

FOIA MARKER

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

Collection/Record Group: Clinton Presidential Records
Subgroup/Office of Origin: Public Liaison
Series/Staff Member: Barbara Woolley
Subseries:

OA/ID Number: 23689
FolderID:

Folder Title:
Budget & State of the Union [1996] [2]

Stack:	Row:	Section:	Shelf:	Position:
S	29	1	3	3

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.

**Medicare / Medicaid Budget
MED. AID-CARE**

Divider Title: _____

PRESIDENT CLINTON'S HEALTH CARE INITIATIVE

December 7, 1995

**President Clinton's Health Care
Initiative**

Contents

	Page
Executive Summary	
Preserving and Strengthening Medicare	1
Protecting and Improving Medicaid	22
Combating Fraud and Abuse	31
Improving Access to Long-term Care	33
Protecting Working Americans: Insurance Reforms	35
Ensuring Coverage for Temporarily Unemployed Families	38
Administrative Simplification and Security of Health Information	40

President Clinton's Health Care Initiative

The President's health care initiative will strengthen and protect Medicare and Medicaid, and will increase access to and the affordability of health care. It will:

Preserve our commitment to the elderly, individuals with disabilities, women, children and families as we make Medicare and Medicaid more efficient.

- Improve Medicare by offering new choices of high-quality health plans and delivery systems, and by providing new preventive benefits and a new respite care benefit for families coping with Alzheimer's Disease.
- Assure the financial integrity of the Medicare Hospital Insurance Trust Fund through 2011 without imposing substantial new costs on Medicare beneficiaries.
- Protect the federal guarantee of coverage under Medicaid, while providing new flexibility for states to administer their programs within a targeted growth rate for spending per beneficiary.
- Establish strong new protections against fraud and abuse in the health care system.
- Provide additional resources to states to provide home and community-based care for people with disabilities of all ages.

Increase the availability and affordability of private health care coverage for working Americans.

- Reform the insurance system to ensure that workers don't lose their insurance if they lose a job or change jobs, limit the use of pre-existing condition exclusions, and establish voluntary purchasing cooperatives so that small businesses can obtain more affordable health insurance coverage.
- Provide assistance for workers who are temporarily unemployed and need short-term financial support to help them keep health insurance coverage.
- Make health benefits more affordable for individuals who are self-employed by increasing the tax deductibility of health benefits.
- Simplify the administration of the health system so that fewer dollars are spent on overhead, and health professionals are freed from unnecessary paperwork.

Preserving and Strengthening Medicare

Medicare provides health care benefits to 37 million elderly Americans and individuals with disabilities. The President's plan maintains the 30-year national commitment to this program and makes it more efficient.

The President's balanced budget proposal builds on the 1993 deficit reduction package, which strengthened the Medicare Hospital Insurance (Part A) Trust Fund, with additional Medicare reforms. It includes \$124 billion in savings over the next seven years and would assure the fiscal integrity of the Trust Fund through 2011, while imposing no new cost increases on Medicare beneficiaries.

Key elements of the President's Medicare proposal are:

- **Continued Expanded Choice of Plans Under Medicare:** The President's plan would retain a strong, traditional Medicare fee-for-service program while increasing choices of alternative health plans or delivery systems. It would:
 - Expand beneficiary choice among health plans and delivery system options that guarantee high quality care for reasonable costs, including preferred provider organizations (PPOs), provider networks, and point-of-service HMOs;
 - Provide beneficiaries with detailed information about the providers and health plan choices available in their area, thereby facilitating the enrollment process;
 - Improve Medicare's method for paying health plans and delivery systems;
 - Foster improvement in the quality of care provided by health plans; and
 - Enhance choice/portability through Medigap reforms.
- **A More Cost-Effective Medicare Program:** The \$124 billion in savings included in the President's plan is based on sound, responsible reforms that would make the program more efficient, constraining it to growth rates that are at or just below private sector per person growth rates.

These changes will protect the Medicare Hospital Insurance Part A Trust Fund and keep the Part B premium at 25 percent of program costs. The plan would:

- Significantly moderate the Republican Medicare cuts so that payments to hospitals, physicians, and other providers are reduced while ensuring that high quality health care providers continue to serve Medicare beneficiaries;
- Reform Medicare financing for graduate medical education and training provided by the nation's academic health centers and teaching hospitals;

- Create savings and structured reforms that assure that the Medicare Trust Fund will be sound through 2011 -- a stronger position than it has been in 18 out of the last 20 years.
- **An Improved Medicare Program:** The President's plan improves Medicare program. It would:
 - Invest limited resources to expand cost-effective preventive benefits, including coverage for mammography/ colorectal screening, preventive injections for pneumonia, influenza, and hepatitis B.
 - Establish a respite care for families of victims of Alzheimer's Disease;
 - Initiate a new funding pool for medical teaching and research institutions.

Protecting and Improving Medicaid

Medicaid provides acute and long-term health care services to 36 million low-income women, children, families, older Americans, and individuals with disabilities. Nearly half of Medicaid beneficiaries are children but approximately two-thirds of Medicaid expenditures are for care for the elderly and individuals with disabilities.

The President's proposal maintains the 30-year collaboration with the states to guarantee coverage for needed health services while making Medicaid more effective and efficient. It would reduce federal Medicaid spending by \$54 billion over seven years.

Key elements of the President's Medicaid proposal are:

- **Guarantee of Coverage:** People currently eligible for Medicaid services would retain their Federal guarantee of health care coverage.
- **Cost Effectiveness:** To limit the growth in federal Medicaid expenditures, a per capita limit would be established to constrain the rate of increase in federal matching payments per beneficiary. These limits maintain the federal financial commitment to states in the event of an economic downturn that could require states to add beneficiaries. Federal payments for disproportionate share hospitals would also be tightened and states would have the flexibility to target these payments to a range of essential community providers, including federally qualified health centers and rural health centers. The 15 states with the largest number of undocumented persons would receive special grants, and the 10 states with the institutions that serve disproportionately large numbers of uncompensated care patients would also receive additional funds.

- **Unprecedented State Flexibility:** States would be given much greater flexibility to change how they deliver and pay for services, so that they can reduce costs, not coverage. For example, the Boren Amendment would be repealed. In addition, states would be authorized to implement managed care plans and provide home and community-based care without federal waivers.
- **Quality Protection:** Existing federal standards and enforcement for nursing homes and institutions for people with mental retardation and developmental disabilities would be maintained. Quality standards for managed care systems would be updated and enhanced.
- **Financial Protection:** Protections against impoverishment for spouses of nursing home residents would be retained as would the guarantee that Medicare premiums and cost-sharing be paid for by Medicaid.

Combating Fraud and Abuse

The Clinton Administration stepped up efforts to combat fraud and abuse with remarkable results. Key to this success has been Operation Restore Trust -- a pilot program launched earlier this year in New York, Florida, Illinois, Texas, and California. The President's plan would take Operation Restore Trust nationwide.

The President's plan would also give law enforcement officials additional authorities and resources to investigate, prosecute, and sanction those who defraud federal health programs; ensure adequate and dependable sources of funds to support program integrity activities; and change reimbursement policies that inadvertently may have contributed to abuse and fraud.

Long-Term Care

Frail elderly Americans and younger persons with disabilities frequently require home and community-based long-term care to assist them in carrying out the routine activities of daily life. The President's plan would improve access to such services in the following ways:

- **Home and Community-Based Care:** A new grant program to states would provide funding for home and community-based care and personal assistance services for individuals of all ages with disabilities.
- **Respite Care:** Family members of persons with Alzheimer's disease would be eligible for up to 32 hours of respite care each year under a new Medicare benefit.

Protecting Working Americans

Today, a majority of working Americans receive their health care insurance coverage through their employer, but the security of that coverage often depends on economic conditions and on insurance rules that can exclude coverage for some people. There has been strong, bipartisan support for reform of the group health benefits market to preserve and protect the coverage of working Americans.

The President's plan includes the following insurance reforms and programs to protect workers:

- **Pre-existing Medical Conditions:** Insurers and group health plans would be restricted in how long they could exclude individuals from coverage because of pre-existing medical conditions. Insurers in the small group market would be required to sell coverage to small businesses regardless of the health status of the workers employed by those companies.
- **Enhanced Portability of Coverage:** Under the President's plan, "job lock" would be eliminated by ensuring that workers who change jobs don't lose their health care coverage.
- **Ensuring Coverage for Temporarily Uninsured Workers:** Grants would be made available to the States to provide for a six-month period of private health benefits for laid-off workers who lose their coverage when they lose their job and receive unemployment benefits.
- **Small Business Assistance:** Grants would be provided to states to help them create voluntary small group insurance purchasing cooperatives to encourage competition and affordability in the small group market. Upon request of the state, the Federal Employees Health Benefits Program could require its participating health plans that serve the small group market to make themselves available through purchasing cooperatives established by the state.
- **Tax Deduction for the Self-Employed:** Self-employed individuals, including farmers, would be allowed to deduct 50 percent of the cost of their health insurance premiums from their taxable income.

Administrative Simplification and Security of Health Information

The health care system includes a tremendous amount of red tape and paperwork that often gets in the way of providing care to patients. The President remains committed to reducing these burdens. Standards would be adopted to simplify the use of electronic health information transactions. New federal standards would be developed to assure the security and privacy of individual medical information contained in electronically conducted health care transactions.

PRESERVING AND STRENGTHENING MEDICARE

The President's plan saves \$124.4 billion over seven years and ensures that the Medicare Hospital Insurance Trust Fund remains secure through FY 2011 without imposing new costs on beneficiaries. The plan also expands health plan choices for beneficiaries, gives new benefits, improves Medicare's health plan payment methodology, fosters continuous improvement in health plan quality, helps beneficiaries become more informed about their choices, and levels the playing field for Medicare managed care plans and Medicare supplemental coverage.

I. EXPANDING MEDICARE MANAGED CARE OPTIONS

The President's Plan builds on the current rapid expansion to Medicare managed care by statutorily authorizing the participation of an expanded range of health delivery plan options, including preferred provider organizations (PPOs), provider service organizations (PSOs), HMOs with a point of service option, and other alternative delivery systems that meet strong consumer protection standards. These expanded plan options would qualify for designation as a participating plan if they met the following criteria:

- o **Benefits:** Benefits under the plan, at a minimum, should be the benefits available under fee-for-service Medicare.
- o **Quality:** Beneficiaries should receive high quality care which increases the likelihood of needed and desired health outcomes.
- o **Access:** Beneficiaries should have timely access to all medically necessary and appropriate covered care.
- o **Financial Liability:** Out-of-pocket expenditures under the plan should not be greater than what beneficiaries would experience if they stayed in fee-for-service Medicare. This includes provisions to preclude balance billing for authorized plan services and to provide the same protections afforded under Medicare fee-for-service for non-authorized services. Plan premiums should not vary based on health status or age.
- o **Financial Soundness:** Beneficiaries should be protected from the risk of discontinuous or inappropriate care that could result from the insolvency of a plan or its providers.
- o **Appeals, Complaints and Grievances:** Beneficiaries should have access to timely and fair resolution of any appeals, complaints or grievances.
- o **Information:** Beneficiaries should have access to comprehensive, understandable information about plans, including basic policies and procedures, consumer satisfaction, and plan performance.

- o Marketing and Enrollment: Beneficiaries should be not be coerced to enroll in any plan, should not be prevented from enrolling in any plan of their choice due to health status, and should not be encouraged to disenroll from a plan.
- o Privacy: Beneficiaries should have confidence that the privacy of their medical records and claims information will be protected.
- o Accountability: Beneficiaries should be assured that those purchasing services on their behalf will establish, monitor and enforce the above mentioned beneficiary protections.

II. IMPROVING MEDICARE'S PAYMENT METHODOLOGY

The plan Develops and phases-in a series of improvements in Medicare payment methods, while testing alternatives as well. Under the Medicare Plan, the Administration would:

- o Test new risk adjusters for capitated payments.
- o Conduct demonstrations on a competitive pricing methodology, under which Medicare's payments to plans would be based on plan bids.
- o Conduct demonstrations on other innovative payment methodologies.
- o Create a partial risk payment alternative.
- o Repeal the current cost payment option.
- o Gradually reduce extreme regional variation in the AAPCC and immediately increase rates in rural areas.

III. FOSTERING CONTINUOUS IMPROVEMENT IN HEALTH PLAN QUALITY

The plan would enhance quality assurance by building on existing mechanisms as well as cooperative efforts with national organizations leading to new approaches. Under the plan, the Administration would:

- o Create partnerships with public and private purchasers, consumer groups, and managed care plans to focus on identifying population-based outcome measures and encounter data systems that could be used to assure quality of care.
- o Collaborate with national quality assurance organizations in developing plan performance indicators relevant to the Medicare population.

- o Expedite process for termination of non-compliant plans (e.g., immediately upon findings of non-compliance) and expand authority for intermediate sanctions.
- o Develop a proposed regulation (to be released in August of 1997) establishing consistent standards for quality assurance and performance measurement. These standards, when implemented, would replace the 50/50 requirement that Medicare and Medicaid membership never exceed 50% of total enrollment.
- o Plans would have the option of enlisting an independent organization, approved by the Secretary, to certify that the organization has satisfied internal quality assurance requirements.

IV. BENEFICIARY INFORMATION/LEVEL PLAYING FIELD

Information would be developed to help Medicare beneficiaries become more informed about their choices, and the playing field would be leveled for Medicare managed care plans and Medicare supplemental coverage. The plan would:

- o Authorize the Secretary to (1) develop standardized comparative materials for beneficiaries about managed care and Medigap managed care plans and (2) contract out to a third-party to provide enrollment and disenrollment activities for Medicare managed care plans. Funding would come from plans.
- o Work with the National Association of Insurance Commissioners to develop an approach to standardize additional benefits offered by managed care plans and to move to community rating of Medigap policies.
- o Eliminate barriers to beneficiaries enrolling in the managed care or Medigap plan of their choice by: (1) establishing an annual 30-day simultaneous open enrollment period for all managed care and Medigap plans; (2) giving newly entitled beneficiaries a special open enrollment period; (3) allowing beneficiaries leaving managed care to re-enroll in Medigap plans without prejudice; and (4) eliminating the current prohibition on ESRD beneficiaries enrolling in managed care plans.
- o Expand current payment protections for enrollees of managed care plans and extend these protections to enrollees who go out-of-plan to receive services without plan authorization.
- o Give the Secretary additional authority to waive the 50/50 rule in specified circumstances as an interim measure while moving to implementation of new quality measurement systems.

V. EXPANDED BENEFITS

The President's plan strengthens the Medicare benefit package by expanding coverage for important preventive care and takes the first steps toward providing needed long-term care assistance. The new preventive benefits include covering annual mammograms for beneficiaries over the age of 49 and waiving all cost-sharing for mammography, covering several procedures for the early detection of colorectal cancer, and increasing Medicare payments for preventive injections. The plan also establishes a new respite care benefit for beneficiaries with Alzheimer's disease or other irreversible dementia. Under the respite benefit, Medicare beneficiaries with cognitive impairment would be eligible to receive up to 32 hours of non-medical care, in order to give the beneficiary's informal care givers (children, spouse, etc.) a break from the constant demands of caring for these beneficiaries.

VI. STRENGTHENING MEDICARE

The Administration's Medicare plan saves \$124.4 billion over seven years and ensures HI Trust fund solvency through FY 2011.

To achieve these savings, the Administration's plan modifies Medicare payments in a number of ways. First, the plan ensures that Medicare acts as a prudent purchaser and provides incentives to hospitals for efficiency by constraining updates for hospital operating costs, reducing reimbursement for capital costs, reforming medical education payments, reforming add-on payments for outlier cases, reducing Medicare disproportionate share payments, and reforming the rules governing transfers from a hospital to a nursing home. The plan also changes Medicare physician payments, by tying fee increases to the growth in GDP (plus an additional factor) as well as a series of other proposals to create incentives for physicians to control costs. In addition, the Administration plan reforms payments to home health agencies and skilled nursing facilities by establishing interim payment systems in preparation for fully prospective payment. The plan achieves savings from managed care by limiting the regional variation in managed care payments and by removing add-on payments from the AAPCC and redistributing most of the savings in a manner to encourage the use of academic medical centers by Medicare HMOs. Finally, the Administration plan would reform payments for lab services and medical equipment, reduce updates for ambulatory service center payments, extend Medicare's secondary payer authority, institute various measures to combat fraud and abuse, and maintain the Part B premium at 25% of program costs.

VII. MEDICARE SAVINGS PROPOSALS

Part A -- Hospital Insurance Trust Fund

Medicare Part A provides insurance coverage for hospital, home health, skilled nursing facility (SNF) and hospice care. Most Americans age 65 or older are entitled to Part A coverage. It is financed primarily through a payroll tax of 2.9 percent paid equally by the individual and employer. Reductions in Part A expenditures combined with the reform of the home health benefit described below will extend the solvency of the Part A Trust Fund through 2011.

Under Medicare, hospitals are paid one of two ways. Most are paid under a prospective payment system (PPS), under which fixed hospital payment amounts per admission are established based on a patient's diagnosis before services are provided. A minority of hospitals (i.e., rehabilitation, children's, long term care and psychiatric care hospitals) are paid based on their costs, subject to limits.

Hospital Proposals

- Reduce the "Market Basket" Payment Update for Inpatient Hospitals Services. Under current law, inpatient hospital prospective payment rates are updated annually by a "market basket index" that reflects inflation in the prices of operating an inpatient facility. The update has been reduced often in past budget "reconciliation" acts -- in OBRA 1993, it was reduced by between 0.5 and 2.5 percentage points in FY 1994-1997. An update of less than the full market basket is given to reflect anticipated productivity gains and provide incentive for hospitals to increase productivity. **This proposal would reduce the hospital market basket index update for hospitals by 1.0 percentage point each year between FY 1997 and FY 2000. The market basket index update for 2001 and 2002 would be reduced by 1.5 percentage points.** For 1997, this means that a hospital paid under the prospective payment system would receive about a 2.6 percent increase rather than about a 3.6 percent increase. The proposal would continue the OBRA 1993 reductions, thereby eliminating a sudden increase in baseline spending that would occur under current law. The Prospective Payment Assessment Commission (ProPAC), created by Congress to advise on policies affecting Medicare payments to hospitals and other facilities, recommends a reduction to the market basket of 1.8 percent.

In another extension of an OBRA 1993 provision, this proposal also would reduce the update by 1.0 percent in FY 1996 through FY 2000 for hospitals that are exempt from Medicare's hospital prospective payment system (i.e., psychiatric, rehabilitation, and children's hospitals). The market basket index update for PPS-exempt hospitals would be reduced by 1.5 percentage points in FY 2001 and FY 2002. An update of less than the full market basket is given to reflect anticipated productivity gains and provide incentives for hospitals to increase efficiency. This proposal would also require that hospitals use more recent cost data to determine their payment rates and modifies the current payment methodology. Exempt hospitals would continue to be reimbursed based upon their costs, subject to limits.

Seven year savings from reducing the hospital market basket index update are \$17.5 billion. Seven year savings from reducing PPS-exempt hospital market basket index update are \$3.0 billion.

- Extend OBRA 1990 Reductions for Hospital Capital Payments. Hospitals receive payments for their capital-related costs (e.g., those associated with constructing and maintaining facilities) based on the number of their Medicare patients they treat. **This proposal permanently captures the savings from the OBRA 1990 provision for capital which reduced hospital capital payments by 10 percent through FY 1995.** Without this extension, capital payments to hospitals will increase about 16 percent in 1996. This proposal could be considered an efficiency adjustment to recoup excessive Medicare capital reimbursement of the late 1980s. In addition, the current base amount reflects overestimated capital costs, and should be modified to reflect more accurate data. The Office of Inspector General recommends that capital payments be reduced to prevent overpayment to hospitals.

In addition, this proposal would pay 85 percent of capital costs for PPS-exempt hospitals and units for FY 1996 through 2005.

Seven year savings from limiting capital payments to prospective payment hospitals are \$9.1 billion. Seven year savings from limiting capital payments for non-prospective payment hospitals are \$1.6 billion.

- Reform of Long-term Care Hospital Reimbursement. Hospitals with an average length of stay of over 25 days are considered long-term care hospitals. **This proposal would make new long-term care hospitals subject to the PPS, effective upon enactment.** PPS has been shown to be an effective mechanism for increasing efficiency and controlling costs in other inpatient hospitals.

Seven year savings are \$0.8 billion.

- Reduce Indirect Medical Education (IME) Adjustment to 6.0%. Through the IME adjustment, Medicare recognizes the higher indirect costs that teaching hospitals incur in running a teaching program (e.g., additional tests and procedures that residents may order as part of their training). Currently, the IME adjustment is based on each teaching hospital's ratio of interns and residents to beds (IRB), with payments to teaching hospitals increased by about 7.7 percent for each 0.1 increase in a hospital's IRB. **This proposal would reduce the IME adjustment to: 7.2 percent beginning January 1, 1996; 6.8 percent in FY 1997-1999; 6.3 percent in FY 2000; and 6.0 percent in FY 2001 and thereafter.** ProPAC analysis suggests that the current IME adjustment overcompensates

hospitals and recommends reducing it to 4.5 percent. HCFA data also suggest that a lower IME adjustment is more in line with what teaching hospitals actually experience.

Seven year savings are \$6.9 billion.

- **Graduate Medical Education (GME) Reform.** Medicare pays teaching hospitals for a share of the direct (i.e., resident salaries and fringe benefits, teaching costs and institutional overhead) and indirect costs they incur in providing graduate medical education. The indirect costs are reimbursed through the IME adjustment to the DRGs. The direct payments (GME), on the other hand, are hospital-specific, per resident amounts, based on Medicare's share of a hospital's 1984 cost per resident indexed for increases in the level of consumer prices.

This proposal actually contains 5 individual proposals, including 2 program expansions.¹ Most experts agree that the current GME and IME payment methodology is flawed. ProPAC analysis suggests that hospitals are overcompensated (especially in terms of the IME adjustment), and there is general consensus (e.g., Council Of Graduate Medical Education, the Physician Payment Review Commission) that GME/IME payments encourage hospital-based specialty training at the expense of primary care training. This package is designed to address such problems.

Seven year savings are \$4.5 billion.

- **Establish National Commission on Medical Education and Workforce Priorities.** This proposal would establish the National Commission on Medical Education and Workforce Priorities within the Department of Health and Human Services. The Commission would have the following responsibilities: (1) to develop and recommend policies to address the preservation of the research and educational capacity of academic health centers and the supply, composition, and support of the future health care workforce; and (2) to make recommendations concerning the most effective allocation of training resources to ensure that the numbers and competencies of health care professionals are responsive to national needs. (Note: There are no Medicare savings or costs associated with this proposal.)
- **Reduce the Disproportionate Share Hospital (DSH) Adjustment by 10 percent.** DSH payments, an add-on to Medicare's payment per admission, are made to hospitals that serve a large share of low-income patients. **This proposal would reduce the Medicare DSH adjustment for PPS hospitals by 10 percent, effective with FY 1999.**

¹These five proposals are: (1) freeze the total number and the number of non-primary care residency positions reimbursed under Medicare; (2) extend OBRA 1993 freeze on updates for non-primary care residents for an additional 5 years; (3) count residents beyond their initial residency period as 0.5 FTE for IME; (4) count work in non-hospital settings for IME; and (5) allow GME payments to non-hospitals for primary care residents in non-hospital settings, when a hospital is not paying for the resident's salary in that setting.

Seven year savings are \$2.4 billion.

- Eliminate Add-On Payment for "Outlier" Cases. Currently, additional amounts, called outlier payments, go to hospitals for patients with long lengths of stay or who require exceptionally costly care. When the outlier amount is paid, teaching and DSH hospitals also receive additional IME and DSH payments added to these outlier payments. **This proposal would eliminate the IME and DSH payments that are added to the outlier payments, but allow hospitals to count IME and DSH as part of costs that trigger outlier payments, effective FY 1996.** Consequently, teaching and DSH hospitals would receive a greater portion of outlier payments. ProPAC supports this change as consistent with the intent of PPS.

Seven year savings are \$4.2 billion.

- End Gaming of Hospital Discharges. Currently, hospitals that move patients to PPS-exempt facilities and SNFs "discharge" the patient and receive a full DRG payment. This policy overpays hospitals and it contributes to higher SNF expenditure growth rates because SNFs end up caring for more acutely ill patients. **Under this proposal, hospitals must "transfer" rather than "discharge" patients, limiting their reimbursement to a per diem payment (which is lower than a full DRG).**

Seven year savings are \$7.3 billion.

- Expand "Centers of Excellence" Demonstration. Currently, HCFA is conducting a demonstration that pays a total of ten facilities, considered "centers of excellence," a flat fee to provide cataract or coronary artery bypass graft (CABG) surgery. The ten facilities were selected on the basis of their outstanding experience, outcomes and efficiency in performing these procedures. **This proposal would expand "centers of excellence" demonstration to all urban areas by allowing Medicare to pay select facilities a single rate for all services associated with cataract or CABG surgery.** This approach creates incentives to provide high quality care more efficiently. Beneficiaries would not be required to receive services at these centers, but would be encouraged to do so by a Medicare rebate to the beneficiary equal to 10 percent of the government's savings from the center. This proposal expands upon a successful, but limited, demonstration program.

Seven year savings are \$0.2 billion.

- Sole Community Hospitals (SCH). SCHs are the sole source of inpatient services reasonably available in a geographic area. Payments for services in SCHs are currently based on costs in 1982 or 1987 (updated annually) or a standard federal amount. **This proposal would base SCH payments on more recent costs (FY 1992 and 1993) to reflect costs more accurately, although no SCH's payment rate would be reduced.**

Seven year investment is \$0.3 billion.

