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**PRESIDENT WILLIAM J. CLINTON
STATE OF THE UNION ADDRESS
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Mr. Speaker, Mr. Vice President, Members of Congress, honored guests, my fellow Americans: Tonight I have the honor of delivering to you the first State of the Union Address of a new century and a new millennium.

I think we can all agree that we are fortunate to be alive at this moment in history. Never has our nation enjoyed, at once, so much prosperity, social progress, and national self-confidence with so little internal crisis or external threat. Never have our values – of peace, freedom and democracy – been more ascendant in the world. Never have we had such a blessed opportunity – and, therefore, such a profound responsibility – to build the more perfect union of our founders' dreams.

In the span of a hundred years, we have raised the vast majority of our citizens from bare subsistence to considerable comfort and affluence. We have enshrined human rights, religious freedom and racial and gender equality as widely shared values to which we are collectively committed. At home and abroad, it has been our great privilege to advance the light of human liberty, to re-light the fires of freedom.

It is important to understand what brought us to this moment. Seven years ago, it was not clear to most Americans that there would be much to celebrate in the year 2000. Our nation was gripped by economic distress, social decline, and political stalemate. America then was divided; in doubt; and asking itself, in a time of rising crime, mounting deficits, and high unemployment, "What went wrong?"

I believed we could set things right – by abandoning the false choices that deadlocked Washington and embracing new, common-sense ideas, rooted in the basic American values of opportunity, responsibility, and community.

And so we have met the challenge of deepening deficits not by attacking government, but by reinventing it, and acting with fiscal discipline. We've shown that when the government balances its books, the economy climbs up off the charts; and we've turned record budget deficits into record budget surpluses. One of the key architects of this approach in our administration, and one of the most revered former members of this institution, is here with us tonight. Thank you, Lloyd Bentsen.

We have met the challenge of rising crime not by debating which is better – prevention or punishment – but by doing both, and doing them better. We passed the Brady law that has kept guns out of the hands of half a million criminals and funded

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100,000 more community police to make our neighborhoods safer. Today, crime in America is at its lowest level in 31 years.

We have met the challenge of protecting the environment – not with old-style regulations but with new approaches and new technologies. We’ve made our economy stronger while making our air and water cleaner.

We have met the challenges facing working parents by helping more to succeed at work and at home – with new approaches like the Family and Medical Leave Act, which 20 million working parents have used to nurse a sick child or relative.

We have met the challenge of growing welfare dependency by ending welfare as we knew it and empowering millions to go to work.

We have met the challenge of opening the doors of college to all – with our HOPE scholarship tax cut, more Pell Grants, more-affordable student loans, and education IRAs. Today, more than two thirds of the students who graduate high school go on to pursue higher education – almost ten percent more than seven years ago.

We have met the challenge of engaging more of our young people in community service – through AmeriCorps. Over 150,000 AmeriCorps members have risen to that challenge, building One America, one community at a time.

We have met the challenges, and seized the opportunities, of a growing global economy with more than 270 new trade agreements that have expanded our economy and extended our values around the world.

We have met the challenge of a post-Cold War world by shaping events, not by being shaped by them. From Kosovo to Northern Ireland to the Middle East, we have advanced our interests and stood strong for democracy, freedom, and peace.

In each of these areas, we have paired enduring principles with bold new policies, replacing old ideologies with ideas that work. In 1992, Vice President Gore and I had a roadmap. In the year 2000, we have results: Twenty million new jobs. The fastest economic growth in more than 30 years; the lowest unemployment rate and the smallest welfare rolls in 30 years; the lowest poverty rate in 20 years; the first back-to-back budget surpluses in 42 years; the lowest African-American and Hispanic unemployment rate ever; the highest home ownership ever. And next month, America will achieve the longest economic expansion in our nation’s history.

My fellow Americans, I stand before you tonight to report that the state of our union is strong – the strongest it has ever been.

Not only are we experiencing a renaissance of the American economy, but a remarkable renewal of the American spirit. Tonight it is clear: thanks to the tough

decisions we have made and the hard work of the American people, our nation is prepared for the 21st Century.

The conditions we have created, and the virtuous cycle we have set in motion, put us in position to realize our founders' deepest dreams. So let us lift our sights and take what Theodore Roosevelt called "the long look ahead."

Tonight, I ask this Congress to join me in putting aside our partisan differences to meet the big challenges of this new century. What are they? Making sure every child begins school ready to learn and graduates ready to succeed. Shining the light of prosperity in communities that have been in the shadows for far too long. Making America the safest big country in the world. Ensuring every older American has the secure retirement they have worked for and deserve. Giving parents the tools to succeed at work and at the most important work of all – raising their children. Making sure our scientific progress is guided by our common values. Empowering all Americans to join the growing movement of service and citizenship. Improving the environment while strengthening the economy both at home and abroad. Seizing the opportunities of a more interconnected world to create more freedom, prosperity and peace for ourselves and our global neighbors. And finally, making America the most successful diverse democracy in the history of the world.

These are the big challenges before us. I believe we will meet them as Americans always have: with new ideas, informed by enduring values.

Tonight, I will propose the first steps in our journey into the bold new frontier of the 21st century. I will begin with a New Opportunity Agenda for this new era—an agenda rooted in responsibility, and designed to create a stronger and more inclusive community. At its core is a simple, powerful, fundamental principle: "Opportunity for all."

This new agenda updates an old American value for the Information Age. Two centuries ago, at our nation's founding, opportunity meant, most of all, the freedom to carve a farm and an existence out of the forest frontier. Fifty years ago, opportunity meant a high school education – or even the G.I. Bill – and a job for life. Today, opportunity means something different. It means having a computer and knowing how to use it. It means changing careers and a lifetime of learning. It means mastering the tools and technologies of the new economy, in which ideas and information are the keys to success.

Our first steps into the 21st Century must be the right steps. They must be guided, first and foremost, by our faith that all children can learn and all adults can succeed.

OPPORTUNITY

For seven years we have pursued a simple strategy on education: Invest more, and demand more in return. We have opened the doors of college to all with more Pell grants, more-affordable student loans, education IRAs, and our HOPE scholarship tax cut. We have helped nearly every state set higher academic standards for their schools. We are closing in on our goal of connecting every classroom and library in America to the Internet, with the help of the Vice President's E-rate program. And for two years in a row, Congress has supported our effort to hire 100,000 new, qualified teachers, to lower class sizes in the early grades. This Congress must continue that support.

