'l
L Brown/Shalala

Monday -
follow up w/ details of cuts

VP / to principles w/ specifics of cuts

Message
- rethinking what govt does & restructuring it to do more
- how we are making govt work better for people
Govt = simpler, less intrusive, more effective:
1. shift decision-mkg to those most affected by it
- less micromgt,

fewer rules +
confusing prop

HC + TP
= most

(2) all in fed hands -
privatizing
DOE

OPM/GSA
defining what
powers need to
be or which gov't
parts devolved
to cyber
parts priv sector

they designed the plans

Not the budget
release
(Feb 6)

Tax cut - over 4 yrs
$54 billion

$20 billion in
agencies; 7 count
power mkts = $12
more
$4 billion elsewhere
(so 24 + 12 = 36 =
what's clear)

other piece =
extend disc
caps from 99/2000
⇒ 52

24 + 52 = 76
- plenty left over

d' - a continuing effort

speak for tax cut when they come to you

your child, 1st home, educ - tax cut for your family
- this addresses all 3

they're for lower & middle
we're for lower & smarter

COS notes

world 7 start
Nov 8

Tax cut - middle c
- EITC wins for NKs poor
- $500 child credit for kids < 13
- educ credit/deduct to allow ded for deal of educ expenses for post sec educ for you + kids
- saving incentive - broadening of IRA impt concept = makes IRA for broader grps & more avail

college = ∅
$120,000 final
phase out
$100 - where starts
phasing
either $10,000
or $500

child = $60-80000

$55 over 5 yrs

tax cut for mid
inc people =
emphasis

↓ message
got wonky
better

1) more to
cities/states

2 OUT
of 10

3) privatize
DOE

4) OPM/GSA
decent
+ private

Geph-
more expensive
433bil/yr ⇒
doesn't seem how
to pay for it

Contr - RS -

1) US - more mid C
focused / not
upper inc
esp child
credit

2) educ/tr
emph

The President's Oval Office Address To The Nation
12/15/94 -- 9:01 pm EST

Good evening. Tonight I want to tell you where I believe we need to go as a nation, what we've done in the last two years, how I hope to work with the new Congress and what I expect you to do.

This is a great country with a lot to be proud of, but everybody knows that all is not well with America, that millions of Americans are hurting, frustrated, disappointed, even angry. In this time of enormous change our challenge is both political and personal. It involves government but goes beyond it -- to the very core of what matters most to us.

The question is: What are we going to do about it?] Let's start with the economic situation. I ran for President to restore the American Dream and to prepare the American people to compete and win in the new American economy. For too long, too many Americans have worked longer for stagnant wages and less security. For two years, we have pursued our economic strategy that has produced 5.2 million new jobs. But even though the economic statistics are moving up, most of our living standards are not. It is almost as if Americans are being punished for their productivity in the new economy.

We have to change that. More jobs aren't enough. We need to raise incomes.

Fifty years ago, an American President proposed the G.I. Bill of Rights to help returning veterans from World War II go on to college, buy a home, and raise their children. That built this country.

Tonight, I want to propose a Middle Class Bill of Rights. There are four central ideas. First, college tuition should be tax deductible. Just as we make mortgage interest tax deductible because we want people to own homes, we should make college tuition deductible because we want people to go to college. Specifically, I propose that all tuition for college,

community college, graduate school, professional school, vocational education or worker retraining after high school be fully deductible phased up to $10,000 a year for families making up to $120,000 a year. Education has a bigger impact on earnings and job security than ever before. Let's invest the fruits of today's recovery into tomorrow's opportunity.

Second, bringing up a child is a tough job in today's economy, so we should help middle class families raise their children. We made a start last year, by passing the family leave law, making college loans more affordable, and by giving 15 million American families with incomes of $25,000 or less an average tax cut of more than a thousand dollars a year. I want to cut taxes for each child under thirteen, phased up to $500 per child. This tax cut would be available to any family whose income is less than $75,000.

Third, we should help middle income people save money by allowing every American family earning under $100,000 to put $2,000 a year tax free in an IRA -- an Individual Retirement Account. But I want you to be able to use the money to live on, not just retire on. You will be able to withdraw from this fund tax free money for education, medical expenses, the purchase of a first home, and the care of an elderly parent.

Fourth, since every American needs the skills necessary to prosper in the new economy, and most will change jobs from time to time, we should take billions of dollars the government now spends on dozens of different training programs and give it directly to you to pay for training if you lose your job or want a better one.

We can pay for all these ideas by continuing to reduce government spending, including subsidies to powerful interests based more on influence than need. We will sell off entire operations the government no longer needs to run and turn dozens of programs over to states and communities that know best how to solve their own problems. My plan will save billions of dollars from the Energy Department, cut down the Transportation Department and shrink 60 programs into four at the Department of Housing and Urban Development.

Our reinventing government initiative, led by Vice President Gore, has already helped shrink

bureaucracy and freed up money to pay down the deficit and invest in our people. Already, we have passed budgets to reduce the federal government to its smallest size in 30 years, and cut the deficit by $700 billion -- that's over $10,000 for every American family. In the next few days, we'll unveil more of our proposals, and I have instructed the Vice President to review every single government department and program for further reductions.

We have worked hard to get control of this deficit after the government debt increased four times over in the twelve years before I took office. That's a burden on you: about five percent of your income tax goes to pay for welfare and foreign aid, but twenty-eight percent of it goes for interest on the debt run-up between 1981 and the day I was inaugurated President.

I challenge the new Congress to work with me to enact the Middle Class Bill of Rights without adding to the deficit and without any new cuts in Social Security or Medicare.

I know some people just want to cut government blindly. And that might be popular. But I won't do it. I want a leaner, not a meaner government that's back on the side of hardworking Americans. A new government for the new economy -- creative, flexible, high-quality, low-cost, service-oriented -- just like our most innovative private companies.

There are a lot of other things we need to do to expand opportunity, not bureaucracy, to demand responsibility and an end to dependence, to empower people, families and communities to make the most of their own lives.

In pursuit of these goals, I will work with the new Republican majority and my fellow Democrats in Congress to build the New American Economy and to restore the American Dream. It won't be easy. Believe you me, the special interests have not gone into hiding because there was an election in November. As a matter of fact, they are up here stronger than ever. That's why, more than ever we need lobby reform, campaign finance reform, and reform to make Congress live by the laws it puts on other people. Together we can pass welfare reform and health care reform -- that work. I will say more about what I will do to

work with the new Congress in the State of the Union Address in January.