- Rural Primary Care Hospitals (RPCH). The RPCH program establishes special rules and a payment methodology based on reasonable costs for certain small rural short-stay hospitals to improve rural residents' access to hospital care. The program is currently authorized in only seven states. **This proposal would make several changes to the RPCH program, among them extending the program to all states, expanding the allowable number of beds and extending the allowable length of stay in a RPCH, and establishing the minimum separation distance between RPCHs. This proposal would also eliminate the Essential Access Community Hospital (EACH) designation, while allowing existing EACHs to continue to be paid on a reasonable cost basis.**

Seven year investment is \$0.2 billion.

Home Health Agencies

- Extend Savings from OBRA 1993 Home Health Cost Limits Freeze. Medicare pays for covered home health services on a cost basis, subject to cost limits that are updated annually. OBRA 1993 eliminated the update for home health cost limits from July 1, 1994 to July 1, 1996. Beginning July 1, 1996, new cost limits would be established that do not reflect the effects of the freeze. **This proposal would permanently extend the savings stream (but not the freeze) in setting future home health limits by not allowing for the inflation that occurred during the freeze. Without new legislation, future spending would revert back to pre-freeze levels.**

Seven year savings are \$2.5 billion.

- Reform Home Health: Home health services are one of the fastest growing areas of Medicare expenditures, and there is wide-spread consensus that the high rate of growth in home health expenditures must be addressed. This proposal combines the following three individual proposals designed to reform the reimbursement system for home health services, improve financial management, and control fraud and abuse:

1. Establish a Prospective Payment System (PPS) for Home Health Services -- Medicare reimburses home health agencies on a cost basis, subject to limits. Medicare's retrospective reimbursement rates, however, tend to contribute to increased expenditures by creating incentives to increase costs and by failing to control volume. **This proposal would constrain growth in expenditures through lower costs limits over the short run and implement a per-episode PPS for home health, not later than 1999. The new prospective rates would reduce rates by 15 percent. Currently, the Health Care Financing**

Administration (HCFA) is running a demonstration to test an per episode home health PPS.

As interim steps, designed to help bring home health costs under control and to control volume, this proposal would also make the following changes to home health reimbursement:

- ▶ **Beginning October 1, 1996, reduce the current cost limits from 112 percent of the mean to 105 percent of the median;**
- ▶ **Beginning October 1, 1996, implement an additional system of limits, much like that used for PPS-exempt hospital reimbursement.** In other words, each home health agency (HHA) would be subject to a total dollar cap for each beneficiary per year. Payment would be the lesser of: (1) the actual costs (defined as Medicare allowable costs paid on a reasonable cost basis); (2) the per visit cost limits; or (3) new agency-specific per beneficiary annual limit calculated from CY 1994 reasonable costs. Effective January 1, 1997, or as soon as feasible, the agency-specific per beneficiary limit would be modified to provide for regional or national variations in utilization by calculating the limit through a blend of 75 percent of the agency-specific cost or utilization in CY 1994 with 25 percent of the national or regional cost or utilization in CY 1994.

HHAs with costs or utilization experience less than 125 percent of the mean national or regional aggregate per beneficiary cost or utilization experience for CY 1994 and with year-end costs below the agency-specific per beneficiary limit would share 50 percent of the savings for FYs 1996-1999. The shared savings, however, could not exceed 5 percent of an agency's aggregate Medicare reasonable cost in a year. The interim reimbursement mechanism would be in effect until a full per episode home health PPS is in place in FY 2000.

Seven year savings are \$8.6 billion.

2. Eliminate Periodic Interim Payments (PIP) for Home Health Agencies (HHAs) -- PIP was established to help smooth out cash flow for new home health providers by paying them a set amount on a bi-weekly basis. Then, at the end of the year, the PIP is reconciled with actual expenditures. Now, with about 100 new HHAs joining Medicare each month, access to home health care is no longer a problem, and new providers no longer need this help to encourage them to participate in Medicare. Further, the Office of Inspector General has found that Medicare tends to overpay providers who receive PIP and has a hard time recovering the money. **This proposal would eliminate PIP for home health agencies, beginning in FY 2000.**

Seven year savings are \$1.2 billion.

3. Base Payments on Location of Service Delivery -- HHAs are often established with a home office in an urban area and branches in rural areas. When these HHAs bill Medicare, payment is based on the higher wage rate for the urban area, even though the service delivery occurred in a rural area. Under this proposal, payments would be based on the location where the services are rendered, not where the service is billed, starting in FY 1997.

Seven year savings are \$0.6 billion. Total savings from home health reforms are \$10.5 billion.

- Establish Post-Hospital Home Health Benefit in Part A. Medicare home health was originally designed to serve as an acute benefit but is serving increasingly as a long-term care benefit. Under this proposal, effective in FY 1997, the first 100 visits following a hospital stay would be reimbursed under Part A. All other visits, including those not following hospitalization, would be reimbursed under Part B. (The Part B visits would not be subject to the Part B coinsurance or deductible nor would this shift impact the Part B premium.) This proposal would also clarify current policy on the definitions of "intermittent" and "part-time or intermittent" skilled nursing and home health aide services. Creating a post-hospital home health benefit under Part A would recognize that Part A covers only acute care services. By shifting some home health spending from Part A to Part B, this proposal has the effect of extending the Part A trust fund insolvency date.

Medicare spending shifted from Part A to Part B over seven years is \$60.6 billion.

Skilled Nursing Facilities

- Extend Savings from OBRA 1993 SNF Cost Limits Freeze. Payments for SNF services are made on a reasonable cost basis, subject to certain limits that are updated annually. OBRA 1993 eliminated the update for SNF limits for FY 1994 and FY 1995. Beginning in FY 1996, new cost limits would be established that do not reflect the effects of the freeze. This proposal would permanently extend the savings stream (but not the freeze) in setting future SNF limits by not allowing for the inflation that occurred during the freeze. Without new legislation, future spending would revert back to pre-freeze levels.

Seven year savings are \$1.9 billion.

• Reform the Skilled Nursing Facility (SNF) Reimbursement System. Within Medicare, the SNF program is one of the fastest growing benefits, with both increased volume and costs driving the overall increase in SNF expenditures. SNFs provide daily skilled nursing care to Medicare beneficiaries for a condition related to a prior hospitalization. Medicare reimburses SNFs on a cost basis, subject to certain limits. For SNFs, limits are applied only to the routine services (i.e., room and board, nursing, administration and other overhead); ancillary (e.g., drugs, physical therapy, speech therapy, etc.) and capital-related costs are not subject to any limits. Medicare's current retrospective reimbursement rates contributes to rising expenditures by providing incentives to increase costs and by failing to control volume.

This proposal would make the following changes in SNF reimbursement:

- ▶ **Beginning in FY 1997, routine costs would be paid at a facility-specific prospective rate, subject to regional limits.** The regional limits would be based on data from freestanding SNFs only. These SNFs tend to have lower costs than hospital-based SNFs. SNFs would be reimbursed under this system until a full SNF PPS is implemented in FY 1999.
- ▶ **Eliminate exemptions and exceptions to the cost limits, beginning in FY 1997.** Currently, new Medicare SNF providers are exempted from the cost limits for three to four years. These exemptions are now no longer necessary and simply allow SNFs to be reimbursed for inflated costs for several years. An exception is provided for SNFs that provide atypical care (e.g., sub-acute care) or are forced to operate under extraordinary circumstances (e.g., earthquakes, hurricanes). In the case of exceptions, an upward adjustment to the cost limit is determined. Exceptions effectively allow SNFs to fully bill Medicare for more costly sub-acute care services, which Medicare reimbursement would not completely cover.
- ▶ **Establish limits on ancillary services.** Ancillary services would be subject to limits based on amount payable for similar services on a fee-for-service basis under Part B.
- ▶ **Require consolidated billing, beginning in FY 1997.** The HHS Office of Inspector General (OIG) and others have reported that some Part B suppliers bill for supplies delivered to nursing home residents that were never actually delivered. This proposal would require SNFs to bill Medicare for all services that its residents receive (except the services of physicians, physicians assistants, nurse practitioners, certified nurse midwives, psychologists, and nurse anesthetists), prohibiting payment to any entity other than the SNF for

services or supplies furnished to inpatients covered by Medicare. SNFs would also be required to include HCFA Common Procedure Codes on their Part B bills. This proposal will reduce double billing for some supplies and services and reduce beneficiary Part B copayments for services covered under Part A when the SNF bills for them. It will also provide data necessary to construct a SNF PPS rate that covers ancillary services. This proposal is also discussed in the "Eliminating Waste, Fraud, and Abuse" section of the health reform package.

- ▶ **Beginning in FY 1999, establish a full SNF PPS.** The prospective rate would be designed to cover all three (i.e., routine, ancillary, and capital-related) SNF costs. Budget-neutral rates under the new system would be calculated after first reducing rates that exist on the last day of FY 1998 by 7 percent.

Seven year savings are \$6.2 billion. (Note: Some savings from the consolidated billing provision are attributable to Part B.)

- **Establish Therapy Guidelines.** As part of their SNF care, Medicare beneficiaries are eligible for occupational (OT), physical (PT), speech, and respiratory therapies. While some SNFs employ their own therapists, many contract out with specialized rehabilitation agencies to provide these services. In the latter case, either the SNF or the outside agency can bill Medicare for these services. Medicare spending on therapy services has risen significantly over the last several years, and Medicare has established salary equivalency guidelines for PT and respiratory therapy. These guidelines determine the maximum Medicare payment for this service. However, similar guidelines have not been developed for OT and speech-language pathology. **This proposal would establish salary equivalency guidelines for these two therapy services and revise the existing PT and respiratory therapy guidelines, effective January 1, 1996.** In a March 1995 General Accounting Office (GAO) report, GAO found that Medicare needs tighter rules to curtail overcharges for therapy in nursing homes and recommended that HCFA set limits to ensure that Medicare does not pay more for therapy services than other purchasers of health care.

Seven year savings are \$1.4 billion. (Note: Some savings from this provision are attributable to Part B.)

Medicare Managed Care

- **Reform Medicare Managed Care.** While managed care appears to have reduced private health care costs, studies indicate that managed care does not currently reduce Medicare costs due to a flawed payment methodology and favorable selection. Under current law, Medicare is required to pay HMOs a capitated rate equal to 95 percent of fee-for-service costs.

This proposal includes several policies to improve the current payment methodology.

- ▶ **Limit the wide geographic variations in HMO Part B payment rates.** This proposal would raise the payment levels for certain counties, encouraging HMOs to enter new markets and provide more beneficiaries a choice of plans. It would also phase in a limit for the high payment rate counties, whose rates have been inflated by over-utilization of services in the fee-for-service sector.
- ▶ **Eliminate the GME, IME and DSH payments currently included in HMO rates; retain 25 percent as savings and redistribute 75 percent.** The remaining 75 percent of payments would be distributed to HMOs with contracts with academic medical centers and directly to academic medical centers.
- ▶ **Conduct a Competitive Pricing Demonstration to test a market-based alternative payment methodology.** Under the demonstration, rates to all HMOs in an area would be established using a competitive pricing methodology. It is part of a long range strategy to improve the payment methodology for managed care products.

Seven year savings from Reducing GME, IME and DSH Payments to HMOs are \$2.3 billion. Seven year savings from Floors and Ceilings on HMO Payments are \$1.2 billion. (Note: savings from this provision are attributable to Part B.)

Part B – Supplementary Medical Insurance Trust Fund

Medicare Part B provides insurance coverage for physician services, hospital outpatient services (including diagnostic testing and ambulatory surgery), clinical laboratory services, durable medical equipment (for example, wheelchairs, oxygen services, and medical supplies), and miscellaneous other medical services. Payment for physician fees, clinical laboratory services, and durable medical equipment are made on the basis of fee schedules. Certain other services are paid on the basis of reasonable costs or reasonable charges. The program provides for annual updates of the payment amounts to reflect inflation and other factors.

Part B coverage is voluntary; almost all people eligible for Part A coverage choose to buy Part B coverage. Part B is financed partly through monthly premiums paid by beneficiaries and partly through a large payment out of general Federal revenue.

Physicians

- Make Transition to Single Conversion Factor and Reform Method for Updating Physician Fees. Each year, the fees paid to doctors who serve Medicare beneficiaries are “updated” to account for medical inflation. In addition, fees are adjusted according to a formula that compares actual spending on physicians’ services to a spending “standard” established each year according to a complex statutory formula. For purposes of updating fees, Medicare divides doctors’ services into three categories: surgical services, primary care, and medical services (e.g., diagnostic tests). Because of different growth rates and spending standards, the three services typically receive different updates each year. Since 1992, the basic payment for surgical services has increased by 29.7 percent, the basic payment for primary care services has increased by 19.6 percent, and the basic payment for medical services has increased by 13.8 percent. The Physician Payment Review Commission (PPRC) has stated repeatedly that these different rates of increase have undermined the basic principle of physician payment reform, i.e., that physician fees should vary only according to the relative amount of resources used to provide services.

This proposal would implement five PPRC recommendations to improve the physician payment system. Effective with FY 1996, cumulative expenditure targets would be used, targets would be tied to growth in real GDP per capita plus one percentage point (rather than historical volume and intensity), and the behavioral offset for update changes would be eliminated from the targets. An upper limit on fee increases of 3 percent above medical inflation would be set, as would a lower limit of 7 percent below inflation. Finally, in 1996, a single conversion factor of \$35.42 would replace the three separate factors currently used to determine payments. There would be a two-year transition to a single conversion factor for surgical services; the 1996 conversion factor for surgical services would be \$38.10, and all services would have the same conversion factor in 1997.

Seven year savings are \$12.9 billion.

- Make Single Payment for Surgery. Under certain conditions, Medicare will make an extra payment for each physician or physician assistant who assists the primary surgeon during an operation. These "assistants-at-surgery" are paid a percentage of the fee paid to the primary surgeon. Both the Rand Corporation and the PPRC have reported that there is substantial geographic variation in the use of assistants for the same surgical procedure. This evidence suggests a lack of medical consensus on the use of assistants, which suggests that in some cases the use of a surgical assistant may not meet the criteria for medical necessity. **This proposal would make the same payment to a primary surgeon regardless of whether they choose to use an assistant-at-surgery for whom Medicare makes a separate payment.** In effect, Medicare's payment to the primary surgeon would be reduced by the amount of the payment for the assistant-at-surgery used by the surgeon. The Secretary would specify exceptions for specific procedures or special situations.

Seven year savings are \$1.0 billion.

- Extend OBRA 1993 Reduction in Payments for Physician "Overhead" Expenses. Medicare's fee schedule payment for each physician service is made up of three parts: payment for the physician's work, payment for overhead costs or "practice expenses" (e.g., office rent, employee wages), and payment for malpractice insurance costs. On average, about 41 percent of each payment is for overhead costs. Unlike the payment for the physician's work, which is based on an estimate of the actual resources involved in providing a service, practice expense payments are based on historical charges. In some cases, this distorts the fee schedule because the resulting practice expense payment is inappropriately large relative to the work payment.

In 1993, Congress considered legislation to implement a permanent (resource-based) payment system for practice expenses. To begin to address the existing payment distortion and begin the transition to the new system, OBRA 1993 mandated that practice expense payments for certain services would be cut. Most of the services affected were surgical services. For services meeting certain conditions, the excess practice expense payment is reduced by 25 percent of the difference in 1994, 1995 and 1996, subject to a limit on the total reduction. Congress limited the cut to three years (through 1996) because it intended to have a permanent solution to the payment distortions in place by 1997. However, the legislation mandating the permanent solution was not passed until late 1994, delaying the new payment system until 1998. **This proposal would extend the OBRA 1993 practice expense payment cut for one more year, i.e., through 1997, and would lower the limit on the reduction from 128 percent to 115 percent of the physician work payment.**

Seven year savings are \$0.6 billion.

- Create Incentives to Control High-Volume Inpatient Physician Services. Research by the Urban Institute reveals wide variation among hospitals in the volume of physician services per admission, even after adjusting for case severity, teaching hospital status, and disproportionate-share status. Some amount of variation in volume and intensity is inevitable given a limited consensus on clinical practice guidelines and regional differences in practice styles. But at its extremes, this variation in the volume of physician services suggests that there is room for efficiency improvements. This proposal would create incentives to encourage physicians with high-volume inpatient practice styles to capture these efficiencies.

This proposal would limit payments to groups of physicians practicing in hospitals whose volume and intensity of services per admission exceeded 120 percent of the national median for urban hospitals and 140 percent for rural hospitals. For each physician practicing in hospitals above those limits, 15 percent of each payment would be withheld during the year. If the physicians collaborate in order to efficiently manage the volume and intensity of the services they provide during the year, the physicians would receive the withheld payments (plus interest) at the end of the year. The policy is not implemented until FY 1999, in order to give physicians practicing in hospitals time to organize themselves to control volume and intensity while maintaining the delivery of high-quality care.

Seven year savings are \$2.8 billion.

Medicare Managed Care

- Limit Variation in Managed Care Payments. See discussion under Part A.

Other Providers

- Establish Competitive Bidding for Clinical Laboratory Services. Medicare pays for clinical laboratory services through a fee schedule based on an outdated "prevailing charge" payment system. While fees and payment limits for laboratory services have been cut several times since the fee schedule was introduced in 1984, HHS's Office of the Inspector General recently found that Medicare continues to pay more than private physicians pay laboratories for the same tests. The General Accounting Office found that Medicare has been subsidizing the tests run by independent laboratories for their other customers. Payment reductions enacted in 1993 were meant to curb this practice, but these reductions do not address the problem of growing utilization of lab services. Without changes,

Medicare spending on laboratory services will grow by over 12 percent per year for the next 10 years.

This proposal would allow Medicare to use its considerable market power by establishing competitive bidding for clinical laboratory services. If the competitive bidding system does not produce savings of at least 15 percent for a given year, the Secretary would reduce Medicare's fees for lab services to achieve the target savings.

Seven year savings are \$3.2 billion.

- **Establish Competitive Bidding for Part B Items and Services.** This proposal would take advantage of Medicare's untapped power as a high-volume purchaser of health care items, e.g., certain types of durable medical equipment and services. Several hearings of the 104th Congress have publicized Medicare's current inability to pay the going market rate for many of these items and services. CBO estimates that Medicare spending on durable medical equipment and related services will grow by 14 percent per year over the next seven years.

This proposal would require Medicare to establish competitive bidding for services and supplies in a geographic area. Contractors would have to meet quality standards and demonstrate sufficient capacity to meet demand. The initial items for competitive procurement would be enteral and parenteral nutrients, supplies and equipment, and MRI and CT scans. Medicare would be given the authority to add other items in the future as appropriate. If the competitive bidding system does not produce savings of at least 15 percent for a given year, the Secretary would reduce Medicare's fees for the selected DME items and services to achieve the target savings.

Seven year savings are \$1.0 billion.

- **Reform Payment for Certain Automated Laboratory Tests.** Medicare currently pays individually for several common laboratory tests that are typically performed as a group (or "panel" of tests) on automated equipment. This means that Medicare pays more for these common tests than most private insurers pay. **This proposal would add several chemistry tests to the existing list of tests that are classified and paid as automated tests.**

Seven year savings are \$1.4 billion.

- **Reduce Overpriced Oxygen Payments.** This proposal would reduce payments for oxygen and oxygen equipment by 20 percent, effective January 1, 1996, and phase in gradually larger reductions in the year 2002 and thereafter.

Seven year savings are \$1.6 billion.

- Reduce Updates for Ambulatory Surgical Center Fees Through 2002. Medicare pays for ambulatory surgical center (ASC) services on the basis of prospectively determined rates. These rates are updated annually for inflation using the CPI-U. OBRA 1993 eliminated updates for ambulatory surgical centers for FY 1994 and FY 1995. Utilization of ASC services has escalated rapidly since the mid-1980s. In addition, the number of ASC facilities has increased dramatically over the same period, suggesting that Medicare's payment rates are more than adequate to cover facility costs. In 1984, there were 155 ASCs participating in Medicare; by 1993, participation had increased to over 1,600 facilities. **This proposal would reduce the annual CPI update for ambulatory surgical center fees by 2 percentage points per year for FY 1996 through FY 2002.**

Seven year savings are \$0.8 billion.

- Expand Centers of Excellence. See description under Part A -- Hospitals.

Seven year savings are \$0.2 billion.

- Extend Part B Premium at 25% of Program Costs. Premiums under the Supplementary Medical Insurance (SMI) program are specified in the Medicare law for years 1991-1995. OBRA 1993 set the Part B premium at 25 percent of SMI program costs for 1996-1998. Beginning in 1999, the percentage increase in the premium is limited to the Social Security cost of living adjustment (COLA). **This provision would permanently set Part B premiums at 25 percent of SMI program costs.**

Seven year gross savings are \$16.4 billion. Seven year savings/costs net of interactions with program reductions are \$8.8 billion.

Medicare Parts A and B (Proposals that affect both HI and SMI Trust Fund outlays)

Medicare as Secondary Payer (MSP)

Some Medicare beneficiaries have health coverage through an employer group health plan, workers' compensation, or automobile and liability insurance. In these cases, Medicare pays after a beneficiary's primary insurer, subject to certain restrictions and conditions.

- Extend Expiring Medicare as Secondary Payer (MSP) Provisions from OBRA 1993. Under current law, Medicare is a secondary payer under specified circumstances when beneficiaries are covered by other third-party payers. Medicare is secondary payer to workers' compensation, automobile, medical, no-fault, and liability insurance. To identify primary payers, OBRA 1993 extended, through FY 1998, the data match between the

Health Care Financing Administration (HCFA), the Social Security Administration (SSA), and the Internal Revenue Service (IRS). In addition, OBRA 1993 extended, through FY 1998, an OBRA 1990 provision making Medicare the secondary payor for individuals with end stage renal disease (ESRD) enrolled in employer group health plans for 18 months after they become eligible for Medicare benefits. Finally, OBRA 1993 also extended, through FY 1998, an OBRA 1990 provision making Medicare the secondary payor for disabled beneficiaries with employer-based health insurance. **This proposal would permanently extend these three MSP provisions.**

Seven year Part A savings are \$5.2 billion. Seven year Part B savings are \$2.5 billion.

- ▶ **Establish Better Coordination of Insurance Coverage.** This proposal would require a beneficiary's other insurance plan to tell Medicare when that beneficiary is covered. Currently, Medicare has problems getting this information, resulting in billions of dollars of payments made by Medicare on behalf of beneficiaries whose private insurance should have covered the service.
- **Clarify Medicare Secondary Payer Authority.** The Supreme Court recently invalidated long-standing Medicare rules on MSP, limiting Medicare's ability to make collections in certain situations. This proposal would clarify Medicare's authority.

Seven year Part A savings are \$1.7 billion. Seven year Part B savings are \$1.2 billion.

- **Fraud and Abuse.** The following savings result from a comprehensive proposal (described later in this paper) to root out fraud and abuse in the Medicare and Medicaid programs by providing Medicare with modern administrative tools to detect fraud, ensuring that individuals and entities caught defrauding Medicare are penalized or banned from the program, ensuring that individuals and entities seeking to defraud the program are not allowed to participate in the first place, and by ensuring that Medicare has the necessary resources to root out fraud and waste in the program.

Seven year fraud and abuse savings (Part A and B combined) are \$2.4 billion.

Preventive Services Benefit Expansions

- **Waive Cost-Sharing for Mammography Services.** Although coverage by Medicare began in 1991, only 14 percent of eligible beneficiaries without supplemental insurance receive mammographies. One factor is the required 20 percent coinsurance. To remove financial barriers to women seeking preventive mammograms, **this proposal waives the Medicare coinsurance and the deductible, effective 1997.**

Total seven year investments are \$0.4 billion.

- Cover Annual Screening Mammograms for Beneficiaries Over Age 49. OBRA 1990 mandated coverage of biannual screening mammography for Medicare beneficiaries over age 65. This proposal would cover annual screening mammograms for beneficiaries over age 49 without coinsurance or a deductible, effective January 1, 1997.

Seven year investment is \$0.6 billion.

- ▶ Cover Colorectal Screening. Effective January 1, 1996, this proposal would cover three common preventive screening procedures for detection of colorectal cancers. Current law provides for these services only as diagnostic services.

Seven year investment is \$1.1 billion.

- ▶ Increase Payments for Preventive Injections. This proposal would increase the payment for administration of Medicare-covered preventive injections, which include pneumonia, influenza and hepatitis B vaccines. To be consistent with the other covered vaccinations, the Part B deductible and coinsurance would be waived for hepatitis B vaccine.

Seven year investment is \$0.7 billion.

- ▶ Establish Respite Benefit. For FY 1996 through 2005, a Medicare respite benefit would be established for beneficiaries with Alzheimer's disease or other irreversible dementia. The benefit would cover up to 32 hours of care per beneficiary in 1996 and would be administered through home health agencies or other entities, as determined by the Secretary. Services could be provided in the home.

Seven year investment is \$3.1 billion.

Note: Year-by-year savings estimates may not sum to totals due to rounding.

PROTECTING AND IMPROVING MEDICAID

The President's Medicaid proposal saves \$54 billion over seven years. The proposal has three components: a per capita cap; increased flexibility for states; and reduced and re-targeted disproportionate share hospital (DSH) spending. Under a per capita cap, the federal guarantee of coverage would be retained, and spending per beneficiary would be federally matched up to a set level. The cap would be set using spending per beneficiary in a base year, increased by an annual growth limit. States would be given increased flexibility to manage their Medicaid programs. DSH payments would be limited in size and re-targeted.

I. PER CAPITA GROWTH LIMITS POLICY

A "per capita cap" policy limits federal spending without risking the loss of health coverage. It works by setting for each state a federal spending "cap" per beneficiary, which adapts automatically to the size and type of Medicaid beneficiary population that the state covers.

The "cap" limits spending growth for a group of beneficiaries to a specified index. If a state's actual spending exceeds the cap, then the federal government would match only up to the cap using the current federal medical assistance percentage (FMAP).

The "cap" would be coupled with enhanced flexibility so that each state could use strategies appropriate to the circumstances of the state to control Medicaid costs.