With these and other efforts, our students are learning more. Scores on college entrance exams are going up, even as more students from more-diverse backgrounds are taking the test. And some of the most impressive academic gains are happening in schools in some of America's poorest neighborhoods.

Schools like Beaufort Elementary in Beaufort [BYOU-fert], South Carolina. Five years ago, Beaufort was classified as one of the state's worst-performing schools. But under a new principal, Ruth Summerlin, Beaufort embraced accountability and higher academic standards, and started afterschool and summer school programs for students who were behind. Today, Beaufort's math and test scores exceed the state average, and local parents are pulling their children out of private schools and putting them in Beaufort. Ruth Summerlin is with us here tonight.

I have visited schools like Beaufort all across America--schools that have turned themselves around with the same proven formula: more accountability, higher standards, and the conviction that all students can learn. Unfortunately, there are too many low-performing schools in this country that are not applying these lessons – schools where, year after year, children fail to get the knowledge and skills they need to escape poverty and make the most of their God-given talents.

Last year, from this podium, I proposed my Education Accountability Act, to fundamentally change the way the federal government invests in our schools – to support what we know works, and stop supporting what doesn't. This year, I challenge Congress to not only pass that measure, but to make dramatic new investments in what we know works.

We know that quality afterschool and summer school boost academic achievement. It also keeps children off the street in the hours before parents get home from work, when juvenile crime soars. Tonight, I propose that we double our investment for afterschool and summer school. If we do this, we can provide afterschool and summer school to give every child in every failing school in America the chance to meet high standards.

We know that our children will do best if they start learning early. And since 1993, we've put over 150,000 more children in the successful Head Start pre-school program, and improved the quality of Head Start. Tonight, I propose the largest funding

increase for Head Start in history. With this increase, plus greater investment in early learning, we can take the first step toward providing universal pre-school for every four-year-old in America.

We know that if we want our children to learn, we need good teachers and principals. Tonight, I propose new efforts to help states and school districts recruit the best and brightest people to teaching, train principals as leaders and get rid of bad ones. And we must finish the job of hiring 100,000 qualified teachers to reduce class size.

We know that antiquated classrooms get in the way of learning, and that a third of all schools in America are in serious disrepair – with leaky roofs and antiquated electrical wiring. Tonight, I propose new investments to make immediate, urgent repairs to our schools. I renew my call for a tax credit to help build or modernize 6,000 schools nationwide – so we can take our children out of trailers and put them in modern classrooms. And let's make our high schools safer and better by investing in making them smaller. If we want to keep kids out of trouble, let's make sure they go to a school where everybody knows their name.

We know that to make our schools the best on earth, we must turnaround our schools that are performing the worst. Last fall, Congress passed my plan to give districts the resources to turn around failing schools – or shut them down. This year, let's double that investment. Let's also increase our investment in charter schools, to give parents more choice. And let's give bonuses to states that succeed in making scores go up across the board.

We must also do more to help high school students prepare for, and succeed in, college. We must increase tutoring and mentoring efforts, bring advanced placement courses to schools in isolated rural areas via the Internet, and offer disadvantaged students the same test prep courses wealthier students use to boost their scores on college entrance exams.

Education is the key: as Dr. King said, it opens the doors to opportunity. But when our children walk through those doors they should be confident that they enter an economy that rewards work, and gives them the freedom to do the most important work of all: to raise strong families and happy, healthy children. [TK: Schumer/ college tax ideas]

Simply put: When you work hard and play by the rules, good things should follow. To your standard of living, to your savings, to your self-esteem. It's the private sector's responsibility to create jobs; but we all have a responsibility to reward work. That has been a basic goal of so much we have done – from reforming welfare to raising the minimum wage. My New Opportunity Agenda builds on our progress – doing more to ensure that work pays, and that hard-working people reap their rightful rewards.

We know that one of the most powerful incentives to work has been the Earned Income Tax Credit, a targeted tax cut for low-income working families. As one of my first actions as President, I asked the Congress to dramatically expand the EITC. In 1998, the EITC helped more than 4.3 million Americans work their way into the middle class – double the number in 1993. The “E” in “EITC” is about earning; about working; about taking responsibility and being rewarded for it.

Tonight I propose that we expand opportunity by substantially expanding the EITC. We should reduce the marriage penalty for the EITC, making sure that this tax credit rewards marriage, and family, just as it rewards work, and expand the tax credit for families with more than two children. Our plan would provide those families up to \$1,200 more in tax relief. That’s enough for the average family to pay for 5 months of groceries or for 8 months of healthcare, and it’s an added incentive to help them work their way into the middle class. They’re working hard for it. We should help them to reach it.

For people who play by the rules, there’s something else that should be within reach: their place of work. But two-thirds of new jobs are in the suburbs, far away from many low-income families. In the past two years, I have proposed and Congress has approved 110,000 new housing vouchers – to let more Americans live where opportunities abound. This year, let’s more than double that number. If we want people to go to work, they have to be able to get to work.

Wherever they live, working parents need quality child care. Last year, we helped parents provide care for 1.25 million children. But child care should be better, safer, and more affordable. It’s what our children deserve and what working parents need. My child care initiative would increase and improve care for 150,000 more children. And it’s time we make the child care tax credit refundable to help families who need it most. Parents should be able to balance work and family – not have to choose between them.

We should also expand access to health care. In less than a year, enrollment in our Children’s Health Insurance Program has doubled, to 2 million children. But we must do more. As Vice President Gore has been saying, if states are looking to insure more children, they should go where they are – schools, churches, child care-centers. And we should take the next step and enroll their parents, too. Nine million of them are eligible, but uninsured. And let’s give a real, affordable option to the fastest growing group of uninsured: people between 55 and 65 who lose their coverage. We should allow them to buy into Medicare. My budget provides a new tax credit to make that choice possible and cut their premiums up to one quarter.

Affordable and available care must also be quality care. We know we have the finest health care system in the world, and professionals that work wonders; but we also know that their first obligation is to do no harm. When avoidable medical errors cause preventable tragedies, we must act. My budget makes the largest investment in history to

eliminate medical errors and enhance patient safety. Because no American should ever fear that their health care will jeopardize their health.