But here is what I won't do: I won't support ideas that sound good but aren't paid for, that weaken the progress we have made in the previous two years for working families, that hurt poor people who are doing their best to raise their children and work their way into the middle class, that undermine our fight against crime, for a clean environment and for better schools, or for the strength and well-being of our armed forces and our foreign policy. In other words, we must be straight with the American people about the real consequences of all budgetary decisions.

My test will be: does an idea expand middle class incomes and opportunities? Does it promote values like family, work, responsibility, and community? Does it contribute to strengthening the new economy? If it does, I'll be for it, no matter who proposes it. I hope the Congress will treat my ideas the same way. Let's worry about making progress, not taking credit.

But our work in Washington won't be enough. That's where you come in. This all starts with you. We can cut taxes and expand opportunities. But government can't raise your children, go to school for you, give your employees who've earned it a raise, or solve problems in your neighborhood that require your personal commitment.

In short, government can't exercise your citizenship. It works the other way around. The problems of this new world are complicated. We've all got a lot to learn. That means citizens have to listen as well as talk. We need less hot rhetoric and more open conversation. Less malice and more charity. We need to put aside the politics of personal destruction and demonization that have dominated too much of our debate. Most of us are good people trying to do better. If we all treated each other that way, we would do better.

We have to be a community again. Yes, some people do take advantage of the rest of us, by breaking the law, abusing the welfare system and flaunting our immigration rules. That's wrong. And I'm working to stop it.

But the truth is that most people in this country -- without regard to their race, their religion, their income, their position on divisive issues -- most Americans get up every day, go to work, obey the law, pay their taxes, and raise their kids the best they can.

And most of us share the same real challenge in the new economy. We'll do a lot better job of meeting these if we work together, and find unity and strength in our diversity.

We do have more in common, more uniting us than dividing us, and if we start acting like it, we can face the future with confidence. I still believe, deeply, that there is nothing wrong with America that can't be fixed with what is right with America.
This is not about politics as usual. As I have said for years, it is not about moving Left or Right, but moving forward. It is not about government being bad or good, but about what kind of government will best enable us to fulfill our God-given potential. It's not about the next election either. That's in your hands. Meanwhile, I'm going to do what I think is right. My rule for the next two years will be country first, and politics as usual dead last. I hope the new Congress will follow the same rule and I hope you will, too.

This country works best when it works together. For decades after World War II, we gave more and more Americans a chance to live out their dreams. I know. I am blessed to be one of them. I was born to a widowed mother at a time when my state's income was barely half the national average. I was the first person in my family to finish college. I did it with money my parents couldn't afford, scholarships, loans and half a dozen jobs. It breaks my heart to see people with their own American Dreams for themselves and their children shattered. I'm going to do all I can to turn it around. But I need your help.

We can do it. With all of our problems, this is still the greatest country in the world, standing not in the twilight, but at the dawn, of its greatest day. ... We have a lot to be thankful for. Let's all remember that.

Happy holidays. And God bless the United States of America.

BILL CLINTON ON THE MIDDLE CLASS TAX CUT

Bill Clinton proposed a middle class tax cut more than three years ago:

"Ronald Reagan and George Bush raised taxes on the middle class. I'm going to cut them. (A New Covenant for Economic Change Georgetown University, November 20, 1991)

He wrote about it in his book Putting People First:

"We will lower the tax burden on middle-class Americans by asking the very wealthy to pay their fair share. Middle-class taxpayers will have a choice between a children's tax credit or a significant reduction in their income tax rate." (page 15)

After the election, he maintained his commitment to the middle class tax cut:

"If we can work it out, I would like to present a plan that is consistent with what I have recommended all during the campaign, to provide some tax fairness on which to build a long-term deficit reduction plan." (Press Conference, November 16, 1992)

After taking office, faced with revised budget deficit numbers, Bill Clinton pushed forward with a deficit reduction plan, along with an Earned Income Tax Credit for 15 million American families making less than $27,000 a year. The President's plan helped lead to $700 billion in deficit reduction and created a fiscal environment that allows for a middle class tax cut. Bill Clinton's support for the middle class tax cut never wavered:

"Let me address the middle class tax cut specifically... I still think there should be an evening-up of the tax burden... I've got 4 years. Give me 4 years to try to deliver on the middle class tax cut." (Remarks at a Town Meeting in San Diego May 17, 1993)

"I have done my best to make the tax system fairer. I have done something for working families under $30,000 a year... And I have 4 more years to try to deal with further inequalities in the tax system, which I plan to do." (Interview with Texas Media, July 28, 1993)

"I still believe there ought to be a family tax credit for the rest of middle class America. But I have a 4-year term." (Town Meeting in Charlotte, NC, April 5, 1994)

"Do I think [the middle class a tax cut] should be done? I still do... The Tax Code is not where it ought to be. And middle class families, especially those with children, I think should look forward to a little more fairness. " (News Conference, October 7, 1994)

"I would like to do [a middle class tax cut], especially for people with children because I think it increases the fairness of the tax code...But it's very important that if we do it, we pay for it." (Detroit Free Press Editorial Board meeting, October 11, 1994)

"I believe that we should do more to provide tax relief for middle class families, especially with children." (Speech to Cleveland City Club, October 24, 1994)

"I want to fulfill the commitment of our campaign and my commitment to tax fairness... I intend to propose [a middle class tax cut] as long as I can pay for it." (Press Conference, Miami, FL, December 11, 1994)

THE CHILDREN'S TAX CREDIT OF 1992 THAT WASN'T

Bill Clinton proposed a middle class tax cut with a children's tax credit during the 1992 campaign. At the same time, Congressional Democrats were fighting for one on the Hill. Republicans opposed them every step of the way.

Al Gore proposed a children's tax credit in 1991. **In 1992, Democrats introduced and passed a children's tax credit along with a middle class tax cut**. Championed by Lloyd Bentsen and Al Gore in the Senate, and Dick Gephardt and Dan Rostenkowski in the House, the bill gave families a $300 tax break and made them eligible for a $300-per-child tax credit. Democrats paid for the bill by asking the wealthiest Americans to pay their fair share -- with a 10% surtax on million dollar salaries.