A. Calculation of the Cap

The cap would be the product of three components:

- o Total state and federal spending per beneficiary in 1995, the base year;
- o An index (for years between the base year and the particular year);
- o The number of beneficiaries in the particular year.

To allow for a change in the mix of Medicaid beneficiaries over time, the cap would be calculated using the specific spending per beneficiary and number of beneficiaries in four subgroups: the aged, individuals with disabilities, non-disabled adults, and non-disabled children. Once the cap is calculated, it is multiplied by the federal medical assistance percentage (FMAP) to calculate the maximum federal spending in that state.

The per capita cap becomes effective in FY 1997.

B. Spending

- o Payments for DSH, state fraud control units survey and certification, Medicare premiums and cost-sharing, payments to the Indian Health Service and other Indian health providers, and the Vaccines for Children Program would be excluded from the cap.
- o Most administrative costs would be included in the base year calculation.
- o The base year would be adjusted for disallowances and prior period adjustments.
- o Section 1115 demonstrations would be subject to the per capita limits.

C. Beneficiaries

- o Beneficiaries are full-year equivalent individuals enrolled in Medicaid. All beneficiaries except qualified Medicare beneficiaries and any new groups covered under state eligibility expansions would be subject to the cap.

D. Index

- o Growth in spending per beneficiary would be indexed using an inflation-based index -- a five-year rolling average of nominal GDP per capita -- adjusted with a plus or minus factor to meet budgetary targets, such that the amount of savings from the limits and the DSH program restructuring equals \$54 billion over the 7 year period.
- o The same index would be used for each eligibility category and each state.

II. ENFORCEMENT

- o The cap would be enforced on an aggregate state level, based on the sum of subgroup caps for each of the beneficiary enrollment categories.
- o The current reporting requirements would be modified in order to implement the per capita cap.
 - Spending projections for the upcoming quarter would be disaggregated by beneficiary group.

- Expenditure reports would be changed to include enrollment data and to cross-walk expenditure and beneficiary categories. States would submit monthly beneficiary data on a quarterly basis. These enrollment figures would be used to determine final aggregate spending limits for states. All categories would be comparable to the spending projections.
- The financial data on the expenditure reports are currently audited and would continue to be audited. This audit would be expanded to examine spending by beneficiary group. The enrollment information would be subject to review based primarily on a trend/outlier analysis.
- o The current system for reconciling actual and allowed spending would be used. Quarterly grants would be adjusted as they are currently to reflect updated information as it becomes available. The final reconciliation would occur after the actual data from the full fiscal year were reported. The cap would be enforced on an annual basis, so that quarterly grant adjustments would only be interim steps.

Under a per capita cap, a quarterly grant process similar to that used to announce DSH allotments would be used. HCFA would use a specified set of information submitted by States and its own review to set preliminary and final allotments for states. These allotments would be published in the Federal Register, and would be used to adjust the quarterly grant awards.

III. STATE FLEXIBILITY PROVISIONS:

States would be given increased flexibility in how to manage their Medicaid programs.

A. Provider Payment

- o The Boren Amendment would be repealed.
- o Other special federal payment requirements would be repealed. Federal requirements related to payment for obstetrical and pediatric services would be repealed. Federal requirements that most FQHCs/RHCs be paid based on costs would be repealed (starting in FY 1999).
- o The requirement for States to pay for private insurance when cost-effective would be repealed. States would have the option to purchase group insurance and negotiate their own payment rate.

B. Delivery systems

- o States would be allowed to mandate enrollment in certain types of managed care delivery systems as a state plan option, without the need for Federal waivers. States would continue to be required to offer Medicaid enrollees a choice of plan or delivery system, except in rural areas. Choice of providers within plan would be maintained in rural areas. Special provisions would be made for the inclusion of Indian health providers and Native Americans in managed care systems.
- o Managed care requirements would be modified by repealing the upper payment limit for managed care contracts, federal prior approval of HMO contracts over \$100,000, and the statewideness requirement; and by extending the state option for a six-month lock-in and guaranteed extension of eligibility to all enrollees of managed care plans.
- o Managed care quality of care requirements would be modified by repealing the requirement that 25% of every plan's enrollees be privately insured and the independent external review requirement, while adding a provision that states would develop a quality improvement strategy, consistent with federal standards, to ensure that the managed care providers maintain reasonable access and quality health care.
- o States would be allowed to provide home and community-based services as state plan option, without the need for federal waivers.

C. Administration

- o Special minimum qualifications for physicians who serve pregnant women and children would be repealed.
- o Federally-mandated administrative requirements would be repealed, but states would be given authority to establish similar requirements:
 - Personnel-related requirements (e.g., merit personnel standards, training of sub-professional staff);
 - Cooperative agreement requirements.
- o The Medicaid Management Information System (MMIS) requirements to retain the required use of standardized claims formats and standardized HCFA reporting requirements would be reengineered.
- o The duplicative annual resident review in nursing homes under Pre-Admission Screening and Annual Resident Review (PASARR) would be repealed.

- o Nurse-aide training would be allowed to be conducted in certain rural nursing homes even if the facility had been cited for deficiencies and subjected to more rigorous surveys.

D. Eligibility Expansions and Simplification

- o States could expand or simplify eligibility, within certain parameters, through a simplified and expedited procedure. Federal matching would remain limited by the aggregate limit, which would be based on current law eligibility and be constrained to the lower of the aggregate cap for current eligibles or projected state spending below the cap. Parameters for these simplified eligibility changes could be specified as either within a certain percentage of the federal poverty level (e.g., 150 percent), or within a certain threshold level of enrollee expansion (e.g., 30 percent).

IV. FEDERAL OVERSIGHT PROVISIONS

A. Eligibility

- o Current mandatory and optional eligibility groups would be retained, including welfare and SSI cash and non-cash groups, poverty level children and pregnant women, medically needy, and qualified Medicare beneficiaries and selected low-income Medicare beneficiaries.
- o Current protection against spousal impoverishment would be retained.

B. Services

- o Requirement that states continue to offer all Medicaid mandatory services would be retained.

C. Payment

- o The prohibition would be retained on copayments that are more than nominal copayments for HMO enrollees or other cost-sharing burdens on recipients unless they are reasonably related to income.
- o Requirement for Federal matching as well as DSH payment requirements both from the 1987 and 1991 laws, and per hospital limits included in OBRA 93 would be retained. Prohibition on provider taxes and donations as state spending in order to get Federal matching payments would be also retained. [See DSH section.]

D. Administration

- o The MEQC sample size would be expanded to a level to be determined by the Secretary to ensure statistically valid findings. Reduce the number of beneficiaries used to calculate the cap to the same extent as erroneous eligible individuals exceed 3 percent of total eligibles. Error rates would be determined for each of the four groups.
- o Current reporting requirements would be refined to develop an enforcement mechanism for per capita limits.

E. Quality

- o Quality of care provisions would be retained, such as OBRA 87 nursing home reform provisions, as well as uncapped funding for the state survey and certification activities, and peer review organization (PRO) utilization review provisions.
- o Requirements for beneficiary protections and the administrative provisions that require states to ensure quality of care would continue:
 - Use a single state agency to administer or supervise the administration of the plan;
 - Provide reasonable opportunities for all citizens to appeal and obtain a hearing on State actions;
 - Submit proposed program changes to public review and comment;
 - Make post-decisional records publicly available (e.g., policy guidelines, correspondence, court filings);
 - Consult with medical experts and establish procedures regarding medical appropriateness and standards of care paid for under Medicaid;
 - Safeguard information about recipients.
- o A study would be conducted to investigate the relationship between quality, access and provider payment to address the need for adequate access of Medicaid beneficiaries.
- o Public notice and comment would be required when determining nursing home payment rates.

- o Current fraud and abuse provisions and uncapped funding for the State fraud control units would be retained.
- o Requirements related to State contracts with health plans to maintain State and Federal oversight on managed care would be changed as follows:
 - States must develop an overall quality improvement strategy, including plan standards, monitoring strategies, and data analysis;
 - States may require plans to report certain information from the plan's patient data;
 - Health plans must demonstrate the capacity to deliver all contracted services for all populations; and
 - Health plans must maintain an internal quality assurance program and grievance process.

F. Current Demonstration Waivers

All States would be subject to the per capita limits, including those with statewide demonstration programs. The same per capita growth rates would apply to all states.

- o Enrollment Base: The proposal would permit states that have implemented demonstration programs to choose between two approaches for maintaining their eligibility expansion: (1) Including demonstration eligibles in their enrollment base for calculating their aggregate limit; or (2) Calculating their aggregate limit off of current law eligibles, and expanding enrollment in a budget-neutral manner within this cap.
- o Interaction with DSH Changes: The proposal would not redefine DSH expenditures that had been re-directed to capitation payments.

V. REDUCING AND RETARGETING MEDICAID DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

The proposal would reduce and retarget the amount of Federal Medicaid Disproportionate Share Hospital (DSH) payments made by states to hospitals serving large low-income and uninsured populations.

- o Reducing payments:
 - Most states would have their 1995 federal DSH payments reduced by 35 percent by 1998; spending would then be maintained at the 1998 levels.
 - Very high DSH states (with DSH payments greater than 40 percent of non-DSH spending in FY 1995) would receive a 75 percent reduction, and very low DSH States (1995 DSH spending that is less than 5 percent of non-DSH spending) would receive a 10 percent reduction.
- o Special pools: To ease the transition to the streamlined DSH program, two special, 100 percent federally funded pools would be established.
 - Pool for undocumented persons' medical care: a 100 percent federal pool would be allocated among the 15 states with the largest number of undocumented persons in proportion to the state's share of the total number of undocumented persons.
 - Pool for states with large Medicaid shortfalls and unsponsored care burdens: a 100 percent federal pool would be allocated equally among the ten states with the highest percentage of Medicaid shortfall and unsponsored care as measured by the American Hospital Association (AHA, November, 1992).
- o State plan: The states would submit a state plan that would:
 - Describe criteria for how providers would be identified. The proposal would expand the states' options by also allowing states to spend the DSH funds on FQHC and RHC clinics and other providers.
 - Describe how these providers would be paid under the DSH program.

The Secretary would work with providers, states, beneficiaries, and other concerned citizens to develop standards for appropriate allocations among providers.
- o Annual State report: The state would be required to submit an annual report to the Secretary and make it available to the general public that would include:
 - A list of DSH providers and their uncompensated care amount;
 - The amount of DSH payments to each provider;

- Explanation of how the state's payments (including payments based on uncompensated care and undocumented persons pools) related to the state's plan; and
- Demonstration of how the allocation affected uncompensated care.

COMBATING FRAUD AND ABUSE

This initiative combats fraud and abuse in the Medicare program by: (1) ensuring that Medicare has the necessary resources to prevent and to root out fraud and waste in the program, (2) providing Medicare with modern administrative tools to detect fraud, and (3) ensuring that individuals and entities caught defrauding Medicare are penalized or even banned from the program, and that individuals and entities seeking to defraud the program are not allowed to participate in the first place.

I. EXPAND OPERATION RESTORE TRUST NATIONWIDE

The initial phase of Operation Restore Trust, which was limited to five states (New York, Florida, Illinois, Texas and California), has shown that a concentrated and collaborative effort between law enforcement and program policy agencies has the potential to reverse the growing trend of fraud and abuse. We now propose to expand Operation Restore Trust nationwide. The cost of undertaking these efforts will be offset by even greater savings to the Medicare Trust Funds. Operation Restore Trust would be expanded through the following proposals:

- o Establish the Medicare Anti-Fraud and Abuse Program (MAAP), a dependable source of funds for all Office of Inspector General Medicare anti-fraud and abuse activities by supporting them through the Medicare Trust Funds.
- o Establish the Medicare Benefit Integrity System (MBIS) program (previously named Benefit Quality Assurance Program -- BQAP) to provide a stable and increased source of funding for Medicare payment safeguards activities and would ensure that claims are paid properly the first time rather than rely on costly "pay and chase" policies.
- o Establish the Government-wide Anti-Fraud Reinvestment Fund with monies recovered from those who defraud Federal and joint Federal/state government health care programs. All government agencies could draw from this account to fund their health care anti-fraud activities.
- o Establish mechanisms for tracking savings that result from Medicare payment safeguards and anti-fraud and abuse activities.

II. UTILIZE MODERN TOOLS TO FIGHT FRAUD AND ABUSE

- o Allow Medicare to contract competitively with the best entity to perform administrative activities.

III. ESTABLISH PROVIDER QUALIFICATIONS AND PENALTIES

These proposals broaden HHS authority and provide new tools to ensure stringent enforcement.

- o Establish new conditions to exclude from Medicare individuals and entities with a history of abuse.
- o Authorize Medicare to require Social Security numbers, tax identification numbers and employer identification numbers from entities wishing to bill Medicare. These added requirements would help the Medicare program determine if employers or other individuals have a history of defrauding the program.
- o Create a national data base of those with a history of health care fraud to facilitate coordination among various organizations at the state and National levels.
- o Extend current civil monetary penalty authority.
- o Extend the Medicare/Medicaid Anti-kickback Statute.

IMPROVING ACCESS TO LONG-TERM CARE

Improve access to long-term care services through a new grant program for states to expand home and community-based care for people of all ages who have disabilities.

I. NEW GRANT PROGRAM FOR HOME AND COMMUNITY-BASED CARE

The Federal government would establish a new program of grants to States to expand home and community-based care for people of all ages who have disabilities. Over ten years, \$15 billion would be made available.

A. Eligibility

People with disabilities of all ages would be eligible. States would determine eligibility criteria.

B. Purpose of the Grants

Funds could be used for a broad range of state determined activities including, for example:

- o To expand the availability of home and community-based care, including personal assistance and attendant services;
- o To develop and implement new service delivery approaches, including managed care, methods of integrating acute and long-term care, and new consumer directed service models;
- o To provide new forms of residential supports that emphasize consumer autonomy (such as assisted living); and
- o To develop new mechanisms that enable consumers and their representatives to hire and manage their own providers.

C. Distribution of Grant Funds

- o Money will be allocated based on each state's number of elderly and non-elderly persons, number of low-income persons, and percentage of elderly and non-elderly with disabilities.
- o Within the state allocation formula, there would be special provisions for Indian tribes.

D. State Plans

- o Every state, and recognized Indian tribe would be entitled to receive funding, but in order to participate, each state would have to submit a long-term care plan, developed by a planning group, the majority of whom are consumers and their representatives.
- o In the plan, states would specify performance indicators.
 - States would be required to report periodically on their progress in attaining performance goals.

PROTECTING WORKING AMERICANS: INSURANCE REFORMS

Insurance reforms would be enacted to help make health coverage more accessible, portable and affordable. Restrictions would be placed on pre-existing condition exclusions; insurers would be required to issue, renew and, ultimately, rate group coverage without regard to health status; and they would be prohibited from imposing lifetime benefit maximums or caps on benefits for specific conditions. In addition, states would be given financial assistance to help promote the establishment of health insurance purchasing cooperatives.

I. ACCESS AND COVERAGE PROTECTION: Measures to improve the ability to obtain and maintain coverage.

A. Group Market

- o Define "small group" to be 1-50 employees (i.e., self-employed individuals and sole proprietors would be covered).
- o Pre-existing condition exclusions would be limited to 12 months, and could be imposed only for conditions diagnosed or treated within the 6 months prior to health plan enrollment. This would apply to plans of all sizes.
- o If a new enrollee in a health plan was insured during the previous 12 months (including individual or group plans, Medicaid, Medicare, or other government plans), the period of exclusion for pre-existing conditions under the new plan would be reduced one month for each month of coverage under the previous plan. This would apply to all plans.
- o Insurers would be required to renew coverage to employer groups regardless of any group member's health status.
- o Insurers would be required to make coverage available to all eligible groups, regardless of the health status of any of the group's members (generally referred to as "guaranteed issue").
- o Insurers would be required to provide an open enrollment period of at least 30 days for new employees.
- o Insurers would be prohibited from individually underwriting new enrollees in an existing group health plan; i.e. their premiums must be the same as other enrollees with similar demographic characteristics. Although this would apply to plans of all sizes, it would primarily benefit small businesses.

- o Insurers and self-insured employer plans would be prohibited from imposing 1) caps on benefits for specific diseases or medical conditions; and 2) lifetime maximums on total benefit payments. These requirements would apply to all plans.

B. Individual Market

- o Insurers in the individual market would be required to offer coverage to persons who 1) had group health insurance over the previous twelve months; 2) lost the group coverage under certain circumstances (e.g., death of a spouse, divorce, change of residence); and 3) apply for individual coverage within 60 days of losing their previous coverage.
 - Insurers would be required to offer coverage at the average price for an insured with the same characteristics and without pre-existing condition exclusions.
- o Insurers would be required to renew coverage for all individual policyholders at the same rate as people with similar demographic characteristics and without regard to health status.

II. AFFORDABILITY: Measures to make coverage more affordable for the self-employed and to limit variations in small group premiums.

- o The tax deduction for self-employed individuals would be increased to 50 percent.
- o Premium variations for small businesses would be limited by phasing out, over a four-year period, the use of claims experience, duration of coverage, and health status in determining rates. Other factors such as age and family composition could be used in rating but would have to be actuarially justifiable.

III. ENCOURAGE COMPETITION: Measures to restructure the market to promote competition among insurers based on efficiency and service.

- o Provide grants to States to establish purchasing coops. Certain conditions would be imposed (e.g., not bearing any insurance risk; being geographically based; offering multiple plans; etc.). The assistance would be \$25 million the first year.
- o Permitting the FEHBP -- the Federal Employees Health Benefit Program -- to require its local, commercial carriers to participate in purchasing cooperatives at state request.

IV. ENFORCEMENT OF INSURANCE REFORMS

- o Reforms would be written into Federal law.
- o States would enforce those requirements that affect insurance carriers, and would be required to submit an enforcement plan to the Secretary of HHS for approval.
- o Requirements affecting self-insured plans would be enforced by the Secretary of Labor; plans that fail to comply would be subject to civil penalties under ERISA.

ENSURING COVERAGE FOR TEMPORARILY UNEMPLOYED FAMILIES

Building on the President's insurance reform provisions, funds would be made to states to finance up to six months of coverage for unemployed workers and their families. The program would be available to those who had employer-based coverage in their prior job, are now receiving unemployment benefits, and have income below certain thresholds. States would have substantial flexibility in how to administer the program.

I. FEDERAL FUNDING FOR STATES

- o Would provide annual grants to states which choose to participate. HHS would operate a program in a state that chooses not to participate.
- o The funding would be a capped entitlement to the state.
- o States would be allowed to accumulate a small surplus to cover years with shortfalls, and the Federal government would also operate a loan program to assist states with shortfalls.
- o Funds would be allocated based on the proportion of unemployed persons in the state who collected unemployment income (UI) benefits relative to all employee persons in the nation who collected UI benefits.

II. ELIGIBILITY FOR COVERAGE

- o Recipients must be in active unemployment insurance claims status.
- o Coverage would not exceed 6 months.
- o Individuals must have had health insurance coverage through their last employer for at least the six previous months (including plans where the employee paid the full cost).
- o A full subsidy would be provided up to 100% of the poverty level for family income and phased out at 240% of the poverty level.
- o An employed spouse must have no health insurance coverage or, if covered, the employer contributes less than 50% of the premium.
- o The individual/family must not be eligible for Medicaid or Medicare.
- o Individuals will be eligible based on their place of residence.

- o No reduction can be made in the duration or amount of unemployment benefits as the result of an individual participating in the health care coverage program.

III. BENEFITS

- o States would have flexibility in how to use funds to assure access to an insurance product:
 - COBRA coverage from their prior employer;
 - an insurance product in the private market (with the general standard being a product equivalent to the Blue Cross/Blue Shield standard option plan);
 - alternative means of coverage (e.g., state high risk pools, Medicaid buy-in, special plan for the temporarily unemployed).
- o States would have the option of extending eligibility periods or providing a more generous package using state funds.
- o Any reduction in either the duration or extent of health coverage benefits would have to be approved by the Secretary of HHS.

IV. ADMINISTRATION

- o The state (or its contractor) must conduct all eligibility determinations.
- o Unemployment claimants are informed of possible coverage eligibility at the time that an eligibility determination for UI benefits is made.
- o Recipients must be informed that program funds are limited, which could result in reduction or elimination of benefits if funds become exhausted.
- o Program information and applications will be available in every local unemployment office/one-stop office.

ADMINISTRATIVE SIMPLIFICATION AND SECURITY OF HEALTH INFORMATION

The Secretary of HHS is required to adopt standards from among those already approved by private standards developing organizations for certain electronic health transactions, including claims, enrollment, eligibility, payment and coordination of benefits. These standards must address the security and privacy of health information on the electronic network. Health plans are required to use the approved standards if requested to by a provider or other health plan. Private health plans may not require providers to change their current procedures.

I. GENERAL REQUIREMENTS TO PROMOTE DEVELOPMENT OF AN ELECTRONIC HEALTH INFORMATION NETWORK

The Secretary must adopt standards developed by a private standards developing organization (or standards in common use) for electronic health information transactions. The Secretary must establish standards for the security and privacy of electronic transmission and storage of health information.

Health plans (any public or private entity which provides or pays for the cost of health benefits) may conduct the specified electronic transactions using such standards, and must use such standards if requested to do so by any person (such as a provider, an employer, or another plan).

- o Health plans may meet this requirement either directly or through a "health information network service" -- an entity that processes nonstandard data elements of health information into standard data elements. The Secretary may establish criteria for voluntary certification of "health information network services"; such certification would indicate that the entity meets the requirements established under the bill.
- o The Secretary may develop standards only if the adoption or modification of existing standards is inadequate.
- o The Secretary must adopt such standards within 18 months of enactment. Health plans may be required to use the standards 24 months after the Secretary adopts them (36 months for small plans).
- o The bill does not limit any public health authority or reporting requirements.
- o Nothing in the bill requires the disclosure of health information or expands access to health information.

II. STANDARDS FOR INFORMATION TRANSACTIONS AND DATA ELEMENTS

The Secretary must adopt standards for electronic transactions and data elements relating to financial and administrative matters, specifically:

- o Claims or equivalent encounter information, claims status, and claims attachments;
- o Enrollment and disenrollment;
- o Eligibility;
- o Health care payment and remittance advice;
- o Premium payments;
- o First report of injury; and,
- o Referral certification and authorization.

The Secretary may set standards for other financial and administrative transactions. The standards adopted shall not require disclosure of trade secrets or confidential commercial information.

The Secretary must also:

- o Adopt standards for providing unique identifiers for individuals, employers, plans, and providers for use in the health care system.
- o Select code sets for appropriate data elements.
- o Specify procedures for the electronic transmission and authentication of signatures; these will preempt state laws (such as "quill pen" laws that require paper records) and satisfy Federal and state requirements for written signatures.
- o Develop rules and procedures for determining financial liability of health plans when benefits are payable under two or more plans (coordination of benefits).
- o Recommend to Congress (not earlier than 2 years and not later than 6 years after enactment) a plan for implementing uniform data and electronic exchange standards for patient medical record information.

III. STANDARDS FOR SECURITY AND PRIVACY OF HEALTH INFORMATION

The Secretary's security standards must:

- o Require reasonable and appropriate administrative, technical, and physical safeguards to protect and ensure the integrity and confidentiality of the information.
- o Take into account the technical capabilities of existing systems, implementation costs, the needs of small and rural health care providers, the need for training, the value of audit trails, and the needs of law enforcement agencies to investigate health care fraud and abuse.

The Secretary's privacy standards must address at least:

- o The rights of an individual who is the subject of such information;
- o The procedures to be established for the exercise of such rights;
- o The authorized uses and disclosures of such information;
- o Adequate security practices; and
- o Reasonable access for law enforcement agencies to investigate health care fraud and abuse.

IV. PENALTIES

General: A civil penalty of not more than \$1000 per violation, with an annual limit of \$250,000, would be imposed for failure to comply. Penalties can be waived or reduced by the Secretary and are not to be imposed if the failure to comply is due to reasonable cause and is corrected.

Penalties for Wrongful Disclosure: A person who uses a unique identifier for an unauthorized purpose, or obtains or discloses individually identifiable health information in violation of the privacy standards in the bill, is to be fined not more than \$50,000, imprisoned not more than 1 year, or both. If the offense is committed under false pretenses, the maximum penalties are increased to \$100,000 and 5 years imprisonment. If the offense is committed with intent to use individually identifiable health information for commercial advantage, personal gain, or malicious harm, the maximum penalties are increased to \$250,000 and 10 years imprisonment.

V. EFFECT ON STATE LAW

The bill supersedes state laws except when the state law is more stringent with respect to the privacy of individually identifiable health information, or the Secretary determines that the State law is necessary to prevent fraud and abuse.

VI. HEALTH INFORMATION AND PRIVACY ADVISORY COMMITTEE

The bill expands the authority of the National Committee on Vital and Health Statistics, expanding Committee functions to include the study of data policy related to the electronic exchange of and uniform data standards for health information, and adds the responsibility for advising the Secretary and the Congress on the status and the future of the health information network. In addition:

- o The fields of expertise from which members may be chosen are expanded; to include electronic interchange of health information, consumer interests in health information, health data standards, employment-based health plans, and related matters;
- o The committee is required to report to the Secretary its recommendations to facilitate adoption of shared data standards and electronic exchange of health information; and
- o The name of the Committee is changed to the "Health Information and Privacy Advisory Committee."

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.

**News / Clips Letter
NEWS**

Divider Title: _____

Jane E. Silverberg

12-28-95

So far one of my
letters have been
printed ^{see enclosed.} Hopefully
there's more to come.

(I've put some ^{letters} in
under friends names
and will send as
they appear.