For two years, I have called on Congress to pass a strong, enforceable patients' bill of rights for all Americans – to put the power of healthcare where it belongs: in the hands of patients and doctors, not insurance companies and accountants. Last fall, a bipartisan majority in the House did just that. For the sake of all American families, we must finish the job this year.

Last year, I also called on Congress to work with me to secure and modernize Medicare and add a voluntary prescription drug benefit. When I became President, Medicare was projected to go bankrupt by 1999. The steps we have taken have secured it until at least 2014. But we can and must do better. I call on this Congress to extend the life of Medicare – and do it this year.

We also know that about 75 percent of Medicare beneficiaries lack decent, dependable, private-sector prescription drug coverage. Last year, though we did not agree on a final plan, we did reach a bipartisan consensus on the need for voluntary drug coverage. We are moving in the right direction. Tonight, let us pledge to go the final mile. Let's give our seniors the life-saving medicines they need at prices they can afford.

I hope the Congress will complete another piece of unfinished business. Let's raise the minimum wage. And let's make sure that men and women get equal pay for equal work. Today, women earn 75 cents for every dollar men earn. That's just not good enough. My budget provides much needed resources to enforce equal pay laws, and to train women for high-paying, high-tech jobs. And we should pass the Paycheck Fairness Act. That will go a long way toward opportunity and dignity for working women.

This year, I am proposing a progressive savings initiative to help low- and moderate-income families work and save for retirement. [policy TK]

We have one final, fundamental obligation: to ensure that the guarantee of Social Security remains rock-solid, and that hard-working Americans have the retirement years they have earned. Last year, I sent Congress legislation to honor our commitment to older Americans and future generations by extending the life of the Social Security trust fund until the year 2050. This year, our budget outlook gives us an even better opportunity. So I say to this Congress, let's get this job done.

As we move to master the possibilities of the new economy at home, we must also lead in shaping a global economy that extends our prosperity – and expresses our values. Americans are right to ask hard questions about globalization. But those who say we ought to drop out of the international economy, or put the brakes on trade, are simply wrong. In an era of globalization, America has a high stake in making opportunity global.

Our international trade now accounts for one-quarter of our economy. It creates good jobs and brings us new products and technologies. We need to keep that trade

growing, and make sure it grows fairly. That means enforcing our own rules to protect our workers, our industries, and our environment. It means making international trade – and the WTO – more open and responsive to concerns about dignity of work and quality of life. And it means remembering that a global economy based on rules is far preferable than one with no rules at all.

That is why China should join the WTO and live under the same trade rules we do. And when it does, America's companies and workers should gain new opportunities in every sector of China's vast market. I ask Congress to lock in this opportunity by passing Permanent Normal Trade Relations status for China. This is a good deal for America. It will level the playing field in U.S.-China trade, and it is a chance to help China along the road to change.

When we engage in the global economy, we are investing in our shared future. Growth from trade is not just vital for us, but for the 1.3 billion people around the world who still live on less than a dollar a day. To help pass opportunity on to them, we should do our part – our full part – to reduce the debts that cripple the world's poorest nations. I ask Congress to support that effort, and to finalize our initiatives to unlock new trade with Africa and the Caribbean Basin. If we stay engaged, we will be helping Americans master the new economy. . . and helping others around the world become masters of their own future.

Reforming education... rewarding work... mastering the new economy... with these efforts, we are expanding opportunity into nearly every corner of our country. But during the last six months, as I have traveled across America, I've seen too much potential not yet fulfilled, too many places not yet blessed by our nation's prosperity. I have taken these trips – joined by many of you – to shine a spotlight on the enormous opportunities in America's new markets.

Together, we have seen the spark of investment generate jobs, and hope, from Appalachia to the Delta... from Williamsburg, in Brooklyn, to Watts, in Los Angeles... and in the remotest regions of Indian country. Now, more than ever, we have the means to expand the circle of opportunity wide enough to include the men and women at its margins, so that no one who's willing to work is left behind as our nation moves ahead. For business, it's the smart thing to do. And for America, it's the right thing to do. If we don't do it now, when will we ever get around to it?

I believe businesses should have the same incentives to invest in America's new markets as they have to invest in new markets abroad. In this year's budget, I call on Congress to double our New Markets Tax Credit, to spur \$12 billion in new equity capital for our untapped markets. We should also greatly increase funding to help large-scale businesses expand or relocate to our inner cities or rural areas. And we should increase the tax incentives that promote growth in our Empowerment Zones.

Speaker Hastert, it was a powerful moment last November when you joined me and Reverend Jesse Jackson on stage at Englewood High School, in your home state of Illinois, and pledged to work with my administration on common ground for New Markets legislation. So let's work together to finish the job.

Last July, I became the first President to visit an Indian reservation since Franklin Roosevelt. That's far too long. In this new century, let's honor our historic responsibility to Native Americans – the first Americans. My budget increases by more than \$1 billion our investment in health care, education, law enforcement, and infrastructure. Indian Country is a new market America should not – and must not – ignore.

We must also fulfill our obligation to our farming communities, the lifeblood of our land. When I signed the farm bill in 1996, I was concerned it would work well in good times but not as well in bad times. In recent years, our family farms have endured droughts and floods and financial crises abroad. Our New Markets Initiative will help them diversify their economic base. But let's also do more than mend the farm safety net – let's strengthen it.

This spring, I will lead a New Markets tour to focus on another challenge: the growing “digital divide” between those who have access to the new economy and those who don't. But the very technology that drives our expansion also creates tools to ensure that everyone, from the city to the farm to the reservation, can join in building our nation. My budget creates 1,000 new technology centers to connect poor communities to the economic mainstream. It also helps mobilize the combined force of public, private, and nonprofit sectors to increase Internet access in low-income areas. Because you can't get in the game until you have the tools to play.

RESPONSIBILITY

To achieve our potential as a nation in the 21st Century, we must not only provide more opportunity for all – we must demand more responsibility from all. For, as Franklin Roosevelt said, “personal responsibility, guided by collective conscience, is the discipline of democracy.”