Did they get any help from Republicans? **Every single Republican Senator voted against giving the middle class a tax break. All but one Republican in the House voted against it. And when George Bush vetoed the tax cut for middle class families and children, all but one Republican sided with him to kill the bill.**

Bob Dole was pretty clear on the Republicans view of cutting taxes on the middle class: **"So let me repeat -- the middle class tax cut has been exposed. It's a loser. It is a bomb."** [Senate floor, March 26, 1992]

RECENT HISTORY OF THE CHILDREN'S TAX CREDIT

5/6/91	Senator Al Gore and Representative Thomas Downey introduce an $800 tax credit aimed at working families with children. The tax cut would be paid for by raising taxes on those earning more than $ 130,000.
11/20/91	Candidate Bill Clinton endorses the middle class tax cut. He later proposes a choice between a children's tax credit and a tax-rate cut in his book, *Putting People First.*
2/27/92	The House passes a Democratic bill with a two-year refundable tax credit of up to $400 per year for couples and $150 for individuals. The $93.5 billion Democratic Bill passes by 221-210. **Every Republican House member but one votes against the bill.**
3/13/92	The Senate passes a $71 billion version of the bill on March 13 by a vote of 50-47. The bill includes a $28 billion tax cut for the middle class and nearly $20.7 billion in tax breaks for business and investors. **Every Republican Senator votes against it.**
3/19/92	Racing to meet President Bush's March 20 deadline, the conference committee approves a $77.5 billion bill. The final bill includes a $42.5 billion middle class tax cut over 5 years. It offers workers a two-year 20% credit worth up to $150 a year for individuals and $300 a year for married couples. **The bill also offers a permanent $300-per-child-tax credit for families with children under 16.**
3/20/92	The "Tax Fairness and Economic Growth Acceleration Act of 1992" passes the House 211-189. Again, only one Republican votes for the bill. It passes the Senate the same day 50-44 with every Republican Senator opposing it. **President Bush vetoes the bill, claiming it would "raise income tax rates substantially for some individuals."**
3/25/92	The House fails to override the veto by a vote of 211-215.

TALKING POINTS ON PRESIDENT CLINTON'S OVAL OFFICE ADDRESS

PERSONAL STATEMENT ABOUT COMMITMENT TO THE MIDDLE CLASS AND GOVERNMENT THAT IS SMALLER AND SMARTER: Tonight, the President spoke from the heart about the needs and concerns of middle class families and offered a fresh approach for the next two years. He spoke with a generous spirit about how there is more in America that unites us than divides us, and we are going to need that unity to keep America the world leader. He called for the country to come first and politics as usual to come last.

MIDDLE CLASS BILL OF RIGHTS: The centerpiece of his proposal is a Middle Class Bill of Rights. To pay for his Middle Class Bill of Rights, he proposed tearing down outdated aspects of yesterday's government to give middle class families tax relief and ensure that we have a leaner government that is on the side of working families. The elements of his proposal will help families. 1) with the costs of raising our children; 2) paying the costs of educating children; 3) save for first home purchases and retirement; and 4) empowering people to get the skills they need for new jobs and better jobs. The President's Middle Class Bill of Rights addresses these four issues and it does so while reducing deficits.

1) Child Tax Credit: The President's Middle Class Tax Cut helps working families raise their children. The President's plan will cut taxes for middle class families for each child 12 and under. This tax credit will be phased in at $500 per child and will be available to any family whose income is less than $75,000. That's a $500 tax credit for each child.

2) Education Tax Deduction: The President's Middle Class Tax Cut helps working Americans move themselves forward and pay for education. The President proposes that tuition for college, community college, graduate schools, vocational colleges and worker retraining be fully deductible up to $10,000 per family when fully phased in for families making up to $100,000 (phased out at $120,000).

3) Expanded IRA: The President's Middle Class Tax Cut helps working Americans save money and pay for new homes. The President wants every American to be able to put $2,000 tax free into an IRA account and then be able to withdraw that money tax-free -- without penalty -- for education, medical expenses or purchase of a first home. This idea has been championed for years by Secretary Bentsen.

4) New Individual Re-employment: The President's new re-employment program will consolidate the web of over 60 separate training programs and give the money directly to individuals so that they can choose the training or re-employment opportunities they need. Individuals will be eligible for skill grants from $2000-$3000 and income contingent loans and new consumer information and accountability standards.

ON PUTTING GOVERNMENT ON THE SIDE OF THE MIDDLE CLASS AND TRUTH IN BUDGETING, THE PRESIDENT DREW THE LINE: Unlike Republican proposals, the President's tax reduction ideas are targeted only to working families, and will be paid for -- without the use of "dynamic scoring" or other budget gimmicks. And while the Republicans plan may require harsh cuts on middle class programs like Medicare to pay for the exploding costs of a wasteful capital gains proposal and an ill-conceived business depreciation tax cut, the President's plan is responsible, paid for, and targeted only to middle class families.

TODAY'S ANNOUNCEMENT FURTHERS THE PRESIDENT'S LONG-STANDING COMMITMENT TO TAX FAIRNESS: The President has long stated his commitment to tax fairness. In Putting People First he called for a middle class tax cut that called for a child tax credit. When the President took office, he faced an escalating deficit, yet he still put a downpayment on his middle class tax cut by giving the largest earned income tax credit expansion in history for 15 million households, benefiting nearly 50 million Americans in families making under $27,000. Today we are going forward with the next step.

MEETING THE NEEDS OF WORKING FAMILIES SEEKING THE AMERICAN DREAM: Every working parent knows that three of the toughest financial strains for families are: 1) caring for a young child or pre-teen -- especially with child care; 2) saving for a first home; and 3) paying for the education of a child or yourself or spouse when you need new skills or to change jobs. This bill addresses all three.

DEMOCRATIC IDEAS: The child credit was proposed in the well-known Gore-Downey proposal in 1991. In 1992, while then-candidate Clinton was proposing a child tax credit, Democrats passed a child tax credit in the Congress which Republicans opposed and which was vetoed by President Bush. *Bentsen IRA:* The father of the Expanded IRA is Treasury Secretary Lloyd Bentsen who has fought for this idea for many years.

CONTINUATION OF FISCAL RESPONSIBILITY: On August 6, 1993, Congress passed the President's historic $500 billion deficit reduction plan -- which is projected to help lead to over $700 billion in deficit reduction while cutting the deficit in half as a percentage of GDP. The President is committed to staying with and improving his current deficit reduction plan, and to continue using honest and specific numbers. Today we are showing a piece of the President's new budget, and demonstrating that $60 billion in assistance for working families will be fully paid for, while even additional spending cuts add to deficit reduction.

A CONTINUATION OF THE PRESIDENT'S EFFORT TO REINVENT GOVERNMENT: Over the past two years, the President's deficit reduction plan was adopted with $255 billion in spending cuts and a reduction of the federal civilian workforce by 272,900 -- to the lowest it has been in thirty years. Furthermore, the President asked Vice President Gore to produce a Reinventing Government effort that has been widely acclaimed. The major restructuring is neither the beginning nor the end of the President's and the Vice President's efforts to make government leaner and smarter, not leaner and meaner.