Jane

SOME TIPS ON PICKING YOUR NEW YEAR'S BUBBLY — IN TASTE

St. Petersburg Times

Florida's Best Newspaper

WEATHER: High, low 60s;
partly cloudy. **More, 6B**

THURSDAY, DECEMBER 28, 1995

25¢

PHOTOCOPY
PRESERVATION

LETTERS

Oliver Stone's version of Nixon is short on truth

In the 1950s when I was growing up in New York, I recall a book review in the *New York Times* of Churchill's multiple-volume epic on World War II. The first sentence was to the effect that Churchill's work was not about how World War II was fought but rather how Churchill would have liked it to have been fought.

I was reminded of that when I read your review of the movie *Nixon*. I particularly found funny the comment of "even-handed" treatment by Oliver Stone. "Conjecture" would have been a more appropriate choice of words. Then there is the comment of "a sizzling portrayal leaves no stone unturned" — a brilliant bit of prose. Unfortunately Oliver Stone left one stone unturned: the truth.

I think Oliver Stone is brilliant as a director but he is little more than the Hollywood version of a historical revisionist. And, like the *New York Times*' depiction of Churchill's work, Stone has given us a work of how he would have liked Nixon to be to meet his political agenda and little more.

Despite what Oliver Stone may think, Richard Nixon will be remembered in history as not only the first president to resign from office but also our finest foreign policy president in the post-World War II era.

Charles Farrell, Largo

■ ■ ■

Re: *With "Nixon," truth and reputation are Stoned once again*, by Christopher Matthews, Dec. 21.

A couple of years ago, my son and daughter-in-law came to me after seeing the movie *JFK*. Wide-eyed and astonished, they declared, "Did you know that Lyndon Johnson plotted Kennedy's assassination?" Their ages at the time were 33 and 28.

Oliver Stone is himself stoned. Unfortunately, some people learn history at the movies.

Doris K. Roane, Clearwater

Stone's 'JFK' defended

I do not agree with Christopher Matthews and his article about Oliver Stone. *JFK* is a wonderful movie. It raises questions that many Americans have concerning the conclusions of the Warren Commission. Stone mixed documentary with drama in a unique way, and it made *JFK* the terrific movie it is.

Matthews' theory that Stone is trying to say Richard Nixon felt responsible for the Kennedy assassination is not relevant to whether his new movie is good or not. I have not seen *Nixon* yet, but if the good reviews it has already received are any indication, Stone has another triumph.

Barry Slesman, Spring Hill

Don't make the children pay

The Congress and the president are trying to find the best way to balance the national budget. I believe it is important that they enact a balanced budget, but it must be fair and give children the tools they need to secure a better future in the 21st century.

That is why I oppose the cuts Newt Gingrich and Bob Dole intend to make in education. For the very young, their budget would deny Head Start to 180,000 children in 2002. The president wants to increase funding for Head Start by \$400-million while the Republicans would cut Head Start drastically.

The best way for our children to get ahead is with a college education. College graduates earn 74 percent more than high school graduates. But the Republicans would cut \$5-billion from student loan programs. In 1996 alone, they would cut off direct lending opportunities for 2.5-million students in 1,300 institutions.

I agree with President Clinton. We can balance the budget, but we should do it and still give our kids the resources they need to succeed in the work force.

Jane Silverberg, St. Petersburg

■ ■ ■

Wake up! Our country is the grip of the Radical Reactionary Republican Right. Balancing the budget, which possibly has some merit, is being used to further the power of the wealthy. Under the guise of "saving America for our children," the Reactionary Right is disregarding the well-being of millions of children already living in marginal or frankly Third-World conditions. Programs that have provided some degree of stability to the poor — such as Women, Infants and Children, Aid to Families with Dependent Children and Medicaid — will be eradicated.

Once it is realized that the necessary services of a civilized society cannot be supported by the funds allotted by the state and federal governments, the tax burden will be levied by local governments.

As citizens of a great nation, we should realize that there are no free rides and that we are our brothers' keepers.

Martin Klemperer, St. Petersburg

Pare down bureaucracy

The sun rose into the bright blue sky and when day was done, sank quietly into the west. The world as we know it didn't end simply because the federal government came to a standstill on some fronts.

The spending continued with reckless abandon just as before and the demand of superfluous programs runs apace. The mind-numbing numbers of federal employees furloughed and considered non-essential had very little impact on most of us taxpayers in our ordinary humdrum existence.

The point I want all of you *taxpayers* to consider is that to most of us *government* is a nuisance which takes money from us and redistributes it; the idea being that *they* know best how to spend *your* money! It was best stated this way: "That government is best which governs least."

Do you, the taxpayer, realize just how big the federal bureaucracy has become and how much of your spendable income it consumes? This is why the deficit looms so large. Call your congressman today and say to him, "I learned just how little I need the federal bureaucracy and I want it pared down."

George R. Sweat, Dover

Gingrich and greatness?

Re: *Newt isn't normal, but he may be great*, Dec. 14.

Great? Maggie Gallagher, get a grip. Putting Gingrich in the same category as Jefferson, Roosevelt and Lincoln is just too great a stretch. Newt Gingrich is a loudmouth with a conservative viewpoint and to say he may be great is the most wonderful "dumbing-down" I have read to date.

He has a point of view? So what? The reason we are startled by this revelation is that so many politicians do not, and any halfway-educated voter desperately looks for a politician who not only has a point of view but stands up for this point, or points of view.

So, hats off to Newt for having principles but, please, allow us the opportunity to look at his points of view and allow us to come to our own conclusions about them. For me, Gingrich is a con man covering a shallow intellectualism with lots of noise. He is a master planner and organizer, but his bottom line is one of meanness, grounded in a historical misreading of what the United States personifies, not only to its own citizens but throughout the world.

Some might say he is very small-minded. I don't go that far — not yet.

Herb Snitzer, St. Petersburg

■ ■ ■

In her column *Newt isn't normal, but he may be great* (Dec. 14), columnist Maggie Gallagher notes that "Way back in 1986 . . . Newt defined his job this way:

PHOTOCOPY
PRESERVATION

Silverberg Jewelry Company

Executive Offices
6730 22nd Ave. North, Suite E
St. Petersburg, Florida 33710



Barbara Wooley
OEOB
17th Pennsylvania Avenue NW
Room 122
Washington DC 20500



"De Telegraaf", Wednesday 27 September 1995

Alexis over Bill Clinton

„Eigenlijk kon ik helemaal niet weg: Bill Clinton zit midden in het gevecht met het Congres om het budget van dit jaar er door te krijgen. Maar de president vindt deze delegatie zo belangrijk, om te laten zien dat de export van Amerika floreert en dat vrouwen werkelijk deel uitmaken van een vitaal deel van de Amerikaanse economie, dat hij me toch liet gaan in deze kritieke tijd”, zo verklaarde Alexis Herman, contactpersoon tussen het Witte Huis en het bedrijfsleven, haar aanwezigheid op de 'Amsterdam', de replica van de Oostindische vaarder die voor het Amsterdamse Schoepvaartmuseum ligt.

Daar dineerde zij met de delegatie van zo'n 30 Amerikaanse zakenvrouwen, die in ons land zijn op uitnodiging van de Amsterdamse en Haarlemse Kamers van Koophandel.

„Het geslaagde handelsbeleid van Clinton is een van de onderbelichte succesverhalen van zijn presidentschap. De reis van deze zakenvrouwen komt uitgebreid in de Amerikaanse media, in de steden waar deze vrouwen vandaan komen. Zo wordt de aandacht ook eens een keer gevestigd op wat Clinton wel heeft bereikt”, vertelde Herman.

„Ja, de export van Amerika is nu 'booming'. Het wordt tijd, dat er meer Amerikanen over de grenzen komen dan die armzalige 5%, die nu een paspoort heeft”, besaamde gastheer jhr. mr. André Testa, voorzitter van de Haarlemse Kamer van Koophandel.

De flamboyante voorzitter beklom het spreekgestoelte met de woorden: „This is your captain speaking”, en gaf kort daarna het woord aan Jet Creemers, de huidige Zakenvrouw van het Jaar.

Tonnetje

Voor Jet, gehuld in een gewaagd roze mini-mantelpak, was de microfoon te hoog en met haar naschad roide zij een tonnetje naar de microfoon en ging er hovenop staan.

„Wij kunnen veel leren van jullie Amerikanen”, sprak Jet, die het bedroe-



vend lage percentage vrouwelijke topmanagers in Nederland aanstipte. „Bij ons wordt collectieve verantwoordelijkheid en bescheidenheid meer gewaardeerd dan initiatief en innovatie. Maar ik heb ontdekt dat hier een tegenhangster van mij is: Patty de Dominic, de Amerikaanse Zakenvrouw van het jaar 1991”.

„Ik vind juist, dat wij Amerikanen wel iets zouden kunnen gebruiken van het Nederlandse collectieve verantwoordelijkheidsgevoel”, antwoordde De Dominic. Alexis Herman knikte instemmend.

Jet Creemers moest voortijdig vertrekken voor een televisie-opname in Hilversum; de Zakenvrouw van 1990 Carry Goerts nam haar plaats in en vertelde aan Herman, dat zij een vestiging van haar bedrijf Promech in de Verenigde Staten wil opzetten. „Dan moet u zeker bij mij in het Witte Huis komen lunchen”, zei Herman, en de dames wisselden kaartjes uit.

Direct contact

Herman was voorbaad toen de Amerikaanse consul-generaal John Shearburn haar vertelde, dat er in Nederland weinig gewelddadige crimi-

El Volgens een oud bijgehoort brengen vrouwen aan boord ongehoort, maar dat ging deze keer niet op: v.l.n.r. Reini de Pae, voorzitter van de Commissie voor Vrouwen in het Bedrijfsleven, Jet Creemers, Alexis Herman, Joke van den Boer, voorzitter van de Internationale Vereniging van Vrouwelijke Ondernemers, en Margo Evans-Briggs, directeur van Executive Security & Technologies, in het vooronder van de 'Amsterdam'.

FOTO: MATTY VAN WUNBERGEN. naliteit is vergeleken bij de Verenigde Staten en dat politici veel direct contact met de Nederlanders hebben.

„In de eerste maanden van zijn termijn moest Clinton ontzettend aan alle 'security' wemen. Toen iemand hem vroeg, wat de grootste uitdaging van zijn presidentschap zou zijn, antwoordde hij niet, zoals ik verwachtte: de economische problemen.”

„Hij antwoordde: 'Om zelf een goed contact met het Amerikaanse volk te onderhouden. Als president wordt je zo vrouwelijk afgeschermd!' Hillary heeft hem daar erg mee geholpen: in tegenstelling tot wat de mensen denken, ken ik haar als een zeer gevoelig en sociaal voelend persoon”, aldus Alexis Herman.

Een uit de hand

Jan de Haan laat de hele wereld spelen! Deze musicus (44) uit het Friese Oudehaske ontdekte bij toeval een gat in de markt. Er bleek namelijk een grote behoefte te bestaan aan blaasmusiek voor blaasorkesten, fanfares en korpora.

De Haan werd vaak gevraagd zijn composities en arrangementen te kopiëren en op te sturen. De belangstelling nam enorm toe, waardoor hij nauwelijks tijd over hield voor het musiceren.

Al zijn tijd ging zitten in zijn uitgeverij De Haaske Publications, die groeide en bloeide, vooral ook door de inzet van echtgenote Hendrika. Inmiddels exporteren zij 90% van hun blaadmusiek naar 50 landen. En in vijf landen heeft het ondernemende echtpaar al een vestiging geopend: in België, Duitsland, Oostenrijk, Zwit-



serland en de Verenigde Staten.

„Gevleugelde Vriend” mr. Pieter van Vollenhoven opende het nieuwe bedrijfspand van de De Haas in



June 20, 1995

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton:

The American Association of University Women is committed to quality education at all levels. We have long fought for the advancement of women and girls in education. We applaud your decision to increase or maintain funding for Goals 2000, and the Safe and Drug Free Schools program in your FY1996 Budget.

By increasing funding for Goals 2000, academic standards and teaching for all students will be improved. We are especially pleased that the funding for the Safe and Drug Free Schools program has been maintained. This program is essential in order to prevent both violence and sexual harassment in our schools.

We look forward to working with you to maintain these education programs in the final FY1996 budget. Should your staff have any questions, please have them contact me at 202/785-7720.

Sincerely,

Nancy Zirkin
Director of Government Relations

cc: Betsy Myers
Barbara Wooley
Doris Matsui

THE WHITE HOUSE ***BULLETIN***

BULLETIN BROADFAXING NETWORK, 8260 GREENSBORO DRIVE, SUITE 320, McLEAN, VA 22102 FAX 703/749-0060 TEL 703/749-0040

MEMORANDUM FOR ALEXIS HERMAN
DIRECTOR OF PUBLIC LIAISON
THE WHITE HOUSE

SUBJECT: SPECIAL NOTE

DATE: WEDNESDAY, NOVEMBER 22, 1995

- o **Special Note:** We thought our subscribers would be interested in the attached letter being sent to President Clinton today. According to a House GOP leadership source, should the President not follow the letter's request for specific White House proposals, then "I would be surprised" if actual budget negotiations begin between the White House and Congress. For further background on the letter, which is being signed by Senators Dole and Domenici and Reps. Gingrich and Kasich, see today's *Bulletin*.

Copyright © 1995 by the Bulletin Broadfacing Network, Inc. Reproduction without permission prohibited.
The White House Bulletin is published 50 weeks a year on business days by the Bulletin Broadfacing Network, McLean, Virginia.

November 22, 1995

The Honorable William J. Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

Monday evening you signed an historic commitment to work with Congress to achieve a balanced budget in seven years using estimates prepared by the Congressional Budget Office (CBO). In passing the Balanced Budget Act of 1995, we demonstrated specifically how we would balance the budget in seven years. We understand that you do not agree with all the elements of our balanced budget bill and intend to veto it.

Since you have not presented a balanced budget plan to Congress, we will need your specific legislative proposals on how you would accomplish balance in seven years differently from the bill you intend to veto. We cannot begin to resolve our differences until we first know what they are.

To move forward on negotiations quickly, it is necessary to have a response to our legislation early next week. Once we have your specific recommendations on how to get a balanced budget in seven years, we can begin negotiations to avoid another government shut-down after December 15.

The Congressional Budget Office has already begun its consultations and review. We're hopeful this review can also be completed in a timely manner. In the meantime, CBO believes that its August update can be used as a starting point for discussions while it meets with OMB and other experts. Any additional changes recommended by CBO after these consultations can be incorporated into the estimates as soon as available.

We look forward to receiving your plan as soon as possible and working with you toward an historic balanced budget.

Sincerely,

DOLE, GINGRICH, DOMENICI & KASICH

PAGE 2 OF 2

THE WHITE HOUSE

WASHINGTON

June 28, 1995

Dear Mr. Leader:

We share the goal of balancing the federal budget, and I look forward to working with you on this important matter.

But as we work together to reach our shared goal, we must ensure that we do so the right way -- the way that will raise the standards of living for average Americans.

My plan to balance the budget over 10 years will help raise average living standards by cutting unnecessary spending while investing in education and training, targeting tax relief to middle-income Americans, and taking incremental but serious steps toward health care reform. By contrast, the conference agreement cuts too deeply into Medicare and Medicaid and cuts education and training both to pay for a tax cut that is too large for too many who don't need it, and to meet the 7 year time frame.

Though I am determined to work with you to balance the budget, I cannot accept legislation that will threaten the living standards of American families.

I hope we can work together and avoid a situation in which I would have no choice but to use my veto authority broadly. The American people want us to work together to balance the budget and to do it the right way. I am ready to do that.

Sincerely,

A handwritten signature in cursive script, reading "Bill Clinton".

The Honorable Bob Dole
Majority Leader
United States Senate
Washington, D.C. 20510

* *

House Appropriators Resist Adding Funds for Women

The House Appropriations Committee yesterday rejected a Democratic effort to add funds next year for rape prevention, shelters and other programs to protect women against violence but left open the possibility that an additional \$40 million still might be forthcoming.

Two appropriations bills before the House allocate slightly more than \$75 million of \$175 million authorized last year under the Violence Against Women Act. The committee rejected a proposal by Rep. Nita M. Lowey (D-N.Y.) to increase that by \$61 million but accepted a proposal by Rep. Harold Rogers (R-Ky.) to transfer \$40 million, possibly for that purpose, to another bill scheduled to be taken up today by the committee.

Appropriations Committee Chairman Bob Livingston (R-La.) cautioned that no decision had been made on the use of the \$40 million and it was "problematical at best" that it would be used for women's programs.

The Republican Party has been stung by criticism that it is short-changing women, even though a new \$28.3 billion spending bill for the Commerce, Justice and State departments allocates \$75 million for the Violence Against Women Act, triple the amount provided this year.

The same bill, approved by the committee and sent to the House yesterday, adds \$1.8 billion for law enforcement in 1996 while cutting the Commerce Department budget 17 percent. Democrats objected to a GOP plan to use \$2 billion for a bloc grant to state and local law enforcement agencies, scuttling President Clinton's core community anti-crime initiative that aims to put 100,000 new police officers on the streets.

Rep. Frank Riggs (R-Calif.) charged that the president's plan would field 30,000 police at most, and the GOP plan would give local jurisdictions more choice over their use of the money.

Democrats failed to add funding for the National Marine Fisheries Service or restore money to continue the Commerce Department's cost-shared partnerships with industry to develop new technologies. The bill sharply

*Crime
dom. violence
info*

THE WASHINGTON POST
THURSDAY, JULY 20, 1995

FINAL

Several D.C. Officers Allegedly Attended Party

By Hamil R. Harris
and Avis Thomas-Lester
Washington Post Staff Writers

District police officials are investigating whether several D.C. officers attended an annual party for law enforcement officers in the Tennessee mountains where several racist incidents occurred.

Acting on complaints from officers who said they recognized colleagues in videotapes taken at the "Good Ol' Boy Roundup," the department's internal affairs division is checking leave records of officers who allegedly attended the event May 18 and 19 in Polk County, Tenn.

"I'm surprised and very disappointed if they were there," said Acting Police Chief Larry Soulsby, who ordered the investigation. "That type of behavior should have been left behind 50 or 100 years ago. To know that law enforcement officers could be involved in something like that is very disappointing."

Internal affairs investigators reviewed the video yesterday and are checking reports that D.C. officers participated in the annual party as far back as 1990.

"This is apparently something that officers have been going to for a number of years," said a source familiar with the investigation who spoke on the condition that he not be identified. "We're checking leave records to determine who was on leave during the week that this thing occurs. That will be easy enough. We're going to hit this hard."

Three officers allegedly were recognized in the video, and the names of three others have surfaced in connection with the event. Three of the officers contacted last night denied having been in Tennessee for the party.

One of those was Officer Marcello Muzzatti, the chief shop steward for the police union in the 5th District.

"I talked to JC Stamps [head of the union local], and he said, 'Do you know your name came up on this Good Ol' Boy thing?'" Muzzatti, 37, said. "But I can tell you that I have never been down there. I think that somebody might have gotten a roster of people who were in 5D vice at the time, and I was [in vice] then. . . . Some of the people who went to the roundup are people I used to associate with."

Muzzatti, who left the vice unit in August 1991, said it was "common knowledge in 5D vice that officers attended" the roundup.

The roundups, which Muzzatti said coincide with a spring week set

aside to commemorate police heroism, drew officers interested in "getting together with other officers," he said.

"I know even some black officers who said they were invited," Muzzatti said. "The [white] officers I knew who went down there didn't understand what was going on. The problem was when they went back a second and third time, that's what the black officers can't understand. . . . I saw the signs [with racist slogans]; even if it was done as a joke, it was wrong."

The party is organized by a retired agent of the Bureau of Alcohol, Tobacco and Firearms and has grown to include as many as 300 federal and local officers, virtually all of them white. A video taken at the event by members of a militia group has been broadcast repeatedly since last week.

Among the items distributed at the roundup were T-shirts that show police officers with two black men bent over a blue and white police cruiser under the slogan "Boyz on the Hood."

Internal affairs officers are trying to locate one of those T-shirts because some officers say the vehicle pictured on the shirt is a D.C. police car. Similar shirts stirred a controversy in 1991 when they were sold at a Prince George's County store that sells equipment to police officers in the area.

Soulsby said last night that there is no room for racism in the department and that any officers who participated in racist acts will face disciplinary action. "I am not tolerating this," he said.

Union chief Stamps, when asked if he believes D.C. officers participated in the event, said, "I hope not. . . . We are just now coming around in building our morale back after the pay cut. We've had enough morale busters. This would only make it worse for our members to know that some of our members would participate in a roundup of that nature. It would only serve to divide us more."

"This is appalling," said Lt. Lowell Duckett, president of the D.C. Black Police Caucus and a frequent critic of the department. "These are police officers who have taken an oath of office to protect and serve the community regardless of race, creed or color."

Staff writer Ruben Castaneda contributed to this report.

Initial Goals of Balanced Budget Plan Matched

By Eric Pianin
Washington Post Staff Writer

The Senate Appropriations Committee this week approved targets for 13 broad categories of federal spending, sticking to the stringent first-year goals of the balanced budget plan approved by Congress last month.

Under the strategy crafted by Chairman Mark O. Hatfield (R-Ore.), the Senate would allocate substantially more of the \$485 billion of available discretionary funds for labor, health and education programs than approved in the House, and substantially less than the House favors for programs in the area of commerce and justice.

"Even working within a smaller pie, we were able to provide adequate funding for

programs of high priority, including education and health," Hatfield said.

Hatfield's allocation plan, approved Tuesday by the committee on a bipartisan

"It's imperative that we move that rescission package."

— Chairman Mark O. Hatfield (R-Ore.)

vote of 25 to 3, also would rearrange spending priorities for defense, with a larger share of overall spending going for atomic energy projects and other energy-related programs than provided under the House scenario.

Under the Hatfield plan, fiscal 1996 discretionary spending would total \$10.2 billion less than if Congress continued spending at current levels.

He warned committee members that unless the Senate completes action on a \$16.4 billion spending cuts package that retroactively cancels spending approved by previous congresses for the fiscal 1995 budget, the appropriators will have to "absorb" an additional \$3 billion of cuts in the coming year.

"It's imperative that we move that rescission package," he said.

Spending by the Appropriations committees of Congress makes up about one-third of the total budget, and covers most aspects of government except for programs whose benefits are automatic, such as Social Security and Medicare.

GOP Counters on Packwood Case

Boxer Attacked for Vowing to Take Public Hearings Issue to Senate Floor

By Helen Dewar
Washington Post Staff Writer

The threat by Sen. Barbara Boxer (D-Calif.) to force public hearings on allegations of sexual and official misconduct by Senate Finance Committee Chairman Bob Packwood (R-Ore.) has prompted a counterattack by Republicans, escalating partisan tensions over what is supposed to be a strictly nonpartisan ethics proceeding.

Senate Republicans engaged in what an aide described as a heavy round of "Boxer-bashing" at their weekly policy luncheon Tuesday, and Sen. Alan K. Simpson (R-Wyo.) later personally urged Boxer to reconsider her plans to force a Senate vote on hearings if the ethics committee fails to act on the issue this week.

Boxer refused, and, according to an aide, plans to introduce—as early as Friday—a resolution requiring the ethics committee to hold public hearings on allegations that Packwood made unwanted sexual advances to women, sought jobs from lobbyists for his then-wife and tampered with evidence in the case.

Senate Majority Leader Robert J. Dole (R-Kan.) also entered the fray by charging Tuesday that Boxer had "never said a word" about hearings in ethics cases when she was a member of the House and suggesting that she was "grandstanding" in her call for hearings on Packwood.

A Boxer aide said hearings were not an issue in five ethics cases that came to a vote during Boxer's 10



SEN. ROBERT J. DOLE

... Boxer is "very partisan"

years in the House and that she supported a rules change to require public hearings as part of the House ethics process.

In answer to reporters' questions, Dole said Boxer is "very partisan and maybe she sees it as her partisan duty to offer some kind of motion" to force hearings. He said he hoped Boxer would not take the issue to the floor, adding, "I think you can carry grandstanding too far." Dole noted that the earliest charges against Packwood date to the same year—1969—that a female companion of Sen. Edward M. Kennedy (D-Mass.) drowned when Kennedy drove his car off the Chappaquiddick bridge. But

Dole did not go as far as ethics committee Chairman Mitch McConnell (R-Ky.) did last week in threatening that, if Boxer persists in demanding hearings on Packwood, he will seek hearings on Chappaquiddick and on an allegation that Minority Leader Thomas A. Daschle (D-S.D.) intervened improperly on behalf of a friend's air charter company.

Dole declined to say whether he favored hearings on Chappaquiddick but said there could be amendments "to cover someone else."

In what amounted to a bill of particulars against Packwood, the committee two months ago found "substantial credible evidence" that Packwood may have violated Senate rules in making unwanted sexual advances to women on 18 occasions between 1969 and 1990, including three in 1969 and seven since 1980.

The committee itself seems to be missing in action. Although it had been meeting almost daily in an attempt to wind up its 2½ years of deliberations on the case, McConnell abruptly suspended meetings a week ago after vice chairman Richard H. Bryan (D-Nev.) called for hearings and Boxer made her threat to take the issue to the floor if the committee balked at hearings.

McConnell called off a meeting the committee was planning to hold the following day and has scheduled no further meetings. Committee sources do not expect him to call a meeting until he believes the committee is ready to settle the case without ordering hearings.

Choice
info

House Votes to Ban Abortion Coverage

Measure Would Again Restrict Federal Workers' Insurance Program

By Stephen Barr
Washington Post Staff Writer

A1

The House yesterday voted to reinstate a ban that prohibits the federal employees health insurance program from paying for abortions except when a woman's life is in danger.

The measure, part of a \$23 billion appropriations bill, would reimpose a ban that ran from 1984 until 1993, when President Clinton and congressional Democrats lifted the prohibition on the Federal Employees Health Benefits Program. Of the 345 health insurance plans offered through the program, 178 provide abortion coverage.