Our first responsibility is to love and support the children we bring into this world. Yet nearly one child in three in America today grows up in a home without a father – and these children are five times more likely to live in poverty than children with both parents at home. I know many single mothers do a magnificent job of raising their children. But their task is made infinitely harder when there is no father to contribute income and love; to share the burdens and joys of parenthood; to teach the boys to be men and the girls to expect respect from men. Four years ago, we made an historic reform of welfare that has helped millions of mothers move from dependency on a welfare check to the dignity of a paycheck. Demanding and promoting responsible fatherhood is the critical next stage of welfare reform.

We have already begun, over the last seven years, to crack down on fathers who fail to pay child support by denying them drivers' licenses and creating a national database to track them across state lines. As a result, child support payments have doubled since 1993. The number of unwed fathers who legally acknowledge their paternity has tripled. And the percentage of children born into unwed homes, after skyrocketing for decades, has begun to level off, and the teenage birth rate is falling.

This is progress. But we must accelerate that progress, step by step, until the day that every father in America takes responsibility for his children. We can begin by toughening measures against fathers who owe child support, such as booting their cars. We can give fathers even more incentive to contribute by allowing more of their child support payments to go directly to their families.

And to absent parents who owe child support, we should say: we'll help you do right by your children, but you have to go to work, and pay them what you owe.

We must do everything we can to find families for children who have none. Consider this: in the last four years, we have increased the number of children adopted out of the foster care system by 30 percent. Tens of thousands more children now enjoy the warmth and confidence that comes from having a permanent home. We are improving foster care for the children it serves, and supporting those who turn 18 and leave foster care without a permanent home. Tonight, I want to honor the person who led our Administration's efforts to achieve these goals, someone who has worked tirelessly for children as long as I have known her: our First Lady, Hillary Rodham Clinton.

Here is another heartening statistic. The overall crime rate in America has dropped every year for the past seven years—the longest continuous decline in crime ever recorded. It happened because we took more responsibility for helping America fight crime, from passing the Brady bill to funding 100,000 new community police officers. Last fall, Congress agreed to support my plan to hire up to 50,000 more police officers, with special help for high-crime neighborhoods. Congress must continue that support this year.

But while we are grateful that is safer, no one believes America is safe enough. We ought to dedicate ourselves to making America the safest big country in the world.

We must begin by doing more to keep guns out of the hands of criminals and juveniles. Last year, Congress listened to the gun lobby, rather than the American people, and gave up a chance to require Brady background checks at gun shows and child safety locks for all new handguns. Passing this common-sense gun safety legislation should be the very next action of this Congress.

But we can and must do more. States require hunters and automobile drivers to have licenses. To reduce firearms accidents and keep guns out of the wrong hands, tonight I propose that states have licenses for gun purchasers as well.

To those who say that instead of strengthening gun laws, we should better enforce gun laws now on the books. I say, we already are. Federal gun crime prosecutions are higher today than in 1992, and are up 25 percent since 1998. But again, we should do more. We must hire more federal and local gun prosecutors, and more ATF agents to crack down on illegal gun traffickers and bad-apple dealers who supply guns to criminals and juveniles. We must supply law enforcement with the tools to trace the origin of every gun used in a crime in America. And we must create a national ballistics network capable of tracing almost any bullet left at a crime scene anywhere in America to the gun of the criminal who fired it.

Listen to this: the accidental gun death rate of children under 15 is nine times higher in the U.S. than in 25 other industrialized nations combined. Technologies now exist that could lead to guns that can only be fired by the adults who own them. It's time to help the gun industry accelerate development of these smart guns. It's time for the gun industry to take responsibility too, and reform the way it does business -- and help bring down gun violence in America.

Another vital measure we can take to reduce the crime rate is to provide more supervision, and demand more responsibility, from the hundreds of thousands of offenders who leave our prisons every year. We know that those on parole or probation who use drugs are [tk]-times more likely than others to commit another crime, but half as likely to do so if they get drug treatment. We must provide them that drug treatment, along with drug testing and a simple bargain: stay clean and you stay free; do drugs and you do more time.

The tragic school shootings in Littleton and elsewhere have been a terrible reminder of how vulnerable our children are to violence—and how much more we must do, at all levels of society, to protect them. Last year, I launched a national grassroots campaign to bring experts and local communities together to identify the most effective responses to youth violence. We also began funding efforts by local communities to develop comprehensive solutions to school violence, and this year we must increase our support of this vital endeavor.

Every parent I know worries about the amount of violence in the media. I believe the entertainment industry should respond to parents concerns. I give the industry credit for accepting my challenge to put voluntary ratings not just on movies but on TV programming and video and Internet games. This year, we must go farther. Let's do as the First Lady has suggested, and give parents what they most need: one rating system for all their children's entertainment—a system that is easy to understand and enforce.

At its best, popular culture can uplift and educate us even as it entertains us. Joining us tonight is someone whose half-century of work has appealed to the very best in our children – indeed, in all of us. We already miss reading “Peanuts” each day, but Charlie Brown, Lucy, and Snoopy will never be far from our hearts. We thank you, Charles Schulz, for your creations, and for being here with us.

We also have a responsibility to preserve and protect our environment for our children and for generations to come. As Theodore Roosevelt said, when it comes to our natural resources, we should “take the long look ahead.”

I am very grateful for the opportunities Vice President Gore and I have had to take that “long look ahead” – to show that a stronger economy and a cleaner environment can and must go hand-in-hand. We have rid hundreds of neighborhoods of toxic waste; ensured cleaner drinking water for millions of families; and taken the boldest steps in a generation to improve the air we breathe. Two weeks ago, I had the pleasure of standing on the north rim of the Grand Canyon where I announced the creation of three new national monuments -- preserving some of our nation’s most glorious natural treasures. With this new effort, our Administration has now safeguarded more land in the continental United States than any other since Theodore Roosevelt launched our nation on the path of conservation a century ago.

As we embark on a new century, we have an opportunity to bestow upon the American people a new conservation legacy. Tonight, I propose nearly \$1.5 billion a year in permanent funding to preserve precious places across America. This new Lands Legacy initiative will save threatened wild lands, restore salmon and other wildlife, protect our coasts, and help local communities preserve the farms, meadows, and parks that help keep nature a part of our daily lives.