SUMMARY OF MIDDLE CLASS BILL OF RIGHTS

EDUCATION TAX DEDUCTION: A deduction would be permitted for up to $10,000 of the amounts spent by a taxpayer for expenditures on post-secondary school education and training expenses for the taxpayer, the taxpayer's spouse, and dependents (i.e., persons for whom the taxpayer is otherwise entitled to claim a dependency exemption). This deduction is used in determining the taxpayer's adjusted gross income (AGI).

The maximum allowable deduction would be phased out ratably for taxpayers filing a joint return with AGI (before the proposed deduction) between $100,000 and $120,000. For taxpayers filing a head-of-household or single return, the maximum allowable deduction would be phased out ratably between $70,000 and $90,000 of AGI (before the proposed deduction).

Qualifying education expenses are those related to post-secondary education paid to institutions and programs eligible for Federal assistance. This will include most public and nonprofit universities and colleges and certain vocational schools. Qualifying education expenses include tuition, fees, laboratory fees, and similar items, but exclude meals, books, lodging, or transportation. Education involving sports, games, or hobbies will be excluded, unless that education involves the current employment, trade, or business of the student, or is required as part of a degree program. The maximum amount of eligible expenses will be phased-in.

$500 CHILD TAX BENEFIT: A $500 non-refundable credit will be allowed for each dependent child under the age of 13. The credit will be phased-out for taxpayers with adjusted gross income (AGI) between $60,000 and $75,000. No credit will be available to taxpayers with AGI in excess of $75,000. The credit will be phased-in.

EXPANSION OF INDIVIDUAL RETIREMENT ACCOUNTS: This proposal would expand the availability of deductible individual retirement accounts (IRAs) to families with income under $100,000 and individuals with income under $70,000. Taxpayers would have the option of getting a deduction when the money is deposited or foregoing an immediate deduction and not paying taxes on the money as it is withdrawn. Penalty-free withdrawals from IRAs would be permitted for higher education costs, first home purchases, long-term unemployment and catastrophic medical costs.

INDIVIDUAL RE-EMPLOYMENT GRANTS: This proposal takes 50 different training programs and consolidates them into one program that directly empowers workers with skill grants or vouchers that can be used for up to 2 years and can be from $2000-$3000 -- without new money -- since it uses existing funds from the 50 programs. Workers who are laid off or disadvantaged would also be eligible for income contingent loans through an expanded Individual Education Account. Accountability and strong consumer information so that the market and the power of individual choice work to weed out bad programs and reward those who successfully help workers get the skills they need for new jobs.

EXAMPLES OF HOW AVERAGE WORKING FAMILIES WILL BENEFIT FROM THE PRESIDENT'S TAX INCENTIVE

Below are three examples of how a four person family -- with $50,000 of wage and salary income, $7,500 of itemized deductions, and $10,000 in personal exemptions (4 x $2,500) -- would benefit under the President's tax incentives.

CASE 1. BOTH CHILDREN UNDER 13.

This family has two children under 13 and therefor receives two child tax credits. When fully phased-in this will be worth $1000 and would reduce the family's federal income tax liability by 21%.

Current Law Tax	Fully Phased-In Tax	Tax Reduction	Percent Reduction
$4,875	$3,875	$1,000	21%

CASE 2. BOTH CHILDREN OVER 12, EDUCATION EXPENSE $10,000 OR MORE.

This family has both children over 12 so they are not eligible for the child tax credit, but since their children are in college they have $10,000 in education expenses. When the tax cut is fully phased-in, the family would get a $1500 tax cut since they are in the 15% tax bracket. This would lower their federal income tax liability by 31%.

Current Law Tax	Fully Phased-In Tax	Tax Reduction	Percent Reduction
$4,875	$3,375	$1,500	31%

CASE 3. TWO CHILDREN OVER 12, NO EDUCATION EXPENSE, AND $4,000 CONTRIBUTED TO IRA.

This family has two children over 12 who are not in college. If one of the working parents needed retraining or new skills, they could be eligible for the education tax incentive. However, even if they only wanted to save for their children's education, each working parent could put $2000 in their IRA to save for their children's college and save $600 in taxes for a 12% reduction of their tax liability.

Current Law Tax	Fully Phased-In Tax	Tax Reduction	Percent Reduction
$4,875	$4,275	$600	12%

[Current Law and Fully Phased-In Law Tax Liabilities of Hypothetical Families Under Administration's Middle-Class Tax Cuts, Based on 1995 Income Levels]

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

December 19, 1994

"The $800 million in savings from HUD will come from a variety of sources. Starting in FY 1996, the bulk of savings will come from staff adjustments and other administrative savings; the remainder from minor program reductions." -- Secretary Henry Cisneros

THE WHITE HOUSE

WASHINGTON

HIGHLIGHTS OF THE

PRESIDENT'S PLAN TO RESTRUCTURE

THREE CABINET DEPARTMENTS

AND

TWO MAJOR AGENCIES

Department of Transportation

* The President will increase flexibility for states and cities by consolidating over 30 separate, categorical grants into a new grant program.

* His plan will emphasize capital grant assistance (for construction and repair) for highways, transit systems, passenger rail, and airports, and will reduce operating subsidies (e.g., transit).

* It will encourage a more business-like operation of the national transportation system.

* It will retain a strong emphasis on transportation safety, and on developing new technologies for the future.

* Specifically, it will:

  -- Create a consolidated transportation infrastructure grant (of over $11 billion a year) for which highway, transit, passenger rail, and airport capital projects would be eligible, and allocate funds by formula to states and local jurisdictions;

  -- Finance block grant programs through user fees (highway fuel taxes and aviation ticket taxes), without raising the fees;

  -- Assure rehabilitation and repair of the core highway system in a continuing federal program, along with R&D and including the Administration's Intelligent Transportation System;

  -- Capitalize a new network of "State Infrastructure Banks" (SIBs) to give jurisdictions flexibility to leverage resources for infrastructure priorities;

  -- Transfer Federal Aviation Administration air traffic control services to an "Air Traffic Corporation" to speed modernization and improve operating efficiency;

  -- Honor previous commitments for specific construction and restructuring efforts; and

  -- Organize DOT's safety programs into a new Transportation Safety Administration.

Department of Housing and Urban Development

* The President will focus HUD's mission on economic development for communities and transitions to economic independence for needy families.