Senior administration officials said they would recommend that Clinton veto the bill because of the abortion ban and other spending cuts. The Senate may begin work on its version of the bill this week.

House lawmakers rebuffed an attempt by Democrats to strip out the abortion ban. Rep. Steny H. Hoyer (D-Md.) offered an amendment to drop the provision barring abortion coverage, a move that stirred considerable debate and split the Democratic and Republican parties. Many moderate Republicans joined the Democrats on the 235 to 188 vote.

Opponents of the ban contended it amounted to discrimination against 1.2 million women of reproductive age covered by the federal health program. Rep. Nydia M. Velazquez (D-N.Y.) called the ban a "repulsive anti-women provision" written by "self-appointed morality police."

See ABORTION, A17, Col. 4

ABORTION, From A1

But Rep. Christopher H. Smith (R-N.J.) and other Republicans stressed that the government pays 72 percent of the premiums in the federal health program. "The people do not want to subsidize abortion on demand, they do not want taxpayer funds or premium funds being used to subsidize [the] willful killing of unborn children," Smith said.

Their remarks were part of a divisive and emotional debate during consideration of the fiscal 1996 appropriations bill that funds the Treasury Department, the White House, small agencies and federal employee programs. The debate on the bill, which calls for the elimination of the president's Council of Economic Advisers, continued last night as Republicans attacked funding for the Bureau of Alcohol, Tobacco and Firearms and other parts of the government.

House Democrats portrayed the restriction on federal employees as part of a wider assault underway by conservative Republicans to limit medical care for women and undermine the Supreme Court decision that provides a constitutional right to abortion. Democrats were particularly outraged that the bill would not provide insurance coverage for women who seek abortions because of rape or incest, even though the government provides funding for such abortions under the Medicaid program.

But the Medicaid rules also may be up for reconsideration this week. Rep. Ernest J. Istook Jr. (R-Okla.) said yesterday that he plans to offer an amendment to another appropriations bill that would allow states to choose whether to use Medicaid funds to pay for abortions in the case of rape or incest.

Yesterday's floor debate featured longtime foes of abortion, such as

Smith and Rep. Henry J. Hyde (R-Ill.) "It is violence," Smith said of abortion as he described "chemical poisonings" and "the dismemberment of unborn children" before a gallery packed with tourists. Government exists, Hyde said, "to protect the weak from the strong."

Smith said about 17,000 abortions were paid for by the program before 1984. The Office of Personnel Management said data provided by the health insurance companies participating in the program covers broad categories of medical services but does not address why the services are rendered, making it impossible to determine how many abortions were performed when the ban was not in effect.

The federal health program provides insurance coverage for about 4 million current and retired government workers and their families. The program covers members of Congress and their staffs.

Hoyer and Rep. Nancy L. Johnson (R-Conn.) said the health insurance benefits were part of the compensation package provided federal workers and argued that the Congress should not dictate how the employees choose to spend their insurance premiums. "It is wrong," Hoyer said, contending the bill "undermines their own free choice, not of an abortion, but of how they spend their money."

Rep. Marge Roukema (R-N.J.) argued that Republicans who were seeking to roll back intrusive federal regulations should not support legislation that puts the government "in charge of a profound moral decision. . . . We should not even be debating this."

Rep. Nita M. Lowey (D-N.Y.) contended that the GOP's House majority wants to "take American women backward. This is one of the first steps in the radical right's campaign to eliminate the right to choose."

Hubbell Says Nussbaum Kept Probers From Files

THE WASHINGTON POST
THURSDAY, JULY 20, 1995

By Susan Schmidt
and Serge F. Kovaleski
Washington Post Staff Writers

A1

Then-White House Counsel Bernard Nussbaum reneged on an agreement with high-ranking Justice Department lawyers to allow them to review records of Deputy White House Counsel Vincent W. Foster Jr. after his death, former associate attorney general Webster L. Hubbell told a special Senate Whitewater committee yesterday.

Suspicious that White House aides tried to conceal politically damaging Whitewater materials in Foster's office, Republicans elicited an acknowledgment from Hubbell that Nussbaum had erred—first in getting involved in the probe of the death of his close friend, then in refusing to allow investigators to see Foster's records in their search for clues.

In his second day of testimony on how the White House handled the Foster death investigation, Hubbell said Nussbaum put on his "aggressive litigator's hat" when FBI, U.S. Park Police and Justice lawyers tried to examine Foster's office. Nussbaum, a New York lawyer, eventually left the White House amid controversy about his handling of contacts with the Treasury Department about the Whitewater investigation.

Committee Democrats, who have lined up unanimously in defense of the White House, sought to portray

See WHITEWATER, A9, Col. 6

WHITEWATER, From A1

Nussbaum's actions as misjudgments in style and demeanor, not something more sinister. But even Sen. Paul Simon (D-Ill.), who objected to holding hearings at all, said it appeared "fairly clear that Bernie Nussbaum is developing into a heavy in this."

Simon told reporters after the hearing, however, that they would need "to take pills to stay awake" if the Foster hearings continue for several weeks at their current labored pace.

Committee Chairman Alfonse M. D'Amato (R-N.Y.) told reporters that he was upset that President Clinton's personal lawyer, David Kendall, withheld and heavily redacted so many of the documents from Foster's office sought by the panel. Kendall has withheld six documents on the ground of executive privilege, according to Republicans. D'Amato said he will consider subpoenaing the documents if Kendall does not make them available.

Kendall said in a statement that the Clintons had provided the committee with every reference to the Whitewater investment in Foster's records. He said he is considering D'Amato's request.

In a preview of the questions likely to face Nussbaum when he appears as a witness, Republicans took issue with his decision to withhold the Foster documents from Justice Department review. If Nussbaum was so concerned about the docu-

ments' sensitivity, Republicans asked, then why did he allow Patsy Thomasson to go through Foster's desk the night he died? Thomasson, director of White House administration, did not even have a security clearance at the time, they noted.

Hubbell said he would be concerned about anyone who did not have a security clearance going through files at the White House.

Thomasson, who is scheduled to be called as a witness, was a Democratic Party operative in Arkansas, then worked on the Clinton presidential campaign and in the White House office of administration. During the 1980s, she was a top aide to Little Rock bond dealer Dan Lasater, a Clinton supporter who was convicted of distributing cocaine.

Sen. Lauch Faircloth (R-N.C.) raised questions about another Arkansas political operative, David Hale, a former municipal judge. Hale has made the most direct allegation against Clinton in the Whitewater matter, publicly accusing Clinton and Arkansas Gov. Jim Guy Tucker of pressuring him to make improper loans from his government-financed venture capital company. Hale has pleaded guilty to defrauding the Small Business Administration and is a key witness in Whitewater independent counsel Kenneth W. Starr's probe.

Hale is of interest now because many have wondered if Foster knew before his death that Hale was about to open a Pandora's box of accusations about the president. Federal authorities in Little Rock obtained a warrant to search Hale's offices the day Foster died of an apparent suicide. Starr's predecessor, independent counsel Robert B. Fiske Jr., concluded that there was no evidence that concern over Whitewater contributed to Foster's deep depression.

Asked whether he knew Hale was under investigation by federal authorities at the time of Foster's death, Hubbell said he did know. He first learned that Hale was under scrutiny from a newspaper story during the 1992 campaign, he said.

The partisan sparring that characterized Tuesday's opening statements—with senators from different parties holding aloft Foster's briefcase to prove opposite points—was still obvious yesterday. And in a public tiff, the two co-chairmen of the Democratic National Committee clashed over an attack one of them launched against D'Amato.

Don Fowler, who runs the DNC's day-to-day affairs, accused D'Amato of "hypocrisy" in conducting the hearings and called on him to release his own testimony from an ethics probe. "Take a look at his record. D'Amato is an ethical black hole," Fowler said in a statement.

But Fowler's co-chairman, Sen. Christopher J. Dodd of Connecticut, who sits on the Whitewater committee, put out a statement saying: "I have spoken personally with Sen. D'Amato and conveyed my strong feelings that the statement from the DNC was inappropriate."

In other testimony yesterday, Hubbell said:

- He inherited the files on Whitewater and Madison Guaranty Savings and Loan gathered by Clinton aides at the end of the 1992 campaign. He kept them at his home and turned them over to Kendall in November 1993, when he was associate attorney general. That was after it became publicly known that Justice was weighing a criminal investigation of Madison that would touch on the Clintons. The records were then subject to attorney-client protection.

- He realized only in hindsight how depressed and troubled Foster was. "He was overly suspicious about things, you know, was afraid to use the telephone when he talked to me," Hubbell said.

To OPL
From Mail 

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 26, 1996

The attached letter on the debt limit was sent today to Senator Bob Dole and Speaker Newt Gingrich from White House Chief of Staff Leon Panetta.

-30-30-30-

THE WHITE HOUSE
WASHINGTON

February 26, 1996

Honorable Newt Gingrich
Speaker
U.S. House of Representatives
Washington, D.C. 20515

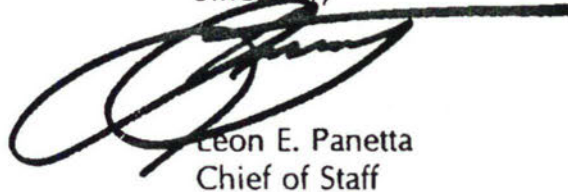
Dear Mr. Speaker:

The President appreciated receiving a commitment from you and Majority Leaders Dole and Armey, in your letter of February 1, 1996, to pass a debt limit increase that is acceptable to both Congress and the President.

Now that Congress is reconvening, I am writing to convey to you the President's hope that you will follow up on your letter by moving as quickly as possible to enact straightforward, long-term debt limit legislation. I also want to convey to you our desire to work with you on such legislation. Enactment of an acceptable debt-limit bill would reassure those who hold government debt, those who receive federal benefits, federal employees, and firms and individuals that do business with the government of the certainty of their payments.

I am glad that you agree with the President on the need to avoid raising any concerns about a potential default on our nation's good faith and credit. I look forward to working with you in the coming days to resolve this issue.

Sincerely,

A handwritten signature in dark ink, appearing to be "Leon E. Panetta", written over a horizontal line.

Leon E. Panetta
Chief of Staff

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.

STATE OF UNION

Divider Title: _____

PRESIDENT CLINTON'S STATE OF THE UNION: AMERICA'S CHALLENGE

The American people should have a sense of realistic optimism about the progress America is making. We are moving in the right direction; we have more to do; and if we come together as a nation, we can meet our challenges.

The President will deliver the State of the Union next Tuesday, January 23, 1996 at 9:00 pm in the Capitol. He will challenge the American people to come together as a nation and face the future together. The President will talk about the big concerns facing our people, and show in concrete ways how Americans working together can meet our challenges.

Everyone must do their part. If we are going to seize the promise of our times, we must all work together. Not government alone. Not individuals alone. The President will talk about what we as a nation can accomplish together. He will call on every one of us: as parents and children, as employers and employees, teachers and students, community leaders and community members, as government and as citizens. We can only meet the challenges of this new time together.

The President will address a number of challenges we must meet together, including:

Balancing the budget. As the President prepares the State of the Union, he is working hard on the first of these challenges: a seven-year balanced budget that upholds our values. It is within our grasp. With his plan, certified by Congress' own economists, Democrats and Republicans have already agreed on enough cuts to balance the budget in seven years and give working families a modest tax cut.

Crime. Our progress: The crime rate is declining. Murders are down 12%, robberies are down 10% and car theft is down 5%. Over 45,000 fugitives and felons have been blocked from buying handguns because of the Brady Bill. The assault weapons ban outlawed 19 of the deadliest assault weapons. America's challenge: To keep all our citizens safe from crime, violence, and drugs.

Children and education. Our progress: More of our students are going to college and fewer students are dropping out of high school. America's challenge: To renew our schools so every American child has the chance to get the best possible education for the 21st century. At the same time, we must protect our children from violent and harmful influences.

Economy. Our progress: The lowest combined rate of unemployment and inflation since 1968. 7.7 million new jobs in the last three years. Revitalized auto and construction industries: 700,000 new construction jobs after losing 800,000 jobs in the four years before President Clinton. America's challenge: To make sure hard work still pays, and all Americans have the tools to be winners of economic change.

The World. Our progress: From Haiti to Northern Ireland, from the Middle East to Bosnia, America is leading the world towards peace and freedom. America's challenge: To keep America the strongest force for peace in the world.

Community. America's challenge: To live up to the duty we owe one another. To come together around our values; to help our communities, our neighbors, and our country.

CLINTON ADMINISTRATION LABOR ACCOMPLISHMENTS

"I believe that good, strong unions and collective bargaining can help us to meet the challenges that are just ahead if all of us are willing to embrace those challenges and to do what has to be done to make sure that we compete and win in the global economy."

-- President Clinton

Creating More Jobs

- Almost **7.7 million** new jobs in 34 months -- most paying at or above the national average.
- **Unemployment has fallen from 7% when President Clinton took office to its current rate of 5.6%.**
- 1994 real **GDP growth** was the highest in a decade.
- **232,000 new manufacturing jobs** since the Clinton budget plan passed after more than a decade of decline.

Creating Better Jobs

- Signed the **Family and Medical Leave Act** into law -- workers will never again have to choose between work and the health of their families.
- Expanded **Earned Income Tax Credit** providing tax relief for **15 million working families.**
- Proposed a **90 cent increase** in the minimum wage.
- Reformed **Pension Benefit Guarantee Corporation** to protect 8.5 million pensions.
- Revitalized **enforcement at the Labor Department** (Added more **front-line enforcers**).
- Signed **Hatch Act reform** into law -- allowing federal civil servants to more actively participate in the political process.
- **Rescinded** Reagan Administration Executive Order **prohibiting the rehiring of PATCO strikers.**
- Proposed and fought for **health care reform.**
- Supported the **Comprehensive Occupational Safety and Health Reform Act.**

Established Better Labor Relations

- Appointed a NLRB (Chairman Bill Gould, member Peggy Browning and Gen. Counsel Fred Feinstein) that is **fair to workers and their unions** for a change.
- Issued an Executive Order **prohibiting federal agencies from doing business with employers that permanently replace striking workers.**
- Played an **activist role in helping to resolve tough collective bargaining disputes:** American Airlines, Long Island Rail Road, UPS, Teamster national trucking contract, Mineworkers and Bituminous Coal Operators Association.
- Created the **National Partnership Council** for Federal government unions.
- Created the Task Force on **Excellence in State and Local Government through Labor Management Cooperation** for non-federal public workers.
- **Rescinded** Bush Administration Executive Orders **prohibiting pre-hire agreements** on federal construction projects and requiring all government contractors to post a notice telling workers they have a right not to join a union.
- Supported **"striker replacement"** legislation.

January/1996

CLINTON ADMINISTRATION ACCOMPLISHMENTS ON BEHALF OF OLDER AMERICANS

"I think we're obligated to balance this budget to take the debt off our children and our grandchildren, but we're obligated to do it in a way that represents -- that reflects our responsibility to our parents and our grandparents..." -- President Clinton

FIGHTING TO PROTECT MEDICARE AND MEDICAID

- **Fighting Drastic Republican Cuts** in Medicare and Medicaid that will shift a staggering financial burden to elderly and disabled Medicare beneficiaries; and reduce Medicaid nursing home coverage for hundreds of thousands of the elderly and disabled.
- **Long-Term Care** -- Opposing Republican proposals to reduce Medicaid long-term care coverage and to repeal enforcement of quality standards for nursing homes. Consistently supported expanding state administered home and community-based care services, tax clarifications and consumer standards for private long-term care insurance, and penalty-free withdrawals from IRAs to pay for long-term care.
- **Making Medicare and Medicaid Responsive to Beneficiary Needs** -- Worked to strengthen and improve Medicare and Medicaid by combating fraud and abuse, enhancing quality, and supporting an expansion of managed-care options to increase choices for beneficiaries -- not as a smokescreen for deep and arbitrary cuts. Proposed providing more preventive services and a respite care benefit for families of victims of Alzheimer's disease under Medicare.

PROMOTING ECONOMIC SECURITY

- **A Stable Social Security System** -- Committed to preserving Social Security benefits and ensuring the long-term integrity of the Trust Fund. The President stated benefits should not be used to balance the budget or pay for tax cuts for the wealthy.
- **A Reliable Pension System** -- Signed the Retirement Protection Act in December 1994. Now workers and retirees will be able to count on receiving the pension they have earned.

STRENGTHENING SUPPORTIVE SERVICES AND OPPORTUNITIES

- **Older Americans Act** -- Proposed reauthorization of Older Americans Act to renew and strengthen critical Meals on Wheels, transportation, senior community employment, and ombudsman services. Fighting to keep the program intact.
- **Senior Service Corps** -- Fighting to support and protect the Corporation for National Service's Senior Service Programs -- Foster Grandparents, Senior Companions, and the Retired Senior Volunteer Program.

BRINGING SENIORS TO THE TABLE

- **Elevation of Commissioner of Aging** to Assistant Secretary status.
- **1995 White House Conference on Aging** -- Called for the fourth White House Conference on Aging, after the 1991 Conference failed to take place.

CLINTON ADMINISTRATION ACCOMPLISHMENTS ON BEHALF OF WOMEN

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

EXPANDING OPPORTUNITIES

- Expanding **Small Business Opportunities** -- The Small Business Administration has established a women's mentoring program and made more business loans to women. Since 1992, the number of women-owned businesses in this country has **increased by 1.7 million**.
- Creating **Armed Forces Career Opportunities** -- **259,000** previously male-only positions are now open to women soldiers.
- Broadening **Academic, Science, and Health Opportunities** -- **School-to-Work Opportunities Act** helps women and girls develop the skills they need to compete for high-wage, high-skill jobs in fields traditionally dominated by men.

SUPPORTING WOMEN AND FAMILIES

- Expanded **Earned Income Tax Credit** -- For working mothers with minimum wage jobs, the increased EITC is the equivalent of **up to a 40 percent raise**.
- Signed **Family and Medical Leave Act** -- allows workers to take up to **12 weeks of unpaid leave** to care for an infant or loved one without losing their jobs.
- Collected a **record \$10 billion** in **child support** through **enforcement** in 1994 -- an **11% increase** over the previous year.

FIGHTING VIOLENCE AGAINST WOMEN

- Signed **Violence Against Women Act** -- among other provisions, triples funding for battered women's shelters and established a special **Violence Against Women Office** at the Department of Justice.
- Announced **\$26 million** in "**STOP Grants**" to states to bolster their law enforcement, prosecution and victims services to better address violence against women.
- Signed **Clinic Access Law** -- protects women seeking abortions and health care workers from anti-abortion demonstrators.

IMPROVING WOMEN'S HEALTH

- Increased funding **65%** for **breast cancer** research.
- Revoked the Reagan/Bush restrictions on **abortion** counseling, abortions in military hospitals, "Mexico City" policy and RU-486 imports. *January/1996*

MAKING COMMUNITIES AND SCHOOLS SAFE FOR OUR FAMILIES

Our neighborhoods and schools are the common thread of American life. President Clinton is committed to making our homes and classrooms safer and more secure for all Americans. The crime rate across the country is falling, thousands of criminals have been prevented from buying guns and more police are on the street. President Clinton is taking on the gun lobby and standing up for America's families. That's why the President is leading the fight to:

- Put more police on our streets.
- Ban deadly assault weapons.
- Take career criminals off the streets.
- End violence against women.
- Break the vicious cycle of drugs and violence.

ACTION

- **Implemented the Toughest Most Comprehensive Crime Bill Ever**

In 1994, after more than six years of gridlock, a bipartisan majority in Congress passed the smartest, toughest Crime Bill in the nation's history. It passed with the strong support of every major law enforcement organization in the country, as well as prosecutors, mayors, and state and local officials of both parties.

Tougher Penalties and More Prison Space

- A targeted "**three strikes and you're out**" provision to keep career violent offenders behind bars for life;
- The **death penalty** for drug kingpins and the murder of a Federal law enforcement officer;
- Increased penalties for **sex offenders** and a registration requirement for violent sexual offenders;
- \$7.9 billion for **100,000 more prison cells** to help states make sure that violent offenders serve their full sentences.

ACTION

More Police and Community Policing

- The President's plan to put **100,000 more police** on the street in community policing represents the federal government's biggest commitment ever to local law enforcement -- **\$8.8 billion** -- or an almost **20%** increase in the nation's police force levels. Over **31,000** more officers have been funded.

Enacted the Assault Weapons Ban as Part of the Crime Bill

- Bans **19 of the deadliest assault weapons** and their copies, but specifically protects more than 650 legitimate sporting weapons. Cop-killing assault weapons, like the Uzi, are the weapons of choice for drug dealers and gangs -- not hunters and sportsmen.

Passed the Brady Bill

- Provides for a **5-day waiting period** and background check of prospective handgun buyers. In two years, the Brady Law has stopped more than **45,000 fugitives and felons** from purchasing handguns.

Signed the Violence Against Women Act as Part of the Crime Bill

- Triples funding for battered women's shelters.
- Announced **\$26 million in state grants** to bolster their law enforcement, prosecution and victims services to better address violence against women.
- Improves the responses of police, prosecutors and judges to domestic violence and other violence against women; enhances lighting at bus stops and other dark public places; forces sex offenders to pay restitution to their victims.

Signed the Safe and Drug-Free Schools Act -- helps schools fight violence and drug abuse through after school programs, drug prevention programs, counseling and additional school security.

- Issued a Presidential Directive Enforcing a **"Zero Tolerance" Gun Policy in Schools**.

AGENDA

While overall crime rates have been dropping, kids today are increasingly the perpetrators -- and the victims -- of some of society's most violent crimes. That is why reducing youth crime and violence are key components of President Clinton's continuing crime-fighting agenda. While the President moves forward with additional initiatives to rid our streets and neighborhoods of crime and drugs, such as **community policing**, he will fight any misguided attempts to erode our progress -- such as any effort to:

- Repeal the **Assault Weapons Ban**;
- Reduce the number of **police** in our communities.

PRESIDENT CLINTON'S STATE OF THE UNION: AMERICA'S CHALLENGE

The American people should have a sense of realistic optimism about the progress America is making. We are moving in the right direction; we have more to do; and if we come together as a nation, we can meet our challenges.

The President will deliver the State of the Union next Tuesday, January 23, 1996 at 9:00 pm in the Capitol. He will challenge the American people to come together as a nation and face the future together. The President will talk about the big concerns facing our people, and show in concrete ways how Americans working together can meet our challenges.

Everyone must do their part. If we are going to seize the promise of our times, we must all work together. Not government alone. Not individuals alone. The President will talk about what we as a nation can accomplish together. He will call on every one of us: as parents and children, as employers and employees, teachers and students, community leaders and community members, as government and as citizens. We can only meet the challenges of this new time together.

The President will address a number of challenges we must meet together, including:

Balancing the budget. As the President prepares the State of the Union, he is working hard on the first of these challenges: a seven-year balanced budget that upholds our values. It is within our grasp. With his plan, certified by Congress' own economists, Democrats and Republicans have already agreed on enough cuts to balance the budget in seven years and give working families a modest tax cut.

Crime. Our progress: The crime rate is declining. Murders are down 12%, robberies are down 10% and car theft is down 5%. Over 45,000 fugitives and felons have been blocked from buying handguns because of the Brady Bill. The assault weapons ban outlawed 19 of the deadliest assault weapons. America's challenge: To keep all our citizens safe from crime, violence, and drugs.

Children and education. Our progress: More of our students are going to college and fewer students are dropping out of high school. America's challenge: To renew our schools so every American child has the chance to get the best possible education for the 21st century. At the same time, we must protect our children from violent and harmful influences.

Economy. Our progress: The lowest combined rate of unemployment and inflation since 1968. 7.7 million new jobs in the last three years. Revitalized auto and construction industries: 700,000 new construction jobs after losing 800,000 jobs in the four years before President Clinton. America's challenge: To make sure hard work still pays, and all Americans have the tools to be winners of economic change.

The World. Our progress: From Haiti to Northern Ireland, from the Middle East to Bosnia, America is leading the world towards peace and freedom. America's challenge: To keep America the strongest force for peace in the world.

Community. America's challenge: To live up to the duty we owe one another. To come together around our values; to help our communities, our neighbors, and our country.

MAKING ALABAMA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Alabama Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Alabama Has Declined from 7.3% to 5.7%.**
- **Consumer Confidence Is Up 60%, After Dropping During the Prior Four Years.**
- **16% More New Private-Sector Jobs Per Year in Alabama than During the Previous 4 Years.**
- **Crime Is Down.** In *Huntsville*, the number of crimes reported declined 18% in the first half of 1995. In *Montgomery*, the reported number of aggravated assaults dropped by 30% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Alabama.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **374,672 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 374,672 working families make ends meet.
- **432 New Police Officers in Alabama.** The President's Crime Bill puts 432 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **629,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 629,275 workers in Alabama.

MAKING ALASKA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Alaska Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Alaska Has Dropped from 8.1% to 7.2%.**
- **Consumer Confidence is Up 43%, After Falling During the Previous Administration.**
- **New Home Building Has Increased 28% Per Year in Alaska, After Declining During the Previous 12 Years.**
- **Bank Lending Has Increased 10% Annually, After Decreasing 6% Annually During the Previous 12 Years.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Alaska.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **20,299 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 20,299 working families make ends meet.
- **93 New Police Officers in Alaska.** The President's Crime Bill puts 93 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **66,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 66,000 workers in Alaska.

MAKING ARIZONA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Arizona Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Arizona Has Dropped from 6.9% to 4.7%.**
- **240,600 New Jobs in 33 Months -- Over 3 1/2 Times As Many Per Year as During the Previous Administration.**
- **28,400 New Manufacturing Jobs in Arizona -- After 15,300 Lost During the Previous 4 Years.**
- **Crime Is Down.** In *Phoenix*, the number of aggravated assaults fell by 8% in the first half of 1995. In *Tempe*, the reported number of aggravated assaults dropped by 23% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Arizona.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **255,836 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 255,836 working families make ends meet.
- **440 New Police Officers in Arizona.** The President's Crime Bill puts 440 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **561,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 561,000 workers in Arizona.