We must also do more to help communities grow in ways that enhance every citizens’ quality of life. In the 1990s, the loss of farmland and other open space more than doubled, and Americans spent more time stuck in traffic than ever before. The Livable Communities initiative launched by Vice President Gore provides new tools for smarter growth. Tonight I propose to strengthen this program with new funding to help communities build light rail and other transit systems. It’s time we did more to save our precious green spaces.

As we cherish our own land, we must also help other nations that are struggling to protect theirs. As almost any schoolchild can tell you, the rain forests are the lungs of our planet. Yet these fragile sanctuaries of life, which harbor more species than any place else on earth, are still disappearing at a rate of [250] acres a minute. Tonight, I propose a new Greening the Globe initiative to help stem this devastating loss. This [\$150] million initiative will help developing countries from the Amazon ... to Asia ... to the rich Congo basin strengthen their economies by preserving, instead of destroying, their irreplaceable natural heritage.

The gravest environmental challenge of the new century is the threat of global warming. Last year was the second warmest year on record in the United States, just shy of the record set only a year before. All across the country, people are feeling the effects of our changing weather – more flooding, more droughts, more deadly heat waves.

Tonight, I announce three major new efforts to deal with this problem. First, I propose a [\$100 million] initiative to help developing countries adopt clean energy technologies, so they can grow and prosper without poisoning their air and further endangering our climate. Second, to strengthen our efforts here in the United States, I propose closing the loophole that allows for the continued operation of old power plants, which are the leading cause of greenhouse pollution. Third, I call on the auto industry to join us in the fight against global warming. Together, we have developed the technology to produce cars that are far more fuel-efficient. I challenge you now to move these cars from laboratory to the showroom floor.

Let us take the “long look ahead.” Let us put 21st century technology to work building a 21st century economy in harmony with our environment.

At a moment when American power is unprecedented, and the world is coming together around the ideals Americans have lived by and died for, we have a responsibility, to ourselves and to our partners around the world, to lead. Let’s never forget the Americans who have struggled to give us this chance. Let’s never forget that hundreds of millions of people live in peace today because of the Americans who rest in peace in graves marked and unmarked all across the world. We have come too far, sacrificed too much, to stop the world and get off now. We must continue to shape the world, doing our part to answer the big questions that will decide the character of the 21st century.

A central question is whether our security will be threatened by regional conflicts, especially those rooted in ethnic and religious tensions, that pose the risk of wider war. With all its amazing advances, our modern world is bedeviled by our oldest failing – fear of those who are different from us. In too many places, that fear is exploited by unscrupulous leaders trying to cling to power or make brutal war on their neighbors.

America cannot prevent every conflict or stop every outrage. But when our interests and our values are at stake and we can make a difference, we must be peacemakers. For history teaches that all big wars start small, and when human beings anywhere are singled out for destruction because of who they are, it is our common humanity that suffers.

We should be proud that we have helped bring the Middle East closer than ever to comprehensive peace. [Update on Israel-Syria; essential that America do its share].

We should be proud of the role America played in bringing peace to Northern Ireland ... in helping to end the bloodletting in East Timor ... in supporting efforts to end Africa’s cruel wars.

And we should be proud of the men and women of our armed forces who turned the tide against ethnic cleansing in Kosovo. Thanks to them, a million innocent people are home. And instead of struggling to defeat something evil, we can focus on building something good: a Europe undivided, democratic and at peace for the first time in history.

[Recognize Mitchell and Kosovo soldier in box; need to stay the course.]

A second question is whether our former adversaries, Russia and China, emerge in the coming century as stable, prosperous, democratic partners of the United States.

Today, we confront the risk of a Russia weakened by the legacy of communism, by economic crisis, by a cruel and futile war in Chechnya. But never forget how much else has changed: 5,000 former Soviet nuclear weapons dismantled; Russian troops serving with us in the Balkans; a peaceful, constitutional transfer of power from one leader to another for the first time in a 1000 years of Russian history. Russia's long journey to democracy is profoundly important to our future. A generation from now, let no one say that we did not do our part to help.

As for China, we must promote our interests with firmness, but not with fear. So let us say clearly that China cannot buy its stability and stature at the expense of freedom. But let us not isolate China from the global forces empowering its people to seek a better life. We want to see China on the inside, playing by the rules, not on the outside denying them.

A third question for the new century is whether terrorists and hostile nations will acquire the means to undermine our defenses, and force us to live in fear again.

Thanks in part to the biggest counter-terrorism operation in our history, the millennial celebrations passed without a violent attack. But this age-old threat, magnified by modern tools of destruction, remains real.

We must work with other nations to destroy terrorist and criminal networks and to target the havens that launder their money. This year, I will propose a law giving America new tools to protect our financial system from money laundering.

A bigger challenge is to prevent terrorists and potential adversaries from acquiring deadly weapons. We can do that by working with Russia to keep nuclear weapons secure and continuing to reduce our arsenals. By restraining North Korea's nuclear and missile programs and Iran's, and continuing to prevent Iraq from threatening its neighbors. And by strengthening global standards against proliferation. That is why I am committed to working with the Senate on a bipartisan basis to rebuild a consensus for the Comprehensive Test Ban Treaty.

We are also developing a system to defend America against missile attack, while working to preserve the Anti-Ballistic Missile Treaty with Russia. And my balanced budget devotes \$2 billion to defend America's cyberspace against hackers, criminals and potential adversaries.

A fourth question is whether the stability of the 21st century world will be threatened by a growing gap between rich and poor. We just cannot accept a future in which part of humanity lives on the cutting edge of a new economy, while another lives on the edge of survival. It isn't right. And it isn't in our interest.

A large part of the answer is freedom. With the hopeful transitions to democracy in Nigeria and Indonesia, more people won the right to choose their leaders in 1999 than in 1989, the year the Berlin Wall fell. Yet even countries making all the right choices must sometimes struggle to deliver for their people.

We must stand by democracies like Colombia fighting for their lives -- and for our lives -- against narcotics traffickers. I have proposed a two-year, \$1.6 billion package to help Colombia and I count on your support.

We must stand by impoverished nations held back by debt and fight the killer diseases that are stealing the future from developing nations. My budget calls for a new \$150 million investment in the global fight against AIDS and other diseases. And I will call on our partners in the G-7 and around the world to join us in supporting a Millennium Trust Fund that will say to private industry -- if you develop vaccines for diseases like malaria, AIDS and TB, we will help pay for them, and we will lift millions of lives together.