* His plan will:

  -- Enable mayors and governors to attack problems more comprehensively;

  -- Give the private sector an increased role;

  -- Stress job creation and moving families out of dependency; and

  -- Give "bonus" resources to communities based on their progress.

* Specifically, it will end public housing as we know it.

* It will consolidate some 60 programs into four:

  1. Housing Certificates for Families and Individuals -- the basic means of giving rental housing assistance to low-income tenants -- will consolidate HUD's subsidized rental assistance programs (eg. Section 8 Assistance and Vouchers) and its support for public housing;

  2. Community Opportunity Fund -- to give governors and mayors flexible resources for economic revitalization and the renewal of distressed communities -- will consolidate HUD's CDBG, and other economic development programs;

  3. Affordable Housing Fund -- to give governors and mayors flexible funding to support the development, acquisition, and/or rehabilitation of affordable housing and homeownership for low-income families -- will consolidate HOME, Housing for the Elderly and Disabled, Housing Counseling, National Homeownership Fund, Homeless programs, Housing for People with AIDS, and other housing production assistance programs; and

  4. A new, entrepreneurial FHA will work with private enterprises and non-profits to expand homeownership opportunities to low- and moderate-income Americans, and provide decent, affordable housing to low-income renters.

Department of Energy

* The President will aggressively realign the agency with a plan that builds upon the department's current management reform initiatives:

    -- Management restructuring;

    -- Contract reform;

    -- Consolidation of research facilities and programs; and

    -- Indirect cost reductions.

* Specifically, his plan will:

    -- Terminate the clean coal program, after completion of projects now underway;

    -- Privatize the Naval Petroleum Reserves in Elk Hills, Calif.;

    -- Sell uranium no longer needed for national defense purposes after rendering it suitable for commercial power reactors;

    -- Significantly reduce costs in DOE's applied research programs through requiring more cost-sharing and through cuts in lower priority programs; and

    -- Improve program effectiveness and efficiencies in environmental management (e.g., nuclear waste cleanup).

General Services Administration

* The President will transform GSA into an organization devoted exclusively to policy and oversight, thus:

    -- Increasing its accountability for results;

    -- Encouraging innovation and better government-wide planning; and

    -- Assuring responsible asset management.

* Under the President's plan, GSA will accelerate its reinvention efforts by asking about each of its functions, "Why can't the private sector provide this service or activity more effectively?"

* As a result, the plan will consider various forms of privatization, including the sale of business units and related assets to employees (ESOPs) or to private firms.

* It will transfer virtually all other service functions and associated employees to the agencies.

* It will, in turn, encourage agencies to franchise these activities to avoid duplication and to maximize efficiency.

* It will give the agencies expanded authority to acquire services and assets.

* It will involve employee unions in designing and implementing details of this reinvention.

Office of Personnel Management

* The President will transform OPM into an agency that supports a private-sector model for training, investigations, and staffing services to agencies.

* Agencies may perform these functions on their own, or procure them from the private sector or from privatized OPM business units.

* OPM will:

-- Continue to provide core personnel policy, oversight functions, and essential operations:

Pay,

Employee benefits,

Integrity of the merit system,

Hiring, and

Executive resources.

-- Continue its leadership role and oversight of the 100-year-old civil service system, and ensure that the government continues to operate with an open and competitive, merit-based, non-political civil service.

-- Remain the focal point for government-wide pay and benefits policy.

-- Continue to administer the Federal civilian retirement program.

-- Continue to oversee private sector operation of the Federal Employee Health Benefits Program and the Federal Employees Group Life Insurance Program.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

FOR IMMEDIATE RELEASE:
Dec. 19, 1994

Contact:
Lawrence J. Haas, 202 395-7254

Statement of Alice M. Rivlin
Director
Office of Management and Budget

As you have heard, the President is proposing today bold changes in five agencies -- changes that appear revolutionary to those who work in or deal with these agencies. These five agencies are very different. What unifies their plans?

* For one thing, they will help pay for the President's middle class tax cut (along with extensions in the caps on discretionary spending).

* For another, they will shrink the size and intrusiveness of the federal government.

* But maybe most important of all, they arise from our very serious rethinking of the essential role of the federal government in relation to state and local governments and the private sector.

Over several decades, federal agencies have accumulated a wide variety of roles and missions, offices and activities. The result has been a plethora of programs with different rules and objectives.

Now is the time to sort out the roles and missions. It is time to ask basic questions: Should the federal government be doing all these things? Should it be making all these decisions? Should it be handing out all these specific little grants?

The Administration has asked these questions in five agencies -- the leading edge of a government revolution. You will hear our specific answers from these agency heads. But, generally speaking:

* Many decisions now made in Washington would be better made closer to the people being served -- by states or local communities. They know best what transportation needs are, what housing needs are, how best to spend federal money as well as their own resources.

* Some activities not appropriate for any level of government would be performed more effectively by the private sector or by public entities subject to incentives and pressures of private sector competition.

* Some activities must remain in Washington while being performed more effectively. That's why we have decided not to abolish any major agencies.

Notes to FTE Table

1. Streamlining Plan
   Reflects October 3, 1994 submission to OMB. Plan was accepted and approved. Assumes HUD meets Streamlining target in FY2000.

2. OMB Passback
   Assumes FY96 level significantly below Streamlining Plan number by 444 FTE. No out-year FTE number reflected. Dollars remain static at $958 million. Assumes 1250 FTE savings in FHA. Dollars would remain static in outyears, thereby requiring reductions in FTE.

3. Fundable Level
   Assumes $30 million increase in training and ADP. Requires 1084 reduction in FTE.

4. Revised Streamlining Plan
   Reflects FTE reductions resulting from dollar savings of $825 million for the period FY97 through FY2000. Requires 800 FTE reduction in FY96 from FY95 level. All reductions are assumed to come from Personal Services (assumes no increases in infrastructure). Requires 2568 FTE reduction in 1997. Further reduction of 1283 FTE would be required in 1998. FTE level would total 7249 in FY98, FY99 and FY2000.

IMPORTANT NOTE: REVISED STREAMLINING NUMBERS REFLECT TAKING ALL OF THE STAFF SAVINGS IN FY97 AND FY98. ALTERNATIVELY, SAVINGS COULD BE SHOWN OVER THE FOUR YEARS, THEREBY LESSENING THE REDUCTION IN FY97 AND FY98.