MAKING ARKANSAS A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Arkansas Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Arkansas Has Dropped from 6.6% to 4.9%.**
- **100,500 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **19,800 New Manufacturing Jobs in Arkansas -- Nearly Twice As Many Jobs As During the Previous 4 Years.**
- **Crime Is Down.** In *Little Rock*, the number of crimes reported fell by 18% in the first half of 1995 and the reported number of aggravated assaults dropped by 28%.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Arkansas.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **202,759 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 202,759 working families make ends meet.
- **335 New Police Officers in Arkansas.** The President's Crime Bill puts 335 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **344,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 344,121 workers in Arkansas.

MAKING CALIFORNIA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

California Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in California Has Dropped from 9.4% to 7.8%.**
- **229,400 New Jobs Added in 33 Months -- After 63,200 Lost During the Previous 4 Years.**
- **Consumer Confidence is Up 43%, After Falling During the Previous Administration.**
- **Crime Is Down.** In *Los Angeles*, the number of robberies reported fell by 8% in the first half of 1995. In *San Diego*, the reported number of murder dropped by 25% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in California.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **2,146,915 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 2,146,915 working families make ends meet.
- **4,513 New Police Officers in California.** The President's Crime Bill puts 4,513 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **298,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 297,914 workers in California.

MAKING COLORADO A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Colorado Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Colorado Has Dropped from 6.1% to 4.0%.**
- **183,700 New Jobs Added in 33 Months -- More than During the Entire Previous 4 Years.**
- **6,400 New Manufacturing Jobs Created in Colorado -- After 2,900 Lost During the Previous 4 Years.**
- **Crime Is Down.** In *Denver*, the number of crimes reported fell by more than 9% in the first half of 1995, and the reported number of robberies dropped by 31%.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Colorado.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **171,838 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 171,838 working families make ends meet.
- **392 New Police Officers in Colorado.** The President's Crime Bill puts 392 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **564,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 564,008 workers in Colorado.

MAKING CONNECTICUT A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Connecticut Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Connecticut Has Dropped from 6.5% to 5.1%.**
- **17,600 New Jobs Added in 33 Months – After 148,800 Lost During the Previous 4 Years.**
- **Home Sales Have Increased 21% Per Year in Connecticut – After Declining During the Previous 4 years.**
- **Crime Is Down.** In *Hartford*, the number of reported murders fell 33% in the first half of 1995. In *Stamford*, the reported number of robberies dropped by 39% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Connecticut.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **84,379 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 84,379 working families make ends meet.
- **320 New Police Officers in Connecticut.** The President's Crime Bill puts 320 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **670,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 670,429 workers in Connecticut.

MAKING DELAWARE A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Delaware Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Delaware Has Dropped from 4.9% to 4.3%.**
- **21,000 New Jobs in 33 Months -- More than 6 1/2 Times the Previous 4 Years Combined.**
- **Consumer Confidence is Up 58%, After Dropping During the Previous 4 Years.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Delaware.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **36,050 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 36,050 working families make ends meet.
- **264 New Police Officers in Delaware.** The President's Crime Bill puts 264 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **147,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 147,236 workers in Delaware.

MAKING FLORIDA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Florida Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Florida Has Dropped from 7.4% to 6.7%.**
- **599,000 New Jobs in 33 Months -- Twice As Many As the Previous 4 Years Combined.**
- **2,100 New Manufacturing Jobs in Florida -- After Declining During the Previous 4 Years.**
- **Crime Is Down.** In *Miami*, the number of reported murders fell 27% in the first half of 1995. In *Tampa Bay*, the reported number of crimes dropped by 27% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Florida.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **899,441 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 899,451 working families make ends meet.
- **1,625 New Police Officers in Florida.** The President's Crime Bill puts 1,625 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **2,004,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 2,004,330 workers in Florida.

MAKING GEORGIA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Georgia Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Georgia Has Dropped from 6.1% to 4.9%.**
- **389,300 New Jobs in 33 Months -- Three Times As Many As In the Previous 4 Years Combined.**
- **31,000 New Manufacturing Jobs in Georgia -- After Declining During the Previous 4 Years.**
- **Crime Is Down.** In *Atlanta*, the number of reported murders fell 7% in the first half of 1995. In *Macon*, the reported number of crimes dropped by 21% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Georgia.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **537,103 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 537,103 working families make ends meet.
- **592 New Police Officers in Georgia.** The President's Crime Bill puts 592 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **1,180,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 1,180,079 workers in Georgia.

MAKING HAWAII A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Hawaii Is Moving In The Right Direction Under President Clinton

- **Home Sales Have Increased 5% Per Year -- After Decreasing During the Previous 4 Years.**
- **Consumer Confidence is Up 43% -- After Dropping During the Previous 4 Years.**
- **The Help Wanted Index Has Increased 14%.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Hawaii.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **41,263 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 41,263 working families make ends meet.
- **67 New Police Officers in Hawaii.** The President's Crime Bill puts 67 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **198,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 198,105 workers in Hawaii.

MAKING IDAHO A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Idaho Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Idaho Has Dropped from 6.6% to 5.1%.**
- **10% More New Jobs Per Year Than During the Previous 4 Years.**
- **22% More New Private-Sector Jobs Per Year in Idaho than During the Previous 4 Years.**
- **Consumer Confidence Is Up 71%, After Falling During the Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Idaho.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **61,983 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 61,983 working families make ends meet.
- **137 New Police Officers in Idaho.** The President's Crime Bill puts 137 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **123,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 122,675 workers in Idaho.

MAKING ILLINOIS A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Illinois Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Illinois Has Dropped from 6.8% to 4.8%.**
- **275,900 New Jobs in 33 Months -- More than 2 1/2 Times the Previous 4 Years Combined.**
- **29,800 New Manufacturing Jobs in Illinois -- After Declining During the Previous Administration.**
- **Crime Is Down.** In *Chicago*, reported murders fell 18% in the first half of 1995, and the number of reported robberies dropped more than 10% in the same time period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Illinois.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **599,271 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 599,271 working families make ends meet.
- **2,073 New Police Officers in Illinois.** The President's Crime Bill puts 2,073 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **2,185,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 2,185,099 workers in Illinois.

MAKING INDIANA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Indiana Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Indiana Has Declined from 5.9% to 4.2%.**
- **190,300 New Private-Sector Jobs in 33 months -- More than the Entire Previous Administration.**
- **38,300 New Manufacturing Jobs in Indiana -- After Declining During the Previous 4 Years.**
- **Crime is Down.** In *Fort Wayne*, reported murders fell 35% in the first half of 1995. In *South Bend*, the number of reported robberies dropped 35% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Indiana.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **291,392 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 291,392 working families make ends meet.
- **446 New Police Officers in Indiana** The President's Crime Bill puts 446 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **998,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 998,000 workers in Indiana.

MAKING IOWA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Iowa Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Iowa Has Dropped from 4.2% to 3.3%.**
- **95,600 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **16,100 New Manufacturing Jobs in Iowa -- Nine Times More Than the Previous 4 Years.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Iowa.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **118,638 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 118,638 working families make ends meet.
- **220 New Police Officers in Iowa.** The President's Crime Bill puts 220 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **446,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 445,605 workers in Iowa.

MAKING KANSAS A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Kansas Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Kansas Has Dropped from 4.7% to 3.0%.**
- **92,900 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **10,600 New Manufacturing Jobs in Kansas -- After Dropping During the Previous 4 Years.**
- **Crime Is Down.** In *Wichita*, reported murders fell 21% in the first half of 1995, and the overall number of reported crimes dropped 9% in the same time period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Kansas.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **117,402 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 117,402 working families make ends meet.
- **300 New Police Officers in Kansas.** The President's Crime Bill puts 300 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **390,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 390,454 workers in Kansas.

MAKING KENTUCKY A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Kentucky Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Kentucky Has Dropped from 6.3% to 5.3%.**
- **42% More New Jobs Per Year Than During the Previous 4 Years.**
- **Consumer Confidence is Up 60%, After Falling During the Previous Administration.**
- **Crime Is Down.** In *Louisville*, reported murders fell 43% in the first half of 1995. In *Lexington*, the number of reported aggravated assaults dropped 11% in the same time period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Kentucky.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **236,592 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 236,592 working families make ends meet.
- **318 New Police Officers in Kentucky.** The President's Crime Bill puts 318 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **543,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 543,188 workers in Kentucky.

MAKING LOUISIANA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Louisiana Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Louisiana Has Dropped from 7.5% to 6.8%.**
- **167,100 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Consumer Confidence is Up 74%, After Falling During the Prior 4 Years.**
- **Crime Is Down.** In *New Orleans*, reported murders fell 20% in the first half of 1995. In *Shreveport*, the number of burglaries dropped 24% in the same time period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Louisiana.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **390,496 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 390,496 working families make ends meet.
- **438 New Police Officers in Louisiana.** The President's Crime Bill puts 438 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **583,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 582,680 workers in Louisiana.

MAKING MAINE A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%-- the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Maine Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Maine Has Declined from 7.4% to 5.9%.**
- **Consumer Confidence Is Up 44%, After Dropping During the Prior Four Years.**
- **37,300 New Private-Sector Jobs in Maine -- After Losing Jobs During the Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Maine.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **60,818 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 60,818 working families make ends meet.
- **100 New Police Officers in Maine.** The President's Crime Bill puts 100 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **168,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 168,000 workers in Maine.

MAKING MARYLAND A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Maryland Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Maryland Has Declined from 6.3% to 4.9%.**
- **Consumer Confidence Is Up 58%, After Dropping During the Prior Four Years.**
- **69,300 New Private-Sector Jobs in Maryland -- After Losing Jobs During the Previous Administration.**
- **Crime is Down.** In *Baltimore*, the number of reported motor vehicle thefts fell 23% in the first half of 1995, while robberies dropped 3% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Maryland.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **24,534 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 24,534 working families make ends meet.
- **544 New Police Officers in Maryland.** The President's Crime Bill puts 544 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **785,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 785,000 workers in Maryland.

MAKING MASSACHUSETTS A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Massachusetts Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Massachusetts Has Declined from 7.9% to 5.3%.**
- **Consumer Confidence Is Up 44%, After Dropping During the Previous Four Years.**
- **134,100 New Private-Sector Jobs -- After Losing Jobs During the Prior Administration.**
- **Crime is Down.** In *Lowell*, the number of reported robberies fell 40% in the first half of 1995. In *Springfield*, the overall number of reported crimes dropped 8% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Massachusetts.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **184,491 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 184,491 working families make ends meet.
- **978 New Police Officers in Massachusetts.** The President's Crime Bill puts 978 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **841,400 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 841,400 workers in Massachusetts.

MAKING MICHIGAN A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Michigan Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Michigan Has Declined from 7.0% to 4.4%.**
- **Consumer Confidence Is Up 84%, After Dropping During the Prior Four Years.**
- **294,200 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime is Down.** In *Detroit*, the number of reported robberies fell 23% in the first half of 1995; In *Grand Rapids*, the number of reported robberies dropped 37% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Michigan.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **392,321 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 392,321 working families make ends meet.
- **654 New Police Officers in Michigan.** The President's Crime Bill puts 654 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **1,502,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 1,502,000 workers in Michigan.

MAKING MINNESOTA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Minnesota Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Minnesota Has Declined from 5.2% to 3.3%.**
- **Consumer Confidence Is Up 78%, After Dropping During the Prior Four Years.**
- **72% More New Private-Sector Jobs Per Year in Minnesota than During the Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Minnesota.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **155,348 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 155,348 working families make ends meet.
- **410 New Police Officers in Minnesota.** The President's Crime Bill puts 410 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **845,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 845,000 workers in Minnesota.

MAKING MISSISSIPPI A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Mississippi Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Mississippi Has Declined from 6.6% to 5.9%.**
- **Consumer Confidence Is Up 60%, After Dropping During the Prior Four Years.**
- **43% More New Private-Sector Jobs Per Year in Mississippi than During the Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Mississippi.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **306,581 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 306,581 working families make ends meet.
- **360 New Police Officers in Mississippi.** The President's Crime Bill puts 360 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **333,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 333,000 workers in Mississippi.

MAKING MISSOURI A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Missouri Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Missouri Has Declined from 6.1% to 4.0%.**
- **Consumer Confidence Is Up 78%, After Dropping During the Prior Four Years.**
- **196,600 New Jobs in 33 Months -- Over 3 Times More than the Previous Administration.**
- **Crime is Down.** In *Kansas City*, the number of reported murders fell 38% in the first half of 1995. In *St. Louis*, the number of reported aggravated assaults dropped 11% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Missouri.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **294,982 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 294,982 working families make ends meet.
- **826 New Police Officers in Missouri.** The President's Crime Bill puts 826 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **921,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 921,000 workers in Missouri.

MAKING MONTANA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Montana Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Montana Has Declined from 6.6% to 5.9%.**
- **Consumer Confidence Is Up 71%, After Dropping During the Prior Four Years.**
- **39,200 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Montana.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **47,638 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 47,638 working families make ends meet.
- **120 New Police Officers in Montana.** The President's Crime Bill puts 120 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **76,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 76,000 workers in Montana.

MAKING NEBRASKA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Nebraska Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Nebraska Has Declined from 2.7% to 2.5%.**
- **Consumer Confidence Is Up 78%, After Dropping During the Prior Four Years.**
- **53,500 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime is Down.** In *Lincoln*, the number of reported robberies dropped 34% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Nebraska.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **77,448 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 77,448 working families make ends meet.
- **202 New Police Officers in Nebraska.** The President's Crime Bill puts 202 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **264,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 264,000 workers in Nebraska.

MAKING NEVADA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Nevada Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Nevada Has Declined from 7.2% to 4.7%.**
- **Consumer Confidence Is Up 71%, After Dropping During the Prior Four Years.**
- **146,400 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime is Down.** In *Las Vegas*, the number of reported murders dropped 24% in the first half of 1995; in *Reno*, murders fell 27% during the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Nevada.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **74,516 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 74,516 working families make ends meet.
- **145 New Police Officers in Nevada.** The President's Crime Bill puts 145 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **261,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 261,000 workers in Nevada.

MAKING NEW HAMPSHIRE A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

New Hampshire Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in New Hampshire Has Declined from 7.6% to 4.0%.**
- **Consumer Confidence Is Up 44%, After Dropping During the Prior Four Years.**
- **30,900 New Private-Sector Jobs in New Hampshire -- After Losing Jobs During the Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in New Hampshire.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **40,803 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 40,803 working families make ends meet.
- **132 New Police Officers in New Hampshire.** The President's Crime Bill puts 132 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **181,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 181,000 workers in New Hampshire.

MAKING NEW JERSEY A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

New Jersey Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in New Jersey Has Declined from 7.6% to 5.8%.**
- **141,600 New Jobs in 33 Months -- After Losing Jobs During the Previous Administration.**
- **New Home Building Increased in New Jersey -- After Falling 17% During the Prior 4 Years.**
- **Crime is Down.** In *Newark*, the number of reported robberies fell almost 12% in the first half of 1995. In *Paterson*, the number of reported burglaries dropped 10% during the same time period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in New Jersey.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **350,842 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 350,842 working families make ends meet.
- **1,198 New Police Officers in New Jersey.** The President's Crime Bill puts 1,198 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **1,417,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 1,417,000 workers in New Jersey.

MAKING NEW MEXICO A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

New Mexico Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in New Mexico Has Declined from 7.2% to 6.2%.**
- **Consumer Confidence Is Up 71%, After Dropping During the Prior Four Years.**
- **90,100 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in New Mexico.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **133,845 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 133,845 working families make ends meet.
- **231 New Police Officers in New Mexico.** The President's Crime Bill puts 231 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **176,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 176,000 workers in New Mexico.

MAKING NEW YORK A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

New York Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in New York Has Declined from 8.5% to 6.3%.**
- **Consumer Confidence Is Up 20%, After Dropping During the Prior Four Years.**
- **188,100 New Private-Sector Jobs in New York -- After Losing Jobs During the Previous Administration.**
- **Crime is Down.** In *New York City*, the number of reported crimes fell 15% with the number of reported murders declining 31% in the first half of 1995. In *Buffalo*, murders dropped 34% during the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in New York.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **890,568 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 890,568 working families make ends meet.
- **3,189 New Police Officers in New York.** The President's Crime Bill puts 3,189 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **3,141,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 3,141,000 workers in New York.

MAKING NORTH CAROLINA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

North Carolina Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in North Carolina Has Declined from 5.6% to 3.9%.**
- **Consumer Confidence Is Up 58%, After Dropping During the Prior Four Years.**
- **247,200 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime is Down.** In *Durham*, the number of reported murders fell 31% in the first half of 1995. In *Winston Salem*, the number of reported murders dropped 45% in the same period
- **\$15,000 of Reduced Federal Debt for Every Family of Four in North Carolina.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **524,849 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 524,849 working families make ends meet.
- **707 New Police Officers in North Carolina.** The President's Crime Bill puts 707 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **1,250,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 1,250,000 workers in North Carolina.

MAKING NORTH DAKOTA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

North Dakota Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in North Dakota Has Declined from 4.7% to 2.9%.**
- **Consumer Confidence Is Up 78%, After Dropping During the Prior Four Years.**
- **56% More New Private-Sector Jobs Per Year in North Dakota than During the Previous 4 Years.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in North Dakota.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **28,986 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 28,986 working families make ends meet.
- **75 New Police Officers in North Dakota.** The President's Crime Bill puts 75 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **76,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 76,000 workers in North Dakota.

MAKING OHIO A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Ohio Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Ohio Has Declined from 7.0% to 4.7%.**
- **Consumer Confidence Is Up 60%, After Dropping During the Prior Four Years.**
- **293,200 New Jobs in 33 Months -- Nearly 3 Times As Many As the Previous Administration.**
- **Crime Is Down.** In *Cincinnati*, the number of reported crimes fell 11% in the first half of 1995. In *Columbus*, the number of reported murders dropped 38% during the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Ohio.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **509,774 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 509,774 working families make ends meet.
- **924 New Police Officers in Ohio.** The President's Crime Bill puts 924 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **1,987,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. The law covers about 1,987,000 workers in Ohio.

MAKING OKLAHOMA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Oklahoma Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Oklahoma Has Declined from 5.7% to 4.9%.**
- **Consumer Confidence Is Up 74%, After Dropping During the Prior Four Years.**
- **90,000 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime Is Down.** In *Tulsa*, the number of reported aggravated assaults dropped 12%, while reported burglaries fell almost 10% during the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Oklahoma.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **213,568 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 213,568 working families make ends meet.
- **298 New Police Officers in Oklahoma.** The President's Crime Bill puts 298 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **418,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 418,000 workers in Oklahoma.

MAKING OREGON A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

Stronger Economy. The combined rate of unemployment and inflation is at its lowest level since 1968.

- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Oregon Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Oregon Has Declined from 8.0% to 4.7%.**
- **Consumer Confidence Is Up 43%, After Dropping During the Prior Four Years.**
- **155,000 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Oregon.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **145,323 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 145,323 working families make ends meet.
- **332 New Police Officers in Oregon.** The President's Crime Bill puts 332 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **431,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 431,000 workers in Oregon.

MAKING PENNSYLVANIA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Pennsylvania Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Pennsylvania Has Declined from 7.6% to 5.1%.**
- **Consumer Confidence Is Up 20%, After Dropping During the Prior Four Years.**
- **101,000 New Private-Sector Jobs in Pennsylvania -- After Losing Jobs During Previous Administration.**
- **Crime Is Down.** In *Pittsburgh*, the number of reported crimes dropped 10% during the first half of 1995. In *Philadelphia*, the number of reported motor vehicle thefts fell almost 9% over the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Pennsylvania.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **510,127 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 510,127 working families make ends meet.
- **1100 New Police Officers in Pennsylvania.** The President's Crime Bill puts 1100 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **2,129,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 2,129,000 workers in Pennsylvania.

MAKING RHODE ISLAND A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

Stronger Economy. The combined rate of unemployment and inflation is at its lowest level since 1968.

7.7 Million New Jobs. The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.

- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Rhode Island Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Rhode Island Has Declined from 8.0% to 6.8%.**
- **Consumer Confidence Is Up 44%, After Dropping During the Prior Four Years.**
- **7,000 New Private-Sector Jobs in Rhode Island -- After Losing Jobs During Previous Administration.**
- **Crime Is Down.** In *Providence*, the number of reported crimes fell 13%, while the number of reported aggravated assaults dropped 14% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Rhode Island.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **38,141 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 38,141 working families make ends meet.
- **113 New Police Officers in Rhode Island.** The President's Crime Bill puts 113 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **164,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 164,000 workers in Rhode Island.

MAKING SOUTH CAROLINA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

South Carolina Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in South Carolina Has Declined from 6.9% to 5.1%.**
- **Consumer Confidence Is Up 58%, After Dropping During the Prior Four Years.**
- **85,100 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in South Carolina.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **306,881 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 306,881 working families make ends meet.
- **335 New Police Officers in South Carolina.** The President's Crime Bill puts 335 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **590,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 590,000 workers in South Carolina.

MAKING SOUTH DAKOTA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

Stronger Economy. The combined rate of unemployment and inflation is at its lowest level since 1968.

7.7 Million New Jobs. The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.

- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

South Dakota Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in South Dakota Has Declined from 3.5% to 2.9%.**
- **Consumer Confidence Is Up 78%, After Dropping During the Prior Four Years.**
- **27% More New Private-Sector Jobs Per Year in South Dakota than During the Previous 4 Years.**
- **Crime Is Down.** In *Sioux Falls*, the reported number of aggravated assaults fell 13%, while the reported number of burglaries dropped 6% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in South Dakota.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **39,016 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 39,016 working families make ends meet.
- **158 New Police Officers in South Dakota.** The President's Crime Bill puts 158 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **88,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. The law covers about 88,000 workers in South Dakota.

MAKING TENNESSEE A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Tennessee Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Tennessee Has Declined from 5.9% to 5.2%.**
- **Consumer Confidence Is Up 60%, After Dropping During the Prior Four Years.**
- **212,800 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime Is Down.** In *Chattanooga*, the number of reported aggravated assaults fell 39% in the first half of 1995; in *Memphis*, aggravated assaults dropped 8% over the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Tennessee.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **384,057 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 384,057 working families make ends meet.
- **486 New Police Officers in Tennessee.** The President's Crime Bill puts 486 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **898,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 898,000 workers in Tennessee.

MAKING TEXAS A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Texas Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Texas Has Declined from 7.6% to 6.2%.**
- **Consumer Confidence Is Up 60%, After Dropping During the Prior Four Years.**
- **739,800 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime Is Down.** In *Dallas*, the number of reported robberies fell 20% in the first half of 1995. In *Houston*, the number of reported murders dropped 30% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Texas** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **1,441,104 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 1,441,104 working families make ends meet.
- **1,703 New Police Officers in Texas.** The President's Crime Bill puts 1,703 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **2,812,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 2,812,000 workers in Texas.

MAKING UTAH A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Utah Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Utah Has Declined from 4.3% to 3.3%.**
- **Consumer Confidence Is Up 71%, After Dropping During the Prior Four Years.**
- **135,800 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Crime Is Down.** In *Salt Lake*, the reported number of aggravated assaults dropped almost 6%, while the number of reported robberies fell 6.2% in the first half of 1995.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Utah.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **81,437 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 81,437 working families make ends meet.
- **192 New Police Officers in Utah.** The President's Crime Bill puts 192 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **271,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 271,000 workers in Utah.

MAKING VERMONT A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Vermont Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Vermont Has Dropped from 5.8% to 4.1%.**
- **15,200 New Jobs in 33 Months -- After Losing Jobs During the Previous 4 Years.**
- **1,700 New Manufacturing Jobs in Vermont -- After Falling During the Previous 4 Years.**
- **Consumer Confidence is Up 44%, After Falling During the Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Vermont.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **25,715 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 25,715 working families make ends meet.
- **80 New Police Officers in Vermont.** The President's Crime Bill puts 80 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **79,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 78,678 workers in Vermont.

MAKING VIRGINIA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Virginia Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Virginia Has Dropped from 5.3% to 4.6%.**
- **Consumer Confidence Is Up 58%, After Dropping During the Previous Four Years.**
- **205,300 New Private-Sector Jobs in 33 Months -- More than 12 Times the Number During the Previous 4 Years.**
- **Crime is Down.** In *Richmond*, reported murders fell 29% in the first half of 1995. In *Norfolk*, the number of reported aggravated assaults dropped nearly 15% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Virginia.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **332,266 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 332,266 working families make ends meet.
- **530 New Police Officers in Virginia.** The President's Crime Bill puts 530 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **1,050,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 1,050,000 workers in Virginia.

MAKING WASHINGTON A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Washington Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Washington Has Dropped from 8.2% to 6.3%.**
- **Housing Sales are Up 6.5%.**
- **Consumer Confidence is Up 43% -- After Dropping During Prior 4 Years.**
- **Crime Is Down.** In *Seattle*, reported murders fell 37% in the first half of 1995, and the number of reported aggravated assaults dropped 36% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Washington.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **210,040 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 210,040 working families make ends meet.
- **429 New Police Officers in Washington.** The President's Crime Bill puts 429 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **768,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 767,575 workers in Washington.

MAKING WEST VIRGINIA A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

West Virginia Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in West Virginia Has Dropped from 11.1% to 8.0%.**
- **46,200 New Jobs in 33 Months -- More than the Entire Previous Administration.**
- **Consumer Confidence is Up 58%, After Falling During the Prior 4 Years.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in West Virginia.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **105,017 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 105,017 working families make ends meet.
- **199 New Police Officers in West Virginia.** The President's Crime Bill puts 199 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **210,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 210,312 workers in West Virginia.