The final question is the most important of all: Will America continue to lead? How do we see ourselves and our role for next century?

In the 20th century, America was thrust into position of global leadership by circumstance. Now we have to choose whether to shape the world. But it's really no choice at all, not if we want our children to know peace and prosperity and the promise of a better day. We can choose to see our role as a burden. I choose to see it as a blessing.

That's why we have reversed the decline in defense spending that began in 1985. We must continue to work together to keep our military the best trained, best equipped in the world. My budget invests in readiness and in 21st century weapons. And it raises salaries for our men and women in uniform.

We must also continue to fund the 1 percent of our budget that supports our international engagement and keeps our soldiers out of war. Last year, you worked with me to support our top international priorities and to resume paying our UN dues and arrears. Let's do it again this year. And let's remember that building the right kind of global community is vital for a strong, secure American community.

As we cross the threshold of the new millennium, we have a responsibility to use the twin engines of digital information and biotechnology to usher in a new age of enlightenment. It is already clear that this will be a Millennium of medical miracles. Our increasing knowledge of the physiology and genetics of the human body promise remarkable treatments for disabilities and disease.

In the last 100 years, the life expectancy of the average American has increased by almost 30 years, as a result of breakthroughs like penicillin and the polio vaccine. We are now on the brink of sequencing the human genome, which may allow us to cure diseases such as cancer, AIDS and Alzheimer's. And the new science of nanotechnology is giving us the ability to manipulate atoms and molecules in ways that could help us detect tumors the size of a single cell, or develop molecular computers that can store the Library of Congress on a sugar cube.

The intense global proliferation of Internet services portends a time when an increasing fraction of human knowledge will be literally at our finger tips. Our ability to share our thoughts, ideas, experiences and dreams across the boundaries of space and time, can bind our species together in a powerful web of wisdom and wealth.

Here in America, science and technology have fueled much of our growing prosperity. It has resulted in higher productivity without inflation. Information technology alone is responsible for fully one-third of our recent growth. And the high-tech jobs it is spawning pay nearly 80 percent more than the private sector average.

If we want our current prosperity to continue into the 21st century, we must continue to encourage the creation and spread of new technologies. That is why my budget will include a \$3 billion increase in the "Twenty-First Century Research Fund." These investments will increase support for biomedical research, nanotechnology, information technology, clean energy and university-based research. This is not only an investment in research and technology, it is an investment in America's future. And we can not move forward without it.

But, as we find more and more ways to take advantage of the wonders of science and technology, we must be certain they are rooted in our oldest values. In addition to ensuring that the benefits of technology are equally shared by all our citizens, we must take steps to make sure our financial and medical privacy are not invaded.

Last year, our Administration proposed rules that will protect some of Americans' most sensitive information, their medical records. This year, those rules will be put in final form. We also took a first step to protect citizens' financial records in the financial modernization bill. But, as I said when I signed that law, we need to do much more. I will be sending legislation to the Hill to complete that unfinished business.

I am also concerned and intend to take action to prevent genetic discrimination – the use of genetic information by employers in their hiring decisions. Finally, we will continue to build privacy protections into the actions of the government itself. And tonight I want to issue a strong challenge to on-line companies to do more to protect the privacy of their customers.

Nearly forty years ago, as we began our exploration of space, President Kennedy said, “We set sail on this new sea because there is knowledge to be gained ... for the progress of all people. Whether it will become a force for good or ill depends on man.” Let us make our progress a force for good.

COMMUNITY

In 18TK, the great foreign chronicler of America Alexis de Toqueville observed that in America, helping others is not just charity or compassion, it is a sign of good citizenship. De Toqueville was among the first to notice something that is still true of America today: much of what is noblest in our public life occurs outside of government-- in the churches, charities, and volunteer groups, to which average citizens contribute money, and their time. We have long relied on this community of active citizenship to meet some of our toughest social challenges. In the 21st Century, we must strengthen and expand this community as never before.

To tap the full potential of philanthropic institutions, we must broaden the base of those who give. Tonight, I propose new tax incentives to do just that. Lower and middle income Americans who give deserve what wealthier Americans can get: a tax deduction for contributions to charity.

We can also do more to bring communities of faith into the circle of service. Faith-based organizations work tirelessly everyday to help Americans fight drug and alcohol abuse and to provide opportunities for young people to get back on the right track or to stay out of trouble in the first place. We can respect the line between church and state and still do more to support the good works of these groups.

We can do even more to elevate the cause of citizen service. When I first ran for this office, I had faith that if we gave our young people the opportunity to serve their communities, they would answer the call. Together, we created AmeriCorps in 1994, and today, over 150,000 AmeriCorps members have served in countless ways, from teaching children to helping the homeless—often working with non-profit organizations.

Today, AmeriCorps graduates, like veteran of our military and the Peace Corps, are an enormous pool of know-how and can-do. We need to tap that resource. Tonight, I propose the creation of the Americorps Reserves to activate former AmeriCorps members in times of crisis including natural disasters.

The AmeriCorps oath concludes with the words: I will get things done. Let us do the same. Let us build on the success of AmeriCorps, fund it fully, and keep it strong for all time.

Of course, the most fundamental responsibility of citizenship begins in the voting booth. More than half of our children live in households where neither parent votes. Too many simply think politics doesn't matter. But it does. So I say to all Americans: whatever your party, whatever your ideology, whatever you do, make your voice heard. Vote.

And this is the year of the census, so you have a unique opportunity to not only stand up and be counted, but to make your voice count.

One of the wonders of our time is the way technology is expanding the community of citizenship, creating new ways for individuals to get involved in the democratic process. A few months ago, I held the first Presidential on-line town meeting. Starting next month, I will launch a series of what I call "Webside Chats"—on-line discussions focused on issues and ideas. We can give more Americans the opportunity to share their views and be a part of our national community.

From the beginning, that community has been enriched by new immigrants. Like those before them, today's new immigrants are renewing the spirit of America. And like those before them, they know they must learn English to reach their full potential.