SALARIES AND EXPENSES, HUD
(Dollars in Millions)

	1995	1996	1997	1998	1999	2000
Streamlining Plan (OMB Request)						
FTE	12,418	12,173	11,918	11,614	11,401	11,401
BA	$986	$1,025	1,056	1,018	1,114	1,164
OMB Passback						
FTE	11,918	11,~~879~~ 709		N / A		
BA	$961	$958	$958	$958	$958	$958
Fundable Level						
FTE	11,904	10,625		N / A		
BA	$961	$958		N / A		
Revised Streamlining ($825 mil. savings)						
FTE	11,904	11,100	8,532	7,249	7,249	7,249
BA	$961	$958	$808	$733	$733	$733

SUMMARY OF HUD'S PROGRAM CONSOLIDATION

Current Major Programs (60)	FY 1996	FY 1998
PH/IH Development PH/IH Amendments PH Major Reconstruction PH Severely Distressed Housing PH/IH Modernization PH Vacancy Reduction Tenant Opportunity Program Family Investment Centers Youth Apprenticeship	PH/IH Capital Fund	Housing Certificates for Families and Individuals
PH/IH Operating Subsidies Community Partnership Against Crime Family Self Sufficiency Coordinators PH Service Coordinators PH/IH Early Childhood Development	PH/IH Operating Subsidies	
Section 8 Certificates Section 8 Vouchers Section 8 Certificates for Persons w/ Disabilities Section 8 Certificates for AIDS Section 8 Certificates for Homeless Section 8 Contract Renewals Section 8 Family Unification Section 8 Opt-Outs Choice in Residency	Housing Certificates for Families and Individuals	
Flexible Subsidy Title VI Preservation Program Section 8 Property Disposition Section 8 Loan Management Set-Aside Elderly Housing Service Coordinators Project-Based Service Coordinators Congregate Housing Services	Assisted Housing Quality Fund	
CDBG Empowerment Zones Economic Development Initiative LIFT Community Viability Fund Special Purpose Grants Colonias Historically Black Colleges Work Study Program Joint Community Development Community Outreach Partnership Centers	Community Opportunity Fund	Community Opportunity Fund
HOME National Homeownership Fund Housing Counseling Elderly Housing (S. 202) Housing for the Disabled (S. 811) Pension Fund Certificates IH Loan Guarantees Native American Finance Service Organization HOPE II HOPE III Youthbuild Lead Based Paint Hazard Reduction	Affordable Housing Fund	Affordable Housing Fund
Shelter Plus Care Section 8 SRO Section 8 Veterans Affairs Supportive Housing Emergency Shelter Grants Supportive Housing Innovative Homeless Initiative	Homeless Block Grant	
Housing Opportunities for Persons w/ AIDS	Housing Opportunities for Persons w/ AIDS	

TALKING POINTS ON PRESIDENT CLINTON'S OVAL OFFICE ADDRESS

PERSONAL STATEMENT ABOUT COMMITMENT TO THE MIDDLE CLASS AND GOVERNMENT THAT IS SMALLER AND SMARTER: Tonight, the President spoke from the heart about the needs and concerns of middle class families and offered a fresh approach for the next two years. He spoke with a generous spirit about how there is more in America that unites us than divides us, and we are going to need that unity to keep America the world leader. He called for the country to come first and politics as usual to come last.

MIDDLE CLASS BILL OF RIGHTS: The centerpiece of his proposal is a Middle Class Bill of Rights. To pay for his Middle Class Bill of Rights, he proposed tearing down outdated aspects of yesterday's government to give middle class families tax relief and ensure that we have a leaner government that is on the side of working families. The elements of his proposal will help families. 1) with the costs of raising our children; 2) paying the costs of educating children; 3) save for first home purchases and retirement; and 4) empowering people to get the skills they need for new jobs and better jobs. The President's Middle Class Bill of Rights addresses these four issues and it does so while reducing deficits.

1) Child Tax Credit: The President's Middle Class Tax Cut helps working families raise their children. The President's plan will cut taxes for middle class families for each child 12 and under. This tax credit will be phased in at $500 per child and will be available to any family whose income is less than $75,000. That's a $500 tax credit for each child.

2) Education Tax Deduction: The President's Middle Class Tax Cut helps working Americans move themselves forward and pay for education. The President proposes that tuition for college, community college, graduate schools, vocational colleges and worker retraining be fully deductible up to $10,000 per family when fully phased in for families making up to $100,000 (phased out at $120,000).

3) Expanded IRA: The President's Middle Class Tax Cut helps working Americans save money and pay for new homes. Couples making up to $100,000 and singles making up to $70,000 will be able to put $2,000 tax free into an IRA account and then be able to withdraw that money tax-free -- without penalty -- for education, medical expenses or purchase of a first home. This idea has been championed for years by Secretary Bentsen.

4) New Individual Re-employment: The President's new re-employment program will consolidate the web of over 60 separate training programs and give the money directly to individuals so that they can choose the training or re-employment opportunities they need. Individuals will be eligible for skill grants from $2000-$3000 and income contingent loans and new consumer information and accountability standards.

ON PUTTING GOVERNMENT ON THE SIDE OF THE MIDDLE CLASS AND TRUTH IN BUDGETING, THE PRESIDENT DREW THE LINE: Unlike Republican proposals, the President's tax reduction ideas are targeted only to working families, and will be paid for -- without the use of "dynamic scoring" or other budget gimmicks. And while the Republicans plan may require harsh cuts on middle class programs like Medicare to pay for the exploding costs of a wasteful capital gains proposal and an ill-conceived business depreciation tax cut, the President's plan is responsible, paid for, and targeted only to middle class families.

TODAY'S ANNOUNCEMENT FURTHERS THE PRESIDENT'S LONG-STANDING COMMITMENT TO TAX FAIRNESS: The President has long stated his commitment to tax fairness. In Putting People First he called for a middle class tax cut that called for a child tax credit. When the President took office, he faced an escalating deficit, yet he still put a downpayment on his middle class tax cut by giving the largest earned income tax credit expansion in history for 15 million households, benefiting nearly 50 million Americans in families making under $27,000. Today we are going forward with the next step.

MEETING THE NEEDS OF WORKING FAMILIES SEEKING THE AMERICAN DREAM: Every working parent knows that three of the toughest financial strains for families are: 1) caring for a young child or pre-teen -- especially with child care; 2) saving for a first home; and 3) paying for the education of a child or yourself or spouse when you need new skills or to change jobs. This bill addresses all three.

DEMOCRATIC IDEAS: The child credit was proposed in the well-known Gore-Downey proposal in 1991. In 1992, while then-candidate Clinton was proposing a child tax credit, Democrats passed a child tax credit in the Congress which Republicans opposed and which was vetoed by President Bush. *Bentsen IRA:* The father of the Expanded IRA is Treasury Secretary Lloyd Bentsen who has fought for this idea for many years.