MAKING WISCONSIN A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

- **Stronger Economy.** The combined rate of unemployment and inflation is at its lowest level since 1968.
- **7.7 Million New Jobs.** The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.
- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Wisconsin Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Wisconsin Has Declined from 4.3% to 3.8%.**
- **55% More New Private-Sector Jobs Per Year Than During the Previous 4 Years.**
- **38,500 New Manufacturing Jobs in Wisconsin -- After Declining During the Previous 4 Years.**
- **Crime is Down.** In *Green Bay*, reported murders fell 33% in the first half of 1995. In *Milwaukee*, reported murders dropped 21% in the same period.
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Wisconsin.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **193,349 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 193,349 working families make ends meet.
- **392 New Police Officers in Wisconsin** The President's Crime Bill puts 392 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **883,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 883,000 workers in Wisconsin.

MAKING WYOMING A BETTER PLACE TO LIVE AND WORK

America Is Moving In the Right Direction Under President Clinton

Stronger Economy. The combined rate of unemployment and inflation is at its lowest level since 1968.

7.7 Million New Jobs. The economy has created 7.7 million new jobs under President Clinton. Private sector job growth rate 8 times greater than during previous Administration.

- **Renewed Growth in Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- nearly one million new jobs combined under President Clinton.
- **Deficit Cut in Half.** The President's economic plan cut the deficit for three years in a row for the first time since Harry Truman was President -- the largest reduction in history.
- **Keeping Guns Away from Criminals.** More than 45,000 fugitives and felons blocked from buying handguns because President Clinton fought to pass the Brady Bill.
- **Safer Communities.** The crime rate is down and the number of murders reported dropped 12%--the largest decline in 35 years.
- **Stronger Families.** Teen pregnancy is falling, the poverty rate is decreasing, and the number of people on welfare is declining.

Wyoming Is Moving In The Right Direction Under President Clinton

- **Unemployment Rate in Wyoming Has Declined from 5.2% to 4.7%.**
- **Consumer Confidence Is Up 71%, After Dropping During the Prior Four Years.**
- **3,900 New Private-Sector Jobs in 33 Months -- More than the Entire Previous Administration.**
- **\$15,000 of Reduced Federal Debt for Every Family of Four in Wyoming.** The President's economic plan is reducing the federal debt for each family of four by about \$15,000.
- **24,038 Working Families Receive a Tax Cut.** The President's expanded Earned Income Tax Credit is helping 24,038 working families make ends meet.
- **30 New Police Officers in Wyoming.** The President's Crime Bill puts 30 new police officers on the street, strengthens drug courts helping keep adult and juvenile offenders from cycling through the legal system, and helps protect women and children from domestic violence and sexual offenders.
- **48,000 Workers Protected by Family and Medical Leave.** The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child or to care for a sick family member. This law covers about 48,000 workers in Wyoming.

TALKING POINTS FOR BRIEFINGS:

- o Purpose of meeting is to outline for you the key themes the President plans to stress in his state of the union speech, with the hope that you will help use the speech as an opportunity to:

Highlight the contrast between our budget priorities with the GOP.

Highlight that the President has already reduced the deficit and reduced the size of the federal government.

Highlight that even within a very limited budget environment, we have made strides in our areas of priorities.

Highlight what the GOP is trying to dismantle.

- o Let me say right up front, that I know that there are areas where many of you may disagree with us, but this speech gives your organizations as well as the Administration an opportunity to review how that past year and the new Congressional leadership have changed the parameters of what we are all fighting for. This President has chosen not to be a naysayer, but to provide viable alternatives and then stand firm behind those alternatives.
- o I am going to outline the themes for the speech, and then I am going to ask Flo McAfee and Marilyn Yager to talk about the specific activities we hope you will focus on between now and the speech.
- o We have provided to each of you a one pager that touches on the general themes for the speech:
 - Balancing the budget - the President has shown that you can balance the budget in seven years (scored by CBO) but use different priorities. He will restress the priorities that have been a part of our budget discussions - medicare/Medicaid/education/the environment.
 - Children and Education - investing in our future, through education, training, and work programs. Maintaining a safety net for our children and protecting the environment they live in.
 - Economy - creating a healthy environment for job growth, and making sure work pays.
 - Crime - Brady bill, etc.
 - Community - creating an environment where values are respected and a sense of neighborhood extends beyond our own streets.

- World - working towards peace and economic growth for other countries.

OPL
Staff -
FYI

MEMORANDUM FOR INTERESTED PARTIES

FROM: Office of Media Affairs
DATE: January 25, 1996
SUBJECT: State of the Union Regional Outreach

The following State of the Union media outreach for members of the Cabinet, senior Administration and White House officials began yesterday and will continue through Friday.

- Members of the Cabinet and top level Administration officials were asked to call over 180 editorial page and city editors from newspapers in Ohio, Louisiana, West Virginia, Texas, Illinois, Connecticut, North Carolina, South Carolina, Maryland, Denver, New Jersey, Massachusetts, Rhode Island, Tennessee, Kentucky, Georgia, Arkansas, Iowa, Michigan, Wisconsin, Minnesota, Maine, New Mexico, Oregon, Washington, New York, Pennsylvania, Arizona, Florida, California.
- 131 Specialty Press interviews are being conducted by Cabinet secretaries, sub-cabinet members, surrogates and appointees.
- White House officials called over 20 regional political columnists and 8 African American columnists in California, Florida, Illinois, Maryland, Minnesota, Ohio, Pennsylvania, Tennessee, Washington.
- Cabinet members and Senior Administration officials were booked on 9 national tv news shows and 2 Washington-based programs.
- The State of the Union speech and fact sheet were mailed to the newspapers which endorsed the President in 1992, plus the top 200 newspapers around the country. These documents also have been mailed to 1628 specialty press outlets (African American, Hispanic print, radio and television, Labor, environmental, gay and lesbian, Native American and Asian Pacific). A total of 2,573 specialty press mailings will go out by Friday including Seniors, Veterans, Education, Business and Women's news outlets.
- Administration officials were interviewed by national radio programs and radio networks (reaching over 2,400 station nationwide) plus over 40 radio stations in New York, Illinois, California, Pennsylvania, Alabama, Washington, Massachusetts, Louisiana, Kentucky, Iowa, North Dakota, Minnesota, Florida, Arizona and Michigan.
- Vice President Gore conducted satellite interviews with the top-rated television stations in Chicago, Tampa, Knoxville, San Diego, Spokane, Sioux City, Madison, St. Louis, San Francisco and Portland.

- Attorney General Janet Reno conducted satellite interviews (through CNN News Source) in Kansas City, Seattle, Knoxville, Miami, Oklahoma City (2 stations), Grand Rapids, Atlanta and Louisville.
- Dr. Tyson and Rahm Emanuel held three tongs on Wednesday (1/24) covering the following papers: Minneapolis Star Tribune, St. Petersburg Times, St. Louis Post Dispatch, Ft. Worth Star Telegram, Dallas Morning News, Houston Chronicle, Arkansas Democrat Gazette, Scripps Howard Newspapers (14 papers), Hearst Newspapers (13 papers), Newhouse News Service (24 papers), Copley News Service (10 papers). Currently scheduling more tongs.

OPL-
FY-

We put this page on the State of the Union address on *Welcome to the White House*, which is our service on the Internet. Our two day total for this feature is more than 10,000 visitors! The text and audio were both available an hour after the address. We were again named one of the Top 100 Web sites this week.



The President's 1996 State of the Union Address

Read the full text of the President's Address as delivered

Listen to the President's Address

America's Challenge: Background on President Clinton's State of the Union Address

- ☐ Challenge on Families: Cherish our children and strengthen the American family
- ☐ Challenge on Education: Renew our schools for the new century and open wide the doors of college
- ☐ Challenge on Economic Security: Provide new security for the American family in the new economy
- ☐ Challenge on Crime and Drugs: Join together to take back our streets from crime, gangs and drugs
- ☐ Challenge on the Environment: Protect the environment for future generations
- ☐ Challenge on World Leadership: Meet our responsibility to lead the fight for freedom and peace
- ☐ Challenge on Government: Reform our political system and make government work for the people

Statistical Snapshot: Where America is Today

CLINTON ADMINISTRATION
ACCOMPLISHMENTS - QUICK LIST

ECONOMY

7.7 million new jobs in 34 months
Lowest unemployment in almost 5 years
Largest deficit-cutting plan in history -- more than \$1 trillion over seven years
Cut spending by \$255 billion over 5 years
New tax cuts for 90% of small businesses
1994 real GDP growth was highest in a decade

EDUCATION

Increased Head Start funding by \$760 million
Enacted Student Loan Reform Act
Signed National Service Act
Passed Goals 2000: Educate America Act
Implemented School-to-Work Act
Signed Elementary & Secondary Schools Act

CRIME

Enacted the Brady Bill
Signed \$30 billion Crime Bill w/ Assault Weapons Ban, 100,000 New Cops, 3 Strikes-You're Out
Signed Safe and Drug-Free Schools Act
Ordered "Zero Tolerance" gun policy in schools

HEALTH CARE

Passed the Family and Medical Leave Act
Signed a Child Immunization Plan
Revoked Reagan/Bush restrictions on abortion
Increased funding for breast cancer research 65%

FREE TRADE

Signed NAFTA into law
Signed GATT into law
Secured Asia-Pacific free trade commitment
Agreed to negotiate Free Trade Area of Americas
Opened 15 Japanese markets to more US goods
Opened Japan's automotive market to U.S.

POLITICAL REFORM

Signed Congressional Accountability Act
Signed the Motor-Voter
Signed Lobbyist Disclosure Act of 1995
Imposed strictest ethics guidelines in history

COMMUNITY & ECON DEVELOPMENT

Created 9 Empowerment Zones &
95 Enterprise Communities
Signed Community Development Bank Bill
Reformed Community Reinvestment Act
Enacted Interstate Banking Bill
Defense Reinvestment & Conversion Initiative

FAMILIES & CHILDREN

Expanded EITC, tax relief for 15 million families
Granted 35 state welfare reform waivers
Passed Family Support & Preservation program
Collected record \$10 billion in child support in '94
Signed Social Security Independent Agencies Act

REINVENTING GOVERNMENT

On track to cut Federal Workforce by 272,000
\$58 billion saved, additional \$116 billion projected
Enacted govt.-wide Customer Service Standards
Abolishing 16,000 pages of obsolete regulations
Most diverse cabinet and admin. in history
Reformed Pension Benefit Guarantee Corp.

ENVIRONMENT

Expanded Comm.-Rt.-to-Know about toxic releases
Standards to cut pollution from plants, incinerators
Developed consensus solutions for Northwest Forests, Florida Everglades, California Water
Exec. orders to ensure green federal government
"Common Sense" reforms for cleaner protection

FOREIGN POLICY/NAT'L SECURITY

Trilateral accord on denuclearization in FSU
Russian missiles no longer aimed at US
Established NATO Partnership for Peace
Strong commitment to military readiness
Denuclearization agreement w/ North Korea
Restored democracy in Haiti
Reversed Iraqi threat to Kuwait
Lead effort to broker Bosnian peace agreement
Supported S. Africa's transition to democracy
Helped achieve Israel/Jordan peace agreement
Helped Israel/Palestinians fulfill historic accord
Contributed to cease-fire in Northern Ireland

January 1996

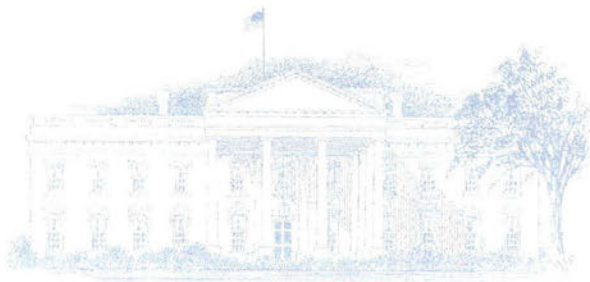
**PHOTOCOPY
PRESERVATION**

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 publication.

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.



CLINTON ADMINISTRATION ACCOMPLISHMENTS

January 1996

Creating Economic Opportunity and Security For All Americans

- Signed the *Economic Package*, August 10, 1993.
- The economy created *7.7 million new jobs* in the first 34 months of this Administration.
- Passed the largest *deficit-cutting* plan in history — saving more than *\$1 trillion* over seven years.
- On track for three consecutive years of *deficit reduction* — for the first time since Harry Truman.
- *Cut federal spending* by \$255 billion over 5 years.
- Made *new tax cuts* available to over 90% of small businesses.
- *Unemployment* has fallen from 7% when President Clinton took office to its current rate of *5.6%*.
- Lowest *combined rate of unemployment and inflation* since 1968.
- 1994 real *GDP growth* was the highest in a decade.
- Proposed a plan to balance the budget while *protecting critical investments* in education.

Promoting a Future of Opportunity

- Increased *Head Start* funding by almost \$760 million.
- Signed the *Student Loan Reform Act*, August 10, 1993.
- Signed the *National Service Act*, September 21, 1993.
- Signed the *Goals 2000: Educate America Act*, March 31, 1994.
- Signed the *School-to-Work Opportunities Act* on May 4, 1994.
- Signed the *Elementary and Secondary Education Act Reauthorization*.

Making Communities and Schools Safe For Our Families

- Signed a tough \$30 billion *Crime Bill*, September 13, 1994.
- Signed the *Brady Bill*, November 30, 1993.
- Signed the *Assault Weapons Ban* as part of the Crime Bill.
- Put *100,000 new police* on the street — nearly 31,000 more officers have been funded.
- Signed the *Violence Against Women Act* as part of the Crime Bill.
- Signed the *Safe and Drug-Free Schools Act*, October 20, 1994.
- Signed Presidential Directive enforcing a “*Zero Tolerance*” *gun policy* in schools, October 22, 1994.
- Submitted and fought for the *most comprehensive Drug Control budget* ever.

AMERICA'S CHALLENGE

*Background on President Clinton's
State of the Union Address to Congress
January 23, 1996*

1. **CHALLENGE ON FAMILIES:** Cherish our children and strengthen the American family.
2. **CHALLENGE ON EDUCATION:** Renew our schools for the new century and open wide the doors of college.
3. **CHALLENGE ON ECONOMIC SECURITY:** Provide new security for the American family in the new economy.
4. **CHALLENGE ON CRIME AND DRUGS:** Join together to take back our streets from crime, gangs and drugs.
5. **CHALLENGE ON THE ENVIRONMENT:** Protect the environment for future generations.
6. **CHALLENGE ON WORLD LEADERSHIP:** Meet our responsibility to lead the fight for freedom and peace.
7. **CHALLENGE ON GOVERNMENT :** Reform our political system and make government work for the people.

AMERICA'S CHALLENGE

*President Clinton's State of the Union Address to Congress
January 23, 1996*

CHALLENGE ON FAMILIES

- Challenge fathers to care for their children.
- Cut-down on TV violence.
- Protect our children from tobacco.
- Child support enforcement
- National campaign against teen pregnancy.
- End the tragedy of domestic violence.

CHALLENGE ON ECONOMIC SECURITY

- Raise the minimum wage.
- Preserve the Earned Income Tax Credit.
- \$500 per child tax credit.
- Protect workers' pensions.
- Protect Medicare and Medicaid.
- Make health care portable and eliminate pre-existing conditions exclusions.

CHALLENGE ON WORLD LEADERSHIP

- America as Peacemaker, not isolationist and not global policeman.
- Ratify Start II Treaty to cut nuclear stockpiles by another 25%.
- Pass Comprehensive Test Ban Treaty. about toxic chemicals in their communities.
- Approve Chemical Weapons Convention.
- Pass Anti-Terrorism Bill to give law enforcement greater power to fight terrorism at home and abroad.

CHALLENGE ON EDUCATION

- Higher standards and public school choice.
- Educational Technology Initiative.
- Expand college work-study to more than 1 million students.
- \$10,000 tax deduction for college tuition.
- \$1,000 college merit scholarship for top 5% of high school graduates.

CHALLENGE ON CRIME AND DRUGS

- Challenge states to meet 85% truth-in-sentencing.
- Direct FBI to wage war on gangs that involve juveniles in violent crime; COPS Gang Initiative
- "One-Strike-and-You're-Out" in Public Housing.
- Appoint General McCaffrey as Drug Czar.

CHALLENGE ON THE ENVIRONMENT

- Brownfields Initiative to clean up contaminated sites in distressed areas.
- Project XL-- Challenge businesses to find cheaper ways to meet tougher standards.
- Expand and strengthen citizens' Right-To-Know

CHALLENGE ON GOVERNMENT

- Executive Order revoking federal contracts of businesses that hire illegal workers.
- Continue Reinventing Government -- creating the smallest, smartest government in 30 years.
- Enact McCain-Feingold real campaign finance reform.

AMERICA'S CHALLENGE

*Background on President Clinton's
State of the Union Address to Congress
January 23, 1996*

1. CHALLENGE ON FAMILIES: *Cherish our children and strengthen the American Family.*

Families are the foundation of American life. The President challenges families to stay together, respect one another, end domestic violence, and for parents to take responsibility for their children.

Cut Down On TV-Violence.

The Administration wants to give parents the information they need to determine what their children see and hear. For this reason, the President supports the V-chip and voluntary rating system established by the television industry. The Administration also supports action to increase and improve the quality of programming for children.

To this end, the President has urged the Commissioners of the Federal Communications Commission to require broadcasters to air at least three hours per week -- and preferably more - of quality children's programming and has supported Public Broadcasting and the quality programming option it offers children and adults. The President's meeting with leaders of major media corporations and the entertainment industry will discuss voluntary ways to achieve these goals without delay.

Protect Our Children From Tobacco.

More than 300,000 Americans every year die because of illnesses associated with tobacco use. Every single day, another 3,000 children become regular smokers. One thousand of these children will eventually die from smoking-related disease. It is up to all of us -- family, schools and communities -- to work together to protect our children from the deadly disease of nicotine addiction.

This past year, President Clinton proposed targeted measures to fight this deadly problem. The Administration has proposed regulations designed to restrict the methods used by the tobacco industry to sell tobacco products to children. Specifically, these proposals cut off children's access to tobacco and reduce the appeal of these products.

Just last week, the Clinton Administration gave states guidance on how to implement the Synar Amendment, which requires states to have and to enforce laws banning the sale and distribution of tobacco products to children.

Child Support Enforcement.

The President reiterated his proposal for the toughest child support enforcement measures ever: streamlined paternity establishment; employer reporting of new hires to catch non-paying parents who move from job to job; uniform interstate child support laws; computerized state-wide collections to speed up payments; and tough new penalties, like drivers' license revocation. Together, these measures will send a clear and consistent message that both parents must take responsibility for the children they bring into this world. Congress should pass them now as part of real, bipartisan welfare reform.

Teen Pregnancy.

In last year's State of the Union Address, the President called for a national campaign to address teen pregnancy, which he called "our most serious social problem." This year, the President announced that his call has been answered. A diverse and bipartisan group of prominent Americans is about to announce the formation of A National Campaign to Reduce Teenage Pregnancy. Their goal is to reduce teenage pregnancy by one-third over the next ten years. This is a serious, nonpartisan effort to mobilize many sectors of American society -- business, entertainment, media, religious leaders and others -- to tackle this serious problem. The Clinton administration has worked to help the organizers of this independent effort get started, and the President has promised his active support for their work.

2. CHALLENGE ON EDUCATION: *Renew our schools for the new century and open wide the doors of college.*

Over the past three years, President Clinton has led efforts to dramatically reform education and training policy. Now, President Clinton proposes several new initiatives to bring more technology into the classroom; urge states, communities, and schools to raise standards; give parents more public school choice; and greatly expand access to college.

Educational Technology Initiative -- Technologically Literacy For The 21st Century.

Nothing is more critical to preparing our public schools for the 21st century than ensuring they have the modern technology to prepare students for the information age. The President challenges the nation to work together in a major new national effort to help every student become technologically literate for the 21st century.

Specifically the President has four goals:

- (1) Provide access to modern computers for all teachers and students;
- (2) Connect every school in America to the Information Superhighway;
- (3) Develop effective software in all subject areas, and
- (4) Give every teacher the development they need to help students use and learn through technology.

To reach these goals the President will lead a national effort that will include the following new initiatives:

- The President and Vice President will lead an effort to wire all of the nation's classrooms for computer access to the Internet by the year 2000.
- The President is calling for the creation of an Educational Technology Fund -- a private/public technology "matching fund" to help ensure that every student has adequate access to a cutting-edge computer and every teacher has the skills and software to make the best possible use of available technology.
- Challenge to educational software and entertainment leaders to produce better educational software to make learning more exciting and interesting.

Higher Education Standards For Students And Teachers.

Perhaps no challenge is more central to ensuring America's competitive strength in the 21st century than renewing our public school system. The President wants to see public schools driven by demanding high standards for students and teachers.

President Clinton challenges states and school districts to enact professional standards of excellence for teachers, and high standards of achievement for students. He also urged that all parents should have the opportunity to change schools or start new ones if their child's school is not performing.

Schools need to be safe and drug-free, and need to teach well the basics, good citizenship, responsibility, and core academics. The President believes that schools need to be accountable for their students' performance and that a high school diploma must mean something.

Public School Choice.

President Clinton believes that information, competition, and choice among public schools should be the rule, not the exception. Any parent who is dissatisfied with either their own child's or the school's performance should have the opportunity to choose a public school that will do better.

Charter Schools.

To ensure that every parent has this chance, the President is calling on all 50 states to enact charter school laws within 12 months. Twenty states currently have laws providing for the creation of charter schools -- public schools, created and managed by parents, teachers and administrators. They are held accountable for their results through a performance-based contract with a local school board, state, or other public institution.

The President will also be asking for a substantial increase in federal funding, up to \$40 million annually, to help local efforts to start nearly 3,000 new charter schools over the next five years.

Parent Involvement.

The President believes strongly in the critical importance of parent involvement in their children's education. Parents are and continue to be their children's first and most important teacher. The President asks parents to read with children, see that their homework is done, see that they take the tough courses, know their children's teachers, talk to their children directly about the dangers of drugs and alcohol, and talk to them about the values they want them to have. These conversations could literally save their lives. Businesses, schools, and religious organizations can help parents find the time for all of this by being family-friendly for learning.

Dramatically Expand Access To College.

President Clinton is deeply committed to ensuring that all deserving students can afford to go to college, and to helping American families invest in their children's and their nation's future. That is why he will continue to block attempts to cap the Direct Lending Student Loan program, which makes college more accessible by allowing students to repay loans as a percentage of their income and by cutting out the middle-man and eliminating red tape. That is also why he will block attempts to cut Pell Grant Scholarships and instead wants to increase their number and the maximum award.

Now, President Clinton calls for the enactment of three key initiatives to increase access to and the affordability of college education. Each of these proposals rewards responsible students and hard-working families.

- **Merit Scholarships.** The President calls for the creation of the largest-ever merit-based scholarship program, rewarding the top 5% of high school graduates in every school -- over 125,000 students annually -- with \$1,000 grants toward the cost of college. The scholarships, rewarding excellence and achievement, will be awarded to the top five percent of graduating students in every secondary school in the United States.
- **Expansion Of Work Study.** The President proposed a dramatic expansion of the College Work Study program, from 700,000 students to over one million over the next five years. This nearly 50 percent increase will significantly expand a program that reaffirms the American ethic, rewarding hard work and helping ensure that all who want a higher education are able to afford it.
- **Tuition Tax Deduction.** The President renewed his call for a deduction of up to \$10,000 for the cost of tuition and training. 16.5 million students stand to benefit from this proposal for tax relief to working families.

3. CHALLENGE ON ECONOMIC SECURITY. *Provide new security for the American family in the new economy.*

America's economy is strong. Home ownership is at its highest rate in 15 years and 7.8 million new jobs have been created during the last three years. The President's 1993 Economic Plan has cut the deficit nearly in half. And Taxes have been lowered for 15 million households by dramatically expanding the Earned Income Tax Credit. But our people are working harder than ever, and they deserve what it takes to get ahead in the new economy.

A G.I. Bill for America's Workers.

In the new economy, skills matter more. For workers, a year of either on-the-job or formal training raises wages by about as much as a year of college education. That is why the President challenged the Congress in December 1994 to enact a new GI Bill for America's Workers.

Now, the President calls for the Congress to pass his fundamental reform of the federal job-training system. The Administration's proposal would eliminate at least 70 separate job training programs, replacing them with an integrated system that minimizes red tape and maximizes individual choice in each local community. Unemployed and low-income workers would be able to get individual Skill Grants to use as they choose for learning new skills to find new and better jobs.

The President's proposal would also provide workers access, through networks of One-Stop Career Centers already under construction in the States, to reliable computerized data on jobs, careers, what skills are in demand, and the success records of training institutions, so that workers can make good choices to improve their futures. States and localities would have flexibility to work in partnership with the private sector to tailor training programs and delivery systems to reflect local conditions and priorities.

The Administration proposal also includes a youth component. Federal education, training, and employment programs for youth would be reshaped to support the community-based school-to-work movement already underway in states under the School-to-Work Opportunities Act of 1994. The proposal will enable schools, colleges, and the private sector in each local community to offer all youth work-based learning opportunities and clear pathways to good jobs, rewarding careers, and lifelong learning.

Increase the Minimum Wage.

The President challenges Congress to raise the minimum wage and provide the opportunity for Americans to lift themselves and their families out of poverty. One year ago, the President proposed increasing the minimum wage from \$4.25 to \$5.15 an hour in two equal steps. If Congress does not act now, the value of the minimum wage will fall to its lowest level in 40 years. The President's proposal would help lift the lives of the estimated 11 million Americans who earn less than \$5.15. For those people working full-time, this minimum wage increase provides \$1,800 -- enough money for the average American family to buy groceries for seven months.

A rise in the minimum wage helps families that are working hard but struggling to make ends meet. Most workers who earn the minimum wage are adults; nearly 40 percent are the sole breadwinner in their family; and the average minimum wage worker brings home half of their family's earnings. And more than one dozen studies suggest that a modest minimum wage increase -- like the President's proposal -- would not cost jobs.