Demand for English language classes is so high that some states have even resorted to a lottery system to pick students. We must be clear: learning English should be an opportunity available to all -- not a raffle. My budget boosts support for English as a second language and links classes with civics and lifeskills education. So as new immigrants learn English, they can also become fluent in the rights and responsibilities of American life.

We are more diverse than ever before. The face of America is changing. We all know that. The question ahead is not: how will we look? But, what will we be? What will we choose as a community to do with our diversity?

Two years ago, Hillary and I created the White House Millennium Council to help bring Americans together--to reflect on where we have been as a nation—who we are—what we want to be. This fall, the First Lady hosted one of America's leading geneticists at a millennium evening discussion at the White House. He affirmed what faith has taught us. He said all humanity, genetically, is 99.9 percent the same. In large ways and small, it is easy to forget that truth. But honest and real differences can only be explored, confronted and worked through, and diversity can only be celebrated when we recognize that the most important fact of life is our common humanity.

We are more united than ever, but we have work to do. We cannot turn our backs on the climate of hate that spawned such recent incidents as the murder of young Matthew Shepard or the dragging death of James Byrd in Texas.

Let me say again, discrimination and violence against anyone because of race, religion, gender, sexual orientation, ancestry or disability is wrong. We must also make it illegal. I ask the Congress once more to pass, without further delay, the Hate Crimes Prevention Act and the Employment Non-Discrimination Act.

And finally, to make the most of our economic and social progress we have made together, we must continue our journey to building One America in the 21st century. That means rededicating ourselves to the ideals of justice and opportunity for all that are at the heart of our democracy. No American should be subjected to discrimination in housing, education, federal contracting or any other aspect of American life. My budget increases funding substantially for civil rights enforcement at the EEOC and the Justice Department's Civil Rights Division—to make sure that protections in law are protections in fact.

Last February, I created the White House Office on One America to coordinate our efforts and help build community partnerships for racial reconciliation. We are reaching out across our nation – from lawyers to religious leaders to corporate leaders to make sure every American can help build the One America of our dreams.

We know there is only one way to achieve that kind of nation—not through machines or money or might. Above all, it must flow from the human spirit. Let us take on the unfinished work of our time. Let us do our part to lift the burden of race and make the promise of America the practice of America.

My fellow Americans, this is the seventh time I have had the privilege of this high moment. Each time I have approached it with great hope and great expectations for our nation. But there is no escaping the fact that tonight is different. For tonight, we stand on the mountaintop of a new millennium. Behind us we see the great expanse of American achievement, and before us, vast frontiers of possibility yet to be explored.

The children of the future will see that this moment was earned through America's drive for discovery and our enduring quest for freedom and opportunity for all. Not even the most far-sighted of our forebears could have predicted that American ingenuity and spirit would lead the world to the unprecedented heights of peace and prosperity that we enjoy today.

And so, tonight, whether you are settling in the comfort of today's growing affluence or climbing out of the shadows of yesterday's despair, look up and see that the sun is rising on a new century of hope and possibility in America. Look up and take your place in the procession of Americans, great and small, whose gifts to the past have

brought us to this moment of great promise. Now it is your time. You are our gifts to the future. Together, we can make the next 100 years, America's greatest century.

Thank you, God bless you, and God bless America.

We must also do more to help high school students prepare for, and succeed in, college. We must increase tutoring and mentoring efforts, bring advanced placement courses to schools in isolated rural areas via the Internet, and offer disadvantaged students the same test prep courses wealthier students use to boost their scores on college entrance exams. [TK: Schumer/ college tax ideas]

Education is the key: as Dr. King said, it opens the doors to opportunity. But when our children walk through those doors they should be confident that they enter an economy that rewards work, and gives them the freedom to do the most important work of all: to raise strong families and happy, healthy children. [TK: children.

Schumer/ college tax ideas]

Simply put: When you work hard and play by the rules, good things should follow. To your standard of living, to your savings, to your self-esteem. It's the private sector's responsibility to create jobs; but we all have a responsibility to reward work. That has been a basic goal of so much we have done – from reforming welfare to raising the minimum wage. My New Opportunity Agenda budget builds on our progress – doing more to ensure that work pays, and that hard-working people reap their rightful rewards.

We know that one of the most powerful incentives to work has been the Earned Income Tax Credit, a targeted tax cut for low-income working families. The “E” in “EITC” is about earning; about working; about taking responsibility and being rewarded for it. As one of my first actions as President, I asked the Congress to dramatically expand the EITC. In 1998, the EITC helped more than 4.3 million Americans work their way into the middle class – double the number in 1993. ~~The “E” in “EITC” is about earning; about working; about taking responsibility and being rewarded for it.~~

Tonight I propose that we expand opportunity by substantially expanding the EITC. We should reduce the marriage penalty for the EITC, making sure that this tax credit rewards marriage, and family, just as it rewards work, and expand the tax credit for families with more than two children. Our plan would provide those families up to \$1,200 more in tax relief. That's enough for the average family to pay for 5 months of groceries [a full month's mortgage] or for 8 months of ~~healthcare, and~~ health care coverage. And it's an added incentive to ~~help them~~ work make their way into the middle class. They're working hard for it. We should help them to reach it.

For people who play by the rules, there's something else that should be within reach: their place of work. But two-thirds of new jobs are in the suburbs, far away from many low-income families. In the past two years, I have proposed and Congress has approved 110,000 new housing vouchers – to let more Americans live where opportunities abound. This year, let's more than double that number. If we want people to go to work, they have to be able to get to work.

Wherever they live, working parents need quality child care. Last year, we helped parents provide care for 1.25 million children. But child care should be better, safer, and more

affordable. It's what our children deserve and what working parents need. My child care initiative would increase and improve care for 150,000 more children. And it's time we make the child care tax credit refundable to help families who need it most. Parents should be able to balance work and family – not have to choose between them.

We should also expand access to health care. In less than a year, enrollment in our Children's Health Insurance Program has doubled, to 2 million children. But we must do more. As Vice President Gore has been saying, if states are looking to insure more children, they should go where they are – the children are – in schools, churches, child care centers, and child-care centers. And we should take the next step and enroll their parents, too. Nine million of them are eligible, but uninsured. And let's give a real, affordable option to the fastest growing group of uninsured: people between 55 and 65 who lose their coverage. We should allow them to buy into Medicare. My budget Medicare. ~~provides a new tax credit to make that choice possible and cut their premiums up to one quarter.~~

Affordable and available care must also be quality care. ~~We know we have the finest health care system in the world, and~~ Our medical professionals that work wonders; work wonders every day; but we also know that their first obligation is to do no harm. ~~When avoidable medical errors cause preventable tragedies, we must act.~~ My budget makes the largest investment in history to eliminate medical errors and enhance patient safety. Because no American should ever fear that their health care will jeopardize their health.