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[Current Law and Fully Phased-In Law Tax Liabilities of Hypothetical Families Under Administration's Middle-Class Tax Cuts, Based on 1995 Income Levels]

JU

Memorandum

To: Erskine Bowles
Gene Sperling
Steve Silverman

Fr: David Dreyer

Re: Veterans Affairs and the Middle Class Bill of Rights

Da: January 5, 1995

Summary

Please review the attached.

Before doing his radio feeds, VA Secretary Brown has his staff translate the Middle Class Bill of Rights generic talking points we provided into meaningful terms for veterans. They used their methadology, so I cannot vouch for the numbers. But I think it is a "keeper" because of the way they customized our material for the use of their constituency.

Kathy Jurado of his public affairs office passed these along to me. I think they deserve credit for doing this.

TALKING POINTS -- MIDDLE CLASS BILL OF RIGHTS

- CHILD TAX CREDIT -- $500 per child available to any family whose income is less than $75,000.

> - Those veterans with children 12 and under and with incomes less than $75,000 would benefit. More than 96% of veterans earn less than $75,000.

-EDUCATION TAX DEDUCTION -- Up to $10,000 per family spent on tuition or retraining costs would be tax deductible.

> - Nearly 20 million veterans still in their working years would be eligible.
>
> -The most likely expenses families face are those for educating their children. There are an estimated **40 million veterans' children** of college age or younger who could qualify under this tax-cut proposal.

-EXPANDED IRAs -- Being able to put $2,000 tax-free into an IRA account and then allowing withdrawal from the account for education, medical expenses or purchase of a first home on a tax-free/no penalty basis.

> -About **19 million veterans under age 59-1/2** would be eligible for significant advantages from this -- no tax or penalties on withdrawals for those kinds of expenses.
>
> -The other 7.6 million veterans with IRAs -- even though they can currently withdraw without penalty, would get a no-tax break on amounts used for, say medical expenses -- a real boon to older veterans.

-INDIVIDUAL RE-EMPLOYMENT -- Individual grants or vouchers of $2000-$3000 to be used for up to 2 years to enter any training program needed to gain reemployment. Funding for this proposal would come from some 50 separate existing government-supported programs to be replaced by this single program.

> - Again, nearly 20 million veterans in their working years would be eligible

# # #

THE WHITE HOUSE

WASHINGTON

Talking Points on the President's

"Middle Class Bill of Rights"

Message: The President is cutting taxes for middle-income Americans and paying for it by dramatically streamlining federal departments and agencies. The tax cuts will help raise the living standards of middle-income Americans, while the streamlining will help make government work for the American people.

Tax cuts:

* The President's "Middle Class Bill of Rights" helps to fulfill the President's 1992 campaign pledge to cut taxes for the middle class.

* The tax cut builds upon the President's successful push in 1993 for a major expansion of the Earned Income Tax Credit, which gave a tax cut to 40 million Americans in the families of 15 million working Americans.

* The tax cuts are needed because the benefits of the recovery have not reached everyone. While the President's economic plan has helped to create more than 5 million new jobs in the last two years, the incomes of many Americans have remained stagnant or have fallen.

* Thus, the President has geared his middle class tax cut to those Americans who may not have shared in the recovery, or who face skyrocketing educational or medical costs.

* Specifically, the tax cut includes:

    a. Child tax credit: up to $500 for each child up to 12 years old, for families with incomes of less than $75,000;

    b. Education tax deduction: up to $10,000 deduction per family for tuition for college, community college, graduate schools, vocational colleges, and worker retraining, for families making up to $120,000;

c. Expanded IRA: up to $2,000 in tax-free contributions to an IRA account, or tax-free withdrawals, for families with incomes up to $100,000. Also, penalty-free withdrawals for education, medical expenses, and the purchase of a first home;

d. New individual skill grants: $2,000-$3,000 skill grants and income-contingent loans for individuals, financed by consolidating more than 60 training programs.

* The tax cut, however, is only the Administration's short-term policy to help middle-income Americans with stagnant or declining incomes; the Administration also has pursued a major long-term approach.

a. The long-term approach involves investments in education and job training to give Americans the skills they need to compete in the increasingly global economy.

* The President has found more than enough savings to pay for his tax cut:

a. His tax cut will cost $60 billion over five years.

b. He will continue the current freeze on discretionary spending (saving $52 billion), while he restructures five government agencies and takes other related steps (saving $24 billion).

* The President will not support any effort to cut taxes unless it's paid for. That is, he will not let tax cuts explode the deficit, as they did in the 1980s.

Government restructuring:

* The President has already announced a major restructuring of three Cabinet departments and two major agencies, as well as other restructuring efforts, which together will save $24 billion over the next five years.

* The organizations involved include the Departments of Transportation, Energy, and Housing and Urban Development, the General Services Administration, and the Office of Personnel Management.

* The restructurings are only the first step in a process, which the President has asked the Vice President to lead, through which we will be taking a hard look at all other departments and agencies in the coming months.

* The Vice President will lead an effort to look at every single agency and program, find things that we can eliminate, and figure out how to provide services better.

* The effort will be a collaborative one between the agencies, the National Performance Review, the Office of Management and Budget, the President's Management Council, and the White House Policy Councils.

* This effort is designed not only to help continue to pay for our tax cuts after five years but, just as importantly, to make government work better for the American people.

* The President is thinking about such things as:

    a. how the various departments and agencies work,

    b. the relationships among them,

    c. the relationships among the federal, state, and local governments, and

    d. how to sort out their functions.

* This Administration is proud of its success to date in reinventing government through the National Performance Review:

    a. We are eliminating unnecessary federal programs and improving the efficiency and effectiveness of the ones that remain.

    b. We have already eliminated nearly 100,000 federal jobs in our effort -- now enshrined in law -- to cut 272,900 positions by the end of this decade.

    c. This will make the federal workforce the smallest since JFK was President.

Q and As

Q: Why are you abandoning deficit reduction in favor of a tax cut?

A: We're not doing that. We are fully funding our tax cut with specific savings. In fact, we have come up with $76 billion in savings to pay for the $60 billion in tax cuts. And, as the President has said, we will apply the $16 billion in extra savings to deficit reduction.

The President's economic plan has dramatically reduced the deficit from $290 billion in 1992 to below $200 billion this year, cutting it three years in a row for the first time since Harry Truman was President. The President will not allow the deficit to explode as it did in the 1980s when we cut taxes and didn't pay for it.