Despite criticism in some corners, the minimum wage has traditionally had bipartisan support. In 1989, the minimum wage increase passed the House by a vote of 382 to 37, and 89 to 8 in the Senate. It's time to raise the minimum wage. And it's time to ensure that those who work hard and play by the rules can live with the dignity that they have earned.

The Earned Income Tax Credit and \$500 Per Child Tax Credit.

President Clinton's 1993 Economic Plan expanded the Earned Income Tax Credit to provide tax relief to 15 million working families and households. The EITC encourages families to move from welfare to work by making work pay. President Clinton has staunchly opposed deep cuts in the EITC proposed by Republicans which would raise income taxes on millions of hard-working families. The President's seven-year balanced budget plan provides additional tax relief to working families. It would provide a tax credit of up to \$500 per child to families with incomes up to \$75,000.

Making Pensions More Accessible For All Americans.

Only about half of all full-time workers in the private sector are covered by a pension. Three-quarters of workers in small businesses with fewer than 100 employees are not covered by a pension plan. President Clinton believes that we need to better empower Americans to save for their futures.

Simplifying Pension Rules.

In June of last year, the President proposed a significant simplification of our pension system, so that businesses of all sizes, but particularly small businesses, could more easily make tax-advantaged savings programs available to their employees. The NEST option would enable businesses with 100 or fewer employees to establish a retirement savings program by sending the IRS a simple one-page form. By getting rid of the family aggregation rules, families who work together in small or large businesses could save as individuals. Larger businesses and tax-exempt organizations could also offer simpler plans, so more money could go to workers' retirement and less to accountants, lawyers, and other consultants. These proposals are all part of the President's budget offer of January 18, 1996. Similar reforms have been passed by the Congress. This is an area where agreement to benefit all Americans is both possible and close to fruition.

Safeguarding Retirement Savings.

The Clinton Administration has taken important actions to make certain that pension savings are there when people need them. The Retirement Protection Act enacted in 1994 protects the pension funds of more than 40 million workers and retirees in traditional pension plans, including more than 8 million in plans that remain underfunded. Pension underfunding has been reduced for the first time in a decade -- from \$71 billion in 1993 to \$31 billion in 1994. The Department of Labor's 401(k) enforcement program and proposed legislation and regulations are designed to ensure that employees' savings are actually contributed to their retirement plan and invested. The Department has already recovered more than \$3.5 million for 2,800 workers. This Administration has demonstrated its commitment to safety and security in the pension system.

Opposing Raids on Pension Funds.

No corporation should be able to raid your hard-earned savings. The Clinton Administration will continue to fight cynical Republican efforts to fund tax cuts by allowing corporations to raid their pension funds -- the same kind of raids that cost workers about \$20 billion in the 1980s to fund corporate mergers and leveraged buyouts. The Republican proposal would allow corporations to reduce pension fund assets by approximately \$15 billion.

Health Insurance Reform -- Portability Protections.

The President calls on the Congress to pass meaningful health insurance reforms that would guarantee that insurers no longer apply pre-existing condition exclusions to previously insured workers who have had at least one year of coverage. Providing for this portability protection and eliminating "job-lock" for all Americans has always been one of President Clinton's top priorities. His proposal would also require plans to renew coverage without regard to health status.

Insurance reform bills similar to the President's have received broad, bipartisan support in the Congress. Over 35 insurance market reform bills have been introduced since 1990, including legislation cosponsored by Republican Senator Kassebaum and Democratic Senator Kennedy that was unanimously reported out of the Labor Committee last year.

Protect Medicare and Medicaid: Reform that Protects and Strengthens the Programs.

Medicare. The President's proposal preserves and enhances Medicare. In so doing, he rejects proposals that structurally undermine the program through excessive cuts and unwise programmatic changes that unnecessarily harm beneficiaries and providers. Instead, the President proposes reforms that achieve savings that limit the per person growth of the program to just below the private sector growth rate, extends the life of the Medicare Trust Fund through at least 2010, adds new cost-effective preventive benefits, and provides a new respite benefit for families of beneficiaries with Alzheimer's disease.

In addition, the President proposal expands plan choices for beneficiaries to include HMOs with a point-of-service option, Preferred Provider Organizations (PPOs), and Provider Service Networks. These options work to promote competition on the basis of cost and quality, rather than to "cherry-pick" at the expense of the sick and the elderly.

Medicaid. Like the Medicare program, the President calls on the nation to maintain its commitment to a strong, but more flexible and cost-conscious Medicaid program. He rejects proposals that block grant the program and provide for harmful and excessive cuts that could deny health benefits to 3-6 million Americans in 2002, including more than 1 million children. Instead, President Clinton advocates making the program more flexible by removing unnecessary Federal health care delivery and reimbursement strings that tie a Governor's hands in administering an efficient and responsive program. In so doing, however, he maintains the Federal guarantee to a set of meaningful benefits, retains financial and quality protections for the states (through his per capita cap, which provides more dollars during economic downturns), and continues protections of recipients and their families (through retention of nursing home quality, spousal impoverishment, and family financial resources protections, and retention of coverage of low-income Medicare beneficiaries' premiums and costsharing).

Health Insurance Reforms -- Building On Portability Protections: Health Insurance For The Temporarily Unemployed.

The President believes that individuals who lose their health insurance when they lose their job should be eligible for premium subsidies to pay for private insurance coverage for up to six months. Such a proposal would provide coverage for 3.8 million more Americans a year.

Health Insurance Reform -- Making Insurance More Accessible And Affordable For Small Business And Their Employees.

In addition to the insurance reforms outlined above, the President's proposal would require plans to make coverage available to all groups of businesses, regardless of the health status of any of the group's members ("guaranteed issue"). Insurers would be required to provide an open enrollment period of at least 30 days for all new employees (whether or not they had been previously insured). Moreover, insurers could not individually underwrite new enrollees, i.e., their premiums would have to be the same as other enrollees with similar demographic characteristics. These provisions also have broad, bipartisan support.

To address the issue of affordability, the President's insurance reforms would also limit premium variations for small businesses by phasing out the use of claims experience, duration of coverage, and health status in determining rates. To put the self-employed on a more equal footing with other businesses, the President proposes to gradually increase the self-employed tax deduction from 25 to 50 percent. And finally, to help provide small businesses with the type of purchasing clout larger businesses have, technical assistance and funding (\$25 million a year in grants) would be provided to states to set up voluntary purchasing cooperatives. (Purchasing cooperatives are also included in the Kassebaum/Kennedy plan.) Under the President's plan, the State could request that commercial insurers providing Federal Employee Health Benefit Plans (FEHBP) also offer insurance products to small businesses in a voluntary purchasing cooperative. To assure cost control within the Federal program, the Federal employee and private sector "pools" would be kept separate.

Cracking Down On Health Care Fraud And Abuse.

In the last three years alone, the Administration has saved an unprecedented \$15 billion by cracking down on fraud and abuse in the Medicare and Medicaid programs.

The President's balanced budget plan continues these aggressive policies. It strengthens the fraud and abuse laws so that we can better prosecute health care fraud in all government programs and private plans, makes it easier to restore money to Medicare and Medicaid and to American taxpayers, and increases penalties so that wrongdoers are punished severely. It expands "Operation Restore Trust" nationwide -- a program currently operating in five states that coordinates anti-fraud activities and uses new technology to fight fraud and abuse. Finally, it guarantees funding to investigate and prosecute those who have defrauded the Medicare and Medicaid programs and the taxpayers who support them.

4. CHALLENGE ON CRIME AND DRUGS: *Take back our streets from crime, gangs, and drugs.*

America has begun to find the way to stop crime. In New York City murders are down 25%, in St. Louis 18%, and in Seattle 32%. The President's Crime Bill is putting more police on the streets -- 31,000 just this last year. The Brady Bill has stopped 44,000 felons and over 20,000 fugitives, stalkers, and others from buying handguns. The Assault Weapons Ban is keeping UZIs out of the hands of drug runners, and the Violence Against Women Act has cracked down on abusers of women while improving services for victims so that they have somewhere to turn. The President's anti-crime strategy is working.

The President reiterated that he will veto any attempt to repeal the Brady Bill, the Assault Weapons Ban, or the COPS program -- which will put an additional 25,000 cops on the streets of America in 1996. In addition, the President announced several new initiatives to build on his Administration's successful efforts to win the war on crime and drugs.

Anti-Gang Initiatives.

Over the past decade, street gangs have become the major force in the distribution of narcotics and the commission of violent crimes. Gangs are a significant problem affecting not only our inner cities but also suburban and rural communities throughout the country. Over the last year, the Justice Department's Anti-Violent Crime Strategy -- in which Federal prosecutors work in tandem with members of their local law enforcement and communities -- has lead to the prosecution of thousands of violent and repeat offenders.

- *Building on that success, the President directed the FBI and other investigative agencies to wage a coordinated war on gangs that involve juveniles in violent crime.* The Justice Department has also developed a comprehensive anti-gang strategy that it will submit to Congress later this week. In addition, the Administration has submitted legislation to Congress that would afford Federal prosecutors the discretion to prosecute juvenile offenders as adults. Juveniles who commit adult crimes should be treated like adults. President Clinton calls on the Congress to pass this legislation now. At the same time, we will hold adults who traffic crime guns to kids accountable by launching an initiative in over 10 cities that will track, arrest, and prosecute these gun peddlers.

One Strike And You're Out -- A Directive To Remove Criminals From Public Housing.

President Clinton is committed to cracking down on gangs and drugs in public housing. Large, violent street gangs have controlled entire projects in some of our cities, recruiting children as young as 7 years old to sell drugs.

President Clinton challenges HUD, local governments and public housing residents to link arms

in ousting drug dealers and violent crime from public housing. In city after city, the count for abusive residents involved in drugs and crime will now be "one strike and you're out." Under this plan, the President will direct the Secretary of HUD to implement a one strike program for public housing. We will no longer tolerate these drug dealers and violent offenders terrorizing residents in their homes.

Truth-In-Sentencing.

State and local prison populations continue to grow. Unfortunately, some correctional systems faced with rising prison populations have released offenders when their institutions reach a certain population level. The result is that prisoners are released before they finish serving their full sentence. This is a hoax being played on the American public. The Federal criminal justice system resolved this problem some time ago by adopting truth-in-sentencing. Federal prisoners serve at least 85% of the sentence imposed and are not eligible for parole. Now is the time for the States to get on board and stop releasing criminals back into the general public before they serve their time. That is why the President is challenging the States to ensure that by the year 2000 State prisoners serve at least 85% of their sentence.

New Drug Czar -- General Barry R. McCaffrey.

Ending the drug scourge in America has and will be a top priority for the Clinton Administration. That is why President Clinton announced during the State of the Union that he will be nominating General Barry R. McCaffrey to be his next Director of the Office of National Drug Control Policy.

A Four Star General, McCaffrey served in four combat tours, was wounded three times in action, and was decorated twice with the Distinguished Service Cross and twice with the Silver Star. In praising President Clinton for choosing McCaffrey, *The Miami Herald* described him as "decisive, analytical, candid, soldier's soldier, the Army's most decorated officer... says what he thinks, and he thinks with great clarity."

As Commander of U.S. forces in Latin America McCaffrey built an international and interagency coalition that has achieved significant successes over the last two years against narcotraffickers attempting to bring cocaine into the United States. His service and leadership in Latin America will build upon the success that his predecessor, Lee Brown, contributed in dismantling the Cali Drug Cartel.

General McCaffrey's skills and background make him perfectly suited for this position -- a proven military leader who commands respect from young Americans, pursues his goals with efficiency and order, and expects positive results. He has spent his military career engaged in coordinated campaigns that are directed toward solutions and winning. He will not tolerate bureaucratic turf wars or grandstanding on this critical issue.

5. CHALLENGE ON THE ENVIRONMENT: *Protect the environment for future generations.*

For the past generation we have made great progress in protecting the environment. We now have cleaner and safer air and water. Lead levels in children's blood have been cut 70 percent and toxic emissions from factories are cut in half. 25 years ago, lake Erie was dead, now it is a thriving resource. Now, President Clinton challenges Congress to move forward, not backward, on the environment, and called on Congress to abandon reckless proposals to cut environmental enforcement by 25% and make taxpayers -- not polluters -- pick up the tab for environmental cleanup.

Project XL -- Tougher Standards And More Flexibility.

As the nation has made progress in protecting the environment, the system created to address the environmental crises of 25 years ago must change with the times.

To achieve better environmental results at less cost, provide regulatory flexibility, and maintain accountability, President Clinton announced Project XL -- for excellence and leadership -- in March 1995. In November 1995, the President named eight pilot projects from six companies and a state and a local government as the first of 50 projects.

Project XL is based on the premise that by giving businesses, states and communities the flexibility to explore creative solutions for controlling pollution, they will develop innovative ways to achieve results that go beyond the ones required by environmental regulations -- and do so in more common-sense and cost-effective ways.

In his 1996 State of the Union Address, the President offered this challenge to all businesses: If you can meet even higher environmental standards, we will cut red tape and regulations, so that you can find the cheapest and most efficient way to do it.

Expanding Community Right-To-Know About Toxic Chemicals Released In Their Communities.

For nearly a decade, Americans have had an important right: the right to know what dangerous chemicals are being released into their communities. Armed with Community-Right-To-Know information, citizens around the country are taking action to solve local environmental problems that affect their health and safety. Since the inception of these laws in 1986, reported releases of toxic chemicals have declined by 43% nationwide.

EPA's Toxics Release Inventory is an annual listing of chemical hazards that industries have released into the environment, organized by zip code. Citizens have easy access to these reports through local libraries, state and federal environmental offices, the internet, and EPA's toll-free hotline. President Clinton has acted to strengthen and expand the public's right to know about local pollution by requiring Federal facilities and government contractors to report on chemical releases, by expanding the number of chemicals that must be publicly reported, and by making it easier for small businesses to report right-to-know information. Now, President Clinton calls on Congress to work with his Administration to expand and strengthen communities' right-to-know.

Brownfields Initiative -- Common Sense Approach To Cleaning The Environment.

The Administration is taking a new approach to environmental regulation, one that tackles problems with common sense. Throughout America's cities, hundreds of thousands of old industrial sites lie neglected. These so-called "brownfields" have lingered as trash-strewn eyesores while businesses have shifted their operations to pristine locations in the suburbs and the countryside.

The President pledges that his Administration would revitalize America's cities by challenging American business to work with their communities to clean up brownfields that are a blight to our communities, a threat to our health, and an obstacle to economic growth. Under this proposal, EPA will continue to make common sense policy changes that speed the cleanup of brownfields and provide grants to cities to cleanup and redevelop contaminated land.

The President is proposing to offer new purchasers and other businesses that will redevelop brownfields a new targeted tax incentive to recover the cost of clean-up in distressed communities over a shorter period of time. This initiative will spur the private sector to create jobs, return land to productive use, and clean up the environment. As part of this package, the Administration will also ask Congress to enact legislation to protect lenders who finance the clean-up or redevelopment of these sites. This common sense, cost-effective initiative captures the best of what we can do together to revitalize the cities of this country.

6. CHALLENGE ON WORLD LEADERSHIP: *Meet our responsibility to lead the fight for freedom and peace.*

President Clinton has continued the strong tradition of American leadership in the world that has brought our people 50 years of security and prosperity. He has addressed the challenges of today: ethnic and religious hatreds; aggression by rogue states; the spread of weapons of mass destruction; terrorism; crime; drug trafficking; environmental decay -- because problems that start beyond our borders can quickly become problems within them. The United States cannot be the world's policeman, because our reach and resources are limited. Instead, where our interests and values demand it -- and where we can make a difference -- America takes the lead.

America The Peacemaker -- Not Isolationist, Not Global Policeman.

- ▶ We stayed engaged with Russia -- now there are no Russian missiles pointed at our cities or citizens.
- ▶ Our patient pressure persuaded North Korea to freeze its nuclear weapons program.
- ▶ By threatening to use force in Haiti, we gave democracy a second chance and stopped the flow of refugees to our shores.
- ▶ By standing with those who take risks for peace in Northern Ireland and the Middle East, we have helped people turn from conflict to cooperation.
- ▶ By opening markets abroad, we have created more jobs for Americans at home.
- ▶ By standing up for peace in Bosnia, we have helped end the worst atrocities in Europe since World War II.
- ▶ We are bringing the nations of Europe closer together, modernizing and preparing to expand NATO, working with Russia and revitalizing the economies of Central Europe and the Former Soviet Union.
- ▶ America is leading because we've kept our military strong and know when to use it.

Ratification of START II Treaty To Cut Nuclear Stockpiles By Another 25%.

President Clinton calls on the Senate to give its advice and consent to ratification of the Treaty Between the United States and Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (START II) now. Before Christmas 1995, the Senate virtually completed debate on the Treaty and adopted a unanimous consent agreement that no further amendments to the resolution of ratification would be in order.

When ratified by Russia and entered into force, START II will require far-reaching nuclear arms reductions. In combination with the START I Treaty, START II will eliminate launchers that carried over 14,000 of the 21,000 warheads deployed when the START I Treaty was signed in 1991 -- a reduction of two-thirds. In addition, START II will eliminate the most destabilizing strategic nuclear arms -- heavy ICBMs and multiple warhead ICBMs. The President urges no further delay in reducing the nuclear threat to all Americans.

Comprehensive Test Ban Treaty.

President Clinton challenges the 38 nations participating in the Geneva Conference on Disarmament to finish work on the Treaty so that it is ready to be signed this fall as called for by the United Nations General Assembly last December. As President Clinton said on August 11, "American leaders since Presidents Eisenhower and Kennedy have believed a comprehensive test ban would be a major stride toward stopping the proliferation of nuclear weapons. Now, as then, such a treaty would greatly strengthen the security of the United States and nations throughout the world. But now, unlike then, such a treaty is within our reach."

Last August, the President announced his decision to ban nuclear testing for all time by negotiating a true "zero yield" Comprehensive Test Ban Treaty (CTBT). This decision was an historic milestone in our efforts to reduce the nuclear threat and to strengthen U.S. and global security that will stop an entire generation of new nuclear weapons.

Chemical Weapons Convention.

The President calls upon the Senate to outlaw poison gas once and for all by ratifying the Chemical Weapons Convention now. At the UN General Assembly last October, the President pressed for ratification of this vital treaty, stating: "As the Cold War gives way to the global village, too many people remain vulnerable. No one is immune We must press other countries and our own Congress to ratify the Chemical Weapons Convention."

Since the use of chemical weapons in World War I, the United States has led the effort to control and ultimately eliminate them. We outlawed the wartime use of poisonous gas in the Geneva Protocol of 1925 and today President Clinton is working hard to outlaw not only the use but also the development, production and possession of chemical weapons. Completed in 1992 and opened for signature in January 1993, 160 countries now have signed the Convention and 47 have ratified it. It is time the United States did so too.

Counter-Terrorism.

In the past three years, the President has devoted unprecedented attention to the fight against terrorism. New strategies and resources resulted in the arrest of World Trade Center bombers; increased pressure on the most dangerous terrorist groups, including preventing other bombing plots; blocking the fundraising by terrorist groups opposed to the Middle East peace process; and improved our effectiveness in coping with terrorism involving chemical and biological weapons. The Clinton Administration was preparing to counter this new scourge well before the terrifying Sarin attack in Tokyo's subway.

One year ago this month, the President asked Congress for legislation to strengthen our ability to combat international terrorism. On April 19, 1995 terrorists bombed the Murrah Federal Building in Oklahoma City, killing and maiming scores of innocent workers, visitors, and children. In response, the President asked Congress to expand the international terrorism bill to include domestic terrorism. Although the Senate acted quickly, the House has failed to act. This bill is essential if we are to keep overseas terrorists from attacking Americans here at home; to prevent terrorist groups from raising funds here; to respond effectively to chemical or biological attacks; and give our Federal law enforcement agencies the tools they need to bring terrorists to justice before they strike again. The President calls upon Congress to act now on this bill creating a more secure America at home.

Supporting Resources for Leadership

America cannot lead without adequate resources. Some want to retreat in the post-cold war era, while others want to lead on the cheap. Our ability to lead now faces a clear and present danger from efforts to drastically cut our foreign affairs budget. Such cuts could eliminate aid to some states of the former Soviet Union and hinder our efforts to reduce the nuclear threat; cripple our non-proliferation efforts; eliminate our contribution to peace operations, which can save us from deploying our own forces; limit our ability to promote peace in the Middle East; undermine our efforts to expand U.S. exports; and slash programs to wipe out production and smuggling of drugs that ultimately destroy our neighborhoods.

Support for these programs requires only 1% of the Federal budget. This is good investment for the American people -- and a good bargain.

America must maintain the best trained, best equipped, and best prepared military in the world. Together with a strong military, an adequately funded international affairs programs will preserve our security, expand our prosperity and advance democracy. The President calls on Congress to give us the resources we need to lead for peace.

7. CHALLENGE ON GOVERNMENT: *Reform our political system and make government work for the people.*

This government must again become one of the people, by the people, and for the people. The President challenges Congress to curb special interest influence in politics by passing the first truly bipartisan campaign finance reform in a generation. And the President challenges government to continue down the path of reinvention and downsizing, creating the smallest, smartest, and cheapest government in 30 years.

Political Reform -- Endorsement of The McCain-Feingold Bipartisan Campaign Finance Reform Bill.

In his first three years in office, the President has pursued a strong, wide-ranging political reform agenda. He imposed the toughest-ever ethics code on his appointees, closed the tax provision that allowed corporations to deduct the cost of lobbying expenses, signed the Motor Voter law, and cut the White House staff by 25%.

Last year the President signed two major reform bills that he had promised to enact in Putting People First. The Congressional Accountability Act which requires Members of Congress to live by the laws of the land and lobbying disclosure legislation.

Yet, two major reforms have yet to be sent to his desk. President Clinton calls on Congress to send him the line-item veto bill so he can sign it immediately and to pass the McCain-Feingold bipartisan campaign finance reform legislation. This legislation would provide thirty minutes of free television time and require broadcasters to sell advertising at 50% of the lowest available unit rate for candidates who abide by voluntary spending limits; would limit PAC contributions to \$1,000; toughen bundling rules; ban personal use of campaign funds; increase disclosure and accountability of those who engage in political advertising and restrict the use of soft money.

Reinventing Government.

Under the Vice President's National Performance Review, the Clinton Administration has cut 16,000 pages of unnecessary rules and regulations and cut the Federal workforce by 205,000 employees, making it the smallest in 30 years.

President Clinton feels strongly that never again should a public servant threaten the full faith and credit of the United States and no public servant should ever again shut down the government of the United States.

Federal workers who remain are working harder and delivering better value for less money. In the coming weeks the Administration will be pursuing even more initiatives for governing with less resources. The guiding principle behind these initiatives is the need to manage government in a way that rewards performance and not red tape.

Critical to this goal will be the following initiatives: transforming the federal work force via Civil Service Reform, transforming certain government organizations into Performance Based Organizations, reinventing federalism via the establishment of more Performance Partnerships with States and localities, transforming the regulatory agencies in the federal government in order to improve compliance, and establishing specific, widely publicized customer service standards for those American citizens who interact with the federal government.

Executive Order To Revoke Federal Contracts Of Businesses That Hire Illegal Workers.

The President is preparing to issue an Executive Order that is intended to ensure that Federal Government contracts are not awarded to companies that employ illegal workers. Consistent with federal law prohibiting such employment, this order provides for debarment of any federal contractor who knowingly employs illegal workers thereby depriving U.S. legal workers of opportunities to hold those jobs. Unfortunately, this does occur. A recent INS enforcement action, Operation SouthPAW, found that illegal aliens were employed in the construction of a federal building in Atlanta. Nothing in this order relieves employers of their obligations to avoid unfair immigration-related employment practices and to comply with all antidiscrimination requirements of applicable law.

PRESIDENT CLINTON'S STATE OF THE UNION: AMERICA'S CHALLENGE IN AN AGE OF POSSIBILITY

January 23, 1996



The President will deliver the State of the Union tonight, January 23, 1996 at 9:00 pm in the Capitol.

We live in an age of possibility, but also a time of challenge and change. The savings common to both the President's budget and that of the Republican plan would allow us to balance the budget, cut government and provide a responsible tax cut. In the State of the Union, the President will call on Congress to enact those savings, and he will call on all Americans to look to the challenges of tomorrow.

Face our challenges together. The era of big government is over, but we cannot go back to the time when our citizens were left on their own to deal with our common problems. The President will challenge all Americans to work together -- in their families, their communities, businesses, churches, schools, and in our government -- to meet the challenges we face together, and seize the promise of our age of possibility.

The President will outline the crucial challenges for all Americans in his speech:

Challenge to families to stay together.

- We must all take responsibility -- mothers, fathers, businesses, schools, and media -- to give our children the chance to pursue their dreams.

Challenge to renew our schools and college opportunity for a new century.

- Bring our schools into the 21st century by setting the highest standards and ensuring that all our children be technologically literate.
- Throw open the doors of college as never before.

Challenge to help every American achieve economic security.

- Open access to education and training for a lifetime, so all Americans can be the winners of economic change;
- Ensure that all Americans have access to affordable health care and the security of a decent retirement.

Challenge to take back our streets from crime, gangs and drugs.

- A continued commitment to community policing;
- A renewed assault on the gangs and drugs that threaten our children.

Challenge to leave our environment safe and clean for future generations.

- First: Do not undermine a generation of strong bipartisan efforts that have given us the safe, clean air and water we enjoy today;
- Make environmental protection in businesses' best interest, providing incentives for corporations to take responsibility to keep our environment clean and safe.

Challenge to meet our responsibility to lead the fight for freedom and peace.

- America must continue to build a safer future for our families by reducing the threat of weapons of mass destruction, taking on terrorists and drug traffickers, and remaining leaders for peace.

Challenge to reform our government and renew our democracy.

- Continued efforts to make government work better for less money;
- Real political reform and renewed citizenship.