For two years, I have called on Congress to pass a strong, enforceable patients' bill of rights for all Americans – to put the power of healthcare where it belongs: in the hands of patients and doctors, not insurance companies and accountants. Last fall, a bipartisan majority in the House did just that. For the sake of all American families, we must finish the job this ~~year.~~ year.

Last year, I also called on Congress to work with me to secure and modernize Medicare ~~and add a voluntary prescription drug benefit.~~ When I became President, Medicare was projected to go bankrupt by 1999. The steps we have taken have secured it until at least 2014. But we can and must do better. I call on this Congress to extend the life of Medicare – and do it this year.

We also know that about 75 percent of Medicare beneficiaries lack decent, dependable, private-sector prescription drug coverage. Last year, though we did not agree on a final plan, we did reach a bipartisan consensus on the need for voluntary drug coverage. ~~We are moving in the right direction. Tonight, let us pledge~~ And in recent weeks we've seen signs that some major drug to go the final mile. Let's ~~companies are willing to work with us to make that happen. So let's turn these positive signs into positive results. Let's pledge to give our seniors the life-saving medicines they need at prices they can afford.~~

I hope the Congress will complete another piece of unfinished business. Let's raise the minimum wage. And let's make sure that men and women get equal pay for equal work. Today, women earn 75 cents for every dollar men earn. That's just not good enough. My budget provides much needed resources to enforce equal pay laws, and to train women for high-paying,

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DRAFT 4

Divider Title: _____



Joshua S. Gottheimer
01/19/2000 03:24:23 PM

Record Type: Record

To: Mara A. Silver/WHO/EOP@EOP

cc:

Subject: Fiscal Discipline in SOTU

for draft 4 binder. thanks

----- Forwarded by Joshua S. Gottheimer/WHO/EOP on 01/19/2000 03:24 PM -----



Thomas L. Freedman
01/19/2000 03:23:02 PM

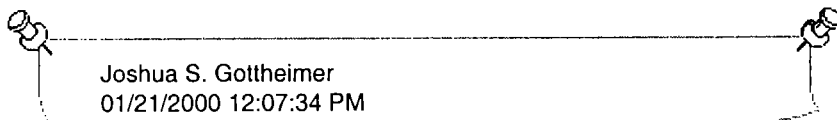
Record Type: Record

To: Terry Edmonds/WHO/EOP@EOP, Jeffrey A. Shesol/WHO/EOP@EOP

cc: Joshua S. Gottheimer/WHO/EOP@EOP

Subject: Fiscal Discipline in SOTU

One way to "create the agenda for the year" would be to highlight our fiscal discipline in achieving our economic success. Then to pivot off it to say, "Americans will have the choice in the next year and years ahead whether we continue that discipline or whether we take the surplus, the fruits of our fiscal discipline, and spend it all. I urge we opt for prudence."



Record Type: Record

To: Mara A. Silver/WHO/EOP@EOP

cc:

Subject: notes on latest SOTU draft

for latest draft binder.

----- Forwarded by Joshua S. Gottheimer/WHO/EOP on 01/21/2000 12:07 PM -----



Glastris@aol.com

01/20/2000 06:37:17 PM

Record Type: Record

To: Joshua S. Gottheimer/WHO/EOP

cc:

Subject: notes on latest SOTU draft

MEMORANDUM TO TERRY EDMONDS, JEFF SHESOL
CC JOSH GOTTHEIMER
RE LATEST SOTU DRAFT

I've spent the afternoon finding places to cut (pretty good hunting) and places that I think need more work. I'll show you the cuts tomorrow, but here are my suggestions for fixes:

1-the Digital Divide graf is not quite right. It should be rewritten to follow this argument:

-With the Internet, for the first time, poor neighborhoods and remote corners of the country can have instant access to the same stores of knowledge and flows of commerce that middle class and wealthy communities enjoy-the resources that lead to prosperity in the new economy. And there is no easier way for businesses to tap these new markets than through the Internet. Yet people in such place are one-tenth (or what ever the number is) as likely to have Internet access as the average American. The most direct, cost-effective way to bring these untapped markets into the economic mainstream is to get them wired. That's why my budget does tk.

2-The Global Change section should begin with an opportunity/responsibility pairing, and proceed in a way that appeals more directly to the self-interest of the average American. The first graf should begin like this: "For 50 years, America has taken the lead in building, step by step, a global trading

system. By acting responsibly, we have created vast economic opportunities for ourselves. Our international trade now accounts for one-quarter of economy. Jobs in that sector pay tk-percent above the average wage, and trade allows us both to sell our products and brings us new products and technologies?."

The second graf doesn't seem like the slam-dunk argument for letting China into the WTO and giving it Normal Trade Relation's status that I've heard the President and others give. It should say bluntly: China already HAS full access to our market; this will give us full access to THEIR market, create tk-million American jobs, and force China to behave by the rules we and the rest of the world live under.

The third graf argues that we should bring underdeveloped nations into the global trading system by forgiving their debts because that will make them less destitute. I think we need a more persuasive argument, one that appeals also to our self-interest and strikes an opportunity/responsibility theme. Something like this: 1.3 billion people around the world live on less than a dollar a day. We have a responsibility to help them, and an opportunity to help ourselves. If the income of those 1.3 billion people could be brought up to the average global income, it would mean tk-million jobs here at home and tk-billion more in trade for us (Josh is trying to rustle up such a fact). Therefore, let's forgive their debts etc..

3-the foreign policy section. I think we need to tell Malinowsky that we've recast all of our sections around the opportunity/responsibility theme the President wants, and so must he. Bag the six-great-questions theme. Also, we're cutting our sections to make room for the extra-long into the President wants, so he has to cut his section by 25 percent.

FWIW, aside from these suggestions, I think the draft is VERY GOOD.

-PAUL