Q: Why are you proposing a tax cut now, in particular?

A: Because this is one of the President's few remaining campaign pledges that he hasn't fulfilled. Having brought the deficit under control, the President now thinks that we can afford a responsible tax cut. And while the President's economic plan has helped to create more than 5 million new jobs, many Americans have not shared in the full fruits of recovery. The tax cuts are targeted at those Americans.

Q: Why would you cut taxes now, less than two years after you raised them in the President's economic plan?

A: Keep in mind, only the wealthiest Americans received an increase in their income taxes. We did not raise income taxes on middle-income Americans, and we cut taxes for some 40 million working Americans.

Q: Aren't you just following the Republicans?

A: The President began talking about a middle-class tax cut during the campaign. If anything, it's the Republicans who have suddenly warmed up to the idea of tax cuts. When we cut taxes for 40 million Americans in 1993, the Republicans voted against it.

Q: Why is your tax cut better than the Republicans'?

A: For several reasons:

* For one, ours is fully paid for; the Republicans haven't said yet how they will pay for theirs.

* For another, ours is targeted to middle-income Americans; theirs is disproportionately targeted to the wealthy.

* For still another, ours will help middle-income Americans with the very real problems they face -- financing a child's college tuition, finding the money for a first home or for medical costs, and acquiring the skills to compete in the global economy.

Q: Isn't your continued "freeze" on discretionary spending just a gimmick?

A: Not at all. The existing freeze has helped bring down the deficit. We will propose specific legislation to continue this effective tool. The freeze is an enforceable mechanism that effectively limits spending, as you will see from the details in the President's upcoming budget.

Q: Isn't your so-called "restructuring" of agencies just a response to the elections?

A: Not at all. Our efforts to make government work began with the National Performance Review back in 1993. We have already made important progress, cutting red tape and shrinking the workforce to its lowest level since JFK was President. Now, we are building on those efforts.

Obviously, the election highlighted the fact that Americans remain unhappy with how their government works. If Republicans want to help us reinvent the federal government, we invite them to do so.

Q: Why did you choose not to eliminate any major departments?

A: We will, in fact, eliminate some smaller agencies as part of the President's next budget. As for the major departments, the President thought long and hard about it. But in the end, he decided that while we could shift some functions to state and local governments or the private sector, we needed to retain some semblance of those departments to carry out functions that are clearly federal in nature.

Q: Doesn't mean that you're not serious about cutting spending?

A: No. It means that we're going to make cuts responsibly, not just talk about across-the-board cuts without specifying the hard choices -- as the Republicans have done.

Q: Will you eliminate agencies and programs as part of the Vice President's upcoming efforts?

A: We can't say for sure, but we're clearly going to take a hard look at everything in government and get rid of things that we can't justify keeping.

THE WHITE HOUSE

WASHINGTON

January 4, 1995

MEMORANDUM FOR HAROLD ICKES

FROM: CABINET AFFAIRS

SUBJECT: Promotion of Middle Class Bill of Rights

We have been discussing various methods of promoting the Middle Class Bill of Rights to the American people through the media and in speeches and other events. Below is a five part plan for promotion of the Bill of Rights during the next few months. It is modeled on successful outreach conducted during NAFTA, Budget Reconciliation, Health Care and the Crime Bill.

I. **Radio:** The 22 Members of the Cabinet should be asked to conduct 1-2 hours of media each week in support of the Bill of Rights. We should assign each Member of the Cabinet 4-6 markets per week, and provide the 2-3 key stations in each market to them. Agency Public Affairs should be responsible for booking the time. Members of the Cabinet should focus on the top 50 markets. The Agencies should report to us daily or weekly on interviews conducted. All interviews should be compiled in a weekly memorandum to you, Leon, Mark and others. Similarly, Deputy Secretaries, Under Secretaries and Assistant Secretaries should be directed to conduct radio interviews in smaller markets. The Deputies should focus on the markets 51-100, while other Sub-Cabinet should conduct interviews in smaller markets.

We will produce a rotating schedule of markets for the Cabinet Members in coordination with Media Affairs. It is critical that fresh, concise, strong talking points be provided on a regular basis. Cabinet Affairs will distribute the talking points (as we did the night of the President's speech). In addition, through the Chiefs of Staff, we will ask the Agencies to give thought to how the Bill of Rights relate directly to the Agency subdivisions, so that Assistant Secretaries can speak more comfortably about the Bill of Rights, in the context of work they may already be doing.

II. **Editorial Boards:** Members of the Cabinet should be asked to conduct meetings with editorial boards during travel or via telephone. Sub-Cabinet members should do interviews with smaller papers.

III. **Events and Speeches:** In coordination with existing travel schedules and with political imperatives, Members of the Cabinet and Sub-Cabinet should do events that

highlight the impact of the Bill of Rights on ordinary Americans. An especially critical time for these events will be during the three days after the State of the Union, when we will have a window of opportunity to promote our ideas. Members of the Cabinet should submit suggestions for events and speeches to the Office of Cabinet Affairs for review by the White House. All appropriate speeches should contain consistent language about the President's Middle Class Bill of Rights. Sub-Cabinet officials should submit major speech and travel through their Agency Chief of Staff. The Sub-Cabinet can effectively carry the message to large groups in smaller communities (ie. the Kiwanis Club in Duluth). Members of both the economic team and non-economic team can play effective roles in communicating the message. Effective talking points are critical.

IV. Key Constituencies: For all travel, Members of the Cabinet and Sub-Cabinet should meet with key groups of supporters and leaders to talk with them about the importance of the President's Middle Class Bill of Rights. Cabinet Affairs should work closely with Political Affairs and Public Liaison to ensure that the right groups and leaders are worked with.

V. Appointees: As we have discussed, you and other Senior White House officials will soon begin to visit the agencies to meet with top political officials and other political appointees to discuss with them the Middle Class Bill of Rights and the outreach strategy. In addition, there is a pending request for the President and Vice President to address a major gathering of all the Administration's political appointees during the week leading up to the State of the Union. This will be an important step in the process of communicating the message of the Bill of Rights to our people. Moreover, at a proposed Cabinet meeting the day after the State of the Union, the President will have a chance to visit with his Cabinet to discuss these themes and the strategy. Finally, as we have done successfully in the past, groups of senior agency officials should be invited to the White House over the next month for full briefings on the themes and strategy.

We look forward to discussing these ideas with you and to begin work on implementation of the strategy.

cc: Mark Gearan